



Vittoria

Assicurazioni

SOCIETÀ PER AZIONI
VIA IGNAZIO GARDELLA, 2 - 20149 MILAN - ITALY
EURO 67,378,924 FULLY PAID-UP
TAX CODE AND MILAN COMPANIES' REGISTER
NO. 01329510158 – REA No. 54871
ENTERED IN THE REGISTER OF INSURANCE AND REINSURANCE COMPANIES – SECTION I NO.1.00014
COMPANY BEING PART OF VITTORIA ASSICURAZIONI GROUP
ENTERED IN THE REGISTER OF INSURANCE GROUPS UNDER NO. 008
SUBJECT TO THE DIRECTION AND COORDINATION
BY THE PARENT COMPANY YAFA S.P.A.

Business report for the 101st year

2022 Annual Report & Accounts

(Translation from the Italian original which remains the definitive version)

Contents	page
Corporate bodies and officers	4
Directors' report	7
2022 Balance Sheet & Income Statement	54
Explanatory Notes to Financial Statement	74
Format and content of year-end financial statements	74
Reclassified Balance Sheet	75
Reclassified Individual Profit and Loss account	77
Part A – Accounting policies	78
Part B - Information on Balance Sheet and Income Statement	93
Balance Sheet	93
Income Statement	120
Tax schedules	129
Part C - Other information	132
Appendices 1-32 to Explanatory Notes	143
Board of statutory auditors' report	202
Independent auditor's report	208

Board of Directors

Carlo ACUTIS Andrea ACUTIS Adriana ACUTIS	Chairman Emeritus Chairman Deputy Chairman
Cesare CALDARELLI	Managing Director
Massimo ANTONARELLI Luciano GOBBI Josef Karl MAREK Giorgio MARSIAJ Maria Antonella MASSARI Urs MINDER Lodovico PASSERIN D'ENTREVES* Luca PAVERI FONTANA Giuseppe SPADAFORA	Independent Director Independent Director Independent Director Independent Director Independent Director Independent Director Independent Director Non-executive Director Non-executive Director
David MONTI	Secretary

* Efficacy of appointment dated 04/28/2022 assumed effective
06/10/2022

Board of Statutory Auditors

Giuseppe CERATI	Chairman
Giovanni MARITANO Francesca SANGIANI	Standing statutory auditor Standing statutory auditor
Luca LAURINI Silvia MOLINO	Substitute statutory auditor Substitute statutory auditor

GENERAL MANAGEMENT

Matteo CAMPANER	Joint General Manager
Luca ARENSI Paolo NOVATI	Co-General Manager Co-General Manager
Enzo VIGHI	Deputy General Manager

INDEPENDENT AUDITOR

KPMG S.p.A.

**APPOINTMENTS AND REMUNERATION
COMMITTEE**

Maria Antonella MASSARI	Independent non-executive chairman
Luciano GOBBI	Independent non-executive member
Luca PAVERI FONTANA	Non-executive member

INTERNAL CONTROL COMMITTEE

Massimo ANTONARELLI	Independent non-executive chairman
Luciano GOBBI	Independent non-executive member
Maria Antonella MASSARI	Independent non-executive member

FINANCE COMMITTEE

Andrea ACUTIS	Non-executive chairman
Adriana ACUTIS	Non-executive member
Carlo ACUTIS	Non-executive member
Cesare CALDARELLI	Executive member
Luciano GOBBI	Independent non-executive member
Luca PAVERI FONTANA	Non-executive member
Giuseppe SPADAFORA	Non-executive member

REAL ESTATE COMMITTEE

Andrea ACUTIS	Non-executive chairman
Adriana ACUTIS	Non-executive member
Carlo ACUTIS	Non-executive member
Cesare CALDARELLI	Executive member
Luca PAVERI FONTANA	Non-executive member
Giuseppe SPADAFORA	Non-executive member

RELATED-PARTY COMMITTEE

Maria Antonella MASSARI	Independent non-executive chairman
Luciano GOBBI	Independent non-executive member

Directors' report

Contents

Strategic objectives.....	11
Review of operating performance	12
Life Business.....	14
Non-Life business	16
Reinsurance.....	21
Commercial organisation	22
Products - Research and development.....	23
Overhead costs – direct business.....	24
Operating costs – direct business.....	24
Investments	25
Real estate.....	28
Fixed-income securities, investments and mutual investment funds.....	28
Investments benefiting Life policyholders who bear related risk and relating to pension fund management	33
Non-convertible fixed-rate subordinated bond loan.....	33
Risk Report	34
Report on corporate governance and ownership structure	44
Human resources.....	46
Relations with the Supervisory Authority.....	47
Solvency Capital Requirements	48
Consolidated Non-Financial Statement for 2021 FY	48
Management and coordination.....	49
Intragroup and related-party transactions	50
Performance in the first months of the 2022 financial year and business outlook....	51
Allocation of earnings.....	52

€/million

Main Key Performance Indicators			
	31/12/2022	31/12/2021	Δ %
Non Life business			
Gross Written Premiums - direct Non Life business	1,325.0	1,263.4	4.9%
(1) - Loss Ratio (retained)	69.2%	60.6%	8.6
(2) - Combined Ratio (retained)	96.3%	87.5%	8.8
(3) - Expense Ratio (retained)	27.1%	26.9%	0.2
Non Life business technical balance (before transferral of technical profits from investments)	50.1	150.7	(66.8)%
Ordinary net investment income	25.0	5.6	n.s.
Next extraordinary income from investment	7.9	7.2	n.s.
Other income and expenses	4.3	(32.4)	(113.4)%
Taxes	(22.4)	(41.0)	(45.3)%
Non Life business net technical balance	64.9	90.1	(28.0)%
Life business			
Gross Written Premiums - direct Life business	354.3	327.3	8.3%
(4) Annual Premium Equivalent (APE)	54	45.0	20.0%
Segregated fund performance: Rendimento Mensile	2.90%	3.58%	(0.68)
Segregated fund performance: Obiettivo Crescita	2.81%	3.07%	(0.26)
Segregated fund performance: Valore Crescente	4.75%	4.08%	0.67
Segregated fund performance: Vittoria Previdenza	2.89%	3.02%	(0.13)
Segregated fund performance: Obiettivo Rendimento	3.00%	3.15%	(0.15)
Segregated funds assets	1,788.6	1,655.0	8.1%
Index/Unit - linked and Pension funds assets	237.1	195.5	21.3%
Life business technical balance	(6.2)	1.6	n.s.
Life business net technical balance	(2.3)	11.9	(119.5)%
Total Agencies	490	480	10
Average number of employees	550	538	12
Investments with the risk borne by the Company	4,326.9	4,092.6	5.7%
Overhead costs as a % of GWP - direct business	7.4%	7.5%	(0.1)
Total net ordinary and extraordinary income from investments with risk borne by the Company	63.8	73.9	(13.6)%
Profit (loss) before taxation	84.0	148.1	(43.3)%
Net profit (loss)	62.5	102.1	(38.8)%
Shareholders' equity	768.6	736.5	4.4%
ROE	8.3%	14.6%	(6.3)
Dividend per share	0.47	0.47	n.v.

Legend

- 1) Loss Ratio – retained business: the ratio of current year claims to current year earned premiums;
- 2) Combined Ratio – retained business: the ratio of (current year claims + operating costs + intangible assets amortization + technical charges) to current year earned premiums;
- 3) Expense Ratio – retained business: the ratio of (operating costs + intangible assets amortization + net technical charges) to current year earned premiums;
- 4) APE (Annual Premium Equivalent): the sum of total premium business and 10% of sales of single premium business.

Dear Shareholders,

The 101st FY financial statements that are submitted for your approval show a net income of 62,540 thousand euro, down by 38.8% compared to the outcome of 2021 year (102,051 thousand euro). This result should be seen in the context of an exceptionally negative economic environment, which has led to a rise in the inflation rate, causing Central Banks to raise interest rates rapidly and significantly.

The extraordinariness of this inflationary period has negatively affected the technical result of the Non-Life insurance segment by affecting, for fiscal year 2022, the average cost of claims of which, in addition, an increasing frequency is noted in the Motor Liability segment, following the resumption of circulation after the loosening of national "lockdowns" that occurred during the pandemic period. The gradual deterioration in the Non-Life lines of business is a result of the higher incidence of large claims and the greater periodicity of occurrence of natural events. In this context, the decrease in the average MTPL premium also negatively affected the underwriting result. As a result, the Company has taken steps to remedy the insufficiency of the average MTPL premium. In fact, a gradual campaign to increase these premiums is underway, which will fully unfold its effect over the next two years. Also with regard to the increase in weather-related claims, the contractual terms and conditions of the most affected lines of business will be progressively modified so as to mitigate the negative impact on the result. In addition, stricter criteria have been introduced for underwriting new contracts that provide for such guarantees.

The actions put in place lead us to expect, starting in 2023, a gradual return to the results recorded in past years, bringing the retained combined ratio currently at 96.3% (87.5% as of December 31, 2021), in line with previous years.

Thanks to the commercial actions put in place aimed at consolidating and developing the existing portfolio, premium income recorded an overall increase of 5.6%, mainly due to the contribution recorded in the Elementary Businesses (+14.6%). Total premiums written as of December 31, 2022 amounted to 1,679,423 thousand euro (1,590,804 thousand euro as of December 31, 2021) with an increase in Non-Life Business of 4.9% and an increase in Life Business of 8.3%.

Investments, which are more detailed in the chapter "Capital Investments", totaled 4,563,948 thousand euro (+6.4% compared to December 31, 2021). The development of monetary policies announced by the Central Banks towards the end of last year (subsequently implemented during 2022) and the exceptional nature of the events that occurred during the year caused mainly by the Russian-Ukrainian conflict that broke out towards the end of February, led to the sale of bonds for 514,551 thousand euro, of which 369,332 thousand euro related to securities assigned to the durable segment, realizing net capital gains of 8,264 thousand euro, of which 6,725 thousand euro related to securities assigned to the durable segment.

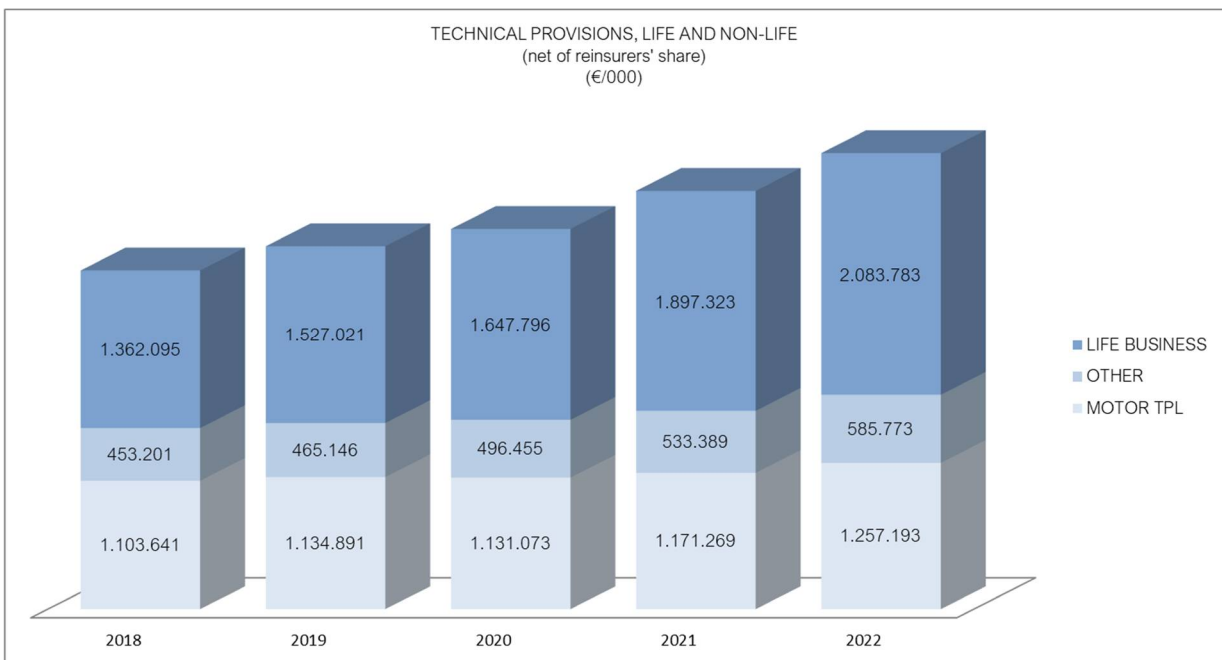
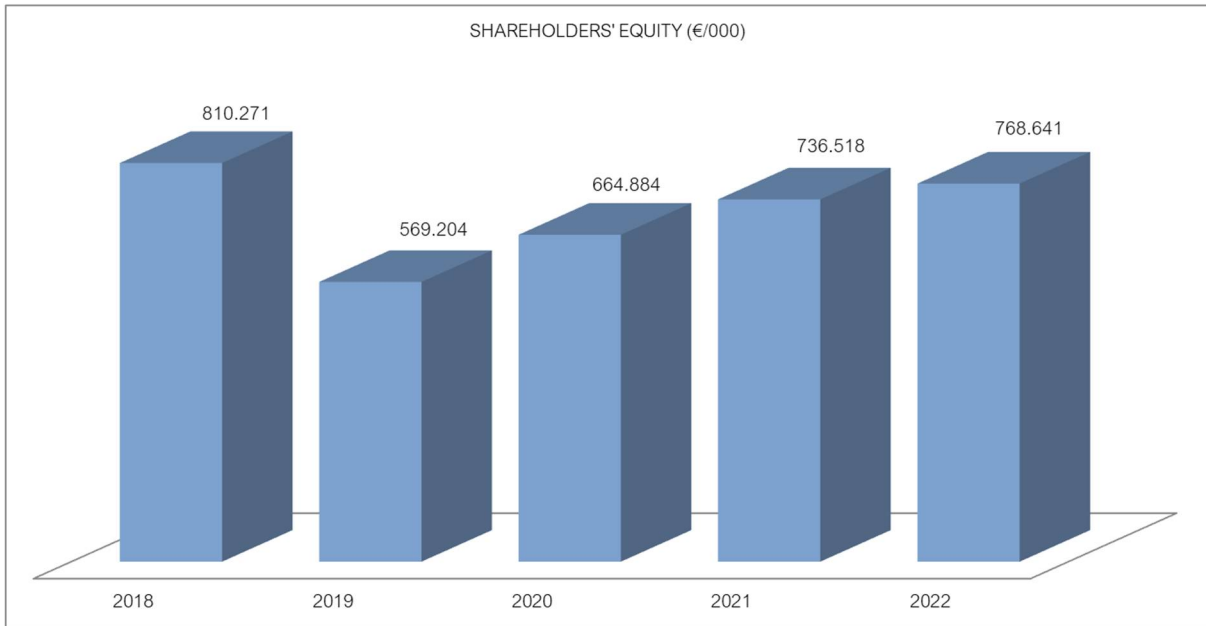
Group's shareholders' equity* (IAS/IFRS accounting principles) amounted to 645,270 thousand euro, down 23.4% from the shareholders' equity of 842,671 thousand euro recorded as of December 31, 2021, due to the reduction in the market value of available-for-sale financial assets. In relation to the nature, maturities, and diversification of the bonds in the portfolio, the capital losses resulted mainly from the performance of bond yields, which increased significantly in the latter part of 2022 and did not result from an actual deterioration in the credit quality of the issuers. In fact, no permanent write-downs in their value were made during 2022.

Group's net profit totalled 74,779 thousand euro (-26.2% compared with the net profit of 101,313 thousand euro in the previous year).

The Solvency II ratio as of December 31, 2022 is 190.1% (192.8% as of December 31, 2021).

* The Group definition refers to Vittoria Assicurazioni S.p.A. and to companies consolidated by it.

The following charts show local shareholders' equity trend and technical provisions amount in the last five FYs:



Strategic objectives

Vittoria Assicurazioni operates in all the insurance sectors and bases its activity on a long experience in the insurance field, gained from 1921 to today, for the protection of people, family and companies.

The main objective is to comply with the contractual commitments towards the Insured in a timely fashion and in the correct manner, obtaining an adequate profit margin.

This objective is supported by the achievement of technical profitability, by a policy focused on the consolidation of the acquired portfolio, by the loyalty of existing customers, but also by the increase in market share in the Non-Life Classes and by the acquisition of new production in the Life Class.

In carrying out its activities, the Company pays attention to the management of its risk profile mainly through:

- accurate risk pricing, achieved through segmentation of the portfolio into customer clusters, geographical area and belonging to specific interest groups;
- support to the sales network (which is the first filter in portfolio selection) through continuous training, constant technological support and a company interface characterised by strong technicality and decision-making streamlining;
- a stable and technically prepared management that guarantees guidelines consistent over time both in terms of underwriting and settlement;
- a low-risk investment policy (mainly to support the technical business) driven by the profile of insurance liabilities, without neglecting the search for adequate returns through portfolio diversification, also with investment property focusing on corporate sector, quality property and economically profitable areas;
- the protection of the Company's financial solidity and a balanced trade-off between profitability and solvency requirements in the long run;
- a structured and effective governance.

Review of operating performance

The following table compares, for each line, written premiums in FYs 2022 and 2021 and their contribution to the total portfolio mix:

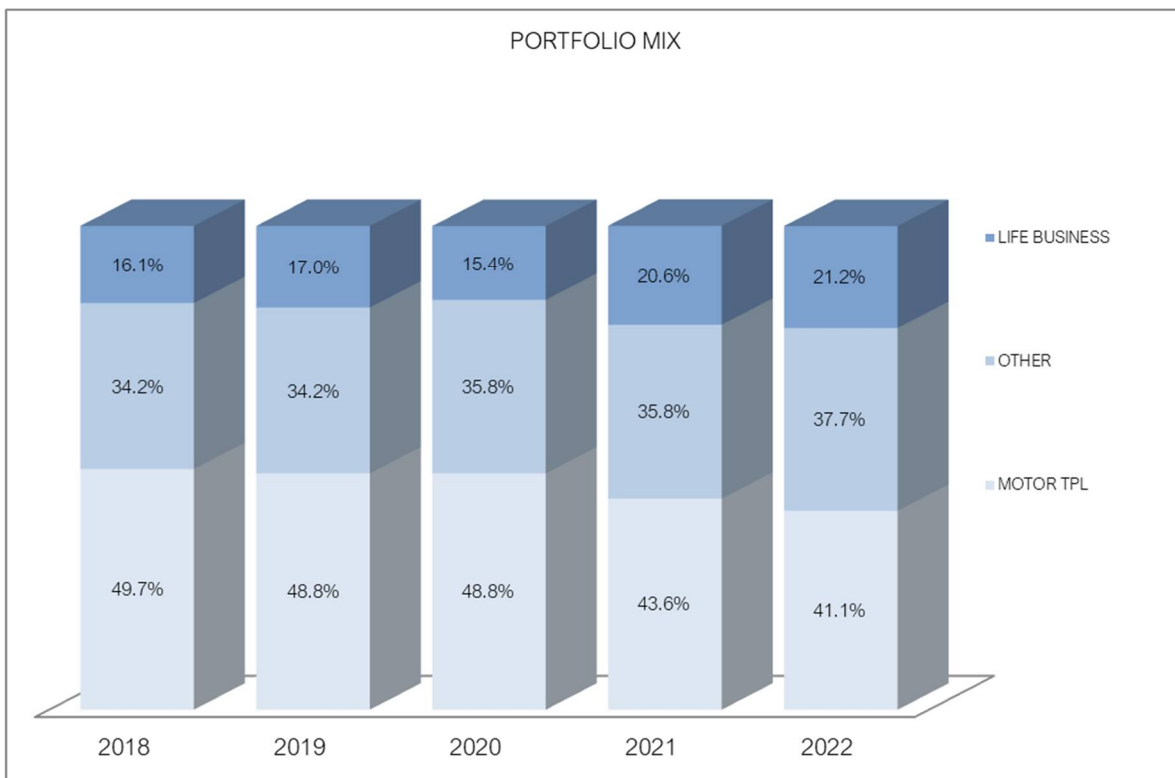
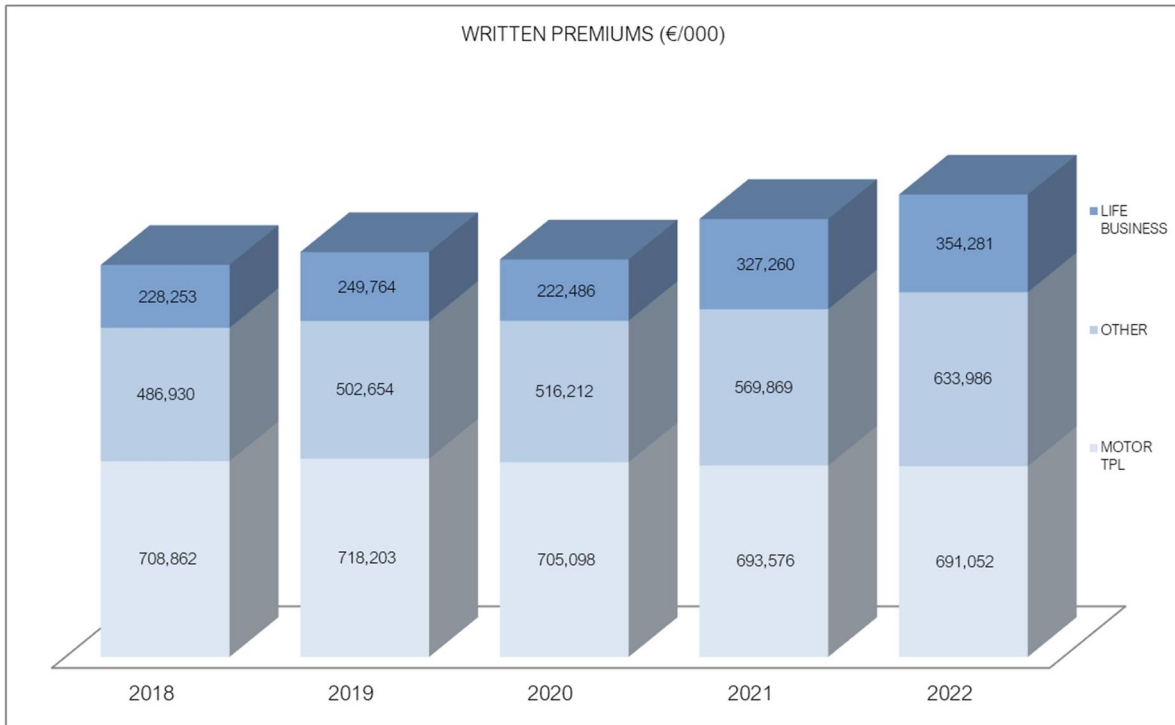
COMPARISON BETWEEN GROSS PREMIUMS WRITTEN IN 2021 AND 2020 DIRECT AND INDIRECT BUSINESS

	(€/000)				
	31/12/2022	31/12/2021	YoY change %	% of total book	
				2022	2021
Domestic direct business					
Life business					
I Whole- and term life	269,698	251,520	7.2	16.2	15.8
III Unit-linked policies	80,265	71,958	11.5	4.8	4.5
IV Health (long-term care)	1,956	1,525	28.3	0.1	0.1
V Capitalisation	16	28	-42.9	0.0	0.0
VI Unit trust management	2,346	2,229	5.3	0.1	0.1
Total Life business	354,281	327,260	8.3	21.2	20.5
Non-Life business					
Accident	107,953	102,421	5.4	6.4	6.5
Health	22,394	17,322	29.3	1.3	1.1
Fire and natural events	103,077	88,948	15.9	6.1	5.6
Miscellaneous damage	69,621	55,505	25.4	4.1	3.5
General TPL (third-party liability)	93,730	85,804	9.2	5.6	5.4
Pecuniary losses	22,812	15,820	44.2	1.4	1.0
Legal protection	8,980	8,104	10.8	0.5	0.5
Total non-marine lines (exc. specialty and motor)	428,567	373,924	14.6	25.4	23.6
Railway rolling stock	30	35	-14.3	0.0	0.0
Aircraft hulls	1	1	0.0	0.0	0.0
Marine hulls	2,568	2,022	27.0	0.2	0.1
Cargo insurance	3,469	3,007	15.4	0.2	0.2
Aviation TPL	1	1	0.0	0.0	0.0
Credit insurance	52	11	n.s.	0.0	0.0
Bond insurance	3,678	3,584	2.6	0.2	0.2
Total specialty lines	9,799	8,661	13.1	0.6	0.5
Third-party motor liability	691,052	693,576	-0.4	41.1	43.6
Third-party marine liability	1,327	1,258	5.5	0.1	0.1
Motor vehicle hulls	159,549	153,198	4.2	9.5	9.6
Support and assistance	34,744	32,828	5.8	2.1	2.1
Total motor lines	886,672	880,860	0.7	52.8	55.4
Total Non-Life business	1,325,038	1,263,445	4.9	78.8	79.5
Total direct business	1,679,319	1,590,705	5.6	100.0	100.0
Domestic indirect business					
Non-Life business	104	99	5.1	0.0	0.0
Total indirect business	104	99	5.1	0.0	0.0
Grand Total	1,679,423	1,590,804	5.6	100.0	100.0

With regard to the Italian insurance market, it is noted that premiums as up to 30 September 2022 (latest Ania Trends data) show, compared to the same period of last year, a decrease in Life business of 11.0% and an increase in Non-Life business of 4.8% (-2.8% of which is Motor Third Party Liability).

The following charts highlight premium volume and portfolio breakdown in the last five FYs.

Italian Direct Business



Life Business

The range of products currently distributed by Vittoria Assicurazioni covers all insurance line of businesses. Vittoria Assicurazioni distributes products ranging from savings (“revaluable” policies relating to segregated funds), protection (policies covering risks of death, disability and non-self-sufficiency – long-term care) and supplementary pension plans (individual pension schemes and open-ended pension fund). The range offers also unit-linked policies and composite products, which are the investment solutions combining the potential return arising from insurance internal funds or investment funds (Lob III) and the security of the segregated fund (Lob I). The Company continues with the strategy of limiting the revaluable single-premium products linked to segregated funds. The commercialized segments include also policies that provide for the possibility of converting the accrued benefit into annuity: the conversion takes place at the conditions in force when the option is exercised. The tariff types applied are mixed, fixed term, entire life and temporary, both in the form of annual premium and in the single premium, as well as group rates for the case of death and / or disability. The contractual conditions are constantly updated and are in line with those commonly offered by the market.

The key features of FY2022 are summarised in the following table, where they are compared with data of the previous FY2021:

LIFE Business - 2022 Results - Net of reinsurance								(€/000)	
	2022 Results			2021 Results			Change	%	
	Non - linked	Linked	Total	Non - linked	Linked	Total			
Premium Income	269,457	82,610	352,068	251,244	74,188	325,432	26,636	8.2	
Other technical Income/(Costs)	811	3,343	4,154	-100	2,438	2,338	1,816	77.7	
Change in Technical Provisions	-150,070	-41,224	-191,294	-177,193	-78,521	-255,714	64,420	-25.2	
Claims paid	-136,484	-12,610	-149,094	-101,035	-9,640	-110,675	-38,419	34.7	
Overheads	-17,276	-6,769	-24,045	-16,054	-4,715	-20,769	-3,276	15.8	
Ordinary and Extraordinary Investment net income	31,572	-26,601	4,972	61,245	15,086	76,330	-71,358	-93.5	
Operating Profit before Tax	-1,990	-1,251	-3,239	18,107	-1,164	16,942	-20,182	-119.1	

In FY2022 segregated funds achieved the returns shown in the following table. The rate of return allocated to policyholders complies with the specific contractual terms stipulated:

	Rate of return		Total Assets	
	2022	2022	2021	2021
Vittoria Rendimento Mensile *	2.90%	691,844	3.58%	739,031
Vittoria Valore Crescente *	4.75%	72,129	4.08%	73,960
Vittoria Obiettivo Crescita *	2.81%	493,423	3.07%	488,810
Vittoria Previdenza **	2.89%	213,484	3.02%	187,423
Vittoria Obiettivo Rendimento *	3.00%	317,741	3.15%	165,768

* Observation period: 01/01/2022 - 31/12/2022

** Observation period: 01/10/2021 - 30/09/2022

Premiums

The Premiums for direct Life business amounted to 354,281 thousand euro, compared to 327,260 thousand euro in the previous year (+8.3%) and are broken down as follows:

	(€/000)				
	Year 31/12/2022	Year 31/12/2021	YoY change %	% of total book	
				2022	2021
Annual premiums	100,331	82,918	21.0	28.3	25.3
Single premiums	253,950	244,342	3.9	71.7	74.7
Total Life business	354,281	327,260	8.3	100.0	100.0

Claims, accrued capital sums & annuities, and surrenders

The following table summarises data for direct business relating to claims, accrued capital sums and annuities and surrenders (net of liquidation expenses), compared to data of previous year, with reference to line of business "I", "IV" and "V".

	(€/000)		
	31/12/2022	31/12/2021	YoY change %
Claims	27,380	21,749	25.9
Accrued capital sums & annuities	27,733	18,627	48.9
Surrenders	81,007	60,213	34.5
Total	136,120	100,588	35.3

Surrenders and claims relating to investments for which policyholders bear the risk (Lobs III unit- and index-linked policies and VI, open-ended pension fund) totalled 12,497 thousand euro vs. 9,546 thousand euro in FY2021.

Technical performance

Premiums increased by 8.3% compared to 31 December 2021 thanks to the improved performance of all intermediaries. The trend in settlements shows an increase for all types of settlements, in particular for surrenders the increase is also related to some large positions related to capitalization contracts (class V) whose return was linked to old generation separate management schemes, which were settled in the last quarter of 2022.

Non-Life business

Technical result

The following table shows – in total and by line of business – the technical results of direct and indirect business, net of related outward reinsurance, equalisation (i.e. smoothing) reserves – compared with the same data for the previous FY. The result shown does not take into account the allocation of investment income earned during the FY.

Non Life Business - 2022 Results				(€/000)
Line of business				
Code	Description	2022 Technical result	2021 Technical result	YoY Change %
01	Accident	30,422	32,476	(6.3)
02	Health	305	52	n.s.
03	Land motor vehicle hulls	21,040	33,087	(36.4)
04	Railway rolling stock	8	11	(27.3)
05	Aircraft hulls	2	8	(75)
06	Marine hulls	(458)	(452)	1.3
07	Cargo insurance	(26)	291	(108.9)
08	Fire and natural events	(11,506)	550	n.s.
09	Miscellaneous damage	(7,696)	(7,574)	1.6
10	Motor TPL	(34,680)	50,647	(168.5)
11	Aviation TPL	-	(1)	n.s.
12	Marine TPL	117	328	(64.3)
13	General TPL	24,700	18,563	33.1
14	Credit insurance	1,450	695	108.6
15	Bond insurance	1,162	(910)	n.s.
16	Pecuniary losses	13,224	11,852	11.6
17	Legal protection	3,663	2,846	28.7
18	Support and assistance	8,338	8,236	1.2
Total Non-Life businesses		50,065	150,705	(66.8)

Technical performance

Technical management trend shows a decrease compared to the previous year, mainly due to the motor lines.

The following sets out the considerations for the different lines of business:

NON-MARINE BUSINESSES

Premiums of non-marine line of business increased by 14.6% compared to the previous year. The number of policies in the portfolio of the Lob was increased by 8.3% compared to the previous year.

The technical result is positive, down from the previous year, due to a higher incidence of weather event claims affecting the "Fire and Natural Elements" and "Miscellaneous damages" lines of business.

More specifically, each line of business featured the following technical results:

Accident: premiums recorded an increase of 5.4%, with a positive technical result slightly down from the previous year due to a higher incidence of peak claims.

Disease: premiums shows an increase of 29.3%, thanks in part to the development of group policies. The technical result is positive, improving from the previous year.

Fire and natural events: premiums increased by 15.9%, thanks in part to the consolidation of cooperation with the broker channel in the corporate line. The technical result is negative, worsening from last year due to the higher incidence of claims related to natural events. Already from the first months of FY 2023, the tariff and contract terms related to weather event risk coverage have been revised.

Miscellaneous damages: premiums, which include coverage for theft, hail, and damage to electrical and utility systems in the home, increased by 25.4%. The negative underwriting result was affected by the incidence of claims from natural events, which affected the housing segment.

General Third-Party Liability: premiums increased by 9.2% compared with the previous year. The technical balance is positive, improving from the previous year, thanks in part to ongoing reform efforts.

Miscellaneous financial losses: written premiums showed an increase of 44.2%, thanks in part to the development of premiums in the zootechnical branch related to livestock coverage. The Branch has a positive underwriting balance, an improvement over the previous year.

Legal protection: written premiums increased by 10.8%. The line maintains a positive technical result, improving from the previous year.

SPECIALTY BUSINESSES

Premiums increased by 13.1% thanks to the positive contribution of Cargo Insurance and Watercraft (sea, lake, and river) hulls and railway rolling stock.

The technical result is positive, a marked improvement over the previous year, thanks to the positive contribution of the credit and surety business.

In particular:

Watercraft (sea, lake, and river) hulls and railway rolling stock: premiums increased by 27%, thanks in part to the development of the channel through specialized brokers in the sector. The technical balance is negative, because the reform actions initiated have not yet generated their effects.

Cargo (goods in transit): written premiums increased by 15.4%. The overall technical result is deteriorating from the previous year, partly due to a higher incidence of cargo damage claims arising from road traffic. Necessary reform actions have already been initiated.

Credit: the Lob includes exclusively the risks relating to the Salary-Backed Loans which continues the management of the ongoing portfolio and the launch of development resumption initiatives. The technical result is positive, an improvement over the previous year.

Surety: written premiums increased by 2.6% and a significantly improved technical balance from the previous year, thanks in part to a lower incidence of large claims.

MOTOR BUSINESSES

The negative technical result, down significantly from the positive result in the previous year, is due to the lower profitability of the Land motor vehicle hulls line of business and the negative result recorded in the Third-party liability for land motor vehicles and for watercraft (sea, lake, and river) line of business, as shown below.

Premiums recorded an increase of 0.7%. The number of policies in the segment's portfolio is up 0.8% from the previous year.

In particular:

Land motor vehicle hulls: premiums increased by 4.2%, thanks to the development of supplementary guarantees combined with Motor TPL Lob.

The technical result remained positive, but down significantly from the previous year, due to the higher incidence of the cost of weather-related claims. The tariff and contract terms related to weather-related risk coverage were revised.

Third-party liability for land motor vehicles and for watercraft (sea, lake, and river): the technical result is negative due to the combined effect of several factors: the evolution of the average premium paid by policyholders, also detected at the market level, the increase in the claims frequency resulting from the resumption of circulation, and the increase in the average cost of claims, resulting in particular from the inflationary phenomena described above. Therefore, the necessary actions to bring the Branch's performance back into balance have been intensified, starting as early as the second half of 2022.

Assistance: premiums increased by 5.8% and the technical result is positive moderately improving.

Claims

Reported claims

The following chart, concerning the number of reported claims, has been prepared using data from positions opened during the year; data are compared with those for 2021:

	Number of Reported claims		YoY Change %	Number of Reported claims without consequences		YoY Change %	Number of Reported claims closed		YoY Change %
	31/12/2022	31/12/2021		31/12/2022	31/12/2021		31/12/2022	31/12/2021	
Accident	12,040	10,362	16.2%	3,057	2,429	25.8%	5,548	4,761	16.5%
Health	15,154	5,158	193.8%	1,747	759	130.3%	12,479	3,711	n.s.
Fire and natural events	11,826	8,881	33.1%	2,283	1,865	22.4%	7,817	5,733	36.4%
Miscellaneous damage	27,035	24,932	8.4%	4,222	4,131	2.2%	20,146	18,720	7.6%
General TPL (third-party liability)	10,337	9,321	10.9%	3,121	2,544	22.7%	4,933	4,670	5.6%
Pecuniary losses	14,169	382	n.s.	486	94	n.s.	11,167	228	n.s.
Legal protection	881	303	190.8%	179	34	n.s.	212	42	n.s.
Total non-marine lines	91,441	59,340	54.1%	15,096	11,856	27.3%	62,302	37,864	64.5%
Marine hulls	171	139	23.5%	9	14	-38.6%	55	53	3.8%
Cargo insurance	458	472	-3.0%	27	37	-26.4%	186	190	-2.1%
Credit insurance	70	72	-2.8%	12	13	-7.7%	16	3	n.s.
Bond insurance	34	39	-13.8%	7	7	-4.1%	3	4	-25.0%
Total specialty lines	733	722	1.5%	55	71	-23.1%	260	250	4.0%
Third-party motor liability	142,098	133,889	6.1%	22,698	19,818	14.5%	92,002	87,773	4.8%
Third-party marine liability	133	77	72.7%	28	24	16.7%	47	23	104.3%
Motor vehicle hulls	63,835	57,579	10.9%	2,726	2,302	18.4%	47,985	44,133	8.7%
Support and assistance	90,928	71,067	27.9%	1,760	153	n.s.	80,850	64,258	25.8%
Total motor lines	296,994	262,612	13.1%	27,212	22,297	22.0%	220,884	196,187	12.6%
Total Non-Life businesses	389,169	322,674	20.6%	42,362	34,224	23.8%	283,446	234,301	21.0%

Motor TPL received no. 97,520 reports of claim events to be managed as originator (+4.7% compared to 31 December 2021) and the total cost, net of the recovery of the lump-sum paid by the debtor companies, amounted to 66,557 thousand euro (+2.0% compared to 31 December 2021).

Claims paid

The gross cost of all generations of claims, which comprises the cost of the claims handling organisation, is shown in Appendix 19 to the Explanatory Notes. The following table shows the amount of claims paid for direct business, net of recoveries, and the amount charged to reinsurers, with the data broken down by Lob and the period to which claims refer:

	(€/000)									
	Claims paid 31/12/2022			Claims recovered from reinsurers	Claims paid 31/12/2021			Claims recovered from reinsurers	Change gross claims %	Change claims recovered from reinsurers %
	Current year	Previous years	Total		Current year	Previous years	Total			
Accident insurance	12,202	19,635	31,837	126	10,612	18,064	28,676	60	11.0	110.0
Health insurance	8,014	3,675	11,689	48	5,842	3,890	9,732	8	20.1	500.0
Fire and natural events	29,222	17,170	46,392	6,672	21,668	21,653	43,321	13,687	7.1	(51.3)
Miscellaneous damages	35,380	9,258	44,638	4,041	30,768	8,076	38,844	3,102	14.9	30.3
Third-party general liability	7,738	15,716	23,454	85	7,081	15,207	22,288	(3)	5.2	n.v.
Pecuniary losses	4,235	(774)	3,461	3,582	305	(1,432)	(1,127)	45	n.v.	7,860.0
Legal protection	44	359	403	345	17	305	322	278	25.2	24.1
Total non-marine businesses	96,835	65,039	161,874	14,899	76,293	65,763	142,056	17,177	14.0	(13.3)
Railway vehicles	-	-	-	-	-	11	11	-	n.v.	n.v.
Third-party aviation liability	-	-	-	-	-	(53)	(53)	(45)	n.s.	n.s.
Third-party marine liability	479	966	1,445	4	409	1,049	1,458	-	(0.9)	n.v.
Cargo insurance	277	1,086	1,363	16	252	621	873	5.0	56.1	n.s.
Credit insurance	24	(95)	(71)	-	-	(492)	(492)	-	n.s.	n.s.
Bond insurance	1,264	3,405	4,669	2,283	520	4,570	5,090	2,789	(8.3)	(18)
Total Special businesses	2,044	5,362	7,406	2,303	1,181	5,706	6,887	2,749	7.5	(16.2)
Third-party motor liability	232,175	278,450	510,625	101	213,904	261,368	475,272	532	7.4	-81.0
Third-party marine liability	274	377	651	-	154	432	586	-	11.1	n.s.
Motor vehicle hulls	59,358	24,065	83,423	8,333	52,973	19,136	72,109	7,862	15.7	6.0
Support and assistance	9,839	1,822	11,661	10,134	7,484	2,035	9,519	8,290	22.5	22.2
Total motor businesses	301,646	304,714	606,360	18,568	274,515	282,971	557,486	16,684	8.8	11.3
Total Non-Life businesses	400,525	375,115	775,640	35,770	351,989	354,440	706,429	36,610	9.8	(2.3)

The additional cost borne in the current year for the road-accident victim guarantee fund was 16,387 thousand euro compared to 16,462 thousand euro of the previous year.

Claims settlement speed

The following table illustrates how quickly reported claims (by number) were paid net of claims eliminated without consequences, broken down by current generation and previous generation in reference to the main lines of business:

	(percentages)			
	current generation		previous generations	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Accident insurance	61.75	60.01	67.94	67.60
Health insurance	93.08	84.35	73.94	80.58
Motor vehicle hulls	78.52	79.84	79.93	82.61
Fire and natural events	81.92	81.71	72.59	76.09
Miscellaneous damages - theft	88.31	89.99	90.77	89.22
Third-party motor liability	77.03	76.93	67.95	66.72
Third-party general liability	68.36	68.91	34.61	36.84

Anti-fraud activities

Claims which are presumed to be possible cases of fraud are handled with anti-fraud criteria established by the company's guidelines.

Savings for the year in relation to the Motor TPL business, quantified in accordance with Law 27/2012 implemented by Regulation ISVAP no. 44, amounted to 7.2 million euro (6.6 million euro as at 31 December 2021).

As a result of the deepening in relation to fraud risk, savings of 6.7 million euro were achieved for claims that have been defined without result (6.1 million euro as at 31 December 2021) and 0.5 million euro for claims definitively settled (0.5 million euro as at 31 December 2021), compared to the assessed value posted to technical provisions.

Claims reserve run-off – Retained risks

The claims reserve existing at the beginning of FY2020, compared with costs borne in the year for previous years' claim events - consisting of payments made and year-end reserving for claims yet to be paid – showed, for the only direct business, a surplus of 17,188 thousand euro, i.e. 1.4% of opening reserves, as highlighted in the following table:

Retained Risks	(€/000)		
	2022	2021	YoY change %
Claims reserve brought forward	1,259,752	1,199,449	5.0
Amounts paid in the year related to claims occurred in previous years	(370,577)	(350,203)	5.8
Balance of claims recovered or to be recovered by policyholders	12,788	15,915	(19.6)
Claims reserve carried forward	(884,787)	(830,291)	6.6
Balance of portfolio transfers	12	0	n.s.
Aggregate profit (loss) development table	17,188	34,870	(50.7)
% of incidence on claims reserve brought forward	1.4	2.9	(1.5)

Reinsurance

LIFE BUSINESS

Outward reinsurance

In the Life business, with respect to Lob "I", there is an excess of loss treaty per head and catastrophe, to protect the portfolio.

Ceded premiums in FY22 amounted to 2,214 thousand euro (1,828 thousand euro as at 31 December 2021).

Inward reinsurance

The Life business inward reinsurance refers to a traditional quota share treaty in run-off, which only records changes occurring in the related portfolio.

NON-LIFE BUSINESS

Outward reinsurance

As far as outward reinsurance is concerned, the corporate policy is based on selective underwriting of risks and on book development and entity in relation to the risks covered. It aims to balance net retention. Transactions are undertaken internationally with players in the reinsurance markets featuring high ratings.

The main treaties in place are the following:

Excess of Loss: Accident, Motor vehicle Hulls, Marine Hulls, Cargo (goods in transit), Fire and natural events, Motor TPL and General TPL;

Quota Share: Suretyship, Legal protection, Assistance and Miscellaneous damage in relation to Hail, Engineering risks and ten year guarantees and Fire concerning the catastrophe events Earthquake, Flood and Flash Flood. A transfer of pure quota is also active for "Cyber" risk, which concerns the line Assistance, General TPL, Pecuniary Losses and Miscellaneous damage.

Ceded premiums in FY22 amounted to 72,734 thousand euro (51,631 thousand euro as at 31 December 2021).

Inward reinsurance

Acceptance of risks relating to the indirect business mainly arises from participation in syndicates and from acceptance of shares in Italian businesses, which are entered into voluntarily.

As regards credit risk, we highlight the fact that Vittoria Assicurazioni makes use of top-level reinsurers. The following table shows the balance sheet transactions in place as at 31 December 2022, by rating:

(€/000)

Rating	Current and Deposit accounts	Reinsurers' share of technical reserves	Total net balance sheet items	% of breakdown
AA+	-782	526	-256	-0.6
AA	-	105	105	0.2
AA-	-16,503	25,775	9,272	22.0
A+	-5,396	29,558	24,162	57.3
A	-1,098	4,720	3,622	8.6
A2	-941	2,973	2,032	4.8
A-	-111	1,922	1,811	4.3
Not rated	-3,869	5,302	1,433	3.4
Total	-28,700	70,881	42,181	100.0

Commercial organisation

The development activity has resulted in the opening of 16 new agencies and the reorganization of other 44 and the closure of 6 agencies; as at 31 December 2022 Vittoria Assicurazioni was nationally present with 490 General Agencies (480 as at 31 December 2021) and 1,177 Sub-Agencies Professional (1,179 as at 31 December 2021).

2022 was the first year in which it was possible to work in the area of Network Training with the new organizational model adopted in 2021, and a training plan was therefore implemented that was capable of proposing a customized offering for identified populations of intermediaries in order to concretely support the network in achieving the set business objectives.

A "clustering" model for the Network was then defined and consolidated, making the most of the needs analysis work carried out and identifying the best ways to deliver courses in line with the objectives outlined.

The 2022 plan also included new interventions designed with innovative methodologies for analyzing participant profiles and additional and more modern content delivery tools.

This transition was possible mainly due to the adoption, as of January 10, 2022, of the new Training Portal "iris".

The new portal, in fact, renewed in graphics and services, responds to the needs of the Network in terms of content, mode of use and monitoring tools. It easily guides in the identification of priority training paths, offering customized training paths according to the role. However, it also offers the possibility of training through an extensive and up-to-date "library," responding to the different business needs of individuals. Finally, Iris supports the Network in monitoring the status of its training booklet.

The goal of introducing various "digital training" tools has led to the continuation of the plan to evolve the Company's Training Portal in 2022.

With the health emergency over, with due caution and in compliance with current regulations, Vittoria, during 2022, reintroduced in-person training activities into its offerings, opting for the right mix of online and traditional learning, each for its own purpose.

Products - Research and development

During 2022, the non-life product "Vittoria con te - Salute e Benessere" was released, containing the insurance covers found in different accident and health products of the personal (retail) line marketed by the Company.

New covers for dental care and caregivers were also implemented. It is planned to include the new covers in the "Vittoria con te - Salute e Benessere" product during 2023.

In addition, during the year, the review for technical interventions and compliance with industry regulations of products in the Non-Life and Life lines continued.

In the Life Businesses, we report the marketing of the following products called:

- "Vittoria Protezione Welfare - Azienda" is a temporary one-year collective death case policy;
- "Vittoria Protezione Welfare - Azienda Plus" is a temporary one-year collective case of death and permanent disability.

The two products are aimed at companies that need to comply with obligations under the provisions of current collective labor agreements or under existing company contracts or agreements.

Superbonus

In support of energy and seismic upgrades, and in general those aimed at structural and aesthetic improvement of Italian real estate subject to tax relief (the so-called "Superbonus" and other deductions related to building work) under the "Decreto Relaunch", as from 2021, the Company also proposes to purchase tax credits originating from such reliefs.

Overhead costs – direct business

The total amount of personnel costs, other costs, and depreciation & amortisation charges, before allocation to specific functions, i.e. claims handling, business production organisation, and asset administration, amounted to 123,790 thousand euro vs. 120,083 thousand euro in 2021, with an increase of 3.1%.

Besides current operating expenses, these costs also include amortisation of investments in IT structures and processes aimed at containing, in future, overheads burdening the HQ and the agency network, whilst also improving services for policyholders as regards insurance cover and claims settlement.

The following table shows the breakdown of these costs, with "Other costs" consisting primarily of office operating costs, IT costs, legal and legal-entity costs, mandatory contributions, and association membership fees.

	(€/000)		
	31/12/2022	31/12/2021	Change %
Personnel expenses	65,703	61,141	7.5
Other costs	51,656	55,634	-7.2
Amortizations/Depreciations	6,431	3,308	94.4
Gross Operating Costs	123,790	120,083	3.1
Percentage of Premiums Written	7.4%	7.5%	-0.1

The increase in the item "Other costs" is mainly due to the expenses related to the advertising campaign launched by the Company during the year, also following the Centenary celebration. The decrease in the item "Depreciations and amortisations" is due to the revision of the residual useful life of the Management application systems, which in the previous year led to greater amortization.

Overheads recorded an incidence on the overall insurance income of 7.4% (direct business) (7.5% as at 31 December 2021).

Operating costs – direct business

The following table shows the breakdown of operating costs for direct business, calculated gross of commissions and reinsurer profit-sharing.

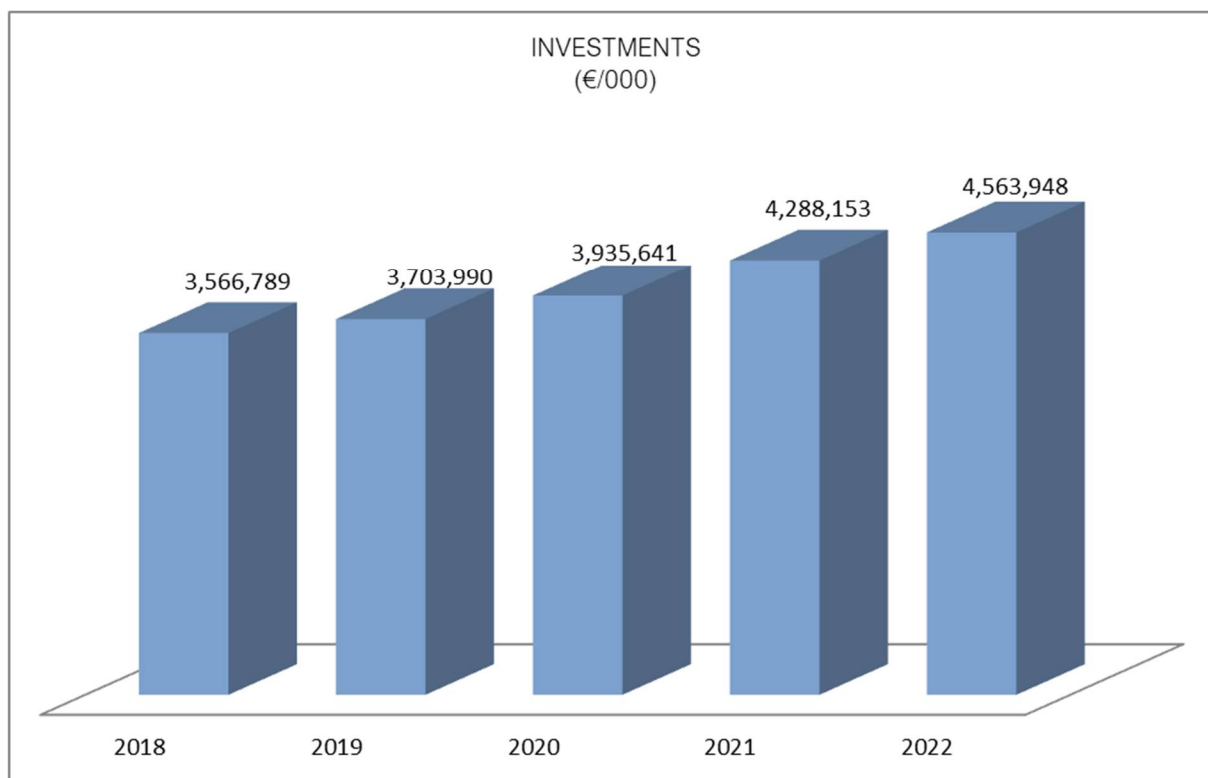
	(€/000)		
	31/12/2022	31/12/2021	Change %
Operating Costs, net of expenses transferred to acquisition, claims handling and investment management expenses (A)	87,306	90,296	-3.3
- Acquisition and collection costs	244,512	229,389	6.6
- Other acquisition costs	21,508	19,103	12.6
Total Acquisition Costs (B)	266,020	248,492	7.1
Total Overheads (A+B)	353,326	338,788	4.3
Percentage of Premiums Written	21.0%	21.3%	-0.3

Investments

Investments reached a value of 4,563,948 thousand euro with an increase of 6.4% YoY. Their breakdown is shown in the table below:

	(€/000)		
Investments	31/12/2022	31/12/2021	Change %
Land and buildings	142,766	145,604	(2.0)
Investments in group and other companies			
- Equity investments	450,498	466,021	(3.3)
- Loans	785	840	(6.6)
Other financial investments:			
- Equity investments	1,797	1,981	(9.3)
- OEIC Units	966,663	890,989	8.5
- Bonds and other fixed-interest securities	2,749,699	2,569,843	7.0
- Loans	14,685	17,348	(15.4)
Total investments where the company bears the risk	4,326,893	4,092,626	5.7
Investments benefiting life policyholders bearing the risk	237,055	195,527	21.2
Total investments	4,563,948	4,288,153	6.4
Bank accounts and cash-in-hand	7,790	6,315	23.4

Vittoria Assicurazioni continued the action aimed at diversification by asset classes of the investment portfolio during the year. Given the market conditions and the rates of return recognized on bonds, in order to guarantee an adequate return on the portfolio and a limited volatility, the share invested in UCITS has increased.



The following table shows net income from investments by splitting them in ordinary and extraordinary part.

	(€/000)		
	31/12/2022	31/12/2021	
Ordinary and extraordinary Income on investments (net of related costs)	Amount	Amount	Change %
Income on equity investments	6,118	3,196	91.4
Income (cost) on other investments:			
- land and buildings	(760)	(1,143)	(33.5)
- bonds and other fixed-interest securities	33,745	37,575	(10.2)
- income on OEIC Units	37,317	23,253	60.5
- interest on loans	202	211	(4.3)
- interest on deposits with ceding companies	(134)	(141)	(5.0)
- other financial investments	-	4	n.s.
Total net income	76,488	62,955	21.5
Adjustments to investment values:			
- land and buildings	(3,027)	(3,141)	(3.6)
- equity investments	(184)	(3,601)	(94.9)
- OEIC Units	(4,532)	(262)	n.s.
- bonds and other fixed-interest securities	(17,144)	(1,612)	n.s.
Total net adjustments to investment values:	(24,887)	(8,616)	n.s.
Ordinary profit (loss) on sale of investments:			
- OEIC Units	343	1,846	-81.4
- bonds and other fixed-interest securities	1,583	(951)	n.s.
Total net profit on sale of investments	1,926	895	115.2
Total net ordinary income on investments where the company bears the risk	53,527	55,234	(3.1)
Extraordinary profit (loss) on sale of investments:			
- land and buildings	153	14,077	n.s.
- equity investments	62	(241)	n.s.
- OEIC Units	3,357	1,077	n.s.
- bonds and other fixed-interest securities	6,725	3,794	77.3
Total net extraordinary profit on sale of investments	10,297	18,707	(45.0)
Total net ordinary and extraordinary income on investments where the company bears the risk	63,824	73,941	(13.7)
Net income on investments benefiting life policyholders bearing the risk	(26,601)	15,074	n.s.
Grand Total	37,223	89,015	n.s.

Net income with risk borne by the Company decreased from 73,941 thousand euro to 63,824 thousand euro (-13.7 compared to 31 December 2021). This result includes value adjustments on investments totaling 21,860 thousand euro made necessary as a result of the negative performance of financial markets.

In addition, it should be noted that the previous year's result benefited from 14,077 thousand euro before taxes, obtained from the extraordinary capital gain from the sale to AC Milan of building "C" in the Portello Business Park.

Income and expenses from stocks and shares, net of the item value adjustments on stocks and shares, totaled 5,934 thousand euros. For more details, please refer to the changes reported in the section on the equity portfolio.

The sale of securities classified as durable is attributable to the monetary policy development announced by the Central Banks towards the end of last year (subsequently implemented during 2022) and the exceptional nature of the events that occurred during the year caused mainly by the Russian-

Ukrainian conflict that broke out towards the end of February. In particular, as a result of this event, not only the financial markets but also the price of raw materials and energy fluctuated sharply causing significant increases in the inflation rate (both current and prospective) as well as obvious complications in supply.

The rise in yields in the latter part of last year, following statements by Central Banks about a foreseeable change in monetary policies, resulted in the need to review portfolio positions with greater exposure to interest rate risk. In particular, positions in corporate financial securities with a duration of more than 5 years that, despite having a good yield, were excessively exposed to a further rise in rates were analyzed. Exposures in listed equity financial instruments (ETFs on the European stock market) that were also exposed to a possible rise in rates given their correlation with the determination of the risk premium typically included in equity valuations were also considered. It was therefore decided to prudentially proceed with a decrease in exposure to corporate financial securities and equity instruments in anticipation of a possible increase in bond yields later realized.

During the early months of the year, government bonds belonging to the "core" euro area were also purchased in order to redeploy flows related to bonds that had reached maturity. However, the days immediately following the purchase dates saw the conflict between Russia and Ukraine intensify with obvious consequences in the financial markets where in fact there was significant selling on risk assets and a corresponding repositioning on risk-free assets. Since these movements were not considered justified in light of the trend of the main macroeconomic variables and in particular the inflation rate destined to rise well above the yields expressed by the government curves, a general rethink was therefore made on the timing of the implementation of the investment strategy by proceeding to the partial divestment of the portfolio while waiting for interest rates to stabilize.

During the month of July, following a feared stabilization of the inflation rate and a more accommodative attitude on the part of the Central Banks, the bond market experienced a particularly significant decrease in yields on the main European government curves. Given the dynamics assumed by the cost of energy (gas and electricity), labor costs (rising in the main developed economies including Europe) and the particularly volatile trend in interest rates, it was again considered that the decrease in yields was not justified and not in line with the foreseeable development of the main economic variables. Therefore, exposure to euro area government bonds and equity financial instruments was reduced during August, thereby increasing cash holdings in the portfolios. Subsequently, only toward the end of August was a partial reinvestment of cash reinvested.

From August onward, however, yields began to rise again with consequent repercussions on equity prices as well. Therefore, in October and November the exposure to the listed equity component present in some life insurance portfolios was decreased.

It should be noted that the Company, as of December 31, 2022, did not make use of the option of temporary suspension of capital losses on non-durable securities introduced by Decree Law No. 176 of November 18, 2022, converted, with amendments, into Law No. 6 of January 13, 2023 (so-called Aid Decree Quater).

Companies that do not adopt international accounting standards are allowed, in the current fiscal year as of the effective date of the decree, to value securities not intended to remain in their equity on a long-term basis based on their book value as shown in the latest duly approved annual financial statements instead of the value that can be inferred from market trends, except for losses of a permanent nature.

As of December 31, 2022, the suspension of capital losses on these securities would have amounted to 21,860 thousand euro as previously reported.

Charges related to land and buildings amounting to 3,027 thousand euro refer to the depreciation charge on capital properties pertaining to the year, of which 308 thousand euro refer to the registered office in the Portello area of Milan.

The weighted average return on "bonds and other fixed-income securities" goes from 1.5% as at 31 December 2021 to 1.1% as at 31 December 2022.

Real estate

The real estate at 31 December 2022 amounted to 142,766 thousand euro (145,604 thousand euro at 31 December 2021).

The items making up the balance are as follows:

- 77,230 thousand euro relating to the company's registered office building;
- 124 thousand euro relating to own use properties;
- 3,766 thousand euro relating to real estate for free loan to the Agencies;
- 61,646 thousand euro used by third parties.

The change compared to 31 December 2021 is primarily due to the depreciation for the period amounting to 3,027 thousand euro.

For more details, please refer to the Explanatory Notes.

Fixed-income securities, investments and mutual investment funds

Bond Portfolio

As provided for by the investment policies of the Company, direct investments in bonds generated net cash flows related to reimbursements of 776,329 thousand euro with recognition of net losses of 43 thousand euro.

Purchases were made for 1,634,889 thousand euro, of which 1,491,223 thousand euro fully allocated to the non-current segment.

As described in the section on "Capital Investments," the change in monetary policies announced by the Central Banks and the exceptional nature of the events that occurred during the year caused mainly by the Russian-Ukrainian conflict led to the sale of government and sub-sovereign issuers for 514,551 thousand euro, 369,332 of which were allocated to the non-current segment, realizing net capital gains of 8,264 thousand euro, 6,725 of which were allocated to the non-current segment.

Write-downs were accounted for on bonds allocated to the short-term portfolio for a total of 17,144 thousand euro.

Vittoria Assicurazioni has in place a forward sale transaction with the aim of hedging against both interest rate risk and credit risk, which involved part of the Italian government bonds allocated to the Life portfolio for a nominal value of 85,000 thousand euro.

OEIC Units

The main transactions relating to OEIC Units were as follows:

- sold monetary funds for 4,896 thousand euro recognizing 9 thousand euro of capital losses;
- invested 4,158 thousand euro in Infrastructure Debt funds fully allocated to the durable segment and received redemptions of 6,997 thousand euro recognizing 2 thousand euro in capital gains;
- invested 25,000 thousand euro in funds specializing in Private debt and loans fully allocated to the durable segment;
- invested 19,681 thousand euro in funds specializing in Direct Lending of which 18,176 thousand euro were allocated to the durable segment and received 10,010 thousand euro in redemptions of which 9,545 related to the durable segment, recognizing 57 thousand euro in capital losses;
- invested 5,000 thousand euro in funds specializing in Residential Mortgage fully allocated to the durable segment;
- invested 33,125 thousand euro in Private Equity funds fully allocated to the durable segment and received 15,209 thousand euros in redemptions recognizing net capital gains of 597 thousand euros;
- invested 25,535 thousand euro in Infrastructure Equity funds fully allocated to the durable segment and received redemptions of 1,207 thousand euro;
- invested 40,575 thousand euro in equity ETFs of which 27,578 thousand euro were allocated to the durable segment and made sales of 39,391 thousand euro of which 34,448 thousand euro related to the durable segment, recognizing 3,219 thousand euro in capital gains of which 2,867 related to the durable segment;
- invested 4,952 thousand euro in funds specializing in Real Estate Investments entirely allocated to the durable segment and incurred management costs of 111 thousand euro;
- recognized capital losses of 4,532 thousand euro on funds assigned to the current segment.

Equity Portfolio

The following were the changes during the financial year with respect to the Equity Portfolio for long-term use, excluding controlled companies, associate Companies and Subsidiaries:

- eliminated the equity investment of G.P.A. Group. S.p.a. in liquidation due to its cancellation;
- acquired the 18.97% equity investment in NSA Soluzioni Assicurative S.p.A. with a disbursement of 1,500 thousand euro;
- sold the equity investment in Porta romana 4 S.r.l. in liquidation collecting 4,209 thousand euro of which 2,687 as distribution of profit reserves;
- Yam Invest N.V.: collected a dividend of 1,125 thousand euro.

The transactions refer to the Subsidiaries, Associates and Affiliates are described as follows:

- Vittoria Hub S.r.l.: 1,000 thousand euro paid into the recently established start-up incubator company;
- Immobiliare Bilancia S.r.l.: received 15,000 thousand euro as repayment of capital;
- Interbilancia S.r.l.: paid 2,000 thousand euro as capital increase;
- Acacia 2000 S.r.l.: received 3,500 thousand euro as repayment of capital reserves.

Pursuant to Article 2,428 paragraphs 3 and 4, it is certified that Vittoria Assicurazioni S.p.A. did not carry out any transaction, either directly or indirectly through trustees or nominees, involving its own shares and shares of the Parent Company.

Securities portfolio breakdown

The following table shows the book value of the securities portfolio with risk borne by the company, between Life and Non-Life, by investment type (debt securities, equity securities and mutual funds) and provides some guidance in concerning financial risks and uncertainties of flows.

NON-LIFE PORTFOLIO

	(€/000)			
Investment nature	Amount 31/12/2022	% of breakdown	Amount 31/12/2021	% of breakdown
DEBT SECURITIES	1,338,041	69.1%	1,224,898	68.0%
Listed treasury bonds:	895,200	46.2%	766,125	43.0%
Fixed-interest rate	895,200	46.2%	766,125	42.6%
Listed corporate bonds:	151,255	7.8%	241,482	13.4%
Fixed-interest rate	141,779	7.3%	209,224	11.6%
Variable interest rate	9,476	0.5%	32,258	1.8%
Unlisted corporate bonds:	4,502	0.3%	702	0.0%
Fixed-interest rate	3,908	0.2%	101	0.0%
Variable interest rate	593	0.0%	601	0.0%
Bonds of supranational issuers:	287,085	14.8%	216,589	12.0%
Fixed-interest rate	287,085	14.8%	211,496	11.7%
Variable interest rate	-	0.0%	5,093	0.3%
of which				
Total fixed-interest securities	1,327,972	99.2%	1,186,946	96.9%
Total variable-interest securities	10,069	0.8%	37,953	3.1%
Total debt securities	1,338,041	100.0%	1,224,898	100.0%
of which				
Total listed securities	1,333,540	99.7%	1,224,196	99.9%
Total unlisted securities	4,502	0.3%	702	0.1%
Total debt securities	1,338,041	100.0%	1,224,898	100.0%
EQUITY INSTRUMENTS (*)	49,860	2.6%	49,884	2.8%
listed shares	35,300	1.8%	35,300	2.0%
unlisted equity instruments	14,560	0.8%	14,584	0.8%
OEIC UNITS	549,041	28.3%	525,592	29.2%
TOTAL	1,936,943	100.0%	1,800,374	100.0%

The Non-life fixed-income securities portfolio has a duration of 3.1 years.

LIFE PORTFOLIO

	(€/000)			
Investment nature	Amount 31/12/2022	% of breakdown	Amount 31/12/2021	% of breakdown
DEBT SECURITIES	1,411,715	76.7%	1,344,945	78.2%
Listed treasury bonds:	785,890	42.7%	817,338	47.6%
Fixed-interest rate	785,890	42.7%	817,338	47.6%
Listed corporate bonds:	482,652	26.2%	389,104	22.6%
Fixed-interest rate	212,556	11.6%	146,416	8.5%
Variable interest rate	270,096	14.7%	242,688	14.1%
Bonds of supranational issuers:	143,174	7.8%	138,502	8.0%
Fixed-interest rate	138,353	7.5%	133,667	7.8%
Variable interest rate	4,821	0.3%	4,835	0.3%
of which				
Total fixed-interest securities	1,136,798	80.5%	1,097,421	81.6%
Total variable-interest securities	274,916	19.5%	247,523	18.4%
Total debt securities	1,411,715	100.0%	1,344,945	100.0%
of which				
Total listed securities	1,411,715	100.0%	1,344,945	100.0%
Total debt securities	1,411,715	100.0%	1,344,945	100.0%
EQUITY INSTRUMENTS (*)	10,797	0.6%	10,981	0.6%
listed shares	1,797	0.1%	1,981	0.1%
unlisted equity instruments	9,000	0.5%	9,000	0.5%
OEIC UNITS	417,622	22.7%	365,397	21.2%
TOTAL	1,840,133	100.0%	1,721,322	100.0%

(*) excluding investments in participating interests

The Life fixed-income securities portfolio has a duration of 6.0 years.

The following are the book values of fixed-rate securities divided by maturity and the book values of floating rate securities divided by type of rate, separately indicated in Non-life and Life business.

NON-LIFE PORTFOLIO

Fixed - interest securities			(€/000)
Maturity	Amount	% of breakdown	
< 1 year	291,517	22.0%	
1<X<5	666,716	50.2%	
5<X<10	369,739	27.8%	
Total	1,327,972	100.0%	

Variable - interest securities				(€/000)
Type of rate	Indexation	Amount	% of breakdown	
Fixed to CMS	Euroswap 1Y	3,017	30.0%	
Fixed to CMS	Euroswap 5Y	2,054	20.4%	
Fixed to floater	3 months Euribor	2,021	20.1%	
Variable	3 months Euribor	400	4.0%	
Variable	6 months Euribor	1,984	19.6%	
Variable	other	593	5.9%	
Total		10,069	100.0%	

LIFE PORTFOLIO

			(€/000)
Maturity	Amount	% of breakdown	
< 1 year	55,061	4.8%	
1<X<5	354,502	31.2%	
5<X<10	485,531	42.7%	
3<X<4	241,705	21.3%	
Total	1,136,798	100.0%	

Variable - interest securities				(€/000)
Type of rate	Indexation	Amount	% of breakdown	
Fixed to CMS	Euroswap 1Y	2,197	0.8%	
Fixed to CMS	Euroswap 5Y	136,921	49.8%	
Fixed to CMS	Euroswap 10Y	8,655	3.1%	
Fixed to CMS	other	6,021	2.2%	
Fixed to floater	3 months Euribor	117,716	42.8%	
Variable	Euribor 3 mesi	854	0.3%	
Variable	6 months Euribor	1,678	0.6%	
Variable	other	873	0.4%	
Total		274,916	100.0%	

In implementing its investment policy, the company limits its exposure to credit risk by investing in highly rated issuers.

As can be seen in the table below, as at 31 December 2022 nearly all corporate bonds held by the Company were rated as investment grade.

(€/000)

Rating	Amounts	% of breakdown
AAA	610,739	22.2%
AA+ / AA-	1,021,800	37.2%
A+ / A-	180,168	6.6%
BBB+ / BBB- (*)	860,569	31.2%
Total investment grade	<u>2,673,277</u>	<u>97.2%</u>
Non investment grade	68,988	2.5%
Not rated	7,491	0.3%
Total	2,749,756	100.0%

(*) of which 327,090 relating to Italian government bonds.

Investments benefiting Life policyholders who bear related risk and relating to pension fund management

As at 31 December 2022, these investments amounted to 237,055 thousand euro (195,527 thousand euro as at 31 December 2021).

Of the total 65,769 thousand euro related to unit-linked policies linked to funds outside the company, 144,337 thousand euro to unit-linked policies linked to the company's internal funds, and 26,949 thousand euro to the Vittoria Formula Lavoro open-ended pension fund. Overall net return was positive and totalled 26,601 thousand euro (15,074 thousand euro as at 31 December 2021).

Non-convertible fixed-rate subordinated bond loan

On 11 July 2018, the Company issued a non-convertible fixed-rate subordinated bond loan in a single tranche. The Bond is a non-convertible subordinated bond loan with a fixed rate of 5.75% per annum for a total amount of Euro 250,000,000, composed of n. 2,500 bonds with a unitary nominal value of Euro 100,000 each and destined for institutional investors.

The duration of the loan is 10 years from the issue date and the expiry is expected in July 2028, except in the case of early repayment.

The Bond Issue was issued at 100% and is listed on the regulated market of the Irish Stock Exchange.

Risk Report

The Risk Report is intended to provide all the information required by IFRS 7 regarding risks arising from financial instruments and insurance products to which the Group is exposed, as well information on the objectives, processes and capital management policies, according to the general principles of Solvency II regulations.

System of Internal Control and Risk Management

The corporate governance system of the Company is founded on the awareness of the strong bond among these elements:

- the objectives that the Company aims to achieve with related corporate strategies;
- the risk management system, i.e. events that may negatively impact the achievement of the objectives, assessed in terms of likelihood and impact;
- the internal control system, i.e. the measures to be implemented to ensure compliance with rules and regulations, the efficacy and effectiveness of corporate operations, as well as the availability and reliability of financial and non-financial information.

Therefore, the internal control and risk management system plays an essential role in the Company's corporate governance. It is founded on the shared activity of the different stakeholders involved, in particular the Board of Directors, its Committees, the Board of Statutory Auditors, the Supervisory Body, the Control Functions and the Risk Owners, and is based on the following elements:

- the code of Ethics approved by the Board of Directors;
- an extensive system of guidance policies approved by the Board of Directors;
- an organized system consistent with the company strategy and policies, which is formalized in the drawing up of the Company's organizational chart and functions chart, periodically updated, that outline tasks and responsibilities assigned to each business unit, as well as in the systems of delegations;
- the assignment of the following responsibility to all corporate Functions:
- identifying the risks connected to their activity and assessing their impact, by monitoring the performance on a continuous basis;
- ensuring a proper level of reporting to the relevant functions;
- where necessary, activating all the required corrective actions;
- the existence of second level control functions (Risk Management, Compliance, Actuarial Function) overseeing the process of identification, assessment and mitigation of risks while ensuring consistency with company targets and meeting the independence criteria;
- the existence of a third level function (Internal Audit) which provides independent assessment on the design and functioning of the internal control system and risk management system, by giving assurance to the Board of Directors and Senior Management in relation to their effectiveness;
- a system of corporate rules, consisting of a set of provisions (macro-processes, processes, procedures, organizational arrangements and circulars), aimed at ensuring the achievement of the company targets. These provisions, that are subject to constant monitoring and adjustment, are the instrument through which the corporate processes are defined, and roles, responsibilities, operating and control procedures are identified, as well as the levels of segregation of tasks and responsibilities are guaranteed, both among different organizational units and within the units themselves. Provisions are formalized and spread to all corporate departments;
- an ongoing activity of training and refresher, destined for all employees and members of corporate bodies, on issues that are technical and insurance-related but also on the principles set forth by the Code of Ethics, as well as on the evolution of the primary and secondary regulation.

Roles and responsibilities

The following are the main roles and responsibilities within the framework of Vittoria Assicurazioni risk management system.

Governing bodies

The company has adopted a traditional model of administration and control, where the Board of Directors is the central body of the system of corporate governance and the Board of Auditors performs control functions.

The Board is supported by specific committees created within it.

Board of Directors

The Board of Directors has the responsibility to define strategies and guidelines on internal control and risk management and to ensure the adequacy and maintenance over time, in terms of completeness, functionality and efficiency.

To this end, it determines the system of risk targets, by defining, also on the basis of the Own Risk and Solvency Assessment, the risk appetite of the Company in line with the solvency requirements. It identifies the types of risk that intends to take, by consistently setting the related tolerance limitations, which it reviews once a year, in order to ensure their efficiency over time.

It adopts suitable guidance policies on internal control and risk management, including the environmental and social risks, generated and borne, in order to ensure the efficiency of the system and, hence, the proper functioning of the company mechanisms, the compliance with the law and the reliability of all information. These Policies include the specific elements of the internal control and risk management system, including the contingency plan, aimed at ensuring the business regularity and continuity-

Hence, the Board of Directors ensures that the corporate governance system is suitable to pursue the following objectives:

- efficiency and effectiveness of corporate processes;
- identification, current and forward-looking assessment, the management and the adequate risk control, consistent with the strategic guidelines and the risk appetite of the company even in the medium-long term;
- a timely reporting system of corporate information;
- reliable and accurate accounting and operational information;
- the safeguard of company assets in the medium-long term;
- compliance of the corporate business with existing rules and regulations, directives and corporate procedures.

Control and Risk Committee

The Control and Risk Committee supports the Board of Directors in determining the guidelines of the internal control and risk management system, in regularly checking its adequacy and effectiveness and in identifying and managing the main corporate risks. It also performs fact-finding surveys.

Finance Committee

The Finance Committee supports the Board of Directors, through fact-finding and proposal-making, in the definition of the investment policies and strategies, and in the supervision of their implementation, and the risk appetite and capital management.

Strategy Committee

The Strategy Committee supports the Board and senior management in setting goals and business strategies.

Real Estate Committee

The Real Estate Committee defines the strategies for the development of the real-estate sector, assesses the proposals of investment in the real-estate sector that are submitted by operating managers and oversees the performance of the Group's real-estate investments.

Appointments and Remuneration Committee

The Appointments and Remuneration Committee supports the Board of Directors in the resolutions concerning the appointments of top managers and in the definition of the remuneration policies.

As for the appointments, the Committee has advisory and fact-finding functions for the establishment and functioning of the Board of Directors and for the appointments concerning top managers.

Related-Party Committee

The Committee examines beforehand the related-party transactions that are proposed by the relevant corporate structures and expresses opinions on their execution, while checking formal and substantial adequacy.

Senior Management

Pursuant to current regulation, Senior Management means the Managing Director, the General Manager, as well as the top managers in charge of the decision-making and strategy-implementing process.

In Vittoria Assicurazioni S.p.A., the roles of Managing Director, General Manager, Co-General Manager, Deputy General Manager and Central Manager for Administration, Finance, Planning and Control are included in this category.

These persons participate in the discussion of the fundamental choices of the company, that are subject to the Board of Directors and ensure implementation of the guidelines and policies through the operational functions, whilst ensuring an adequate segregation of duties both among individuals and functions, aimed at having them work closely and avoiding any conflicts of interest.

Senior Management is vested with the broadest executive powers, consistent with the model of powers and delegations adopted.

Risk Management Committee

Vittoria Assicurazioni has set up a Risk Management Committee in order to ensure the implementation and monitoring of a system of risk assumption, evaluation and management, consistent with the operations carried out by individual departments. In addition, the Committee ensures the implementation, maintenance and monitoring of the data quality management system. The members of the Committee are members of the Senior Management and Holders of the Control Functions.

Anti-money Laundering Committee

The Anti-Money Laundering Committee evaluates the operations reported as unexpected by the application system or by the operational departments (Management and distribution network functions), in order to support the Head of Anti-Money Laundering department in the decision to dismiss the report or to proceed with sending it to the Financial Intelligence Unit (FIU).

The following are the roles and responsibilities of the control functions, of the main non-Board Committees and of line functions within the company risk management system.

Line Functions

The Line Functions perform direct control activities (so-called “first-level control”), each one within their pursuit, aimed at:

- applying the guidelines approved by the Board of Directors, with respect to risks and controls management;
- identifying the risks related to its operations;
- assessing their impact;
- monitoring their progress on an ongoing basis;
- disclosing information to the relevant departments;
- implementing, where necessary, all the required corrective actions.

Anti-money Laundering Department

The Anti-Money Laundering department monitors the laundering risk and prevents and contrasts money-laundering operations and the financing of terrorism, ensuring compliance with anti-money laundering laws.

Anti-fraud department

The Anti-Fraud department prevents and acts against, directly and indirectly, insurance fraud, also in cost containment perspective. In the end, the Anti-fraud department helps to define guidelines, rules and measures to prevent fraud against the company, carrying out specific activities with the aim of identifying potential frauds.

Primary Functions

The Primary Functions perform second- and third-level control activities.

Risk Management

The Risk Management deals with the implementation and monitoring of the risk management system, based on a thorough view of all risks which the Company and its subsidiaries are or may be exposed to. Supports the top management in the identification, implementation and monitoring of a system of assumption, assessment and management of business risks in line with the strategies, policies and risk appetite defined by the Board of Directors.

Compliance

The Compliance ensures the proper management of compliance risks which the corporate organization is exposed to, by means of ex-ante and ex-post controls and coordinates the process for drafting and updating the guidance lines.

Actuary

The Actuarial department coordinates the calculation of both Non-Life and Life technical reserves according to Solvency II principles, assesses the adequacy of both Non-Life and Life technical reserves calculated for the purposes of preparation of the Statutory Financial Statements and Solvency II and certifies the correctness of the procedures followed. The Function checks also the appropriateness of the data used to support the assumptions and the adequacy of methods, models and assumptions used, and assesses the underwriting policies and reinsurance agreements, even taking into account the risk appetite, by providing specific opinions.

Internal Audit

The Internal Audit Function monitors and assesses the efficiency and effectiveness of the internal control system and further components of the corporate governance system, and monitors and assesses any adjustment needs, even by providing support and consultancy to the other corporate functions.

Classification of risks

Significant risks of the company, whose consequences can undermine the solvency of the Company or constitute a serious obstacle to the achievement of business objectives, are set periodically by the Board of Directors, even with the support of the assessments performed by the Primary Functions.

Risk cases applicable to the Company and portfolios managed are connected to the features of the insurance business, relating to both Non-Life and Life segments, to the structure of the distribution network, to the activities performed, to specific regulations which the Company is subject to, and to the complex development strategies.

Hence, they are mainly related to insurance risks, market risks, credit risks, liquidity risk, concentration risk, risks of regulatory non-compliance, reputational risks, operational risks and risks arising from belonging to the Group and environmental and social risks.

The Strategic Risk is the current or forward-looking risk of decrease in profits or capital and sustainability of the business model. It also includes the risk of not managing an adequate return on capital arising from change in the operating context or from incorrect business decisions, inadequate implementation of decisions, improper management of the risk of belonging to the group or poor responsiveness to changes in the relevant competitive sector.

In line with the Solvency II principles, this potential risk emerges mainly from the incompatibility of the following elements:

- the strategic objectives of the company;
- the business strategies developed;
- the resources used to achieve strategic objectives;
- the economic situation of the market in which the Company and its subsidiaries operate.

Major **Insurance Risks** included in the risk management process are related to the underwriting criteria, pricing models, the quantification of reserves and risk transfer techniques. The main risks to which the company is exposed are referred to:

a. Underwriting risk (underwriting and pricing): it reflects the risk that premiums are not sufficient to cover claims plus expenses and is derived from the selection of risks and the covered events (including catastrophe) as well as by results in the actual loss experience compared to that estimated.

b. Reservation Risk: derives from the quantification and runoff of technical provisions and considers the possibility that the asset will not be appropriate in respect of commitments to policyholders and injured parties.

c. Pricing risk of the Motor business: it is associated to the processes followed for the definition of the tariff to be applied to Motor policies, with particular reference to the TPL guarantee.

d. Risk of Reinsurance Retention: it derives from the definition and implementation of an inadequate reinsurance policy that may result in a less than optimal level of retention and an inefficient mitigation of exposure to risks.

The main **Market Risks** included in the risk management process are outlined below.

The **Interest Rate Risk**: arises from adverse changes and volatility of the interest rates. The Company is exposed to the interest rate risk with regard to the bond portfolio and insurance currency liabilities assessed with the Best Estimate method.

The debt securities, fixed and floating rate, exposed to interest rate risk on market value are shown separately for Non-life and Life business, with an indication of the duration, in the paragraph entitled "Investment, Cash & Cash Equivalents, and Property - Securities portfolio breakdown", previously reported, together with the layering of the portfolio by maturity.

The fair value sensitivity related to fixed rate debt securities is shown in the table below:

	(€/000)	
Non – Life portfolio	+100BP	-100BP
Fixed-rate debt securities	(38,298)	40,485
Life portfolio		
Fixed-rate debt securities	(59,384)	66,068

The fair value sensitivity (higher or lower interest receivable) related to floating rate debt securities is shown in the table below:

	(€/000)	
Non – Life portfolio	+100BP	-100BP
Floating-rate debt securities	(40)	55
Life portfolio		
Floating-rate debt securities	(7,976)	10,674

Life insurance contracts provide a guaranteed minimum interest rate and have a direct link between investment income and benefits to be paid to policyholders, governed by the aforementioned assets/liabilities integrated management model.

In particular, Vittoria Assicurazioni manages the risk of interest rate by matching the cash flows of assets and liabilities as well as keeping a balance between the duration of liabilities and that of the investment portfolio directly related to them.

Duration is an indicator of the sensitivity of the assets and liabilities market value to changes in interest rates.

The **Equity Risk**: reflects the possible adverse changes in the level and volatility of the market value of financial instruments and equities. The company is exposed to equity risk with reference to shares and interests in listed and unlisted companies and units in investment funds and mutual funds.

The **Real estate Risk**: reflects the possible adverse changes in the level and volatility of market prices of real estate. The Company is exposed to real estate risk in reference to land, buildings, rights on property and the direct or indirect investments in real estate companies. The estate properties for own use of the company are included in this type of risk.

The **Spread Risk**: is the possible adverse change in the level and volatility of credit spreads. Vittoria Assicurazioni is exposed to the spread risk in reference to bonds, to finance, to mutual debt funds, non-residential mortgages and loans. Financing to subsidiaries or associates is included in this type of risk. This risk can be mitigated by hedging instruments, such as forward sales of securities held in October 2020 and still in progress.

The **Currency Risk**: derives from adverse changes in the level and volatility of currency exchange rates. The company is marginally exposed to currency risk in relation to financial instruments and bank accounts denominated in foreign currencies.

The **Maturity mismatch risk** arises from the possibility that the company is unable to generate cash inflows that have a time frame aligned with the cash outflows and its risk/return objectives.

The **Government Risk** is defined as the risk arising from the possibility that the issuers of Government securities are not able to efficiently fulfil their commitments, and the risk arising from a change in the implied spread.

The **Credit or Default Risk**: reflects potential losses generated by an unexpected default, or deterioration in the credit standing, of the counterparties and debtors of the company. Company exposure to credit risk, which is not included in the spread risk, mainly refers to: reinsurance agreements (see table above in the section on reinsurance), receivables from other companies, cash at bank or at post office, receivables from intermediaries (e.g. receivables from agents) and customers (e.g. for premiums, for deductibles) and loans (residential mortgage).

The **Liquidity Risk** reflects possible losses arising from the difficulty of honouring the cash commitments, expected or unexpected, owed to counterparties. The risk arises mainly from the "Liquidity Mismatch Risk" i.e. the mismatch between cash inflows and cash outflows or an inadequate treasury management and from the "Market Liquidity Risk", i.e. the sale of assets (such as less liquid assets) in unfair economic and timing conditions, accordingly influencing the Net Asset Value of the company.

As of 31 December 2021, as noted in the tables in the previous section "Investment, Cash & Cash Equivalents and Property - Securities portfolio breakdown", more than 90% of financial assets held was listed on a regulated market.

In addition, the Company's investment policy establishes the creation of a liquidity "buffer" that can never be less than 300,000 thousand euro and that is normally more than double, also considering the fact that the "buffer" calculation includes securities with a maturity of less than 2 years and normally listed on the market. It should be noted that the Company has invested approximately 526,602 thousand euro (market value as of 31 December 2022) in alternative funds (Infrastructure Debt, Infrastructure Equity, Private Equity and Dutch Mortgage Loans funds) with limited or no liquidity and that they represent less than 13% of the Company's total assets. In any case, the restriction is extended for a maximum period of 15 years (related, however, only to Infrastructure Equity funds) and it is usually possible, even if not guaranteed, to sell the units on the secondary unlisted market and/or by taking advantage of the "windows" offered by the management company.

The **Concentration Risk** is represented by all risk exposures with a potential loss, enough to threaten the solvency or the financial position of the company.

Above risks refer both to direct exposure of the Company and to indirect exposure through unites of investment funds and mutual funds.

The **Risk of Non-Compliance with Standards** is defined as the risk of incurring legal or administrative sanctions, significant financial losses or reputational damage as a result of violations of mandatory rules (laws, regulations), of self-regulatory standards (e.g. statutes, codes of conduct, self-regulatory codes, etc.) or the risk arising from adverse changes in the law or legal guidelines.

The **Reputational Risk** is defined as the risk of decrease in profits or capital arising from a negative perception of the Group by its main stakeholders (customers, shareholder, investors, lenders, regulatory authorities, employees, partners, distribution network, suppliers, general public, etc.). It includes the potential deterioration of perception of credibility and reliability and the increase in conflict with policyholders. The appreciation judgement is usually tied to the organization's quality, the characteristics and behaviours that derive from experience, from hearsay or from the observation of past actions of the organization.

The **Operational Risk** is the risk of losses arising from the inadequacy or dysfunction of internal procedures, human resources or systems or from exogenous events, including events which imply the breach - even potential - of rules and corporate practices on safety, such as computer frauds, cyber-attacks, malfunctions and disservices.

The **Group-related Risks** are referred to the spill-over risk, i.e. the spill-over effects that may, as a result of difficult situations arising in one entity of the Group, impact the solvency of the company itself, and to the risk of conflict of interests arising from a counterparty's interest in the infra-group operations.

The **Environmental and Social Risks** are associated to the use of the energy resources (renewable and non-renewable sources), greenhouse gas emissions, waste production and disposal, as well as

the consumption of raw materials used for the business (paper and toners) and related relational aspects with customers and, more generally, with the local community towards which the Company promotes an economic and social development. Thanks to a rigorous and intact conduct driven by sustainability principles, the Company ensures an economic stability and profitability in the short and long runs.

Risk Management Process

The risk management process of Vittoria Assicurazioni allows to detect, measure, monitor and possibly mitigate risk and consists of the following stages:

- Risk identification;
- Assessment of exposure to risks;
- Risk monitoring;
- Risk treatment;
- Reporting.

Risk identification

The process of identification consists of identifying and mapping the risks to which the Company is or may be exposed, in addition to the emerging risks.

Risks are identified by the different company functions through:

- structured analyses of environment, both external (i.e. regulatory framework) and internal (i.e. strategic planning, capital allocation, launch of new products, entering new markets, investment process, etc.);
- analyses of activities underlying macro-processes and processes within relevant purview, which is defined by the corporate organizational chart.

The analyses are directly carried out or overseen by the functions of Risk Management, Actuary, Compliance, each one in relation to the specific area of competence.

Risk assessment

The assessment phase is aimed at measuring risks through quantitative methods, where it is possible, and/or qualitative methods. The quantitative measurement of risks is performed using several procedures, which are used to determine both the present situation both the medium to long-term situation.

Furthermore, in order to assess its vulnerability to extreme but plausible events, the Group makes use of specific quantitative techniques. In particular the stress tests allow to assess the effects on economic and financial conditions arising from specific events or from changes in a set of economic, financial and insurance variables in the event of adverse scenarios.

The quantitative techniques adopted determine the risk profile or the risk measure actually taken and detected at a given time instant. Any deviation from the level of risk appetite is monitored, as described in the following paragraph.

In addition, the company determines through quantitative measurement techniques the Solvency Capital, being the amount of equity that the company must hold, for regulatory and capital strength, to cover risks arising from the business.

This includes the ORSA process.

The Own Risk and Solvency Assessment is the assessment of the current and forward-looking risk profile of the Company and avails itself of methods, processes and techniques, commensurate to the nature, scope and complexity of risks associated to the business. The results achieved allow the company to take decisions in key areas such as capital management and allocation, strategic planning, product development and design and corporate risk management. The ORSA, representing the projection of the overall solvency needs over a period coinciding with that of the strategic plan of the company, reflects the risk profile, the risk appetite and business strategy.

Risk monitoring

The monitoring is based on controlling, on an ongoing basis, exposure to different types of risk and is performed by verifying:

- compliance with the principles / guidelines defined in the policies adopted by the Company;
- compliance with risk and operational limits for specific risk categories;
- trend indicators such as those of capital value and liquidity, as well as compliance with the ESG criteria adopted in the context of investments.

Limits and indicators allow to measure the level of achievement of objectives in terms of business and risk. In particular, in checking the alignment between the profile detected and the risk appetite, also any tolerance thresholds are taken into account (maximum deviation from risk appetite).

The risk monitoring process is structured into three phases:

- production of a risk measurement report: the risk owner prepares reporting defined for the risk monitoring with the frequency and the operating procedures defined in the reference policy;
- analysis of the measured risk and proposal of mitigation plan: the risk owner examines data on the risk measurement report of its competence and prepares a report aimed at sharing its findings, at explaining certain phenomena encountered and possibly at proposing a plan of action to deal with the risk. The report and the reports are submitted to the Risk Management;
- approval of a reaction and risk mitigation plan: Risk Manager analyses information set out in reports, completes the exam with additional analysis deemed appropriate and makes the resulting evaluations. During the first meeting of the Risk Management Committee or, if deemed necessary, in a special session, mitigating/reacting plans, proposed by the line manager and approved by the Risk Management, are submitted for discussion and approval.

Risk treatment

The risk treatment of is to evaluate the possible options regarding the reaction to risk and then implement the one that is considered more appropriate. The choice, which also depends on the type and severity of the risk, is made between the following options: acceptance, avoidance, or attenuation and mitigation.

The acceptance option can result in the revision of risk targets, while avoidance can lead to review of the objectives and business strategies.

Some attenuation/mitigation measures are referred to Reinsurance, to reliance on real guarantees (deposits, mortgages, etc.) and to sureties, as well as to the implementation of management action (namely measures such as recomposition of the structure of assets and/or liabilities managed or the transfer of assets and/or liabilities).

Any deviation from the risk appetite, violation of operating limits or tolerances are managed through the process of definition of recovery actions. In particular the escalation process distinguishes stages and responsibilities depending on the severity of the violation:

- In cases of violation within the tolerance thresholds, the Managing Director promptly notifies the Risk and Control Committee, and with the support of the Risk Management Function and the Senior Management, defines a recovery plan;
- In cases of violation beyond the tolerance thresholds, the Managing Director promptly notifies the Board of Directors.

Reporting

The Board of Directors shall ensure that the risk management system and internal controls reflect the risk appetite and that appropriate measures are taken to ensure that there is a constant reporting activity to the Board.

The internal reporting system of the Group, designed for the purpose of communicating the information needed to make timely and effective decisions even in critical situations, follows the aim of promoting, at the appropriate hierarchical levels, all assumable, undertaken and future risks in the various business segments highlighting, in an integrated logic, the correlations of the risks and interrelations with the external environment. The Company ensures also appropriate information to the Parent Company.

Information flows are one of the instruments to implement the coordination among the different entities on which the Company's governance system is based and ensure that the Board is fully aware of significant corporate issues.

Information flows provide for:

- Top down flows: resolutions and Policies approved by the Board of Directors and submitted to the Senior Management for their definition in the ordinary company operations and their application;
- Bottom up flows: information flows that are produced by the operating Functions, the Senior Management and the Primary Functions and submitted to the Board Committees, or directly to the Board of Directors, so that these bodies can fulfil the duties associated to assessment, approval, decision-making and control;
- Horizontal flows: flows that enable the exchange of information among the Primary Functions, the Committees and between the latter ones and the corporate bodies.

The frequency for reporting each flow depends on its content and the purposes for which the flow has been designed. This frequency can be on an ad-hoc, monthly, quarterly, half-yearly basis.

Report on corporate governance and ownership structure

pursuant to Art. 123-bis of Legislative Decree 58/1998 (TUF)

As a result of the listing of the subordinated bond loan issued by Vittoria Assicurazioni on the regulated market of the Irish Stock Exchange, below are the main features of existing risk management and internal control systems in relation to financial reporting, as required by Article 123-bis, paragraph 5 of Legislative Decree 58/1998 (TUF).

Introduction

The internal control and risk management system relating to the financial reporting process is a component of the broader internal control and risk management system adopted by the Company.

The specific purpose of the system is to ensure the reliability, accuracy and timeliness of financial reporting and addresses the issues of internal control and risk management in a global perspective, in order to identify, evaluate and control the risks relating to the financial reporting process (financial reporting risk).

The Company has implemented a set of procedures in order to guarantee the reliability of the system relating to the production of financial information.

The responsibility for the implementation of the system, in the Company and in its subsidiaries, is assigned to the various company departments as better described in the following paragraphs.

This is the context of the Head of Administration in charge of preparing the accounting and corporate documents, to whom the Company has assigned the responsibilities of ensuring the preparation and effective implementation of the procedures for the preparation of the separate and consolidated financial statements and any other financial information.

To this end, the Head of Administration is assigned the task of designing, implementing and updating the internal control system in order to guarantee:

- the adequacy of the accounting system used;
- the formalisation of the relevant procedures and processes and their maintenance;
- the constant attention of administrative staff to the provisions of procedures and processes.

Description of the main features of the existing risk management and internal control system in relation to the financial reporting process

The main features of the financial reporting process adopted, with particular reference to its structure, the operating methods that characterise its operation and the roles and functions involved, may be described by illustrating:

- a) the risk management and internal control process;
- b) the corporate functions involved (with the related roles and responsibilities).

Risk management and internal control process

The system requires that:

- The processes and procedures regarding financial reporting are updated at least annually;
- All the administrative staff is constantly made aware of the updating and compliance with this documentation.

As regards the financial information process of Vittoria Assicurazioni Group, the methodology and the results are similar to those of the Company.

Corporate functions involved

The responsibility for the actual implementation of the internal control system, in terms of the operation and specific implementation of devices, mechanisms, procedures, is widespread and integrated in the corporate structures.

In order to guarantee the correct functioning of the Internal Control System, in addition to the general monitoring function entrusted to the Board of Directors, the functions and roles attributed to the Control and Risk Committee, the Head of Administration and the second and third level control functions are essential. The details of the tasks/activities assigned to the functions are reported in the following paragraphs.

Control and Risk Committee

It has the following functions:

- Assessing, along with the Head of Administration, and after hearing the statutory auditor and the Board of Statutory Auditors, the proper usage of the accounting principles and, in case of groups, their homogeneity for the purposes of drawing up the consolidated financial statements;
- Examining the plans of annual activities and report of the Primary Functions, by validating the contents;
- Monitoring the effectiveness of the audit process;
- Acting as a liaison between the Board of Directors and the Supervisory Body for issues concerning the application of Legislative Decree 231/2001.

The Control and Risk Committee reports to the Board of Directors on the activities performed and on the adequacy of the Internal Control System.

Second and third level control functions

The activities of the second level control functions, Risk Management, Compliance and Actuarial Function, as well as the third level control function, Internal Audit, are also performed in the risk management and control system related to the financial reporting process.

The Risk Management Function deals with the implementation of the risk management system, which includes the strategies, processes and reporting procedures necessary to identify, measure, manage and report the risks to which the Company is or could be exposed.

The Compliance Function identifies the relevant regulations as well as the controls with reference to regulatory compliance.

The Actuarial Function coordinates the calculation of Non-Life and Life Technical Reserves, assesses their sufficiency, certifying the correctness of the procedures followed, verifying the appropriateness of the data used to support the hypotheses and the adequacy of the methods, models and hypotheses used.

As regards the responsibilities attributed to the Financial Reporting Manager, please refer to the previous paragraph.

The Internal Audit Function deals with the adequate planning of the internal control system, assessing the design aspects and monitoring its effectiveness and efficiency.

Information flows and information exchanges are also envisaged in periodic meetings involving the Risk and Control Committee, the Head of Administration, the Board of Statutory Auditors, the Heads of the Internal Audit, Compliance, Risk Management and Organisation and the Supervisory Body established pursuant to Legislative Decree 231/2001.

Human resources

As stated in the Company's Code of Ethics, Vittoria Assicurazioni is aware that the value of people, regardless of the level at which they operate, is a fundamental factor of success. Therefore, it recognizes the centrality of human resources and pursues the objective of their valorisation, encouraging the continuous development of skills and competences in the context of a work culture based on merit and on the ability to generate and maintain relationships focused on fairness, professionalism and respect for people.

The protection and enhancement of human resources that Vittoria Assicurazioni uses, guaranteeing respect for moral and professional dignity, are pursued through:

- careful evaluation of the applications, aimed at verifying the correspondence between the company needs and the professional profiles to be selected: the resources are identified primarily through internal selection processes, so as to promote their professional growth. Where it is not identifiable in the company applications consistent with the profile required, selection processes are activated aimed at the market to select particularly qualified candidates for academic career and / or professional experience gained in the sector;
- the commitment to training in line with the role played by each one, respecting the objectives and strategies of the Company: Vittoria Assicurazioni believes that resources play a fundamental role in the process of value creation and therefore pays particular attention to the planning of training and training;
- encouraging forms of flexibility in the organization of work, respecting individual / family and company needs;
- the prevention of all forms of discrimination;
- the adoption of a reward system that includes:
 - the constant professional development of resources, implemented through the performance evaluation system and the identification of growth paths;
 - the careful supervision of the remuneration system, which was implemented both through a careful remuneration policy and through an incentive system that assigns corporate, team and individual objectives, which the Company is progressively extending to the entire corporate population;
- the constant commitment to the preparation of workplaces not only compliant with the safety standards required by law, to protect the health of those who use them, but also pleasant to live.

In 2022, the Company continued to pay great attention to people and their health, putting in place all possible prevention and protection measures to ensure safety in the workplace and using agile work alternated with presence in the Company.

Relations with the Supervisory Authority

Also in 2022, due to the continuing volatility of the financial markets and the macroeconomic situation, IVASS asked the Companies and the Italian Groups (including the Parent Company Yafa S.p.A.) an extraordinary monthly update (until the end of the year, and still ongoing) of the solvency position. Quarterly monitoring of the liquidity situation was also requested, with an indication of the stocks and flows expected in the following month and quarter.

IVASS has also requested some specific in-depth analysis from the Company on the following issues:

- insights regarding distribution network controls: there were two meetings by videoconference with the Market Conduct Supervision Service - Distribution Supervision Division of IVASS during which the evolution of the control model in light of recent regulations and new business intelligence tools to support sales network control activities were discussed;
- clarifications regarding Remuneration Policies: the Board of Directors of February 23, 2022, unanimously approved, on the proposal of the Appointments and Remuneration Committee in joint session with the Control and Risk Committee, the text of the letter to be sent to IVASS in response to the request for clarifications, information and documentation dated December 15, 2021, within the terms requested by the Institute. Preliminarily, with respect to the discussion of the individual points covered by the comments, it was pointed out that the Company's Remuneration Policies were prepared by the Board of Directors in compliance with the provisions of IVASS Regulation No. 38 of July 3, 2018 and the IVASS Letter to the Market of July 5, 2018. The Company has, for 2022, therefore, taken care to integrate into the Policies some elements already present in the Implementing Regulations in order to incorporate what was suggested by the Supervisory Authority;
- Insights regarding POG IBIPs products: in May and October there were two meetings with the Market Conduct Supervision Service - Product Supervision Division to discuss the processes of control and management of insurance investment products regarding pricing, the definition of a scale of complexity of products linked to the granularity of the reference market and the assessment of the adequate value for the client in the conception phase and the monitoring of products. A letter with the Company's commitments on these issues was sent to IVASS on December 21, 2022;
- insights on digital innovation strategy: on June 30, 2022, a videoconference meeting was held with IVASS on the topic of digital strategy and innovation during which the Company presented its experience on digital technologies;
- Best Estimate Life determination process: the response, submitted to the Board of Directors on January 25, 2023, provided clarifications on the process, methodological choices and analyses carried out when calculating and validating reserves; the response was accompanied by technical annexes and the documents expressly requested by the Institute including the corrective action plan for the annual Solvency II technical reserves valuation of December 31, 2022.

The Company responded to the above requests in a timely manner.

Solvency Capital Requirements

pursuant to paragraph 7 of Article. 4 of ISVAP Regulation no. 22 of 4 April 2008, amended and supplemented by IVASS Regulatory order no.53 / 2016

As required by the Supervisory regulations, below is our assessment with regard to the Solvency II Capital Requirements:

Volatility Adjustment Evaluations of euro	amounts in millions
Solvency Capital Requirement	635
Minimum Capital Requirement	286
Solvency II Own Funds (net of dividend to be distributed in 2023)	1,219

Company's own funds belong to Tier 1 for 989 million euro and to Tier 2 for 230 million euro.

Own funds covering MCR belong to Tier 1 for 989 million euro and to Tier 2 for 57 million euro for a total of 1,046 million euro.

The Solvency Ratio (ratio between Own Funds and SCR) is 192.0%.
The Minimum Capital Ratio (ration between Own Funds and MCR) is 366.1%.

The data shown have been calculated using the Standard Formula with USPs. The Undertaking Specific Parameters (USP) are a subset of parameters of the Standard Formula represented by Company-specific values that replace, subject to authorisation by the Supervisory Authority, the values determined by EIOPA at European level. These parameters refer to the assessment of the Solvency Capital Requirement.

Consolidated Non-Financial Statement for 2022 FY

Pursuant to Articles 3 and 4 of Legislative Decree no. 254/2016

Consolidated Non-Financial Statement, envisaged by Legislative Decree No. 254/2016, is published in the Investor Relations \ Sustainability Report section of the Company's website www.vittoriaassicurazioni.com.

Management and coordination

Vittoria Assicurazioni is part of the Vittoria Assicurazioni Group under no. 008 of the Register established pursuant to Article 210-ter of Legislative Decree no. 209 of 7 September 2005 (Code of Private Insurance) and is subject to the management and coordination of the parent company Yafa S.p.A.

The areas under management and coordination of the Parent Company Yafa S.p.A. are set out in the Group Regulations, which governs the obligations of subsidiaries with reference to the activities required by the Parent Company to carry out the tasks provided by the current group solvency rules, control of intragroup transactions and risk concentration management.

The Regulation also aims to leave the Vittoria Assicurazioni's Board of Directors' duties and responsibilities unmistakable with regard to the strategic guidelines of their competence, particularly for business strategy decisions, in accordance with the subjects provided by the Parent Company. The Regulation provides a differentiated management of the scope of application of intergroup co-ordination by delegating to Vittoria Assicurazioni the management and coordination of its subsidiaries and of all its supervisory and risk management bodies currently implemented according to what is defined by the IVASS regulation, while to Yafa S.p.A., the direct direction and direct coordination of the other subsidiaries.

As at 31 December 2022, within the scope of aforementioned Regulation, Vittoria Assicurazioni S.p.A. exercises management and coordination activities on the following companies:

Real estate companies

Vittoria Immobiliare S.p.A. – Milan
Acacia 2000 S.r.l. – Milan
Immobiliare Bilancia S.r.l. – Milan
V.R.G. Domus S.r.l. – Milan
Vittoria Properties S.r.l. – Milan
Vaimm Sviluppo 2015 S.r.l. – Milan
Immobiliare Bilancia Prima S.r.l. – Milan

Service companies

Interbilancia S.r.l. – Milan
Vittoria Hub S.r.l. – Milan
Aspevi ACLI S.r.l. – Rome
Servitt S.r.l. - Milan

Intragroup and related-party transactions

The transparency and formal and substantial correctness of the transactions with related parties is guaranteed by the Intercompany Transactions Policy, which provides, among other things, safeguards aimed at formalising the roles and responsibilities of the parties involved in the management process of these operations, as well as risk management and internal control mechanisms for the constant monitoring of operations.

The table below shows the balances resulting from the transactions carried out during the quarter with Group companies, involving administrative and IT services, loans, and adjustments on equity investments.

(€/000)					
	Parents	Subsidiaries	Associated	Total as at 31/12/2022	Total as at 31/12/2021
Investments	-	375,968	15,670	391,638	407,138
Loans	-	-	785	785	840
Receivables and other assets	-	785	23,240	24,025	28,789
Total Assets	-	376,753	39,695	416,448	436,767
<i>Liabilities</i>					
Payables and other liabilities	92	2,713	1,067	3,872	2,612
Total Liabilities	92	2,713	1,067	3,872	2,612
	Parents	Subsidiaries	Associated	Total as at 31/12/2022	Total as at 31/12/2021
Dividends	30,338	-	428	30,766	30,544
Adjustments values	-	-	-	-	3,601
Revenues for services and business	72	-	675	747	535
Costs for services and business	366	197	2,617	3,180	2,182
Commissions	-	100	21,597	21,697	18,726
Net income on investments	-	4	440	444	375

Loans receivable from associated companies refer to the company Aspevi Milano S.r.l. for 785 thousand euro.

Accounts receivable and other assets mainly refer to remittances to be received from associated companies Aspevi Firenze S.r.l., Aspevi Roma S.r.l. and Aspevi Milano S.r.l.

Payables and other liabilities mainly refer to payables for real estate management to Morning Capital S.r.l..

Dividends from parent companies refer to the dividend from Yafa Holding for 30,338 thousand euro. The dividend from associated companies refers to the dividend collected from Yarpa for 428 thousand euro.

Commission expenses were paid to the associated companies Aspevi Firenze S.r.l., Aspevi Roma S.r.l. and Aspevi Milano S.r.l.

We certify that the transactions carried out with Group companies referred to the normal course of business with use of specific professional services at market rates and did not include any unusual transactions.

A description of the Companies and additional disclosures are shown in the Notes, part C – other information and in the Consolidated Financial Statements.

Performance in the first months of the 2023 financial year and business outlook

The company's performance in the first few months of FY2023 appears to be positive and in line with the approved plan targets.

Allocation of earnings

Dear Shareholders,

At the end of the Directors' Report, and considering the contents of the year-end financial statements and accounts, we submit the following allocation of the year's earnings for your approval, pursuant to Article 20 of the By-Laws:

Net profit of Non-Life Business	euro	64,863,972
Net profit of Life Business	euro	(2,323,937)
Total (equal to 0.9664 per share)	euro	62,540,035

Dear Shareholders,

the operating plans that have been prepared lead us to make the following motion for allocation of net profit:

to each of the 64,717,464 shares making up the entire share capital, a dividend of 0.47 euro will be recognized for total 30,417,208 euro (unchanged with respect to the previous year).

Remaining 32,122,827 euro, which we propose to allocate to increase the Non-Life available reserve for 34,446,764 euro and to decrease the Life available reserve for 2,323,937 euro.

If our proposal will be shared and approved by you, the dividend will be paid as from 5 May 2023 at the depositary intermediaries, with detachment of coupon number 41 on 03 May 2023.

In concluding this report, we would like to thank the Shareholders and policyholders for the trust placed in the company, as well as employees, agents and their staff for their hard work and effort.

The Board of Directors

Milan, 22 February 2023

Financial Statements
as at and for the year
ended 31 December 2022

BALANCE SHEET

ASSETS

Current year

<p>A. SHARE CAPITAL PROCEEDS TO BE RECEIVED</p> <p>of which: called-up 2 0</p>		1	0
<p>B. INTANGIBLE ASSETS</p> <p>1. Acquisition commissions to be amortised</p> <p> a) life businesses 3 18,506,691</p> <p> b) non-life businesses 4 0 5 18,506,691</p> <p>2. Other acquisition costs 6 0</p> <p>3. Start-up and capital costs 7 0</p> <p>4. Goodwill 8 0</p> <p>5. Other deferred costs 9 19,943,018</p>		10	38,449,710
<p>C. INVESTMENTS</p> <p>I - Land and buildings</p> <p>1. Operating buildings 11 77,353,717</p> <p>2. Buildings used by third parties 12 62,075,684</p> <p>3. Other buildings 13 0</p> <p>4. Other property rights 14 0</p> <p>5. Assets under construction and payments on account 15 3,336,846 16 142,766,247</p> <p>II - Investments in group and other companies:</p> <p>1. Equity investments in:</p> <p> a) parent companies 17 0</p> <p> b) subsidiaries 18 375,968,043</p> <p> c) related companies 19 0</p> <p> d) associated companies 20 15,669,727</p> <p> e) other companies 21 58,860,433 22 450,498,203</p> <p>2. Bonds issued by:</p> <p> a) parent companies 23 0</p> <p> b) subsidiaries 24 0</p> <p> c) related companies 25 0</p> <p> d) associated companies 26 0</p> <p> e) other companies 27 0 28 0</p> <p>3. Loans to:</p> <p> a) parent companies 29 0</p> <p> b) subsidiaries 30 0</p> <p> c) related companies 31 0</p> <p> d) associated companies 32 785,087</p> <p> e) other companies 33 0 34 785,087 35 451,283,290</p> <p style="text-align: right;">to carry forward</p>			38,449,710

Previous year

			181	0
		182		0
183	8,389,047			
184	0	185	8,389,047	
		186	0	
		187	0	
		188	0	
		189	13,360,368	190 21,749,415
		191	78,690,169	
		192	63,726,296	
		193	0	
		194	0	
		195	3,187,294	196 145,603,759
197	0			
198	391,468,043			
199	0			
200	15,669,727			
201	58,883,637	202	466,021,407	
203	0			
204	0			
205	0			
206	0			
207	0	208	0	
209	0			
210	0			
211	0			
212	839,859			
213	0	214	839,859	215 466,861,266
		to carry forward		21,749,415

BALANCE SHEET

ASSETS

Current year

	brought forward			38,449,710
C. INVESTMENTS (continues)				
III - Other financial investments:				
1. Equity investments				
a) Listed shares	36	1,796,800		
b) Unlisted shares	37	0		
c) Quotas	38	0	39	1,796,800
2. OEIC units			40	966,662,724
3. Bonds and other fixed-interest securities				
a) listed	41	2,745,255,469		
b) unlisted	42	4,443,211		
c) convertible bonds	43	0	44	2,749,698,679
4. Loans				
a) secured loans	45	2,934,322		
b) loans on policies	46	113,229		
c) other loans	47	11,637,061	48	14,684,612
5. Shares in investment pools			49	0
6. Deposits with banks			50	0
7. Other financial investments			51	0
IV - Deposits with ceding companies			52	3,732,842,816
			53	0
			54	4,326,892,353
D. INVESTMENTS BENEFITING LIFE POLICYHOLDERS BEARING THE RISK AND STEMMING FROM PENSION FUND MANAGEMENT				
I - Investments relating to index-linked policies			55	210,105,876
II - Investments relating to pension fund management			56	26,949,135
			57	237,055,011
D bis. REINSURERS' SHARE OF TECHNICAL RESERVES				
I - NON-LIFE BUSINESSES				
1. Premium reserve	58	14,759,180		
2. Claims reserve	59	51,900,899		
3. Profit participation and reimbursement reserve	60	0		
4. Other technical reserves	61	0	62	66,660,079
II - LIFE BUSINESSES				
1. Mathematical reserves	63	4,949,584		
2. Complementary insurance premium reserve	64	0		
3. Reserve for payable amounts	65	27,631		
4. Profit participation and reimbursement reserve	66	0		
5. Other technical reserves	67	67,139		
6. Technical reserves where investment risk is borne by policyholders and reserves relating to pension fund management	68	0	69	5,044,354
			70	71,704,433
			to carry forward	4,674,101,507

Previous year

		brought forward			21,749,415
216	1,980,695				
217	0				
218	0	219	1,980,695		
		220	890,988,764		
221	2,569,141,533				
222	701,436				
223	0	224	2,569,842,968		
225	11,303,696				
226	248,947				
227	5,795,304	228	17,347,947		
		229	0		
		230	0		
		231	0	232	3,480,160,374
				233	0
				234	4,092,625,400
				235	166,130,550
				236	29,396,283
				237	195,526,833
		238	13,136,775		
		239	52,554,725		
		240	0		
		241	0	242	65,691,499
		243	4,058,129		
		244	0		
		245	13,031		
		246	0		
		247	55,270		
		248	0	249	4,126,430
				250	69,817,929
		to carry forward			4,379,719,577

BALANCE SHEET

ASSETS

		Current year	
		brought forward	4,674,101,507
E. RECEIVABLES			
I - Receivables relating to direct insurance due from:			
1. Policyholders			
a) premiums for the year	71	85,755,898	
b) premiums for previous years	72	1,694,387	73 87,450,285
2. Insurance brokers and agents			
	74	138,558,618	
3. Current account companies			
	75	8,251,348	
4. Amounts to be recovered from policyholders and third parties			
	76	34,547,943	77 268,808,194
II - Receivables relating to reinsurance due from:			
1. Insurance and reinsurance companies			
	78	1,320,875	
2. Reinsurance brokers and agents			
	79	0	80 1,320,875
III. - Other receivables			
			81 170,518,668 82 440,647,736
F. OTHER ASSETS			
I - Tangible assets and inventory:			
1. Office furniture and machines and internal transport systems			
	83	6,103,333	
2. Registered chattel property			
	84	166,387	
3. Plant and equipment			
	85	768,859	
4. Inventory and other assets			
	86	11,029	87 7,049,607
II - Cash and Cash equivalents			
1. Bank and postal accounts			
	88	7,781,977	
2. Cheques on hand and cash-in-hand			
	89	8,293	90 7,790,270
III - Own shares or quotas			
			91 0
IV - Other assets			
1. Suspense reinsurance accounts			
	92	0	
2. Sundry assets			
	93	127,328,217	94 127,328,217 95 142,168,093
G. PREPAYMENTS AND ACCRUED INCOME			
1. Interest			
			96 22,028,181
2. Rent instalments			
			97 0
3. Other prepayments and accrued income			
			98 8,549,635 99 30,577,817
TOTAL ASSETS			100 5,287,495,153

Previous year

	brought forward			4,379,719,576	
251	72,847,765				
252	3,202,111	253	76,049,876		
		254	140,904,858		
		255	7,860,468		
		256	30,037,158	257	254,852,360
		258	5,216,841		
		259	0	260	5,216,841
				261	118,493,200
				262	378,562,401
		263	4,507,803		
		264	217,045		
		265	1,041,327		
		266	11,029	267	5,777,203
		268	6,310,573		
		269	4,043	270	6,314,616
				271	0
		272	0		
		273	96,683,203	274	96,683,203
				275	108,775,022
				276	23,647,975
				277	0
				278	9,503,743
				279	33,151,718
				280	4,900,208,717

BALANCE SHEET

LIABILITIES AND SHAREHOLDERS' EQUITY

Current year

A. SHAREHOLDERS' EQUITY				
I - Subscribed share capital or equivalent fund		101	67,378,924	
II - Share premium reserve		102	13,418,961	
III - Revaluation reserves		103	18,192,709	
IV - Legal reserve		104	13,475,785	
V - Statutory reserves		105	0	
VI - Reserve for own shares		106	0	
VII - Other reserves		107	593,634,452	
VIII - Retained earnings or losses carried forward		108	0	
IX - Net profit (loss) for the year		109	62,540,035	
X - Negative reserve for own shares		401	0	110 768,640,866
B. SUBORDINATED LIABILITIES				111 250,000,000
C. TECHNICAL RESERVES				
I - NON-LIFE BUSINESSES				
1. Premium reserve	112 470,947,047			
2. Claims reserve	113 1,427,512,688			
3. Profit participation and reimbursement reserve	114 0			
4. Other technical reserves	115 408,603			
5. Equalisation reserves	116 10,758,592	117	1,909,626,930	
II - LIFE BUSINESSES				
1. Mathematical reserves	118 1,832,102,079			
2. Complementary insurance premium reserve	119 52,446			
3. Reserve for payable amounts	120 11,936,622			
4. Profit participation and reimbursement reserve	121 0			
5. Other technical reserves	122 7,681,462	123	1,851,772,609	124 3,761,399,539
D. TECHNICAL RESERVES WHERE THE INVESTMENT RISK IS BORNE BY POLICYHOLDERS AND RESERVES ARISING FROM PENSION FUND MANAGEMENT				
I - Reserves arising from index-linked policies		125	210,105,876	
II - Reserves arising from pension fund management		126	26,949,135	127 237,055,011
to carry forward				5,017,095,416

Previous year

	281	67,378,924	
	282	13,418,961	
	283	18,192,709	
	284	13,475,785	
	285	0	
	286	0	
	287	522,000,851	
	288	0	
	289	102,050,809	
	501	0	290 736,518,040
			291 250,000,000
292	447,830,018		
293	1,312,306,078		
294	0		
295	408,603		
296	9,804,601	297 1,770,349,299	
298	1,683,324,499		
299	49,695		
300	15,469,088		
301	0		
302	7,078,509	303 1,705,921,791	304 3,476,271,090
		305 166,130,550	
		306 29,396,283	307 195,526,833
	to carry forward		4,658,315,963

BALANCE SHEET

LIABILITIES AND SHAREHOLDERS' EQUITY

		Current year	
brought forward			5,017,095,416
E. PROVISIONS FOR CONTINGENCIES AND OTHER CHARGES			
1	Pension and similar provisions	128	0
2	Provision for taxation	129	635,860
3	Other provisions	130	22,277,017
		131	22,912,877
F. DEPOSITS FROM REINSURERS			
		132	7,519,188
G. PAYABLES AND OTHER LIABILITIES			
I - Payables arising from direct insurance business due to:			
1.	Insurance brokers and agents	133	2,212,821
2.	Current account companies	134	1,681,698
3.	Guarantee deposits and premiums paid by policyholders	135	1,961,112
4.	Guarantee funds in favour of policyholders	136	0
		137	5,855,632
II - Payables arising from reinsurance business due to:			
1.	Insurance and reinsurance companies	138	22,500,900
2.	Reinsurance brokers and agents	139	0
		140	22,500,900
III. - Bond issues			
		141	0
IV - Due to banks and other financial institutions			
		142	5,863,387
V - Secured debts			
		143	0
VI - Sundry loans and other financial payables			
		144	0
VII - Employees' leaving entitlement			
		145	2,636,323
VIII - Other sums payable			
1.	Policyholders' tax due	146	29,530,531
2.	Other sums payable to taxation authorities	147	2,451,164
3.	Social security charges payable	148	4,945,509
4.	Sundry payables	149	49,027,801
		150	85,955,004
IX - Other liabilities			
1.	Suspense reinsurance accounts	151	0
2.	Commissions on premiums under collection	152	25,442,604
3.	Other liabilities	153	84,318,012
		154	109,760,615
		155	232,571,861
to carry forward			5,280,099,342
H. ACCRUED EXPENSES AND DEFERRED INCOME			
1.	Interest	156	6,813,356
2.	Rent instalments	157	0
3.	Other accrued expenses and deferred income	158	582,455
		159	7,395,812
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		160	5,287,495,153

Previous year

brought forward			4,658,315,963
		308	0
		309	1,364,171
		310	52,546,492
		311	53,910,663
		312	6,872,559
313	7,297,665		
314	4,854,187		
315	1,726,144		
316	0	317	13,877,996
318	13,549,348		
319	0	320	13,549,348
		321	0
		322	11,238,482
		323	0
		324	0
		325	2,267,159
326	28,991,237		
327	3,765,617		
328	4,065,834		
329	37,733,387	330	74,556,075
331	0		
332	21,692,835		
333	37,070,922	334	58,763,757
		335	174,252,818
to carry forward			4,893,352,003
		336	6,813,356
		337	0
		338	43,358
		339	6,856,714
		340	4,900,208,717

PROFIT AND LOSS ACCOUNT

Current year

I. NON-LIFE BUSINESS TECHNICAL ACCOUNT						Current year	
1	PREMIUMS, NET OF OUTWARDS REINSURANCE						
	a) gross premiums accounted for	1	1,325,141,889				
	b) (-) outwards reinsurance premiums	2	72,733,639				
	c) Change in gross premium reserve	3	23,117,030				
	d) Change in reinsurer premium reserve	4	1,622,405		5	1,230,913,625	
2	(+) INCOME ON INVESTMENTS TRANSFERRED FROM NON-TECHNICAL ACCOUNT (Caption III.6)					6	16,768,554
3	OTHER TECHNICAL INCOME, NET OF OUTWARDS REINSURANCE					7	5,229,010
4	CHARGES RELATING TO CLAIMS, NET OF RECOVERIES AND OUTWARDS REINSURANCE						
	a) Amounts paid						
	aa) Gross amount paid	8	789,958,061				
	bb) (-) reinsurers' share	9	35,770,067	10	754,187,994		
	b) Change in recoveries, net of reinsurers' share						
	aa) Gross amount recovered	11	18,804,860				
	bb) (-) reinsurers' share	12	221,991	13	18,582,869		
	c) Change in claims reserve						
	aa) Gross amount	14	115,185,219				
	bb) (-) reinsurers' share	15	-662,097	16	115,847,316	17	851,452,440
5	CHANGE IN OTHER TECHNICAL RESERVES, NET OF OUTWARDS REINSURANCE					18	
6	REVERSALS AND PROFIT PARTICIPATION, NET OF OUTWARDS REINSURANCE					19	
7	OPERATING COSTS:						
	a) Acquisition commissions	20	223,904,876				
	b) Other acquisition costs	21	52,576,891				
	c) Change in commissions and other acquisition costs to be amortised					22	
	d) Premium collection commissions	23	5,713,248				
	e) Other administrative costs	24	46,645,752				
	f) (-) Profit participation and other commissions received by reinsurers	25	9,538,829		26	319,301,937	
8	OTHER TECHNICAL CHARGES, NET OF OUTWARDS REINSURANCE					27	14,369,595
9	CHANGE IN EQUALISATION RESERVES					28	953,991
10	RESULT OF NON-LIFE BUSINESS TECHNICAL ACCOUNT (Caption III. 1)					29	66,833,225

Previous year

		111	1,263,544,432			
		112	51,630,790			
		113	16,986,591			
		114	985,789	115	1,195,912,840	
				116	3,743,179	
				117	3,190,510	
		118	722,015,877			
	119	36,610,438	120	685,405,439		
	121	19,033,059				
	122	-1,480,396	123	20,513,455		
	124	61,328,341				
	125	1,025,521	126	60,302,820	127	725,194,805
				128		
				129		
		130	210,261,389			
		131	54,937,835			
		132				
		133	6,209,736			
		134	46,250,295			
		135	6,048,851	136	311,610,405	
				137	10,768,440	
				138	824,917	
				139	154,447,963	

PROFIT AND LOSS ACCOUNT

Current year

II. LIFE BUSINESS TECHNICAL ACCOUNT					
1	PREMIUMS, NET OF OUTWARDS REINSURANCE:				
	a) Gross premiums accounted for	30	354,281,354		
	b) (-) outwards reinsurance premiums	31	2,214,098	32	352,067,256
2	INCOME ON INVESTMENTS:				
	a) Income on equity investments	33	335,625		
	(of which: from group companies	34	335,625)		
	b) Income on other investments:				
	aa) land and buildings	35	1,611,963		
	bb) other investments	36	58,947,853	37	60,559,816
	(of which: from group companies	38)		
	c) Adjustments to investment values	39			
	d) Profit on sale of investments	40	745,458		
	(of which: from group companies	41)	42	61,640,899
3	INCOME AND NON-REALISED CAPITAL GAINS RELATING TO INVESTMENTS BENEFITTING POLICYHOLDERS BEARING THE RISK AND INVESTMENTS STEMMING FROM PENSION FUND MANAGEMENT			43	4,326,710
4	OTHER TECHNICAL INCOME, NET OF OUTWARDS REINSURANCE			44	4,232,410
5	CHARGES RELATING TO CLAIMS, NET OF OUTWARDS REINSURANCE:				
	a) Amounts paid				
	aa) Gross amount paid	45	152,786,570		
	bb) (-) reinsurers' share	46	145,424	47	152,641,146
	b) Change in reserve for amounts payable				
	aa) Gross amount	48	-3,532,466		
	bb) (-) reinsurers' share	49	14,600	50	-3,547,066
				51	149,094,081
6	CHANGE IN MATHEMATICAL RESERVES AND OTHER TECHNICAL RESERVES, NET OF OUTWARDS REINSURANCE				
	a) Mathematical reserves:				
	aa) Gross amount	52	150,062,642		
	bb) (-) reinsurers' share	53	891,455	54	149,171,187
	b) Complementary insurance premium reserve:				
	aa) Gross amount	55	2,751		
	bb) (-) reinsurers' share	56		57	2,751
	c) Other technical reserves				
	aa) Gross amount	58	602,953		
	bb) (-) reinsurers' share	59	11,869	60	591,084
	d) Technical reserves where investment risk is borne by policyholders and reserves arising from pension fund management				
	aa) Gross amount	61	41,528,178		
	bb) (-) reinsurers' share	62		63	41,528,178
				64	191,293,200

Previous year

		140	327,259,810			
		141	1,827,620	142	325,432,191	
		143	317,625			
(of which: from group companies		144	185,625)			
	145		1,685,693			
	146	59,829,187	147	61,514,880		
(of which: from group companies		148)			
		149	7,380			
		150	2,015,407			
(of which: from group companies		151)	152	63,855,292	
				153	19,587,965	
				154	2,453,671	
	155		116,897,847			
	156	45,591	157	116,852,255		
	158	-6,177,911				
	159	-353	160	-6,177,558	161	110,674,697
	162	174,004,124				
	163	560,929	164	173,443,195		
	165	-874				
	166		167	-874		
	168	546,739				
	169	6,452	170	540,287		
	171	81,731,303				
	172		173	81,731,303	174	255,713,912

PROFIT AND LOSS ACCOUNT

		Current year
7	REVERSALS AND PROFIT PARTICIPATION, NET OF OUTWARDS REINSURANCE	65
8	OPERATING COSTS:	
	a) Acquisition commissions	66 22,935,942
	b) Other acquisition costs	67 5,505,850
	c) Change in commissions and other acquisition costs to be amortised	68 10,117,644
	d) Premium collection commissions	69 2,082,409
	e) Other administrative costs	70 4,085,092
	f) (-) Profit participation and other commissions received by reinsurers	71 446,538
		72 24,045,110
9	CAPITAL AND FINANCIAL CHARGES:	
	a) Investment management charges and interest payable	73 10,091,841
	b) Adjustments to investment values	74 22,634,796
	c) Loss on sale of investments	75 346,085
		76 33,072,723
10	CAPITAL AND FINANCIAL CHARGES AND NON-REALISED CAPITAL LOSSES RELATING TO INVESTMENTS BENEFITTING POLICYHOLDERS WHO BEAR THE RISK AND INVESTMENTS STEMMING FROM PENSION FUND MANAGEMENT	77 30,927,913
11	OTHER TECHNICAL CHARGES, NET OF OUTWARDS REINSURANCE	78 78,322
12	(-) INCOME ON INVESTMENTS TRANSFERRED TO NON-TECHNICAL ACCOUNT (caption III.4)	79
13	RESULT OF LIFE BUSINESS TECHNICAL ACCOUNT (Caption III. 2)	80 -6,244,074
III. NON-TECHNICAL ACCOUNT		
1	RESULT OF NON-LIFE BUSINESS TECHNICAL ACCOUNT (Caption I.10)	81 66,833,225
2	RESULT OF LIFE BUSINESS TECHNICAL ACCOUNT (Caption II.13)	82 -6,244,074
3	INCOME ON INVESTMENTS IN NON-LIFE BUSINESS:	
	a) Income on equity investments	83 6,123,509
	(of which: from group companies	84 6,123,509)
	b) Income on other investments:	
	aa) land and buildings	85 2,800,709
	bb) other investments	86 35,068,098
	(of which: from group companies	87 37,868,807
		88 133,485)
	c) Adjustments to investment values	89
	d) Profit on sale of investments	90 1,627,882
	(of which: from group companies	91)
		92 45,620,198

Previous year

			175	
		176	13,577,033	
		177	4,141,153	
		178	1,340,175	
		179	687,757	
		180	4,069,560	
		181	366,444	182
				20,768,885
		183	11,215,647	
		184	2,624,758	
		185	365,143	186
				14,205,548
				187
				4,513,557
				188
				116,028
				189
				3,728,696
				190
				1,607,797
				191
				154,447,963
				192
				1,607,797
		193	3,242,402	
(of which: from group companies		194	3,242,402)	
		195	2,898,945	
		196	25,693,285	197
				28,592,230
(of which: from group companies		198	157,573)	
		199		
		200	76,746	
(of which: from group companies		201)	202
				31,911,378

PROFIT AND LOSS ACCOUNT

		Current year
4	(+) INCOME ON INVESTMENTS TRANSFERRED FROM LIFE BUSINESS TECHNICAL ACCOUNT (caption II) 12)	93
5	CAPITAL AND FINANCIAL CHARGES OF NON-LIFE BUSINESS:	
	a) Investment management charges and interest payable	94 18,307,332
	b) Adjustments to investment values	95 2,252,422
	c) Loss on sale of investments	96 101,298
		97 20,661,052
6	(-) INCOME ON INVESTMENTS TRANSFERRED TO NON-LIFE BUSINESS TECHNICAL ACCOUNT (caption I . 2)	98 16,768,554
7	OTHER INCOME	99 29,279,041
8	OTHER CHARGES	100 25,307,548
9	RESULT OF ORDINARY BUSINESS	101 72,751,236
10	EXTRAORDINARY INCOME	102 13,479,300
11	EXTRAORDINARY EXPENSE	103 2,192,583
12	RESULT OF EXTRAORDINARY ORDINARY BUSINESS	104 11,286,717
13	PROFIT (LOSS) BEFORE TAXATION	105 84,037,953
14	TAXATION ON PROFIT FOR THE YEAR	106 21,497,919
15	NET PROFIT (LOSS) FOR THE YEAR	107 62,540,035

Previous year

		203	3,728,696
	204	19,497,699	
	205	5,997,922	
	206	831,756	
		207	26,327,378
		208	3,743,179
		209	1,920,034
		210	34,663,382
		211	128,881,928
		212	20,157,332
		213	964,845
		214	19,192,487
		215	148,074,415
		216	46,023,607
		217	102,050,808

EXPLANATORY NOTES TO FINANCIAL STATEMENTS

Dear Shareholders,
along with the Balance Sheet and Income Statement for the financial year ending on 31 December 2022, we hereby submit for your approval these Explanatory Notes which, pursuant to Article 2423 of the Italian Civil Code, are an integral part of the year-end financial statements.

Format and content of year-end financial statements

The financial statements, drawn up in euro, are submitted in the specific format envisaged for insurance companies as required by the Italian Legislative Decree no. 209 of 7 September 2005 “Private Insurance Company Code”. For items not covered by the aforementioned Decree or by its implementation orders, the provisions of the Italian Civil Code and those of Italian Legislative Decree no. 173 of 26 May 1997 apply, as amended following the transposition of Directive 2009/138/EC, Solvency II and Directive 2013/34/EU, Accounting.

Specifically, in compliance with ISVAP Regulation no. 22 of 4 April 2008, the financial statements have been prepared as follows:

- The balance sheet and income statement are expressed in euro units. The arithmetical sum of rounding differences is recorded under captions F.IV.2) Sundry assets or G.IX.3) Sundry liabilities in the balance sheet and III.10) Extraordinary income or III.11) Extraordinary expense in the income statement;
- The Explanatory Notes to accounts, their appendices, and the restated balance sheet and income statement are shown in thousands of euro. Related rounding has been calculated to ensure consistency with the figures in euro units shown in the Balance Sheet, Income statement and Cash flow Statements.

As required by regulations, the Explanatory Notes consist of three parts:

Part A – Accounting policies

Part B – Information on the balance sheet and income statement

Part C – Other information and cash flow statement

The Explanatory Notes include 32 appendices that analyse the technical and financial components of insurance and financial operations.

In order to provide more complete information, it has been considered, as already done in previous years, also to present the reclassified balance sheet and income statement. The items in the reclassified balance sheet are shown net of reinsurance effects.

Reclassified balance sheet

(€/000)

ASSETS	31/12/2022	31/12/2021
Investments		
Land and buildings	142,766	145,604
Investments in group and other companies		
- Equity investments	450,498	466,021
- Loans	785	840
Other financial investments:		
- Equity investments	1,797	1,981
- OEIC units	966,663	890,989
- Bonds and other fixed-interest securities	2,749,699	2,569,843
- Loans	14,685	17,348
Investments benefiting life policyholders	237,055	195,527
Total investments	4,563,948	4,288,153
Receivables		
Receivables relating to direct insurance business from:		
- Policyholders	87,450	76,050
- Insurance brokers and agents	138,559	140,905
- Current account companies	8,251	7,860
- Amounts to be recovered from policyholders and third parties	34,548	30,037
Receivables relating to reinsurance business	1,321	5,217
Other receivables	170,519	118,493
Total receivables	440,648	378,562
Intangible assets	38,450	21,749
Tangible assets and inventory	7,050	5,777
Cash and cash equivalents	7,790	6,315
Other assets	127,326	96,682
Prepayments and accrued income	30,578	33,152
TOTAL ASSETS	5,215,790	4,830,390

Reclassified balance sheet

(€/000)

LIABILITIES AND SHAREHOLDERS' EQUITY	31/12/2022	31/12/2021
Shareholders' equity		
- Share capital	67,379	67,379
- Share premium reserve	13,419	13,419
- Revaluation reserves	18,193	18,193
- Legal reserve	13,476	13,476
- Other reserves	593,634	522,001
- Net profit (loss) for the year	62,540	102,051
Total shareholders' equity	768,641	736,519
Subordinated liabilities	250,000	250,000
Technical reserves, net of reinsurance		
- Premium reserve	456,188	434,693
- Claims reserve	1,375,612	1,259,751
- Mathematical reserves	1,827,152	1,679,266
- Reserve for amounts payable	11,909	15,456
- Other technical reserves	18,834	17,286
- Technical reserves where investment risk is borne by policyholders and reserves relating to pension fund management	237,055	195,527
Total technical reserves	3,926,750	3,601,979
Payables		
Deposits from reinsurers	7,519	6,873
Payables arising from direct insurance business due to:		
- Insurance brokers and agents	2,213	7,298
- Current account companies	1,682	4,854
- Guarantee deposits and premiums paid by policyholders	1,961	1,726
Payables arising from reinsurance business	22,501	13,549
Other sums payable	85,955	74,556
Total payables	127,694	120,094
Provisions for contingencies and other charges	22,913	53,911
Employees' leaving entitlement	2,636	2,267
Other liabilities	109,760	58,763
Accrued expenses and deferred income	7,396	6,857
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	5,215,790	4,830,390

Reclassified individual profit and loss account

(€/000)

	31/12/2022	31/12/2021
Technical account		
Life businesses:		
Direct insurance		
(+) Gross premiums accounted for	354,281	327,260
(-) Charges relating to claims	149,254	110,720
technical reserves	192,197	256,281
(+) Other technical captions, net	4,154	2,338
(-) Operating costs	24,492	21,135
net of the portion transferred to the non-technical account	28,568	45,921
(+) income on investments where		-
policyholders bear the risk - Class D	-26,601	15,074
Direct insurance result	-5,540	2,456
Outwards reinsurance result	-704	-849
Retained direct insurance result	-6,244	1,608
Result of life business technical account	-6,244	1,608
Non-life businesses:		
Direct insurance		
(+) Gross premiums accounted for	1,325,037	1,263,445
(-) Change in premium reserve	23,114	16,986
(-) Charges relating to claims	886,330	764,322
(+) Other technical captions, net	-9,141	-7,578
(-) Operating costs	328,833	317,653
Direct insurance result	77,620	156,907
Outwards reinsurance result	-26,687	-5,480
Retained direct insurance result	50,932	151,427
Indirect and retroceded insurance result	90	104
Total retained direct insurance result	51,022	151,531
(-) Change in equalisation reserves	954	825
(+) Income on investments transferred		
from the non-technical account	16,769	3,743
Result of non-life business technical account	66,837	154,449
Result of technical account	60,593	156,057
(+) Income on non-life business investments net of the		
portion transferred to the technical account	8,191	1,841
(+) Income on investments transferred		
from the life business technical account	-	3,729
(+) Other income	29,279	1,920
(-) Other charges	25,311	34,664
Result of ordinary business	72,752	128,882
(+) Extraordinary income	13,479	20,157
(-) Extraordinary expense	2,193	965
Profit (loss) before taxation	84,038	148,075
(-) Taxation on profit for the year	21,498	46,024
Net profit (loss)	62,540	102,051

Part A

Accounting policies

The accounting policies used to draw up the year-end financial statements comply with the requirements of Articles 2426 and 2427 of the Italian Civil Code, Italian Legislative Decree no. 209 of 7 September 2005, Italian Legislative Decree no. 173 of 26 May 1997 (to which the “Private Insurance Company Code” refers), ISVAP regulation no. 22 of 4 April 2008 and provisions introduced by corporate law (Italian Legislative Decree no. 6 of 17 January 2003 and the subsequent amendments and supplements), are described below. Unless otherwise specified, accounting policies relating to direct insurance captions also apply to outwards reinsurance.

Taking into account the solvency ratio, the profitability of the Company and its careful management of risks, the financial statements have been prepared on a going concern basis.

Technical insurance captions

Classification of risks by business line

For the purposes of allocating the gross premiums written and related transactions, classification of risks by business line is defined by Article 2 of Italian Legislative Decree no. 209 of 7 September 2005.

NON-LIFE Premiums and related premium reserves are allocated to the various Non-Life Business lines analytically for each guarantee; operating costs and technical income are allocated to the various Non-Life Business lines through appropriated drivers. Costs relating to claims are directly allocated to the individual lines if they refer to transactions relating to an individual event, since allocations are made on the basis of the type of cover involved in a claim. Costs common to several claims are allocated to the various officially defined lines according to the weight of indemnities paid during the financial year. Costs borne for claims in the current and previous financial years are allocated commensurate with the indemnities paid in the different years concerned. Only for the Motor TPL (third-party liability) line, the impact of the number of claims occurring in the year is also taken into account.

LIFE Allocation of Life technical captions is done on a direct basis since the entire portfolio complies with the regulatory classification.

Gross premiums

LIFE Premiums, together with their ancillary costs, gross of outward reinsurance, are recognized as revenues upon maturity, regardless of when documents are recorded and of the date on which they are actually collected.

NON-LIFE In the Non-Life business, cancellations of individual policies caused by technical events and by cancellations due to non-renewal are directly deducted from premiums, as long as they are issued in the same year. In the case of Non-Life business, the caption comprises all cancellations except for those relating to first-year premiums written in previous financial years.

For Non-Life business, allocation to the year is made via adjustment of the premium reserve. For the Life business, instead, it is implicit in the calculation of the mathematical reserves, of the complementary insurance premium reserve, and of other technical reserves of the life business.

Ceded and retroceded reinsurance premiums are accounted for in accordance with the contractual agreements entered into with reinsurers.

NON-LIFE/
LIFE

Operating costs

Operating costs include:

Acquisition commissions

They include the commissions paid on the acquisition and renewal (also tacit) of contracts. They also include extra commissions and commission bonuses commensurate with achievement of productivity targets.

Other acquisition costs

They include personnel expenses, logistics costs, costs for services and purchase of goods of the management departments involved in the assessment, issue and management of insurance contracts. They also include costs accorded to the agency network for the issuing of contracts and for extra bonuses and commission bonuses not linked to productivity targets, plus costs incurred for medical check-ups.

Changes in commissions and other acquisition costs to be amortised

This item includes the year's portion of amortisation for acquisition commissions and other acquisition expenses.

Premium collection commissions

This item includes commissions paid for collection of premiums relating to long-term contracts.

Other administrative costs

They include personnel expenses, logistics costs, costs for services and purchase of goods of the company departments other than those relating to the other acquisition costs indicated above and those allocated to claims settlement and investment management. They also include charges incurred for the termination of agency agreements not the part not subject to compensation.

Commissions and profit participation received by reinsurers

This includes commissions and profit-participation amounts for reinsurers as established by contractual agreement for premiums ceded and retroceded.

Premium reserve

NON-LIFE

The Non-Life premium reserve is calculated on a pro-rata temporis basis, contract by contract, based on premiums written net of direct costs and of the unearned portion of premiums, i.e. pertaining to the period after 31 December in the financial year concerned.

There is an exception to this rule for the calculation of the reserve for some business lines for which risk exposure does not decrease as time elapses or for which the correlation between policy premiums and potential claim costs does not follow the usual economic and technical criteria. In these cases, an additional reserve calculation is required.

The ISVAP Regulation no. 22 of 4 April 2008, title III bis, Article 23-ter, amended and supplemented by IVASS regulatory order no. 53/2016, defines the business lines requiring the additional calculation, and related criteria of calculation:

- Bond insurance: the additional reserve follows the criteria envisaged by Annex no. 15 to ISVAP Regulation no. 22/2008;
- Hail insurance: the additional reserve follows the criteria envisaged by paragraphs 13 and 14 of Annex 15 to ISVAP Regulation no. 22/2008 that define the method of calculation and use, respectively;
- Miscellaneous asset damage - (earthquake, seaquake and volcanic eruption insurance): the additional reserve follows the criteria envisaged by paragraphs 13 and 14 of Annex no. 15 to ISVAP Regulation no. 22/2008;
- Nuclear risks: the additional reserve follows the criteria envisaged by paragraph 19 of Annex 15 to ISVAP regulation no. 22/2008.

Also, the Company assesses the need to establish the reserve for unexpired risks to cover risks incumbent upon the company after the balance sheet date, as required by the Italian Legislative Decree no. 209 of 7 September 2005. The reserve for unexpired risks has been determined by adopting the empirical calculation method, based on the forward-looking value of the ratio claims/earned premiums of the current generation, according to criteria set forth by paragraph no.7 of Annex. 15 to ISVAP Regulation no.

22/2008, possibly normalized to consider non-recurring events. This criterion provides that the provision is made if and to the extent that the total amount of the alleged cost of expected claims – with respect to portfolio policies – is estimated to exceed the reserve for unearned premiums plus premiums outstanding, net of acquisition costs due for deferred-premium policies.

For the assessment of Unexpired risk reserve of the line of business 14 – Credit, the empirical method is not considered to be consistent with the type of Vittoria's risk portfolio which is entirely represented by the Salary-Backed Loans with the possibility of recovery. The inadequacy of the empirical method is to use the pro rata premium reserve which assumes a linear distribution of risks. The expected loss ratio is in fact linked to the outstanding principal of outstanding contracts that is decreasing with respect to their maturity. Being a portfolio developed in the past years that today is an average of half of the period of coverage and so already today do not detect a significant new production, it was considered more appropriate to use a method of estimating the expected loss ratio.

Reinsurers' premium reserve: this is calculated applying the same criteria as those used for direct business and inward reinsurance.

Other technical reserves

NON-LIFE

This caption comprises the aging reserve for health insurance as required by Article 37 of Italian Legislative Decree no. 209 of 7 September 2005.

Calculations include all the products that, in setting premiums, do not take into account changes in the policyholder's age and contain clauses that limit the Company's ability to withdraw, as indicated by paragraphs 42-43-44 of Annex no. 15 to ISVAP Regulation no. 22 of 4 April 2008, amended and supplemented by IVASS regulatory order no. 53/2016. The estimate is based on a comparison between estimated cash inflows (all premiums expected to be collected in future years on the contracts held in portfolio at December 2020) and estimated cash outflows (all losses expected to be paid for the contracts held in portfolio at December 2020).

For consistency and as a comparison, the reserve was calculated on a lump-sum basis by setting aside 10% of gross premiums written, as envisaged by paragraph 44 of Annex no. 15 to ISVAP Regulation 16/2008, amended and supplemented by IVASS regulatory order no. 53/2016, by accruing 10% of gross premiums underwritten on above products.

Equalisation reserves

NON-LIFE

Equalisation reserves comprise all sums provisioned in compliance with Article 37 of Italian Legislative Decree no. 209 of 7 September 2005 in order to smooth fluctuations in claims rate in future years or to cover special risks.

The item includes:

- the offsetting reserve for credit insurance envisaged by paragraph 39 of Annex. 15 to ISVAP regulation no. 22/2008, amended and supplemented by IVASS regulatory order no. 53/2016;
- the equalisation reserve for risks of natural disasters; in the absence of the issuance of the Regulation of the Ministry for the Economic Development, provided for by paragraph 37 of the Insurance Company Code, provisions of Ministerial Decree no. 705 of 19 November 1996 are applied to the calculation.
Equalisation reserving for FY2022, by business line, is shown in Appendix 25 to the Explanatory Notes.

Costs relating to claims paid

NON-LIFE	<p>The Non-Life business costs relating to claims paid include amounts paid in the year as indemnities and direct expenses, as well as claims adjustment expenses and the cost of the contribution to the guarantee fund for road-accident victims.</p> <p>Direct expenses are those incurred to avoid or minimise claim damage, including litigation costs as per Article 1917, paragraph 3, of the Italian Civil Code, rescue expenses in transport and aviation insurance, and extinguishing costs in fire insurance. Settlement costs include amounts paid to professionals appointed for the purpose, personnel expenses, logistics costs, and costs for services and goods of the company departments dedicated to claims settlement and handling.</p>
LIFE	<p>Costs relating to the claims in the Life business include amounts recognised in the financial year against capital sums and annuities accruing, surrenders, and claims, including those relating to complementary insurance.</p>
NON-LIFE LIFE	<p>The amount of reinsurers' share of costs is calculated according to provisions of existing contracts.</p>

Recoverables

NON-LIFE	<p>The caption includes sums to be recovered from policyholders and third parties for claims redemptions in policies with bonus-malus clauses, for deductibles, subrogations, recoveries.</p> <p>The income statement recognises the difference between the amount at year-end and the amount existing on 31 December of the previous year, together with what has been recovered during the year.</p>
----------	--

Claims reserve

NON-LIFE	<p>The claims reserve reflects the prudent evaluation of estimated indemnities and adjustment costs for claims relating to direct business that have been incurred and not yet paid, either totally or in part, as at balance sheet date. This valuation is performed considering the specific features of each line, based on all components forming the requirement for coverage of the claim's ultimate cost. "Ultimate cost" means the estimate of all foreseeable costs based on a prudent assessment of factual evidence (document examination) and forecasts (expected claims settlement time frame).</p>
----------	--

Assessment of each claim is performed according to the following phases:

- preparation of inventory estimates for each open position by non-life claims settlement inspectors through session during the year;
- analysis and checking of data through sessions during the year and review of documentation concerning major claims by corporate management together with the liquidators and with the support of external trustees;
- possible integration / update of the reserve initially allocated on the basis of the principle of "reserve continuously".

Activities performed as part of claims assessment procedures are based on the general criteria:

- Accurate and complete basic year-end inventory of all claims partly or totally not settled, highlighting claims that are the subject of disputes;
- Analysis of claims featuring several positions in order to ascertain that proper evidence exists supporting each individual position;
- Separate indication of the quantification of bodily injury and property damage;
- Inclusion of estimated direct and settlement costs in the claims reserve. Settlement costs include both amounts paid to professionals taking part in claims handling and internal company costs relating to the claims handling department;
- Assessment of claims relating to credit and suretyship insurance in compliance with the criteria laid down in paragraphs n. 32-33-34 Annex n. 15 of ISVAP Regulation no. 22/2008 amended and supplemented by IVASS Regulatory order no. 53/2016.

As regards current-generation claims, case documentation is examined at least quarterly to check the claim's progress and see whether the previous assessment was correct. In addition, the "continuous reserve" operating procedure is applied, which means that, when each partial payment is made or whenever new information is gathered, the claim is reviewed. In support of the local settlement network, a technical review structure is in place, which checks the merits and the method for the correct application of the rules issued by the Management.

The claims reserve includes the estimate for IBNR claims, i.e. claims pertaining to the year that have been incurred but not yet reported by year-end but pertaining to the year. Amounts are calculated considering the average cost of the current generation. For all lines of business, actuarial statistical methods are used that are widely accepted in the market to estimate the number and the amounts of late claims. For TPL line, relevant estimate is conducted separately for each type of risk. The TPL claims reserves are subject to verification by the Actuarial Function pursuant to ISVAP Regulation no. 22/2008 amended and supplemented by the IVASS Order n. 53/2016. In any case, the managerial structures perform quarterly back testing compared to the previous financial statements.

The claims reserves thus calculated that relate to mass risks, insofar as they refer to positions settled in the medium-long term, are subjected to statistical and actuarial checks to assess their consistency with ultimate cost and, when necessary, are topped up.

The process for determining the claims reserve of the TPL Lib (including the Third-party liability for watercraft - sea, lake, and river) is based on a complex estimation activity that includes numerous variables. The main assumptions used in the control based on statistical-actuarial methodologies concern the technical variables, including the time interval for deferring payments, the elimination of claims without follow-up, the re-opening and the evolution of the cost of claims connected to seniority. of payment as well as the prospective evaluation of the economic scenario, supplemented where necessary by the expert judgment which is also based on the analysis of the portfolio management events.

The claims reserve for Card and No Card of TPL line comply with the requirements by paragraphs no. 30 of Annex 15 ISVAP Regulation no. 22/2008, in the case of the company would be "managing" and paragraph 2 in the case of the company would be "indebted". The total amount of claims reserve has been calculated in compliance with paragraph no. 31 of the above regulation.

For the year ended 31 December 2021, the Company, in the process of developing the actuarial statistical methodologies for the determination of the reserves for the Motor TPL line of business, has also considered the impacts arising from the government measures aimed at containing the pandemic.

Reinsurers' claims reserve: this is calculated applying the same criteria as those used for direct business and inward reinsurance.

Mathematical reserves and other technical reserve

LIFE

Technical reserves for the Life business are calculated on the basis of the pure premiums and actuarial assumptions deemed to be appropriate as at the date when contracts were entered into, insofar as they are still valid. Calculation of technical reserves is based on the rate of return determined on the basis of related investments for relevant "revaluable" benefits and on the mortality rate used to calculate pure premiums. In accordance with current regulations, the premiums-carried-forward component of mathematical reserves is calculated on a pure-premium basis. The reserve for operating expenses is calculated by taking operating loading as the basis and the other technical bases of the tariffs applied. For policies featuring health- and/or profession-related premium surcharges, an additional reserve is calculated equal to a full annual premium surcharge.

The premium reserve for complementary accident insurance is calculated analytically, applying the premium-carry-forward criterion to related pure premiums.

In no case is the mathematical reserve lower than surrender value.

In compliance with the requirements established by paragraph no. 36 Annex no. 14 to ISVAP regulation no. 22/2008, amended and supplemented by IVASS regulatory order no. 53/2016, an additional demographic risk reserve has been set up relating to annuity contracts and to capital contracts with a contractually guaranteed annuity conversion factor, in order to adjust the demographic bases used to calculate mathematical reserves to direct portfolio experience.

Mathematical reserves are also supplemented, when necessary, to take into account the time lag between the period in which the return to be contractually recognized has been matured and the moment when this is recognized to the Policyholders (paragraph 23 of Annex no 14 to ISVAP Regulation no. 22 of 2008 amended by IVASS order no. 53 of 2016).

In compliance with provisions under paragraphs 24-32 of Annex no. 14 to ISVAP Regulation no. 22 of 2008 amended by IVASS order no. 53 of 2016, an ALM procedure (Asset & Liability Management) has been implemented to jointly analyse the asset and liability portfolios of separate internal funds that are deemed as significant and to further supplement the reserve due to lack of technical rate.

The reserves relating to unit-linked policies and pension funds have been calculated taking into account both the contractual commitments and the financial assets linked to these policies. They are made in compliance with paragraphs 39-41 of Annex. 14 to ISVAP regulation no. 22 of 2008, amended and supplemented by IVASS regulatory order no. 53/2016 and covering the commitments deriving from the Life business whose return is determined by reference to investments for which the insured bears the risk, or by reference to an index. It has been also set up to VI line of business (open-ended pension fund), an additional reserve, in accordance with paragraph 41 of Annex.14 to ISVAP regulation no. 22/2008 amended and supplemented by IVASS regulatory order no. 53/2016, to meet the commitments the Company have made to the policyholders including all guarantees of performance provided by contracts.

Reversals and profit participation

NON-LIFE/
LIFE

Profit participation includes all amounts pertaining to the year, paid and to be paid to policyholders or other beneficiaries, including amounts used to increase technical reserves or reduce future premiums, as long as they constitute distribution of technical profits arising from non-life and life insurance activities, after deduction of amounts accrued in previous years that are no longer necessary.

Reversals consist of the amounts that are partial rebates of premiums made on the basis of each contract's performance.

Other technical costs

NON-LIFE/
LIFE

Other technical costs include:

- For the Non-Life business, premiums cancelled, due to technical events, of individual policies issued in previous financial years;
- For the Life business, cancellation of first-year premiums written in previous years;
- Uncollectable premiums of amounts receivable from both Non-Life and Life policyholders;
- Costs relating to goods and services purchased to complement Non-Life insurance covers;
- Costs arising from management of the direct reimbursement procedure.

Other technical income

NON-LIFE/
LIFE

Other technical income includes:

- Commissions relating to cancelled premiums included in other technical costs of the Non-Life and Life businesses;
- Income relating to management of the knock-for-knock system and to the subsidy accorded by the ANIA (Italian insurers' association) to encourage scrapping of damaged vehicles in the Non-Life business.

Transfer of investment income

NON-LIFE/
LIFE

The allocation of investment income to the non-life business technical account and the transfer of the life business technical account to the non-technical account was carried out in accordance with article 55 of Legislative Decree no. 173 of 26 May 1997 and articles 22 and 23 of ISVAP Regulation no. 22 of 4 April 2008.

For the non-life business, the income to be transferred was determined by multiplying the non-life business investment income, net of capital and financial charges recorded in the non-technical account, by the percentage obtained from the ratio between the sub-total of the technical reserves net of reinsurance at the end of the current year and at the end of the previous year and the same sub-total plus the sub-total of the equity at the end of the current year and at the end of the previous year.

For the Life business, the income to be transferred was determined by multiplying the Life business investment income (excluding income and unrealized capital gains as well as the financial charges and unrealized losses relating to balance sheet class D investments, which remain entirely transferred to the technical account) for the percentage obtained from the ratio between the sub-total of the technical reserves net of reinsurance at the end of the current year and at the end of the previous year and the same sub-total plus the sub-total of the net equity at the end of the current year and at the end of the previous year.

If the income from the investments allocated to the life business technical account is lower than the technical interest recognised by contract to the policyholders during the year, the amount to be transferred to the non-technical accounting must be correspondingly reduced, until it reaches zero, by an amount equal to this lower value.

Inward reinsurance

NON-LIFE/
LIFE

The Inward life reinsurance is recorded on an accruals basis.

If there are no specific negative indications, the economic effects of non-life inward reinsurance are accounted for one year later than the year to which they refer, as the necessary information is not available as at the date of the financial statements. Related financial and balance sheet movements are recorded in the balance sheet under Other assets – Other liabilities in the reinsurance suspense accounts.

Treaties concerning aircraft hulls represent an exception to the above accounting treatment as the space risk business is accounted for on a strict accrual basis.

Indirect business claims reserves generally reflect those reported by the ceding insurer and Vittoria Assicurazioni supplements them when they are deemed inadequate with respect to the commitments underwritten.

Retrocession

NON-LIFE/
LIFE

Retroceded business mainly relates to Line 05 Aircraft hulls– space risks.

Items relating to retrocession are measured according to the same policies as those applied to inward reinsurance.

Allocation of costs and revenues common to both life and non-life businesses

NON-LIFE LIFE

The Company is authorized to operate in life and non-life insurance and reinsurance. The criteria and methods for allocating costs and revenues common to both life and non-life businesses are indicated in the report issued in accordance with Article 4 of ISVAP Regulation no. 17 of 11 March 2008. The main criteria for allocating the P&L items that are not directly attributable to either business are:

Other acquisition costs (excluding commissions)

The costs for the company's sales function are allocated between the two businesses by dividing them into two distinct categories:

- The acquisition costs not directly attributable to purchase / collection commission (development plans, incentives, levies) use the mix of premiums issued at agency level as a driver;
- The remaining acquisition costs (contributions, agency rent, agent pension fund) use the mix of premiums at agency level as a driver.

The other acquisition costs also include personnel costs and overheads both of cost centres which are directly associated with acquiring policies (sales, assumptions) and those charged back to cost centres which carry out activities common to all company areas (general areas, IT). The costs to be allocated to the two businesses can be directly (as with the RE assumption service and the life business assumption service) or indirectly (general expenses) by means of earned premiums as a driver.

Other administrative expenses (personnel costs and miscellaneous administrative expenses)

This category includes, in accordance with article no. 53 of Legislative Decree no. 173/97, all the remaining expenses not allocated to acquisition and liquidation costs. For this category of costs, the distinction between the two businesses is also made by using direct criteria for all cost centres directly attributable to the non-life business or the life business, or by using the earned premiums (calculated using the same criteria adopted for other acquisition costs) as an allocation drive.

Investment captions

C I – Land and buildings

In compliance with Article no. 15, paragraph no. 2, of Italian Legislative Decree no. 173 of 26 May 1997, land and buildings are considered to be assets for enduring, long-term use, except in the case of buildings available for sale. They are recorded at acquisition cost and, in the case of limited use over time, subject to a systematic amortization process in relation to the residual possibility of use; this value may also be adjusted to take into account the permanent losses in value from the market value. The value of the building is separated from the value of land on which they stand, that is not subject to depreciation.

Refurbishments, improvements, and plant upgrades – which are all designed to extend building units' life and increase their profitability – are capitalised.

Ordinary maintenance costs are established in a long-term plan and are expensed in the income statement annually.

Market value

Measurement is based on the market value of each plot of land and building, taken from independent appraisals, which are drawn up taking into account, for property leased, the contractual lease payments required while for the head office, an estimated fee has been calculated on the basis the current market conditions. The appraisals

also include the estimate of financial variables, such as the discount rate. Where available, the market value comes from the offers received from market operators.

“Market value” means the price at which the plot of land or the building can be freely sold by means of an agreement between two parties (the seller and the buyer) in normal and evenly balanced conditions and, more specifically, if

- Both parties act after having gathered the necessary information on the property's officially designated urban use, marketability, and absence of any prejudicial annotations as regards title;
- The seller is free, or otherwise, to sell and there are no economic/financial circumstances forcing him to do so;
- The buyer is not being encouraged to purchase by non-market related factors.

Furthermore, the following conditions were taken into account:

- The asset has been on the market for a time reasonably long enough to permit its fair sale. The deed of sale has been signed after negotiations permitting the definition of price and terms.

Besides considering differences relating to age, position with respect to the importance of the zone where it is located, the valuation of each building also considers typical factors (building type and quality, and state of preservation, etc.), possible profitability, any town-planning constraints and/or restrictions imposed by the Heritage Ministry, and anything else that may have an impact on the asset's valuation.

Valuation of leased buildings takes into account the type of contract, its expiry date and rental, also as regards possible revisions.

Also for the year ended December 31, 2022, the process of estimating the market value of real estate assets, among other variables, had to consider the exceptional macroeconomic situation resulting from the Covid-19 health emergency.

C II – Investments in Group companies and other investees

Pursuant to paragraph no. 2, Article 15 of Italian Legislative Decree no. 173 of 26 May 1997, investments in Group companies and other investee companies are considered to be long-term assets.

They are recorded at acquisition cost including accessory charges.

Group companies

Article no. 5 of Italian Legislative Decree no. 173 of 1997 define group companies as being:

- a) Parent companies;
- b) Subsidiaries;
- c) Affiliates, i.e. companies other than those included in item b) that are controlled by the same entity controlling the parent company or subject to common management as defined by paragraph 1, Article 60, of above decree;
- d) Affiliates.

For the purposes of this classification, the concept of “control” is as defined in Article no. 2359, paragraphs no. 1 and no. 2, of the Italian Civil Code.

Other investee companies

This item comprises companies held for their strategic function or support to the insurance business.

Investments in group and other companies are measured according to the following criteria:

- Investments denominated in euro are measured at acquisition cost inclusive of ancillary costs;
- Investments denominated in foreign currency are measured at acquisition cost, inclusive of ancillary costs, converted into euro at the exchange rate in force on transaction date.

Acquisition cost is written down to allow for any permanent impairment shown in investee companies' financial statements; for companies with real estate assets, this process takes into account the market value of the aforementioned assets, taken from independent expert appraisals, based on financial variables, such as the discount rate used, which incorporates the most recent market data, as well as the cost of capital and of a non-financial nature, such as realizable expectations and relative timing. Where available, the market value is derived from the offers received from market operators. If the reasons for such write-down no longer exist, the original value is reinstated in subsequent financial statements.

Dividends distributed by investee companies held are recognised when the right to collect them is established.

Information and changes concerning investments are provided in Annexes 6 and 7 to these Explanatory Notes.

C III – Other financial investments

Equity investments

This category includes short-term investments in shares and units. Assessment criteria are as follows:

- Listed securities are valued in year-end accounts at weighted average cost or, if lower, presumed realisable value based on market trends. This lower value is not maintained in subsequent year-end accounts if the reasons for the adjustment no longer exist;
- Unlisted securities are valued at purchase cost, net of any losses recorded in investee companies' approved year-end accounts. Once again, this lower value is not maintained in subsequent year-end accounts if the reasons for the adjustment no longer exist.

Foreign currency investments are converted into euro as follows:

- Purchases: at the exchange rate in force on the date of transaction or subscription;
- Sales: at the exchange rate in force on transaction date;
- Fair value: at the year-end exchange rate.

Dividends distributed by these companies are recognised when the right to collect them is established.

Units in mutual investment funds

Investments belonging to this category are allocated to the durable and non-durable portfolio. The former is valued at cost, adjusted for permanent losses in value; the latter is valued on the balance sheet at the weighted average cost or, if lower, at the realizable value inferable from the market trend. This lower value is not maintained in subsequent year-end accounts if the reasons for the adjustment no longer exist.

Unlisted closed-end mutual securities investment funds and real estate investment funds are measured at acquisition cost.

The value of investments in foreign-currency mutual investment funds is converted into euro applying the following criteria:

- Purchases: at the exchange rate in force on the date of transaction or subscription;
- Sales: at the exchange rate in force on transaction date;
- Fair value: at the year-end exchange rate.

Bonds and other fixed income debt securities

In accordance with IVASS Regulation no. 24 of 6 June 2016, the Board of Directors has issued guidelines for the classification of the debt securities portfolio.

Fixed-income securities are therefore classified as shown below:

Investment securities

These securities are recorded at acquisition cost, inclusive of all ancillary costs. Cost is adjusted in the eventuality of permanent impairment of value. The higher or lower cost with respect to their repayment price is amortised on a straight-line basis over the period from acquisition to maturity.

These securities are held until they mature as the company has the financial resources to do this. Their classification depends on their importance and/or the expected normalisation of the rate of return of technical reserves in general and of segregated Life accounts in particular.

Trading securities

Securities in this category, recognised at purchase cost inclusive of all ancillary costs, are stated in year-end accounts at weighted average cost or, if lower, at presumed realisable value based on market trends. This lower value is not maintained in subsequent year-end accounts if the reasons for the adjustment no longer exist. The cost of fixed-income securities is adjusted for the quota accruing in the year of margin, i.e. the difference between issue price and repayment value.

“Market trends” means, for listed securities, the price recorded on the last trading day of the financial year.

Foreign-currency securities are converted into euro applying the following criteria:

- Purchases: at the exchange rate in force on the date of transaction or subscription.
- Sales: at the exchange rate in force on transaction date.
- Fair value: at the year-end exchange rate.

Derivative financial instruments

Derivative financial instruments are exclusively used for hedging purposes, to reduce the risk profile of hedged assets/liabilities, or to optimise the risk/return profile of them. Derivative contracts in place at the end of the period are valued in accordance with the principle of consistent valuation, which requires that valuation losses or gains be recognised in the income statement consistently with the corresponding valuation gains or losses on the hedged assets.

Item F. IV "Other assets" includes amounts relating to margins pledged as collateral in favour of counterparties, based on forward sale agreements for government securities entered into under the International Swap and Derivatives Association Agreement. Item G. IX.3 "Other liabilities" includes the corresponding amounts referred to below that constitute margin guarantees in favour of the Company.

The fair value is determined by the 'replacement cost' method, using current year-end prices and rates for the same maturity and comparing them with the contractual prices and rates.

Fair value of financial instruments

In compliance with the requirements of Article 2427/2 of the Italian Civil Code, in Part B of the Explanatory Notes we provide information on the fair value of derivative financial instruments as well as – for non-current financial assets recognised at a value higher than their fair value (excluding investments in subsidiaries, affiliates, and joint ventures) – related carrying value and fair value, together with the reasons why carrying value has not been reduced.

The fair value of assets in Classes C II and C III, traded in regulated markets, is the price recorded on the last trading day of the financial year.

As required by Article 2427/2 of the Italian Civil Code, for the definition of "financial instrument", "derivative instrument", "fair value", and "generally accepted measurement model and technique", reference is made to international accounting standards compatible with European Union rules concerning the subject.

If a market valuation is not available for the investment, fair value is determined either on the basis of another similar financial instrument's fair market value or via use of appropriate valuation techniques. The latter include use of recent transactions, discounted cash flow analysis, or models able to provide reliable estimates of presumed prices in current market transactions. If fair value cannot be reliably measured, cost is used, adjusted for any impairment loss.

Investments benefiting policyholders that bear the risk

Financial investments benefiting policyholders who bear the risk of such investments are stated at fair value, i.e. at the price and exchange rate of the last trading day of the financial year in compliance with Articles 16,17 and 19 of Italian Legislative Decree no. 173 of 26 May 1997.

The concept of "policyholders bearing the investment risk" is crucial for the application of the fair-value accounting standard to measure assets, as it immediately reveals the relationship between the trend in technical reserves and that of assets covering such reserves.

In year-end financial statements, these investments are classified as follows:

DI - unit-linked and index-linked investments

DII - investments arising from pension fund management.

Mortgages and loans

Mortgage loans granted are all expressed in euro and are shown on the basis of residual principal as they are secured by mortgages on buildings.

Loans are all expressed in euro and, if rated as collectable, are valued at the residual principal value. They are adjusted by means of appropriate bad-debt provision.

Other captions

Tangible assets

Tangible assets are recognised at purchase cost inclusive of ancillary costs. They are shown net of related cumulative depreciation. Assets are depreciated on a straight-line basis over their estimated useful lives

Intangible assets

Intangible assets are recognised at cost and amortised on a straight-line basis as follows:

- Business and/or product trademarks - over a 10-year period,
- Over a period that takes their residual possibility of use in case of assets under point 2 of Article 2426 of the Italian Civil Code,
- Start-up and expansion costs pursuant to point 5 of Article 2426 of the Italian Civil Code over a 5-year period,
- Goodwill is recognised as an asset upon approval of the board of statutory auditors, if acquired against payment, within the limit of the amount paid and is amortised and it is amortized according to the residual useful life; if exceptionally it is not possible to estimate the residual useful life, is amortized over a period not exceeding 10 years.

This caption includes deferred acquisition costs to be amortised, only refer to the Life business, as starting from the year 2015 the acquisition costs for long-term contracts of Non-Life are charged entirely to the profit and loss account in the year in which those costs are incurred.

LIFE

Acquisition costs for new contracts, for the part not outwardly reinsured, are capitalised, within the limits of their respective loading, and are amortised on a straight-line basis over the duration of the underlying contract, with the maximum limit of 10 years. The amortisation period is considered to be economically consistent. Residual commissions of policies cancelled during the amortisation period are expensed in the financial year when the policies are eliminated from the portfolio.

Receivables

Receivables are shown in year-end accounts at face value adjusted to estimated realizable value via bad-debt provision. With reference to the requirements of Article 2427 of the Italian Civil Code and Italian Legislative decree no. 173/97, if, in the section analysing the balance sheet items, receivables are not specifically indicated as having a residual duration of more than one year and five years, they are taken to have a duration of less than one year.

Accrued, prepaid and deferred items

Accrued income, prepaid expenses, accrued liabilities, and deferred income link costs and income to the financial year to which they refer, even though related cash movements may take place after or before 31 December.

These items include only costs and income relating to two or more financial years.

Subordinated liabilities

Payables belonging to this category are expressed at par value.

Payables

Payables are shown in year-end accounts at par value.

With reference to the requirements of Article 2427 of the Italian Civil Code and of Italian Legislative decree no. 173/97, if in the section analysing balance sheet items, payables are not specifically indicated as having a residual duration of more than one year and five years, they are taken to have a duration of less than one year

Reserve for employee severance indemnities

The reserve for employee severance indemnities is calculated in compliance with current regulations and, as at the balance sheet date, fully covers amounts ultimately payable to eligible staff.

Provisions for risks and charges

Provisions for risks and charges include provisions to cover liabilities of a predetermined nature, of a certain or probable existence, for which, however, at year-end either the amount or date of occurrence are indeterminate.

Income taxes

Income taxes for the period are recognized in accordance with the current rules and regulations. Deferred taxes are calculated on the basis of the tax rates applicable when the temporary differences will reverse, making the necessary adjustments in case of changes in tax rates for the previous years, provided that the law changing the tax rate has already been enacted at the balance sheet date.

Prepaid tax assets (or deferred tax assets) are recognized when there is the reasonable certainty that there is an amount of taxable profit, in the years in which the deductible temporary differences that gave rise to such deferred tax assets will reverse, at least equal to the amount of such differences.

Deferred tax liabilities, if any, are provisioned in the "Tax provision" caption of the balance sheet, while deferred tax assets are recorded under "Other assets".

Conversion into euro

Long term items expressed in foreign currency are converted at spot exchange rates. For balance sheet items still existing at year-end, the exchange rate on the last trading day of the financial year is applied.

Part B

Information on Balance Sheet and Income Statement

BALANCE SHEET

ASSETS

CLASS B – INTANGIBLE ASSETS	31/12/2022	31/12/2021	Change
	38,450	21,749	+16,701

Intangible assets are shown net of amortisation calculated as stated in "Part A - Accounting policies" of these Explanatory Notes.

The Annex 4 to these Explanatory Notes detailed changes over the year.

B.1 – Deferred Acquisition costs	31/12/2022	31/12/2021	Change
	18,507	8,389	+10,118

As more fully described in "Part A - Accounting Policies" of the Explanatory Notes, the deferred acquisition commissions refer only to the Life business.

If all policies have reached their full maturity, the different duration used for amortisation vs. actual policy duration would have led to an increase in shareholders' equity, before the related tax effect, in shareholders' equity of 115 thousand euro (-323 thousand euro in the previous year) for the Life business.

B.1.a – Deferred acquisition commissions – Life business	31/12/2022	31/12/2021	Change
	18,507	8,389	+10,118

Life business deferred acquisition commissions changed due to:

commissions on policies acquired in the year	+10,974
commissions for policies cancelled in the year	+222
annual amortization	-1,078

B.5 – Other deferred costs	31/12/2022	31/12/2021	Change
	19,943	13,360	+6,583

Deferred expenses, stated in year-end accounts at cost, are shown net of the amortization. The item refers to a software, which recorded +6,583 thousand euro compared to 31 December 2021, due to acquisitions for 11,093 thousand euro and amortization for 4,510 thousand euro.

CLASS C - INVESTMENTS

31/12/2022	31/12/2021	Change
4,326,892	4,092,625	+234,267

The comparison with investments' fair value is shown by type in the Annexes 4, 5 and 6 to these Explanatory Notes.

Below are shown the main investments:

C.I Land and buildings

	31/12/2022	31/12/2021	Change
	142,766	145,604	-2,838
<i>Of which:</i>			
C.I 1. Operating buildings	77,354	78,690	-1,336
C.I 2. Buildings used by third parties	62,075	63,727	-1,652
C.I 5. Assets under construction and payments on account	3,337	3,187	+150

Changes over the year are shown in the following table, separately for the two types of properties:

	Operating buildings	Buildings used by third parties	Assets under construction and payments on account	Total
				(€/000)
Amount as at 31 December 2021	78,690	63,727	3,187	145,604
Acquisitions	-	194	150	344
Sales	-	(310)	-	(310)
Depreciation	(1,336)	(1,691)	-	(3,027)
Other variations	-	155	-	155
Amount as at 31 December 2022	77,354	62,075	3,337	142,766

The other revaluations in prior years are provided in the statement of real estate assets contained in Part C "Other information and cash flow statement" to these Explanatory Notes.

For Property used for business purposes, the depreciation percentage is about 2% (for the building) with a variability of the same depending on the increments and the expected end of use date of Dec. 31, 2063. While, with reference to equipment, the depreciation percentage applied is 15% and for elevators it is 7.5%.

C.II Investments in group and in other companies

31/12/2022	31/12/2021	Change
451,283	466,861	-15,578

As required by Article 2426 of the Italian Civil Code and by Article 58 of Italian consolidated law on income tax, investments in group (subsidiaries, associated and other investee companies) shall be deemed non-current financial assets.

Any differences between acquisition value and Associated shareholder's equity are attributable to surplus values not recognised to equity, due to unrealised capital gains on properties, current and future, drafted according to the contents of Part A - Accounting policies.

It should be noted that no write-downs were made in fiscal year 2022, as explained in the Management Report.

Residual possible differences are within an acceptable range and are not assessed as an impairment loss.

Changes in Investments in group and in other companies are shown in Annex 5 to these Explanatory Notes.

Details about companies in which Vittoria holds an investment are shown in Annexes 6 and 7 to these Explanatory Notes.

C.II 1. Equity investments

	31/12/2022	31/12/2021	Change
	450,498	466,021	-15,523

Change over the year in the item "Equity investments" is fully reported, as well as in the Directors' report in the comments on the equity portfolio, also in Annex 7 to these Explanatory Notes.

C.II 1.b Subsidiaries

	31/12/2022	31/12/2021	Change
	375,968	391,468	-15,500

The investments in subsidiaries totalled 375,968 thousand euro, 19,514 thousand euro of which are allocated to the Life business and 356,454 thousand euro to the Non-life business.

C.II 1.d Associated companies

	31/12/2022	31/12/2021	Change
	15,670	15,670	+0

The investments in subsidiaries totalled 15,670 thousand euro, totally allocated to the Non-life business.

C.II 1.e Other investee companies

	31/12/2022	31/12/2021	Change
	58,860	58,884	-24

The item includes investments other than those in subsidiaries and associates, 9,000 thousand euro of which are allocated to the Life business and 49,860 thousand euro to the Non-life business.

C.II 3. Loans to group companies

	31/12/2022	31/12/2021	Change
	785	840	-55

Of which:

C.II 3.d Associated companies

	31/12/2022	31/12/2021	Change
	785	840	-55

The balance at December 31, 2022 related to two interest-bearing loans outstanding with the associate Aspevi Milano S.r.l. for 785 thousand euro (the residual term of the loan is more than one year and the current rate applied is 2%).

C.III Other financial investments

	31/12/2022	31/12/2021	Change
	3,732,843	3,480,160	+252,683

The information on the breakdown and changes in other financial investments according to use and at current value are contained in Annexes 8 and 9 to these Explanatory Notes.

The income and charges are shown in Annexes 21 and 23 of the Explanatory Notes.

The item refers to:

C.III 1.a Shares and quotas

	31/12/2022	31/12/2021	Change
	1,797	1,981	-184

The item relates to the investment having a current nature in Italian listed stocks.

C.III 2 OEIC Units

	31/12/2022	31/12/2021	Change
	966,663	890,989	+75,674

Investments in mutual funds are mainly long-term investments. These totalled 966,663 thousand euro and are allocated as follows: 417,622 thousand euro to the Life business and 549,041 thousand euro to the Non-life business.

For further details on the change in the item, please refer to the "Investments Asset" section of the Directors' report.

C.III 3 Bonds and other fixed-income securities

	31/12/2022	31/12/2021	Change
	2,749,698	2,569,843	+179,856
<i>Of which:</i>			
C.III 3.a Listed	2,745,255	2,569,142	+176,113
C.III 3.b Not listed	4,443	701	+3,742

Investments in bonds and other fixed-income securities include long-term securities of 2,680,520 thousand euro and short-term securities of 69,178 thousand euro. These totalled 2,749,255 thousand euro and are allocated as follows: 1,337,984 thousand euro to the Non-life business and 1,411,714 thousand euro to the Life business.

As at 31 December 2022, the Company holds bonds, that have subordination clauses, whose main features are summed up in the following table:

Debt securities with subordination clauses (€'000)

Beneficiary	Carrying value FY 2022	Currency	Interest rate	Expiration date	Early redemption clauses
ABANCA CORP BAN	4,766	EUR	6.00%	perpetual	Call 20/01/2026
ABN AMRO	1,056	EUR	4.38%	perpetual	Call 22/09/2025
Achmea B.V.	6,593	EUR	6.00%	04/04/2043	Call 04/04/2023
Aegon NV	2,328	EUR	5.63%	perpetual	Call 15/04/2029
Aegon NV	5,164	EUR	5.63%	perpetual	Call 15/04/2029
Aegon NV	1,562	EUR	4.00%	25/04/2044	Call 25/04/2024
AGEAS	4,029	EUR	3.25%	02/07/2049	Call 02/07/2029
AGEAS	1,521	EUR	3.88%	perpetual	Call 10/12/2029
AGEAS	4,104	EUR	3.88%	perpetual	Call 10/12/2029
AIA GROUP LTD	5,944	EUR	0.88%	09/09/2033	Call 09/06/2028
Allianz SE	5,938	EUR	2.63%	perpetual	Call 30/10/2030
Allianz SE	2,687	EUR	2.60%	perpetual	Call 30/10/2031
Allianz SE	3,016	EUR	2.63%	perpetual	Call 30/10/2030
Allianz SE	7,292	EUR	2.60%	perpetual	Call 30/10/2031
Allianz SE	6,693	EUR	3.10%	06/07/2047	Call 06/07/2027
Allianz SE	935	EUR	2.24%	07/07/2045	Call 07/07/2025
ARGENTUM (ZURIC	1,646	EUR	3.50%	01/10/2046	Call 01/10/2026
ARGENTUM (ZURIC	2,010	EUR	2.75%	19/02/2049	Call 19/02/2029
ASR NEDERLAND N	845	EUR	4.63%	perpetual	Call 19/10/2027
ASR NEDERLAND N	3,296	EUR	4.63%	perpetual	Call 19/10/2027
ASR NEDERLAND N	8,870	EUR	3.38%	02/05/2049	Call 02/02/2029
ASR NEDERLAND N	2,736	EUR	5.13%	29/09/2045	Call 29/09/2025
Ass.ni Generali	9,002	EUR	5.00%	08/06/2048	Call 08/06/2028
Ass.ni Generali	506	EUR	5.50%	27/10/2047	Call 27/10/2027
Ass.ni Generali	10,517	EUR	5.50%	27/10/2047	Call 27/10/2027
Ass.ni Generali	8,754	EUR	5.80%	06/07/2032	Call 06/01/2032
Ass.ni Generali	7,954	EUR	4.13%	04/05/2026	none
AXA SA	6,070	EUR	3.25%	28/05/2049	Call 28/05/2029
AXA SA	7,236	EUR	3.38%	06/07/2047	Call 06/07/2027
AXA SA	873	EUR	3.27%	perpetual	Call 29/10/2003
BANCA INTESA	414	EUR	5.50%	perpetual	Call 01/03/2028
BANCA INTESA	2,004	EUR	3.75%	perpetual	Call 27/02/2025
Banco Bilbao Vi	1,541	EUR	3.50%	10/02/2027	none
BANCO SANTANDER	3,869	EUR	2.13%	08/02/2028	none

Debt securities with subordination clauses

(€'000)

Beneficiary	Carrying value FY 2022	Currency	Interest rate	Expiration date	Early redemption clauses
BANKINTER SA	1,136	EUR	6.25%	perpetual	Call 17/01/2026
Barclays Plc	982	EUR	2.00%	07/02/2028	Call 07/02/2023
BAYERISCHE LAND	803	EUR	1.00%	23/09/2031	Call 23/06/2026
Bcc Gran Sasso	100	EUR	6.00%	20/06/2023	none
BNP PARIBAS	4,181	EUR	2.25%	11/01/2027	none
BNP PARIBAS CAR	2,031	EUR	1.00%	29/11/2024	none
Caixabank SA	2,893	EUR	2.25%	17/04/2030	Call 17/04/2025
CM ARKEA	3,100	EUR	3.38%	11/03/2031	none
CM ARKEA	2,093	EUR	3.50%	09/02/2029	none
Cnp assurances	4,327	EUR	4.50%	10/06/2047	Call 10/06/2027
Cnp assurances	4,432	EUR	2.75%	05/02/2029	none
Cnp assurances	1,993	EUR	2.50%	30/06/2051	Call 30/12/2030
COOPERATIEVE RA	4,655	EUR	3.10%	perpetual	Call 29/06/2028
COOPERATIEVE RA	2,038	EUR	3.25%	perpetual	Call 29/12/2026
COOPERATIEVE RA	1,877	EUR	3.10%	perpetual	Call 29/06/2028
CREDEMMITA SPA	2,306	EUR	3.50%	18/02/2031	Call 18/11/2025
CREDEMMITA SPA	2,492	EUR	3.50%	18/02/2031	Call 18/11/2025
Credit Agr Ass	5,566	EUR	4.75%	27/09/2048	Call 27/09/2028
Credit Agr BK	2,215	EUR	4.00%	perpetual	Call 23/12/2027
Credit Agr BK	3,134	EUR	4.00%	perpetual	Call 23/12/2027
Credit Agr BK	3,735	EUR	2.63%	17/03/2027	none
Danica Pension	5,459	EUR	4.38%	29/09/2045	Call 29/09/2025
Deut.Pfandbrief	1,028	EUR	4.60%	22/02/2027	none
Deutsche Bk AG	6,760	EUR	4.50%	19/05/2026	none
ELMBV(HELVETIA	3,662	EUR	3.38%	29/09/2047	Call 29/09/2027
ENGIE SA	1,995	EUR	1.88%	perpetual	Call 02/01/2031
ERSTE GROUP BAN	976	EUR	6.50%	perpetual	Call 15/04/2024
ERSTE GROUP BAN	5,597	EUR	4.25%	perpetual	Call 15/10/2027
ETHIAS SA	1,571	EUR	5.00%	14/01/2026	none
F VAN LANSCHOT	938	EUR	6.75%	perpetual	Call 01/04/2024
F VAN LANSCHOT	1,052	EUR	6.75%	perpetual	Call 01/04/2024
GRPM Ass Mut	1,266	EUR	2.13%	16/09/2029	none
GRPM Ass Mut	4,775	EUR	2.13%	16/09/2029	none
GRPM Ass Mut	7,098	EUR	3.38%	24/09/2028	none
HANNOVER RE	4,437	EUR	1.13%	10/10/2039	Call 09/07/2029

Debt securities with subordination clauses

(€'000)

Beneficiary	Carrying value FY 2022	Currency	Interest rate	Expiration date	Early redemption clauses
HELVETIA EUROPE	1,190	EUR	2.75%	30/09/2041	Call 30/06/2031
HSBC Holding PI	2,837	EUR	3.13%	07/06/2028	none
IBERCAJA BANCO	1,002	EUR	2.75%	23/07/2030	Call 23/07/2025
IBERDROLA INTL	2,054	EUR	1.88%	perpetual	Call 22/02/2023
INTESA SANPAOLO	483	EUR	6.25%	perpetual	Call 16/05/2024
INTESA SANPAOLO	6,012	EUR	6.25%	perpetual	Call 16/05/2024
INTESA SANPAOLO	2,190	EUR	4.13%	perpetual	Call 27/02/2030
INTESA SANPAOLO	1,813	EUR	4.13%	perpetual	Call 27/02/2030
LA BANQUE POSTA	1,437	EUR	3.00%	perpetual	Call 20/11/2028
LA BANQUE POSTA	977	EUR	3.88%	perpetual	Call 20/05/2026
La Mondiale	875	EUR	4.38%	perpetual	Call 24/04/2029
La Mondiale	2,193	EUR	4.38%	perpetual	Call 24/04/2029
La Mondiale	1,276	EUR	5.05%	perpetual	Call 17/12/2025
LB BADEN-WUERTT	663	EUR	3.63%	16/06/2025	none
MAPFRE SA	8,289	EUR	4.13%	07/09/2048	Call 07/09/2028
MUTUELLE ASSURA	1,650	EUR	2.13%	21/06/2052	Call 21/03/2032
NATWEST GROUP P	801	EUR	1.04%	14/09/2032	Call 14/06/2027
NN Group NV	1,608	EUR	4.63%	08/04/2044	Call 08/04/2024
NN Group NV	8,164	EUR	4.63%	13/01/2048	Call 13/01/2028
PERMANENT TSB G	1,018	EUR	3.00%	19/08/2031	Call 19/05/2026
POSTE ITALIANE	2,975	EUR	2.63%	perpetual	Call 24/03/2029
SAMPO Oyj	2,016	EUR	3.38%	24/05/2049	Call 23/05/2029
SANTANDER INTL	851	EUR	4.38%	perpetual	Call 14/01/2026
SANTANDER INTL	2,979	EUR	4.38%	perpetual	Call 14/01/2026
SANTANDER INTL	1,390	EUR	3.63%	perpetual	Call 21/03/2029
SANTANDER INTL	1,276	EUR	3.63%	perpetual	Call 21/03/2029
SCOR SE	3,196	EUR	3.63%	27/05/2048	Call 27/05/2028
Skandinaviska E	399	EUR	0.75%	03/11/2031	Call 03/11/2026
SOCIETE GENERAL	2,034	EUR	4.00%	07/06/2023	none
SWISS RE FINANC	200	EUR	2.71%	04/06/2052	Call 04/06/2032
TALANX AG	9,745	EUR	2.25%	05/12/2047	Call 05/12/2027
UniCredit S.p.A	6,124	EUR	3.88%	perpetual	Call 03/06/2027
Uniq Insurance	8,609	EUR	6.00%	27/07/2046	Call 27/07/2026
VITTORIA ASSICU	503	EUR	5.75%	11/07/2028	none
VITTORIA ASSICU	3,536	EUR	5.75%	11/07/2028	none
ZURICH FINANCE	696	EUR	1.60%	17/12/2052	Call 17/09/2032
Totale	337,535				

As at 31 December 2022, the Company holds no. 105 bonds, which have subordination clauses, for which in case of default or liquidation of the issuer, the redemption of bonds and payment of interest is achievable only after full satisfaction of senior creditors.

C.III 3.a Bonds and other fixed-income securities Listed

The change is due to the following transactions:

- increase depending on purchase off 1,634,889 thousand euro and decrease depending on reimbursements and sales for 1,426,658 thousand euro;
- adjustment for negative trading margins for 14,973 thousand euro;
- decreasing adjustment at fair value of short-term investments for 17,145 thousand euro.

C.III 3.b Bonds and other fixed-income securities Not listed

The change is due to:

- increase depending of purchase of 3,750 thousand euro;
- negative adjustment due to issue and trading discounts for 8 thousand euro.

The following table provides information relating to the fair value of financial instruments as at 31 December 2022, as required by Article 2427-bis of the Italian Civil Code.

		(€/000)	
	Account class	Carrying value FY 2022	Fair value (*)
Investments and Other investee companies		451,283	512,064
- Equity investments in other investee companies	C.II.1	450,498	511,279
- Loans to other investee companies	C.II.3.e)	785	785
Other financial investments		3,732,843	3,471,945
- Equity investments	C.III.1	1,797	1,797
- OEIC Units	C.III.2	966,663	959,848
<i>of which carried at a value higher than fair value</i>		<i>966,663</i>	<i>959,848</i>
- Bonds and other fixed-income securities	C.III.3	2,749,699	2,495,615
<i>of which carried at a value higher than fair value</i>		<i>2,745,255</i>	<i>2,491,172</i>
- Loans	C.III.4	14,685	14,685

With regard to the "Equity investments in other investee companies" category, the increase in current value compared to the carrying amount is mainly due to the investments in Yam Invest N.V. (fair value at 31 December 2022 of 60,637 thousand euro) and Banca Passadore (fair value at 31 December 2022 amounting to 11,037 thousand euro).

Operations involving repurchase agreements

During the year, no operations involving repurchase agreements were carried out.

C.III 4 Loans

	31/12/2022	31/12/2021	Change
	14,684	17,348	-2,663
<i>Of which:</i>			
C.III 4.a Secured loans	2,934	11,304	-8,370
C.III 4.b Loans against insurance policies	113	249	-136
C.III 4.c Other loans	11,637	5,795	+5,842

Details and related changes over the year are shown in Annex 10 to these Explanatory Notes.

C.III 4.a Secured loans

	31/12/2022	31/12/2021	Change
	2,934	11,304	-8,370

This item exclusively includes loans granted by the Company and secured by a mortgage.

The minimum interest rate applied to mortgages is 0.60%.

The amount of mortgage with a residual duration of more than 1 year and 5 years is 2,934 thousand euro and 2,872 thousand euro, respectively.

C.III 4.b Loans against insurance policies

	31/12/2022	31/12/2021	Change
	113	249	-136

These are loans granted to company Life policyholders. Due to their nature, these loans can be considered to have a duration of more than 5 years.

The current interest rate applied to the loans is equal to the rate of return of segregated funds retroceded to policyholders, increased by 2 points spread.

C.III 4.c Other loans

	31/12/2022	31/12/2021	Change
	11,637	5,795	+5,843

The item mainly consists of loans granted to company employees and agents.

The minimum interest rate applied to loans is 0.17% and relates to loans granted to the agency network to upgrade its IT facilities.

The amount of loans with a residual duration of more than 1 year and 5 years is 1,765 thousand euro and 339 thousand euro.

CLASS D – INVESTMENTS FOR THE BENEFIT OF LIFE POLICYHOLDERS BEARING THE RISK AND THOSE RELATING TO PENSION FUND MANAGEMENT

31/12/2022	31/12/2021	Change
237,055	195,527	+41,528

D.I Investments relating to unit- and index-linked policies

31/12/2022	31/12/2021	Change
210,106	166,131	+43,975

The changes occurring over the year by asset category are detailed as follows:

Unit Linked portfolio	+43,975
- increases for purchases and subscriptions of financial instruments	+86,582
- decreases due to sales of securities, redemptions and switches	-21,215
- profit/loss from internal fund management	-15,376
- adjustment to current value	-6,724
- liquidity waiting to be invested	+708

Investments breakdown by asset category belonging to Class D.I relating to agreements whose performance is associated to investment funds and market indexes are shown in the Annex 11 to these Explanatory Notes.

D.II Investments relating to pension fund management

31/12/2022	31/12/2021	Change
26,949	29,396	-2,447

Below are the changes by asset category leading to the movement of net assets:

- balance of social security management (net collection)	+1,150
- gain/loss for pension fund management	-3,597

These investments are entirely related to the open pension fund called "Vittoria Formula Lavoro" and are shown in the Annex 12 to these Explanatory Notes. For further details, please refer to the Pension fund's annual report, available on the Company's website.

CLASS D bis – REINSURERS' SHARE OF TECHNICAL RESERVES

	31/12/2022	31/12/2021	Change
	71,704	69,818	+1,886

As regards their breakdown by type of reinsurance business, reference should be made to the description in Balance Sheet Liabilities - Class C - Technical Reserves.

Their breakdown is as follows:

	31/12/2022	31/12/2021	Change
			(€/000)
D Bis. I Non - Life business	66,660	65,692	+ 969
<i>Of which:</i>			
Premium reserve	14,759	13,137	+ 1,622
Claims reserve	51,901	52,555	- 654
D Bis. II Life business	5,044	4,126	+ 918
<i>of which:</i>			
Mathematical reserves	4,950	4,058	+ 891
Reserve for payable amounts	28	13	+ 15
Other technical reserves	67	55	+ 12

The item Other financial reserves for Life business refers to operating expense reserves for Lob IV - Health insurance.

CLASS E – RECEIVABLES

	31/12/2022	31/12/2021	Change
	440,648	378,562	+62,086

The amount is payable from 2022. This item is shown net of related adjustment provisions.

The changes compared to 31 December 2021 are detailed in the following categories:

E.I Receivables relating to direct insurance transaction

	31/12/2022	31/12/2021	Change
	268,808	254,852	+13,956
Towards:			
E.I.1 Policyholders	87,450	76,050	+11,400
E.I.2 Insurance agents and brokers	138,559	140,905	-2,345
E.I.3 Insurance companies - current accounts	8,251	7,860	+391
E.I.4 Policyholders and third parties for recoverables	34,548	30,037	+4,511

In particular:

E.I 1. Direct insurance receivables, for premiums due from policyholders

	31/12/2022	31/12/2021	Change
	87,450	76,050	+11,400
<i>Of which:</i>			
E.I 1.a For current years' premiums	85,756	72,848	+12,908
E.I 1.b For previous years' premiums	1,694	3,202	-1,508

Receivables due from policyholders are shown net of related adjustment provisions, which, as at 31 December 2022, amounted 11,520 thousand euro (11,139 thousand euro as at 31 December 2021), and mainly relate to the Non-Life business (10,882 thousand euro), due to write-downs of estimated bad debts based on previous years' experience.

The provision made in the previous year has been in line with the subsequent evidence.

E.I 2. Receivables relating to direct insurance, due from insurance agents and brokers

	31/12/2022	31/12/2021	Change
	138,559	140,905	-2,346

Amounts receivable from insurance agents and brokers are shown net of the related provision which, as at 31 December 2022 amounted to 25,429 thousand euro (31,861 thousand euro in the previous year), determined based on an analytical assessment of the recoverability and seniority and the implicit risk of the portfolio.

The item includes 32,717 thousand euro for the recovery of the portfolio against leaving indemnities paid in the past to intermediaries who have ceased their activities and currently in reimbursement. Of the remaining receivables, amounting to 105,842 thousand euro, 7,290 thousand euro remained uncollected at 31 January 2023.

The balance also includes receivables from the subsidiary Aspevi ACLI S.r.l. in the amount of 285 thousand euro and from the associated companies Aspevi Firenze S.r.l., Aspevi Roma S.r.l. and Aspevi Milano S.r.l. in the amount of 20,541 thousand euro.

The amounts of receivables with a residual duration of more than 1 year and 5 years are 29,011 thousand euro and 16,032 thousand euro, respectively.

E.I 3. Receivables relating to direct insurance, due from insurance companies – current accounts

	31/12/2022	31/12/2021	Change
	8,251	7,860	+391

This item primarily consists of receivables arising from current accounts reflecting the results of technical management of co-insurance transactions, net of the related provision which amounted to 548 thousand euro relating to Non-life business, unchanged compared to the previous year.

E.I 4. Receivables relating to direct insurance, due from policyholders and third parties for recoverables

	31/12/2022	31/12/2021	Change
	34,548	30,037	+4,511

The item shows receivables due from policyholders and third parties for deductibles and claim subrogation, substantially unchanged.

E.II - Receivables relating to reinsurance business

	31/12/2022	31/12/2021	Change
1. Insurance and reinsurance companies	1,321	5,217	-3,896

This item comprises receivables stemming from current accounts reflecting the results of technical management of reinsurance treaties net of related provision of 1,334 thousand euro, entirely relating to the Non-life business, (unchanged with respect to the previous year), commensurate with the expected losses for uncollectible accounts.

E.III – Other receivables

	31/12/2022	31/12/2021	Change
	170,519	118,493	+52,026

This item is shown net of related bad-debt provisions of 3,826 thousand euro relating to Non-life business (3,866 thousand euro in the previous year).

The most significant items forming "Other receivables" are:

- Receivables from Tax Authorities for 18,531 thousand euro for tax credits on mathematical reserves in accordance with D.L. 209/2002, advance payment on Non – Life business (ex D.L. 282/2004), and receivables on local tax (IRPEG and IRES) for which reimbursement has been requested including related interests for 80,463 thousand euro; these receivables are considered collectable essentially by next year;
- Credits for IRES and IRAP advances totaling 24,146 thousand euro;
- building bonus receivables totaling 30,771 thousand euro (5 and 10 years).

CLASS F – OTHER ASSETS

31/12/2022	31/12/2021	Change
142,168	108,775	+33,393

Of which:

F. I Tangible assets and inventory

	31/12/2022	31/12/2021	Change
	7,049	5,777	+1,272
F. I.1 Office, furniture & machinery, and internal transport systems	6,103	4,508	+1,595
F. I.2 Registered chattels	166	217	-51
F. I.3 Plant and equipment	769	1,041	-272
F. I.4 Inventory and other assets	11	11	+0

Assets related to item F.I Tangible assets and inventory are stated at cost less cumulative depreciation. The change is due to the purchases during the year for 3,194 thousand euro and depreciation for 1,921 thousand euro and net dismissals for 1 thousand euro.

Below, are detailed the items forming this sub-category F. I.1 Office furniture & machinery, and internal transport systems:

	31/12/2022	31/12/2021	change
Furniture	2,534	2,520	14
Fittings	2309	680	1,629
Ordinary office machinery	1,183	1,216	-33
Electronic office machinery	77	92	-15
Total	6,103	4,508	1,595

Operations of financial lease

During the year no operations of financial lease were carried out.

F. II Cash & cash equivalents

31/12/2022	31/12/2021	Change
7,790	6,315	+1,475

The total amount is made up of 7,782 thousand euro by bank deposits and post office current accounts and 8 thousand euro by cheques and cash in hand.

The changes of Cash & cash equivalents are detailed in the cash flow statement enclosed to the Part C "Other information" to these Explanatory Notes.

F. IV Other assets

	31/12/2022	31/12/2021	Change
	127,328	96,683	+30,645

The main items forming this item are shown below:

- deferred tax assets relating to previous years' taxable items for 64,086 thousand euro relating to the temporary tax adjustments made in the financial year or in the previous years (63,131 thousand euro in the previous year). For details, reference should be made to the schedule shown later on in the chapter "Information on the balance sheet and income statement;
- sums unavailable on current accounts as a result of foreclosures exercised by third parties to pending cases amounted to 7,733 thousand euro;
- sums relating to margins posted as collateral on forward sales contracts for government securities signed with certain counterparties, amounting to 51,950 thousand euro.

CLASS G – ACCRUED INCOME & PREPAID EXPENSES

	31/12/2022	31/12/2021	Change
	30,578	33,152	-2,574
G.1 Interest	22,028	23,648	-1,620
G.3 Other accrued income & prepaid expenses	8,550	9,504	-954

G.1 Interest

This refers mainly to interest totalling on fixed-income government securities, totalling 9,619 thousand euro as at 31 December 2022 (9,798 thousand euro in the previous year) and interest on bonds amounting to 8,533 thousand euro (7,967 thousand euro in the previous year). Lastly, the item includes 3,789 thousand euro relating to the accrual of capital gains to be paid to policyholders of the Segregated Fund Rendimento Mensile, which will be realised upon maturity of the forward sale transaction on securities as described in the Report on Operations.

G.3 Other accrued income & prepaid expenses

The item mainly refers to prepaid expenses calculated on miscellaneous invoices and policies.

BALANCE SHEET

LIABILITIES

CLASS A – SHAREHOLDERS' EQUITY

	31/12/2022	31/12/2021	Change
	768,641	736,518	+32,123

The outline of changes in shareholders' equity as at 31 December 2022 is shown below, as required by Article 2427 Civil Code:

	Share capital	Legal reserve	Share premium	Revaluation reserve	Available reserve	Net profit for the year	Total
	(€/000)						
Dividend distribution	-	-	-	-	-	14,150	-14,150
Allocation to earnings reserve 2016	-	50	-	-	125,288	125,337	-
2017 net profit	-	-	-	-	-	78,445	78,445
Balance as at 31/12/2017	67,379	12,678	33,355	18,193	519,480	78,445	729,530
Dividend distribution	-	-	-	-	-	18,866	-18,866
Allocation to earnings reserve 2017	-	171	-	-	59,407	59,578	-
2018 net profit	-	-	-	-	-	99,607	99,607
Balance as at 31/12/2018	67,379	12,849	33,355	18,193	578,888	99,608	810,271
Dividend distribution	-	-	-	-	-	19,415	-19,415
reverse melting effect	-	-	19,936	-	276,086	-	-296,022
Allocation to earnings reserve 2018	-	89	-	-	80,102	80,191	-
2018 net profit	-	-	-	-	-	74,370	74,370
Balance as at 31/12/2019	67,379	12,938	13,419	18,193	382,905	74,371	569,204
Dividend distribution	-	-	-	-	-	12,944	-12,944
Allocation to earnings reserve 2019	-	362	-	-	61,064	61,426	-
2019 net profit	-	-	-	-	-	108,624	108,624
Balance as at 31/12/2020	67,379	13,301	13,419	18,193	443,969	108,624	664,884
Dividend distribution	-	-	-	-	-	30,417	-30,417
Allocation to earnings reserve 2020	-	175	-	-	78,032	78,207	-
2020 net profit	-	-	-	-	-	102,051	102,051
Balance as at 31/12/2021	67,379	13,476	13,419	18,193	522,001	102,051	736,518
Dividend distribution	-	-	-	-	-	30,417	30,417
Allocation to earnings reserve 2021	-	-	-	-	71,634	71,634	-
2021 net profit	-	-	-	-	-	62,540	62,540
Balance as at 31/12/2022	67,379	13,476	13,419	18,193	593,635	62,540	768,641

As at 31 December 2022, the share capital, consisting of no. 64,717,464 ordinary shares with no par value, subject to dematerialization scheme and recorded in the central securities management system.

Revaluation reserve refers to the real estate revaluation carried out in 2008, as required by Article 15, paragraph 20, of the Legislative Decree no. 185 of 29 November 2008, and in 2013 as required by Law no. 147/2013.

The following table highlights the nature and possibility of use of equity reserves as required by aforementioned Article of the Italian Civil Code:

(€/000)

Nature/Description	Amount as at 31/12/2022	Possibility of utilization (*)	Available amount	Summary of utilisation in the previous 3 financial years	
				to cover losses	for other reasons
Share capital	67,379				
Equity reserves					
Share premium reserves	13,419	A, B, C	13,419		
Revaluation reserves (2)					
Revaluation reserve - Law 147/2013	7,254	A, B, C	7,254		
Revaluation reserve - Law 185/2008	10,939	A, B, C	10,939		
Earnings reserves					
Legal reserve	13,476	B	-		
Other available reserves	593,634	A, B, C	593,634		
Net profit for the year	62,540	A, B, C	62,540		
Total shareholders' equity	768,641		687,786		
Residual distributable portion			687,786		

(*) A: for capital increases

B: to cover losses

C: for distribution to shareholders

(1) Under Article 2431 of the Italian Civil Code, the entire amount of this reserve can be distributed only if the legal reserve has reached the limit established by Article 2430 of the Italian Civil Code.

(2) These reserves might be decreased as established by Article 2445 of the Italian Civil Code, paragraph 2 and 3.

(3) This represents the non-distributable reserve quota earmarked for coverage of deferred costs that have not yet been amortised ex Article 2426 of the Italian Civil Code.

Disclosure of equity reserves used for capital increases, as required by circular no. 8 issued by the Italian Finance Ministry on 16/03/1984:

(€/000)

Date of Extraordinary shareholders' resolution	Year of recognition in accounts	As per Visentini Law	Amount
19/5/78	1978	576/75	258
14/5/79	1980	576/75	516
15/4/81	1982	576/75	258
28/6/88	1988	576/75	13
28/6/88	1988	72/83	1,020
28/6/90	1990	72/83	3,099
27/6/08	2008	-	6,370

CLASS B – SUBORDINATED LIABILITIES

	31/12/2022	31/12/2021	Change
	250,000	250,000	+0

The item refers to the subordinated loan issued by the Company in 2018. For further details, please refer to the Directors' report.

It should be noted that the subordinated loan is suitable for the coverage of Solvency II requirements.

CLASS C – TECHNICAL RESERVES

	31/12/2022	31/12/2021	Change
	3,761,400	3,476,271	+285,129

The following tables show detailed breakdown and changes compared to 31 December of previous FY of Non-life business technical reserves:

C.I – Non-Life business

	31/12/2022	31/12/2021	Change
	1,909,628	1,770,349	+139,278
C.I.1 - Premium reserve	470,947	447,830	+23,117
C.I.2 - Claims reserve	1,427,513	1,312,306	+115,207
C.I.4 - Other technical reserve	409	409	+0
C.I.5 - Equalisation reserve	10,759	9,805	+954

Information about analytical evaluation and accounting criteria of the technical reserves are enclosed in "Part A - Accounting Policies" to this financial report.

Changes over the year are shown by business line and type in Annexes 13 and 25 to these Explanatory Notes.

C.I.1 – Premium reserve

The breakdown and changes of premium reserve compared to the previous year are shown below:

C.I.1 – Premium Reserve

	31/12/2022	31/12/2021	Change
For directly insured risks	470,910	447,797	+ 23,113
For inwardly insured risks	37	33	+ 4
Gross reserves	470,947	447,830	+ 23,117
Reinsurers' share	14,759	13,137	+ 1,622
Net reserves	456,188	434,693	+ 21,495

The breakdown of the direct insurance premium reserve, calculated in accordance with the *pro-rata temporis* criterion and the specific criteria set out in "Part A - Accounting policies" for each line, is as follows:

Reserve for unearned premiums and additions to reserve

Line of business	(€/000)		TOTAL
	Direct insurance	Indirect insurance	
	<i>Reserve for unearned premiums</i>	<i>Reserve for unearned premiums</i>	
01 - Accident	34,591		34,591
02 - Health	6,779		6,779
03 - Land motor vehicle hulls	59,570		59,570
04 - Railway rolling stock	9		9
06 - Marine hulls	888		888
07 - Cargo insurance	886		886
08 - Fire and natural events	61,125		61,125
09 - Miscellaneous damage	24,981		24,981
10 - Motor TPL	225,580		225,580
12 - Marine TPL	556		556
13 - General TPL	31,656	27	31,684
14 - Credit insurance	190		190
15 - Bond insurance	5,304		5,304
16 - Pecuniary losses	5,163		5,163
17 - Legal protection	3,001		3,001
18 - Support and assistance	10,631	8	10,639
Total premium reserve	470,910	37	470,947

Unexpired risk reserve

In accordance with the ISVAP Regulation n. 22/2008, amended by IVASS Regulatory order no. 53/2016 set out in "Part A - Accounting policies" to this financial report, as of December 31, 2022 there is no need to post the unexpired risks reserve.

C.I.2 – Claims reserve

The breakdown and changes of claims reserve in thousand euro compared to 31 December of previous FY are shown in the table below:

C.I.2 – Claim Reserve

	31/12/2022	31/12/2021	Change
For directly insured risks	1,426,727	1,311,527	+ 115,200
For inwardly insured risks	786	779	+ 7
Gross reserves	1,427,513	1,312,306	+ 115,207
Reinsurers' share	51,563	52,226	- 663
Retrocessionaries' share	338	328	+ 10
Net reserves	1,375,612	1,259,752	+ 115,860

Non-life business:

The total claims reserve relating to the Motor Vehicle Third-party Liability class (including Marine, Lake and River Vehicle Third-party Liability) totals 1,035 million euro.

In accordance with the previous years, in order to estimate the ultimate cost that is more consistent with the operating situation, which includes multiple cases with significant differences in the parameters used to assess the extent of the claims, the Company has decided to analyse the claims managed outside the Card agreement (established since 2007) and post-Card claims, divided by type of management, separately. For this purpose, a preliminary methodological work was carried out to identify actuarial methods that would allow for an accurate assessment of reserves at ultimate cost with the appropriate level of detail.

Different deterministic valuation methods have been identified, which are of a different nature in order to have a more precise monitoring of the evolution dynamics of the claims, also considering the impacts on the variables used in the development of the reserving models resulting from the pandemic context:

- Chain Ladder Paid: this method estimates the amount of future payments, up to run off of claims generated, building with the available historical series the triangles of the cumulative paid amounts (organised by claim) and calculating the observed development coefficients based on them. These coefficients are applied to the cumulative data up to the current budget year to evaluate future payments;
- Chain Ladder Incurred: this method is similar to the previous one, with the difference that the development coefficients for each accident year are calculated on the total amounts of claims (payments already observed + reserves) in the different balance sheet years. The coefficients are applied to the cumulative data up to the current year to assess the total value of claims in the future;
- Fisher Lange: the method is based on the projection of the number of claims to be paid and on the estimated average cost. This method provides for the estimation by claim duration regarding how fast claims are settled, the rate of claims with follow-up, the average cost of claims and the trend of future inflation. These quantities are evaluated by analysing the run-off triangles of the number of claims paid, reserved, without follow-up and reopened, and the average costs recorded for each generation/duration;
- Bornhuetter Ferguson – Paid/Incurred: this method allows to arrive at an estimate based on the results obtained from the Chain Ladder methods described above and those of the method of the Expected Claims Technique. The latter provides for the estimate of the total cost of the claims starting from the identification of an a priori Loss Ratio determined on the basis of the expert judgement of Vittoria Assicurazioni.

In order to obtain a more stable estimate, or less influenced by any changes in the timing of information exchange through the Clearing House, the methods allow a joint assessment of the Ultimate Cost and the IBNR reserve being applied to data that also includes information on late claims observed (the IBNR reserve was however directly calculated using the method described below and then separated from the overall value).

For all management operations, due to the sufficient historical depth, the development coefficients of the areas have been estimated separately for each component analysed in order to represent the different outlooks.

Other risks:

For the General TPL Lob, a verification is carried out on the adequacy of claims reserve (including the IBNR), by using the deterministic actuarial methods that are similar to those described for the MV TPL Lob.

For the valuation of the reserves of other Lobs, the Chain Ladder Paid and Incurred actuarial models described for the MV TPL lob were used, by analysing data with the details of the Solvency II line of business.

IBNR claims:

Calculation of the reserve for IBNR (incurred but not reported) claims requires estimation of number and average cost of late claims for each business. This estimate was made using the balance-sheet input forms for FY 2010-2022 as data source, whilst considering any gaps between prior year allocation and the final account.

As regards MTPL LoB, the estimate is performed separately for each type of management.

C.I.4 - Other technical reserves

	31/12/2022	31/12/2021	Change
	409	409	+0

These reserves refer to direct business and consist of the Health insurance ageing reserve. In order to evaluate this reserve, the analytical and lump-sum criteria were used as described in the "Part A - Accounting Policies" to this financial report.

C.I.5 - Equalisation reserve

	31/12/2022	31/12/2021	Change
	10,759	9,805	+954

Below is the breakdown, by LoB, of the equalization reserve solely referred to direct business, in accordance with the provisions under Annex no.15 of the Regulations ISVAP no. 22 /2008 amended by IVASS Instruction no. 53/2016:

Line of business	31/12/2022	31/12/2021	Change
01 Accident	36	-	+ 36
03 Land vehicle hulls	6,065	5,752	+ 313
05 Aircraft hulls	138	138	-
07 Cargo (goods in transit)	150	150	-
08 Fire and natural elements	3,204	2,764	+ 440
09 Other property damage	1,163	1,002	+ 161
13 General TPL	4	-	+ 4
Total equalisation reserve	10,760	9,806	+ 954

Breakdown and changes of technical reserve for the Life business over the year are shown in the following table:

C.II - Life business

	31/12/2022	31/12/2021	Change
	1,851,773	1,705,922	+145,851
C.II.1 - Mathematical reserves	1,832,102	1,683,324	+148,778
C.II.2 - Complementary insurance premium reserve	52	50	+2
C.II.3 - Reserve for payable amounts	11,937	15,470	-3,532
C.II.5 - Other technical reserves	7,681	7,079	+602

Information about analytical evaluation and accounting criteria of technical reserves are enclosed in "Part A - Accounting Policies" to this financial report.

Changes over the year related to Mathematical reserves (class C.II.1) and to Profit participation and reversal reserve (class C.II.4) are detailed by line and type in Annex n.14 to these Explanatory Notes.

C.II.1 – Mathematical reserve

Breakdown and changes of technical reserve for the Life business over the year are shown in the following table:

C.II.1 - Mathematical reserves

	31/12/2022	31/12/2021	Change
For directly insured risks	1,832,102	1,683,324	148,778
Gross reserves	1,832,102	1,683,324	148,778
Reinsurers' share	4,950	4,113	837
Net reserves	1,827,152	1,679,211	147,941

The mathematical reserves comprise an additional reserve for longevity risk relating to annuity agreements and capital agreements with a contractually guaranteed coefficient of conversion to an annuity (paragraph n. 36 to the Annex n. 14 of ISVAP Regulation no. 22/2008) amounting to 1,592

thousand euro (1,631 thousand euro in the previous year). In the case of capital agreements, this is calculated by taking into account the propensity to convert to an annuity.

The mathematical reserves also include additional reserves for the guaranteed interest rate risk (paragraph no. 22 to the Annex no. 14 of ISVAP Regulation no. 22/2008) amounting to 1,082 thousand euro (817 thousand euro in the previous year), obtained by joint analysis of the asset and liability portfolios of the segregated internal funds “Vittoria Rendimento Mensile”, “Vittoria Valore Crescente”, “Vittoria Previdenza” and “Obiettivo Crescita”. The average rates of return on segregated funds were used to assess the additional reserve for the portfolio of non-revaluable policies. The amount also includes 727 thousand euros relating to the guaranteed segment of class VI.

The mathematical reserves also include the time-lag reserve (paragraph 23 of ISVAP Regulation no. 22/2008) in the amount of 4 thousand euro (89 thousand euro in the previous year).

The mathematical reserves also include the reserve for retained earnings (paragraph 38-bis of Annex 14 of IVASS Regulation no. 22/2008) amounting to 1,820 thousand euro, determined by the net realized capital gains not allocated to the financial result of the Separate Internal Fund Vittoria Obiettivo Rendimento (1,496 thousand euro in the previous year)

C.II.3 Reserve for payable amounts

	31/12/2022	31/12/2021	Change
Line of Business I	10,532	8,786	+ 1,746
Line of Business III	118	508	- 390
Line of Business IV		1	- 1
Line of Business V	1,238	6,023	- 4,785
Ramo VI	49	151	- 102
Total	11,937	15,469	- 3,532

Reserves for amounts payable amounted to 11,937 thousand euro (15,469 thousand euro in the previous year). These reserves show a decrease of 3,532 thousand euro attributable to the liquidation dynamics of the portfolio.

C.II.5 – Other technical reserve

The amount of this item is 7,681 thousand euro as at 31 December 2022 and solely refers to future operating expenses which are expected to be incurred, based on conservative valuation pursuant to Article 31 of ISVAP Regulation no. 21/2008.

Breakdown and changes of other technical reserves over the year are shown in the following table:

C.II.5 - Other technical reserves

	31/12/2022	31/12/2021	Change
For directly insured risks	7,681	7,079	+ 602
Gross reserves	7,681	7,079	+ 602
Reinsurers' share	67	55	+ 12
Net reserves	7,614	7,024	+ 590

The following table shows the breakdown by line of business:

	31/12/2022	31/12/2021	Change
			(€/000)
Line of business I	7,087	6,587	501
Line of business III	408	306	102
Line of business IV	167	153	14
Line of business V	19	33	-14
Total	7,681	7,079	+ 603

CLASS D – TECHNICAL RESERVES WHEN INVESTMENT RISK IS BORNE BY POLICYHOLDERS AND RESERVES RELATING TO PENSION FUND MANAGEMENT

	31/12/2022	31/12/2021	Change
	237,055	195,527	+41,528
D.I – Reserves for unit- and index-linked policies	210,106	166,131	+43,975
D.II - Reserves relating to pension fund management	26,949	29,396	-2,447

Reserves relating to D.I class refer totally to Unit-Linked.

Below are detailed the key actuarial assumptions concerning technical reserves for direct business as at 31 December 2022:

Risk category	Capital sums, annuities	Technical reserves	Year of issue	Technical basis	
				financial	demographic
Temporary	5,624,243	29,558	1990 - 1997	4%	SIM 81
			1998 - 2001	3% - 4%	SIM 91
			2001 - 2007	3%	SIM 91 at 70%
			2008 - 2011	3%	SI 91 at 50% and 70%
			2012 - 2014	3%	SIM 2001 at 90%- 65%
		since 2015	2%	SIM 2001 at 90%- 65%	
Adjustable	1	7	1969 - 1979	3%*	SIM 51
Indexed	-	39	1980 - 1988	3%*	SIM 51
Other types	159	90			
Revaluable	1,752,536	1,802,187	1988 - 1989	3%*	SIM 71
			1990 - 1996	4%*	SIM 81
			1997 - 1999	3%*	SIM 91
			2000 - 2011	1,5% - 2%*	SIM 81-91
			2012 - 2014	2%	SIM 2001 at 80%
			2014 - 2015	1.25%	SIM 2001 at 70%
		since 2015	0%	SIM 2001 at 70%	
L.T.C.	73,094	6,489	2001 - 2004	3%	(1)
			2004 - 2011	3%	(2)
			since 2012	3%	(3)
Pension fund	28,303	27,676	since 1999	---	---
Unit Linked	212,075	210,547	1998 - 2014	0%	SIM 91
			since 2015	0%	SIM 2001
AIL Rivalutabile	294	297	1986 - 1998	4%*	SIM 51
			1999 - 2004	3%*	SIM 81
Total business lines	7,690,706	2,076,891			

* Due to the effect of the contractually guaranteed revaluation, technical rates have increased to:

for indexed policies: 3.0%

for adjustable policies: 3.0%

for revaluable policies:

Vittoria Valore Crescente 3.48%; Vittoria Rendimento Mensile 3.32%; Vittoria Previdenza 1.82%; Vittoria Obiettivo Crescita 2.25%;

Vittoria Obiettivo Rendimento 1.46%.

(1) SIM 91 reduced to 62%; SIF 91 reduced to 53%; mortality rates and LTC (long term care) rates taken from insurers' studies

(2) SIM 91 reduced to 60%; mortality rates and LTC rates taken from insurers' studies

(3) SIU 2001 indistinct; mortality rates and incidence rates LTC derived from reinsurers' studies

CLASS E – PROVISIONS FOR CONTINGENCIES AND OTHER CHARGES			
	31/12/2022	31/12/2021	Change
	22,913	53,911	-30,998
E.2 – Tax provision	636	1,364	-728
E.3 – Other provisions	22,277	52,546	-30,269

E.2 – Tax provision

The change in the item is mainly attributable to the erosion of the provision relating to capital gains realized in the previous years and whose taxation for IRES purposes is paid in instalments pursuant to Article 86 TUIR.

Changes of this item are also shown to the Annex 15 to these Explanatory Notes.

E.3 – Other provisions

The change in this item compared to the previous year mainly refers to provisions for risks made to cover charges attributable to normal company operations.

CLASS F – DEPOSITS RECEIVED FROM REINSURERS			
	31/12/2022	31/12/2021	Change
	7,519	6,873	+646

These deposits are related to the technical reserves of reinsured direct business.

CLASS G – PAYABLES AND OTHER LIABILITIES			
	31/12/2022	31/12/2021	Change
	232,572	174,253	+58,319
G.I - Payables arising from direct insurance business	5,856	13,878	-8,022
G.II - Payables arising from reinsurance business	22,501	13,549	+8,952
G.IV - Payables to banks and financial institutions	5,863	11,238	-5,375
G.VII - Reserve for employee severance indemnities	2,636	2,267	+369
G.VIII – Other payables	85,955	74,556	+11,399
G.IX – Other liabilities	109,761	58,764	+50,997

Relating to G.I item, the following table shows the breakdown and change over the year:

G.I - Payables arising from direct insurance business

	31/12/2022	31/12/2021	Change
	5,856	13,878	-8,022
<i>Of which:</i>			
G.I.1 – due to insurance agents and brokers	2,213	7,298	-5,085
G.I.2 – due to current accounts with other insurers	1,682	4,854	-3,172
G.I.3 – due to policyholders for performance deposits and premiums	1,961	1,726	+235

G.I.1 Payables arising from direct insurance business, due to insurance agents and brokers

	31/12/2022	31/12/2021	Change
	2,213	7,298	-5,085

Payables due to insurance agents and brokers refer to commissions due to sales network that are not yet settled as at 31 December 2022 and indemnities payable at the end of agency mandate. The item is allocated to Non-life business for 1,446 thousand euro and to Life business for 767 thousand euro.

G.I.2 Payables arising from direct insurance business, due to current accounts with other insurers

	31/12/2022	31/12/2021	Change
	1,682	4,854	-3,172

This item includes amounts payable arising from current accounts comprising the technical results of co-insurance transactions.

This item is allocated to Non-life business for 1,607 thousand euro and to Life business for 75 thousand euro.

G.I.3 Payables arising from direct insurance business, due to policyholders for performance deposits and premiums

	31/12/2022	31/12/2021	Change
	1,961	1,726	+235

The item refers to the performance deposits paid by policyholders for insurance coverage.

The item is allocated to Non-life business for 1,244 thousand euro and to Life business for 717 thousand euro.

G.II Payables, arising from reinsurance business, due to insurers and reinsurers

	31/12/2022	31/12/2021	Change
	22,501	13,549	+8,952

This item includes amounts payable arising from current accounts comprising the technical results of co-insurance transactions.

The item is allocated as follows: 21,975 thousand euro to Non-life business and 526 thousand euro to Life business.

G.IV - Payables to banks and financial institution

	31/12/2022	31/12/2021	Change
	5,863	11,238	-5,375

This item exclusively includes bank debts arising from the use of overdraft credit lines. The balance entirely relates to the Non-Life business (5,863 thousand euro).

G.VII Reserve for employee severance indemnities

	31/12/2022	31/12/2021	Change
	2,636	2,267	+369

The item expresses the retirement allowance provision towards personnel as at 31 December 2022, in compliance with current rules and regulations.

The item is allocated as follows: 2,468 thousand euro to Non-life business and 168 thousand euro to Life business.

Changes are also reported to the Annex 15 to these Explanatory Notes. The overall change over the year is due to the following movements:

- decrease due to indemnities paid out for severance and to advance pay-outs granted for 294 thousand euro;
- increase due to provisioning for the year for 3,196 thousand euro;
- transfers to Pension Fund and Social Security fund (INPS) for 2,366 thousand euro;
- credit recovery from INPS for 167 thousand euro.

The payables in question must be taken to have a residual duration of more than 5 year.

G.VIII - Other payables

	31/12/2022	31/12/2021	Change
	85,955	74,556	+11,399
<i>Of which:</i>			
G.VIII.1 – for policyholders' taxes	29,531	28,991	+540
G.VIII.2 – for miscellaneous taxes	2,451	3,766	-1,315
G.VIII.3 – for social security & pension agencies	4,946	4,066	+880
G.VIII.4 – other sundry payables	49,028	37,733	+11,295

G.VIII.1 Other payables for policyholders' taxes

	31/12/2022	31/12/2021	Change
	29,531	28,991	+540

The item mainly includes amounts due from the tax authorities for taxes on insurance for premiums written, net of the advance instalments paid during the year, and the amounts due for the contribution to the National Health Service and for other tax charges payable by the policyholders.

The item is allocated as follows: 428 thousand euro to Non-life business and 29,103 thousand euro to Life business.

G.VIII.2 Other payables for miscellaneous taxes

	31/12/2022	31/12/2021	Change
	2,451	3,766	-1,315

The item is allocated as follows: 2,121 thousand euro to Non-life business and 330 thousand euro to Life business. The amount mainly consists of the following items:

- tax deduction on wages & salaries for 1,413 thousand euro (1,869 thousand euro in the previous year);
- payables for financial administration for 756 thousand euro for IRES.

G.VIII.3 Other payables for social security & pension agencies

	31/12/2022	31/12/2021	Change
	4,946	4,066	+880

This item consists mainly of amounts payable to INPS (the state pension & welfare agency) on salaries paid in December.

G.VIII.4 Other sundry payables

	31/12/2022	31/12/2021	Change
	49,028	37,733	+11,295

The item is allocated as follows: 41,162 thousand euro to Non-life business and 7,866 thousand euro to Life business. The amount mainly consists of the following items:

- amounts payable to employees for accruals for holidays not taken for 3,872 thousand euro (3,936 thousand euro in the previous year);
- payables arising from directors, statutory auditors and managers with strategic responsibilities for 2,216 thousand euro (2,335 thousand euro in the previous year);
- trade payable for 18,250 thousand euro (16,387 thousand euro in the previous year);
- amounts payable to subsidiaries for tax consolidation for 2,713 thousand euro (1,800 thousand euro in the previous year);
- payables to subsidiaries for administrative consulting services amounting to 1,031 thousand euro;
- payables to Mapfre related to support services amounting to 4,705 thousand euro.

G.IX – Other liabilities

	31/12/2022	31/12/2021	Change
	109,761	58,764	+50,997
<i>Of which:</i>			
G.IX.2 – commissions on premiums under collection	25,443	21,693	+3,750
G.IX.3 – other liabilities	84,317	37,070	+47,247

G.IX.2 Commissions on premiums under collection

This item is mainly related to agent payable commissions on premiums under collection at year-end for 16,836 thousand euro (13,776 thousand euro in the previous year).

G.IX.3 Other liabilities

This item is mainly related to the following items:

- invoices and notes to be received from suppliers for 6,636 thousand euro (5,439 thousand euro in the previous year);
- technical accounts to be settled with agencies and sundry liabilities for 618 thousand euro (601 thousand euro in the previous year);
- provision for variable compensation for employees for 9.698 thousand euro (9.301 thousand euro in the previous year);
- sums relating to the margins set up as collateral on the basis of forward sale contracts for government securities in favor of the Company signed with certain counterparties, amounting to 64,470 thousand euro.

CLASS H – ACCRUED LIABILITIES & DEFERRED INCOME

	31/12/2022	31/12/2021	Change
	7,396	6,857	+539
H.1 - For interests	6,814	6,814	+0
H.3 – Other accrued liabilities & deferred income	582	43	+539

This item mainly includes interest paid on subordinated loan.

INCOME STATEMENT

I.10 - RESULT OF NON-LIFE BUSINESS TECHNICAL ACCOUNT

	31/12/2022	31/12/2021	Change
	66,833	154,448	-87,615

Summary information concerning to Non-life business technical account are shown in Annexes 19, 25 and 26 to these Explanatory Notes.

Technical costs and revenues are classified as follows:

I. 1 – Premiums, net of outwards reinsurance

	31/12/2022	31/12/2021	Change
	1,230,914	1,195,913	+35,001
<i>Of which:</i>			
a) Gross premiums written	1,325,142	1,263,544	+61,597
b) (-) Ceded premiums	72,734	51,631	+21,103
c) (-) Change in gross premium reserve	23,117	16,987	+6,130
d) Change in reinsurers' share of premium reserve	1,622	986	+636

The Company develops its business entirely in Italy.

The gross premiums written amounted to 1,325,142 thousand euro, 1,325,037 thousand euro of which were related to direct business and 104 thousand euro to indirect business. Premiums ceded in FY2022 are 72,734 thousand euro.

The breakdown of premiums by business has been indicated in the Directors' Report.

I. 2 – (+) Portion of investment income transferred from non-technical account

	31/12/2022	31/12/2021	Change
	16,769	3,743	+13,026

The amount to be transferred from the non-technical account to the technical account of the Non-Life business was determined in accordance with ISVAP Regulation no, 22/2008, as indicated in "Part A – Accounting Policies" of the Explanatory Notes.

I. 3 – Other technical income, net of outwards reinsurance

	31/12/2022	31/12/2021	Change
	5,229	3,191	+2,038

This item is mainly referred to:

- reversal of commissions for previous years' cancelled premiums for 1,890 thousand euro (1,520 thousand euro in the previous year);
- 155 thousand euro for technical items relating to recoveries of settlement costs related to claims subject to CARD agreements (376 thousand euro in the previous year);
- 602 thousand euro related to recoveries of receivables for premiums under litigation (790 thousand euro in the previous year);
- 2,307 thousand euro for incentives awarded to the Company within the scope of the CARD claims management (149 thousand euro in the previous year).

I. 4 – Charges relating to claims, net of recoveries and outwards reinsurance

	31/12/2022	31/12/2021	Change
	829,452	725,195	+104,257
<i>Of which:</i>			
aa) Amounts paid – gross amount	789,958	722,016	+67,942
bb) (-) Reinsurers' share	35,770	36,610	-840
aa) Change in recoveries net of reinsurers' share – gross amount	18,805	19,033	-228
bb) (-) Reinsurers' share	222	-1,480	+1,702
aa) Change in claims reserve – gross amount	93,185	61,328	+31,857
bb) (-) Reinsurers' share	-662	1,026	-1,688

Amounts paid

They are related to indemnities for 688,708 thousand euro (646,852 thousand euro in the previous year), direct expenses for 12,232 thousand euro (11,817 thousand euro in the previous year), settlement costs for partial or definitive payments of claims reported during the year or reserved at the end of the previous year for 72,608 thousand euro (63,306 thousand euro in the previous year) and the amount payable to the fund for road-accident victims for 16,387 thousand euro (16,462 thousand euro in the previous year). The item includes indemnities to indirect business for 23 thousand euro (42 thousand euro in the previous year).

Changes in recoveries

This is the balance between amounts to be recovered from policyholders and third parties for deductibles, subrogation and remedying of claims at the previous year-end, the amounts recovered during the year and amounts yet to be recovered at year-end.

Change in claims reserve

The item includes estimated indemnities, direct and settlement costs to be paid in future years for claims reported during the current and previous years and not yet settled as at 31 December.

I. 7 – Operating costs

	31/12/2022	31/12/2021	Change
	319,302	311,610	+7,692
<i>Of which:</i>			
a) Acquisition commissions	223,905	210,261	+13,644
b) Other acquisition costs	52,577	54,938	-2,361
d) Premium collection commissions	5,713	6,211	-499
e) Other administrative expenses	46,646	46,250	+396
f) (-) Commissions received by reinsurers	9,539	6,049	+3,490

They relate to purchase and collection commissions proportional to premiums written, incentives accrued by brokers and agents and common costs incurred for the sales network. The item also includes overheads and depreciation of tangible assets not allocated to claims settlement and investments.

The amount related to transactions with subsidiaries and associated companies is provided in the Directors' Report.

I.8 - Other technical charges, net of outwards reinsurance

	31/12/2022	31/12/2021	Change
	14,370	10,768	+3,602

The item consists of the following:

- technical write-offs of premiums and of uncollectible premiums for 3,649 thousand euro (3,189 thousand euro in the previous year);
- charge to the provision for bad debt from policyholders for 9,493 thousand euro (6,295 thousand euro in the previous year);
- other technical charges mainly relating to services supporting insurance covers and costs for premiums under litigation for 1,219 thousand euro (1,267 thousand euro in the previous year).

I.9 - Change in equalisation reserves

	31/12/2022	31/12/2021	Change
	954	825	+129

The change detailed by LoB is shown in the item C. I.5 in the Balance Sheet.

II.13 - RESULT OF LIFE BUSINESS TECHNICAL ACCOUNT

	31/12/2022	31/12/2021	Change
	-6,244	1,608	-7,852

Summary information concerning to life business technical account are shown in Annexes 20, 27 and 28 to these Explanatory Notes.

Technical costs and revenues are classified as follows:

II. 1 – Premiums, net of outwards reinsurance

	31/12/2022	31/12/2021	Change
	352,067	325,432	+26,635
<i>Of which:</i>			
a) a) Gross premiums written	354,281	327,260	+27,021
b) (-) Ceded premiums	2,214	1,828	+386

The gross premiums written amounted to 354,281 thousand euro, entirely attributable to direct business. Premiums ceded in FY2022 amounted to 2,214 thousand euro.

The breakdown of premiums by line of business is shown in the Directors' report.

II. 2 – Investments income

	31/12/2022	31/12/2021	Change
	61,641	63,855	-2,214
<i>Of which:</i>			
a) Income from equity investments	336	318	+18
b) Income from other investments	60,560	61,522	-962
c) Write-backs on investments	0	7	-7
d) Profits made on sale of investments	745	2,015	-1,270

- b) This item mainly includes:
- Income on land and buildings rented and other income on property for 1,612 thousand euro (1,686 thousand of euro in the previous year);
 - income on fixed-income securities for interest, issue and trading differentials for 41,388 thousand euro (47,761 thousand euro in the previous year);
 - income on OEIC units for 17,567 thousand euro (12,068 thousand euro in the previous year).

Investment income are detailed in Annex 21 to these Explanatory Notes, which also report non-technical account data relating to Non-Life business investment.

II. 3 - Income and unrealised capital gains relating to investments benefiting policyholders bearing the risk and investments relating to pension fund management

	31/12/2022	31/12/2021	Change
	4,327	19,588	-15,261

The increase is due to the performance of the financial markets which reflect the adjustment to the market value of investments.

The item is detailed in Annex 22 to these Explanatory Notes.

II.4 - Other technical income, net of outwards reinsurance

	31/12/2022	31/12/2021	Change
	4,232	2,454	+1,778

The item includes commissions relating to first-year premiums cancelled and commissions retroceded by financial managers in relation to investments of unit-linked premiums and pension funds.

II.5 - Charges relating to claims, net of outwards reinsurance

	31/12/2022	31/12/2021	Change
	149,094	110,675	+38,419
<i>Of which:</i>			
aa) Amounts paid – gross amount	152,787	116,898	35,889
bb) (-) Reinsurers' share	144	45	+99
aa) Change in reserve for payable amounts – gross amount	-3,532	-6,178	+2,646
bb) (-) Reinsurers' share	15	0	+15

The amounts paid in the FY2022 totalled 152,787 thousand euro mainly due to direct business. They refer to costs relating to claims for 638 thousand euro (586 thousand euro in the previous year), claims for 31,046 thousand euro (22,537 thousand euro in the previous year), expired policies for 31,743 thousand euro (24,588 thousand euro in the previous year), surrenders for 88,516 thousand euro (68,416 thousand euro in the previous year), and annuities for 844 thousand euro (771 thousand euro in the previous year).

II.6 - Change in mathematical reserves and other technical reserves, net of outwards reinsurance

	31/12/2022	31/12/2021	Change
	191,293	255,714	-64,421
<i>Of which:</i>			
aa) Mathematical reserves – gross amount	150,063	174,004	-23,941
bb) (-) Reinsurers' share	891	561	+330
aa) Complementary insurance premium reserve – gross amount	3	-1	+4
aa) Other technical reserves – gross amount	603	547	+56
bb) (-) Reinsurers' share	12	6	+6
aa) Technical reserves when investment risk is borne by policyholders or relating to pension fund management	41,528	81,731	-40,203

This refers to the change in technical reserves, which are outlined in detail in "Part A - Accounting Policies" to these Explanatory Notes".

II.8 – Operating costs

	31/12/2022	31/12/2021	Change
	24,045	20,769	+3,276
<i>Of which:</i>			
a) Acquisition commissions	22,936	13,577	9,359
b) Other acquisition costs	5,506	4,141	1,365
c) Change in commissions and other acquisition costs to be amortised	-10,118	-1,340	-8,778
d) Premium collection commissions	2,082	688	1,394
e) Other administrative expenses	4,085	4,070	+16
f) (-) Commissions received by reinsurers	447	366	+81

They are related to purchase and collection commissions proportional to premiums written, incentives accrued by brokers and agents and common costs incurred for the sales network. The item also includes overheads and depreciation of tangible assets not allocated to investment-related costs.

II.9 - Capital and financial charges

	31/12/2022	31/12/2021	Change
	33,073	14,206	+18,867
Of which:			
a) Investment management costs and interest expense	10,092	11,216	-1,124
b) Investment write-downs	22,635	2,626	20,010
c) Losses on sale of investments	346	365	-19

- a) This item mainly refers to:
- housing expenses, taxes and building management costs for 515 thousand euro (542 thousand euro in the previous year);
 - costs relating to fixed-income securities for issue and trading differentials, taxes, and operating and personnel expenses for 9,241 thousand euro (10,319 thousand euro in the previous year).
- b) The item refers to write-downs of financial instruments refers to depreciation on property totalling for 775 thousand euro (827 thousand euro in the previous year), 308 thousand euro of which (308 thousand euro in the previous year) relating to the headquarters in the Portello area in Milan and value adjustments on securities amounting to 21,860 thousand euro (1,798 thousand euro in the previous year).

Annex 23 to these Explanatory Notes reports details relating to Capital and financial charges on Life investments.

II.10 – Capital and financial charges and unrealised capital losses relating to investments benefiting policyholders bearing the risk and to investments connected with pension fund management

	31/12/2022	31/12/2021	Change
	30,928	4,514	+26,414

Details of this item are outlined in Annex 24 to these Explanatory Notes.

II.11 - Other technical charges, net of outwards reinsurance

	31/12/2022	31/12/2021	Change
	78	116	-38

Besides including cancellation of premiums, this item refers to fees payable by the Company, relegated to sales channels, regarding internal funds and the pension fund "Vittoria Formula Lavoro" for 40 thousand euro (73 thousand euro in the previous year).

II.12 – (-) Income on investments transferred to non-technical account

	31/12/2022	31/12/2021	Change
	0	3,729	-3,729

The amount to be transferred from the non-technical account to the technical account of the non-life business was determined in accordance with ISVAP Regulation no. 22/2008, as indicated in "Part A – Valuation Criteria" of the Explanatory Notes.

RESULT OF NON-TECHNICAL ACCOUNT

31/12/2022	31/12/2021	Change
23,447	-7,981	+31,428

Non-technical costs and revenues are classified as follows:

III. 3 – Income from Non-Life investments

	31/12/2022	31/12/2021	Change
<i>Of which:</i>	45,620	31,911	+13,709
a) Income from equity investments	6,124	3,242	+2,882
b) Income from other investments	37,869	28,592	+9,277
d) Profits made on sale of investments	1,628	77	+1,551

- a) Income from equity investments includes the dividend collected by other subsidiaries.
- b) Income from other investments consist of:
- land and buildings amounting to 2,801 thousand euro (2,899 thousand euro in the previous year), relating to rental and to recovery of expenses and other income;
 - other investments amounting to 34,857 thousand euro (25,693 thousand euro in the previous year), 14,649 thousand euro of which relating to income on fixed-income securities for interest issue and trading differentials and for 20,208 thousand euro relating to income on UCITs.
- d) Profit on sale of investments refers to capital gains on repayment and sale of bonds and other fixed-interest securities.

Annex 21 to these Explanatory Notes reports details relating to Income from Life and Non-Life investments.

III.4 - (+) Income on investments transferred from Life business technical account

	31/12/2022	31/12/2021	Change
	0	3,729	-3,729

Please refer to information reported in the chapter “Life technical account”.

III.5 - Capital and financial charges of Non-Life business

	31/12/2022	31/12/2021	Change
	20,661	26,327	-5,666
Of which:			
a) Investment management costs and interest expense	18,307	19,498	-1,191
b) Investment write-downs	2,252	5,998	-3,746
c) Loss on sale of investments	101	832	-731

- a) Items included in the “Investment management costs and interest expense” refer to:
- costs for fixed-income securities relating to issue and trading differentials, taxes, and operating and personnel expenses amounting to 13,189 thousand euro (13,822 thousand euro in the previous year);
 - housing expenses, taxes and building management costs for 4,831 thousand euro (4,831 thousand euro in the previous year);
 - costs relating to municipal tax on property for 4,635 thousand euro (477 thousand euro in the previous year).
- b) The item “Investment write-downs”, as indicated in the Management Report, mainly refers to depreciation of buildings, 1,025 of which are related to the headquarters in the Portello area in Milan.
- c) Loss on sale of investments refer to losses resulting from fixed-income securities’ reimbursement and alienation.

Annex 23 to these Explanatory Notes reports details relating to Capital and financial charges of Life and Non-Life investments.

III.6 - (-) Investment income transferred to the Non-Life business technical account

	31/12/2022	31/12/2021	Change
	16,769	3,743	+13,026

Please refer to information reported in the chapter “Non-Life technical account chapter”.

III.7 - Other income

	31/12/2022	31/12/2021	Change
	29,279	1,920	+27,359

This item includes income other than that on investments, such as that relating to the general balance-sheet classes E - Receivables and F - Other assets.

As at 31 December 2022, the item mainly refers to:

- interest on bank current account for 632 thousand euro (904 thousand euro in the previous year),
- withdrawals from provisions for risks and charges in the amount of 27,292 thousand euro, mainly attributable to the removal of risks related to indirect effects from the Covid-19 pandemic.
- provisions relating to bad debts for 40 thousand euro (270 thousand euro in the previous year).

III.8 - Other charges

	31/12/2022	31/12/2021	Change
	25,308	34,663	-9,355

As at 31 December 2022, the item mainly includes:

- interest and charges on bank accounts for 1,456 thousand euro (1,057 thousand euro in the previous year);
- annual amortization of intangible assets for 4,510 thousand euro (1,378 thousand euro in the previous year);
- expenses and interest expenses related to the subordinated loan for 14,840 thousand euro;
- provisions for risks and charges of 3,682 thousand euro, primarily in order to cover charges connected with normal company operations and provisions relating to commercial policies aimed at providing increasingly improved customer service.

III.10 - Extraordinary income

	31/12/2022	31/12/2021	Change
	13,479	20,157	-6,678

The item contains income from sale of long-term investments and other profits made on the sale of assets classified in the general balance-sheet Class F – Other assets. It is mainly composed of capital gains from the sale of financial instruments amounting to 12,190 thousand euro, including 8,641 thousand euro related to bonds and 3,549 thousand euro related to mutual funds.

For more details, please refer to the chapter "Capital investments" included in the Report on Management of this document.

III.11 - Extraordinary charges

	31/12/2022	31/12/2021	Change
	2,193	965	+1,228

This item refers to charges due to sale of long-term investments and other losses arising from the sale of assets classified in the general balance-sheet Class F - Other assets, and it is mainly composed of capital losses arising from the sale of financial instruments amounting to 2,108 thousand euro, of which 1,916 thousand euro related to bonds and 192 thousand euro related to mutual funds (721 thousand euro in the previous year).

For more details, please refer to the chapter "Capital investments" included in the Report on Management of this document.

III.14 - Taxation

	31/12/2022	31/12/2021	Change
	21,498	46,024	-24,526

Current taxes set aside relate to the IRES and IRAP estimate for the current year, which was calculated in accordance with current tax rules and regulations.

Reconciliation between the tax charge recognised in the financial statements and theoretical tax charge is shown below:

Reconciliation between the tax charge recognised in the financial statements and theoretical tax charge						
(in thousands of Euros)						
	Taxable base		Tax		Tax rate	
	IRES	IRAP	actual	theoretical	actual	theoretical
IRES						
Profit before taxation	84,038			20,169		24.00%
+ Temporary differences deductible in future years	91,615					
- Use of temporary differences	-84,766					
+ Non-deductible interest and taxes	1,384					
+ Non-deductible accruals, costs and expenses	1,407					
+/- Investment Portfolio	-62					
- Tax-exempt income and Dividends	-6,136					
+/- Other deductible items	-8,368					
Taxable base	79,110					
A. Current IRES			18,986		22.59%	
IRAP						
Profit before taxation		84,038		5,731		6.82%
- Profit & Loss items not taxable/deductible for IRAP purpose		-23,449				
Life insurance business profit & loss + Non-life insurance business profit & loss		60,589				
+ Permanent taxable differences		71,430				
- Permanent deductible differences		-70,457				
Theoretical taxable base		61,563				
+/(Increase - Decrease) of temporary differences		-55				
Taxable base		61,508				
B. Current IRAP			4,195		4.99%	
C=(A+B) Total current Tax relating to 2022			23,181		27.58%	30.82%
Deferred tax assets						
Taxable base for deferred tax assets of the previous year	256,823	21,976				
+/(Increase - Decrease) in deferred tax assets during the current year	3,995	-55				
Taxable base for deferred tax assets of the current year	260,818	21,976				
Deferred IRES assets on (Increase - Decrease)			959			
Deferred IRAP assets on (Increase - Decrease)			-4			
D. Total deferred tax assets relating to 2022			955		1.14%	
Deferred tax liabilities						
Taxable base for provision for deferred tax liabilities of the previous year	5,684					
+/(Increase - Decrease) in the provision for deferred tax liabilities during the current year	-3,035					
Taxable base for provision for deferred tax liabilities of the current year	2,649					
Deferred IRES liabilities on (Increase - Decrease)			-728			
Deferred IRAP liabilities on (Increase - Decrease)			0			
E. Total deferred tax liabilities relating to 2022			-728		-0.87%	
Total IRES relating to 2022			17,299		20.59%	
Total IRAP relating to 2022			4,199		5.00%	
F= (C-D+E) Total tax relating to 2022			21,498	25,900	25.58%	30.82%

The above schedule compares taxes related to local financial statements, apart from variances due to tax rules application in determining IRES and IRAP amounts with taxes related to tax rules compliance.

Schedules of deferred taxes pursuant to Article 2427 of the Italian Civil Code, are described in the tables below. These were calculated by applying to such temporary differences the nominal rates in force at the time when they will appear, already approved at the date of these financial statements.

Detail and movement of deferred tax assets

**SCHEDULE OF DEFERRED TAXES PURSUANT TO
ARTICLE 2427 OF THE CIVIL CODE**

(€/000)

Description of temporary difference	IRES		IRAP		IRES+IRAP
	taxable base	tax rate	taxable base	tax rate	Tax
2020 deferred tax assets					
Depreciation of tangible assets	742		-		178
Charge backs non -life	1,172				281
Financial non current assets devaluation	395				95
Provision for doubtful receivables from policy holders	27,159		15,011		7,542
Provision for doubtful other receivables	29,851				7,159
Provision for risk and charges	56,139				13,473
Directors' fees	1,551				372
Goodwill (Sace - life)	1,125		1,125		348
Depreciation of intangible assets	2,382				573
Change in non -life claims reserves (ex dcr. 209/2002)	129,725				31,132
Dividend to be cashed	742				178
Reinstatement premium reinsurance	5,840		5,840		1,800
	256,823	24.00%	21,976	6.82%	63,131
2021 decrease in deferred tax assets					
Depreciation of tangible assets	152		-		36
Charge backs non -life	729				175
Provision for doubtful receivables from policy holders	3,576		1,978		993
Provision for doubtful other receivables	63				15
Provision for risk and charges	39,803				9,553
Directors' fees	457				110
Goodwill (Sace - life)	225		225		69
Depreciation of intangible assets	815				196
Change in non -life claims reserves (ex dcr. 209/2002)	33,118				7,948
Reinstatement premium reinsurance	5,840		5,840		1,800
	84,779	24.00%	8,042	6.82%	20,895

Detail and movement of deferred tax assets (continued)

SCHEDULE OF DEFERRED TAXES PURSUANT TO
ARTICLE 2427 OF THE CIVIL CODE

(€/000)

Description of temporary difference	IRES		IRAP		IRES+IRAP Tax
	taxable base	tax rate	taxable base	tax rate	
2021 increase in deferred tax assets					
Depreciation of tangible assets	219				52
Charge backs non -life	677				163
Provision for doubtful other receivables	10				2
Provision for risk and charges	9,932				2,384
Directors' fess	256				62
Change in non -life claims reserves (ex dcr. 209/2002)	69,508				16,682
Financial current assets devaluation	184				44
Reinstatement premium reinsurance	7,988		7,988		2,462
	88,774	24.00%	7,988	6.82%	21,851
2021 deferred tax assets					
Depreciation of tangible assets	809				194
Charge backs non -life	1,120				269
Financial non current assets devaluation	395				95
Provision for doubtful receivables from policy holders	23,583		13,033		6,549
Provision for doubtful other receivables	29,798				7,146
Provision for risk and charges	26,268				6,304
Directors' fess	1,350				324
Goodwill (Sace - life)	900		900		278
Depreciation of intangible assets	1,567				377
Change in non -life claims reserves (ex dcr. 209/2002)	166,115				39,866
Dividend to be cashed	742				178
Financial current assets devaluation	184				44
Reinstatement premium reinsurance	7,988		7,988		2,462
	260,818	24.00%	21,921	6.82%	64,086

Detail and movement of deferred tax liabilities.

SCHEDULE OF DEFERRED TAXES PURSUANT TO
ARTICLE 2427 OF THE CIVIL CODE

(€/000)

Description of temporary difference	IRES		IRAP		IRES+IRAP tax
	taxable base	tax rate	taxable base	tax rate	
2021 deferred tax liabilities					
Division by instalments of realised gains on Investment portfolio	5,685		-		1,364
	5,685	24.00%	-	6.82%	1,364
2022 decrease in deferred tax liabilities					
Division by instalments of realised gains on Investment portfolio	3,035		-		728
	3,035	24.00%	-	6.82%	728
2022 increase in deferred tax liabilities					
Division by instalments of realised gains on Investment portfolio	-		-		-
	0	24.00%	-	6.82%	-
2022 deferred tax liabilities					
Division by instalments of realised gains on Investment portfolio	2,650		-		636
	2,650	24.00%	-	6.82%	636

Part C

Other information

Assets allocated to coverage of technical reserves

Non-Life Business

	(€ million)
	31/12/2022
Technical Reserves (A)	1,620.5
Securities issued or secured by Governments	1074.0
Bonds or other similar securities	147.3
Units of undertaking for collective investment	11.5
Real Estate	65.0
Alternative investment funds (AIFMs)	323.0
Total Assets Allocated (B)	1,620.8
% of coverage (B/A)	100.0%

Life Business

	(€ million)
	31/12/2022
Technical Reserves (A)	1,668.2
Securities issued or secured by Governments	823.9
Bonds or other similar securities	434.3
Units of undertaking for collective investment	97.9
Shares traded in a regulated market	1.8
Real Estate	50.0
Alternative investment funds (AIFMs)	260.6
Total Assets Allocated (B)	1,668.5
% of coverage (B/A)	100.0%

	(€ million)
	31/12/2022
Technical Reserves where investment risk is borne by policyholders	237.1
Total Assets Allocated	237.1

Operations in derivative financial instruments

In accordance with ISVAP Regulation No. 22 of 4 April 2008, as amended by IVASS Order No. 53 of 6 December 2016, the data on investment activity in class C derivative financial products are set out below. As already mentioned in the Directors' report, to which reference should be made, in October 2020, the Company concluded a forward sale transaction on a portion of Italian government bonds with the aim of hedging itself against both interest rate risk and credit risk.

					(€/000)
	Number of contracts	Underlying type	Underlying nominal value	Value at 31/12/2022	Market value at 31/12/2022*
Class C Derivatives:					
Forward	7	Bond	85.000	-	20.654

*The current value corresponds to that indicated in Annex 18 to the Notes to the Financial Statements.

Derivative contracts in force at the balance sheet date are valued in accordance with the principle of consistency of valuation, which requires that valuation losses or gains be recognised in the income statement consistently with the corresponding valuation gains or losses on the hedged assets. Therefore, at 31 December 2020, there were no valuation gains or losses, as the underlying assets covered are fixed government securities classified in the segregated fund "Rendimento Mensile".

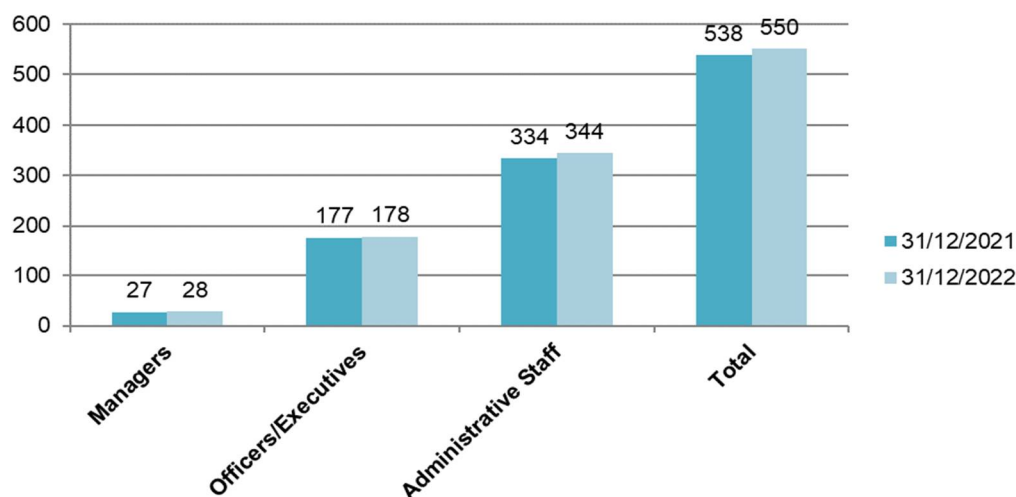
Finance expense allocated to balance sheet assets

Pursuant to the first paragraph, point 8, of Article 2427 of the Italian Civil Code, we declare that no finance expense was capitalised in the year in amounts posted in balance sheet assets.

Employees

The costs of remuneration, related social security charges, severance indemnity provisioning and miscellaneous personnel-related expenses are shown in Annex 32.

Employees on the payroll as at 31 December 2022 numbered 557 resources compared to 542 on the payroll as at 31 December 2021. The average number of employees on the payroll during the year, by category and calculated according to in-force presence, was as follows:



Disclosure of auditing fees

As required by Article 2427 of Civil Code, below we report the fees relating to FY 2022, for services rendered to the Company by the auditing company KPMG S.p.A and by entities forming part of its network. Fees are net of VAT, expenses and any supervision contributions.

Type of services rendered	(€/000)	
	Auditing company	Entities forming part of its network
Independent audit services	247	-
Independent audit services subsidiaries	113	-
Verifications for issue of attestations*	111	-
Other services**	216	-

* related to segregated funds, unit linked and pension fund.

** related to balance sheet SII audit, agreed procedures on capital requirement and to activities relating to Non-Financial Statement.

Information on the various economic advantages received by Public Administrations and similar bodies

Pursuant to Article 1, paragraphs 125 to 129, Law 124/2017, It should be noted that 222 thousand euros have been received from the Public Administration for the year 2022 as contributions related to mainly to the training of Vittoria Assicurazioni personnel.

Breakdown of direct insurance premiums by business category and geographical area

The breakdown of the company's premiums – all referring to the Italian portfolio - by official Ministerial business line is shown in Annexes 19 and 20.

The following table shows the geographical breakdown of premiums, calculated on the basis of agency locations.

Regions	Agencies	Non-Life Business		Life Business	
		Premiums	%	Premiums	%
(€/000)					
NORTH					
Emilia Romagna	36	111,507		76,684	
Friuli Venezia Giulia	9	12,116		1,065	
Liguria	18	48,336		5,103	
Lombardy	124	291,941		109,283	
Piedmont	62	113,227		24,385	
Trentino Alto Adige	11	16,984		5,747	
Valle d'Aosta	1	5,178		414	
Veneto	42	77,989		45,885	
Total	303	677,278	51.1	268,566	75.8
CENTRE					
Abruzzo	14	58,490		9,772	
Lazio	32	110,650		11,521	
Marche	18	42,909		7,845	
Tuscany	52	134,535		16,065	
Umbria	15	69,430		13,105	
Total	131	416,014	31.4	58,308	16.5
SOUTH AND ISLANDS					
Basilicata	4	12,928		2,095	
Calabria	2	2,331		12	
Campania	14	54,183		4,552	
Molise	3	10,253		1,119	
Puglia	7	27,889		14,700	
Sardinia	13	49,994		1,942	
Sicily	13	73,981		2,987	
Total	56	231,559	17.5	27,407	7.7
Total ITALY	490	1,324,851	100.0	354,281	100.0
France	0	187	0.0	0	0.0
OVERALL TOTAL	490	1,325,038		354,281	

Real estate assets

Real estate assets are listed in the following table:

(€000)								
Value at 31.12.22								
	Historical Value	Monetary revaluations	Fiscally-driven and voluntary revaluations	Law 2-28/1/09 revaluations	Law 147-2014 revaluations	Accumulated Depreciation and impairment losses at 31/12/2022	Current year depreciation	Total
BUILDING HELD FOR INVESTMENT								
Operating buildings								
Milano - Via I. Gardella 2	99,371	0	0	0	8,301	(30,442)	(1,333)	77,230
Perugia - Via Pellas 44	151	11	0	189	0	(227)	(4)	124
Total Operating buildings	99,522	11	0	189	8,301	(30,669)	(1,336)	77,354
Buildings used by third parties								
Acqui - Piazza Matteotti 25	53	10	77	63	0	(58)	(5)	145
Alessandria - P. za Carducci 1	79	79	0	102	0	(99)	(5)	161
Asti - C. So Alfieri 130	50	57	0	264	0	(183)	(6)	188
Bielletta - Piazza V. Veneto 16	17	43	34	274	0	(224)	(4)	144
Brescia - Via Saffi 1	121	67	0	395	0	(271)	(10)	312
Busto Arsizio - Via C. Tosi 8	80	31	0	197	0	(158)	(5)	150
Como - V. Le Rosselli 13	116	22	77	549	0	(504)	(8)	261
Cremona - P. Za Roma 7	137	24	23	271	0	(245)	(7)	210
Cuneo - Piazza Europa 26	62	75	0	420	0	(304)	(8)	252
Ferrara - Via Don Minzoni 17	70	7	67	206	0	(137)	(7)	213
Gallarate - P. Za Risorgimento 10	34	7	44	98	0	(53)	(4)	131
Livorno - Via Grande 225	128	5	0	187	0	(191)	(4)	129
Lodi - C. So V. Emanuele II° 12	13	10	41	209	0	(147)	(4)	126
Milano - Via Ariosto 21	2,553	0	0	609	212	(887)	(78)	2,487
Milano - Via B. D'Alviano 2	22	46	62	532	0	(258)	(12)	403
Milano - Via V. Colonna 2	228	0	0	(193)	21	(56)	0	0
Milano - Via Correggio 3	223	0	0	30	86	(102)	(8)	237
Milano - Palazzo A	49,056	0	0	0	0	(14,276)	(899)	34,780
Milano - Area Commerciale	6,843	0	0	0	0	(1,325)	(155)	5,517
Milano - Via Terraggio 21	772	0	0	0	0	(65)	(19)	687
Modena - Via Ganasceto 39	33	13	46	553	0	(363)	(8)	282
Parma - Via Longhi 1	87	42	62	439	0	(247)	(12)	383
Perugia - Via Pellas 44 - AG	122	7	0	126	0	(112)	(4)	143
Pistoia - Via S. Fedi 67	75	39	0	176	0	(151)	(4)	139
Pontedera - C. So Matteotti 108	61	41	0	205	0	(115)	(6)	192
Rovigo - C. So Del Popolo 4	63	24	0	121	0	(114)	(3)	94
Roma - Via Lima 4	7,276	0	0	0	0	(1,063)	(173)	6,213
Sondrio - Via C. Alessi 16	54	15	0	97	0	(84)	(3)	82
Temi - Via Beccania 22	17	28	0	195	0	(120)	(3)	120
Trieste - Via Torrebianca 18	15	36	21	136	0	(55)	(5)	153
Torino - Corso Francia 430	5,140	0	0	0	0	(733)	(125)	4,407
Torino - Via Pasteur 6	2,933	0	0	0	0	(418)	(71)	2,515
Udine - Via Carducci 4	39	72	0	247	0	(190)	(5)	168
Varese - Via Mazzini 1	158	71	41	289	0	(249)	(9)	310
Vicenza - C. So Palladio 155	84	76	36	280	0	(134)	(11)	342
Total buildings used by third parties	76,814	947	631	7,077	319	(23,712)	(1,690)	62,075
Properties under construction								
Milan - Commercial Area (Properties in progress and advances)	3,337	0	0	0	0	0	0	3,337
Total properties under construction	3,337	0	0	0	0	0	0	3,337
TOTAL LONG-TERM PROPERTIES	179,673	958	631	7,266	8,620	(54,382)	(3,027)	142,766
TOTAL REAL ESTATE OWNED	179,673	958	631	7,266	8,620	(54,382)	(3,027)	142,766

Statement of cash flows

(€/000)

	31/12/2022	31/2/2021
Net profit for the year	62,540	102,051
Positive or negative adjustments relating to unsettled positions:		
Net increase (+) decrease (-) in:		
claims reserve	112,329	54,126
premium reserve	22,449	16,826
life business technical reserves	189,992	255,705
Increase (-) Decrease (+) in receivables from policyholders	-11,400	-7,035
Net increase (-) decrease (+) in agent, reinsurer and coinsurer balances	7,192	-3,615
Net increase (-) decrease (+) in intangible assets	-16,701	-11,576
Increase in specific provisions	-30,997	1,826
Employees' leaving entitlement:		
accruals	3,196	2,897
utilisation	-2,828	-2,814
Increase (-) decrease (+) in other receivables, sundry assets and accrued income	-85,879	-43,513
Increase (+) decrease (-) in other sums payable, other liabilities and accrued expenses	57,794	22,062
Adjustments to securities	20,171	8,616
Adjustments to class D securities	24,987	-15,256
Cash flow from operating activities	352,846	380,300
Disposal of fixed assets	154	27,839
Sale of bonds and other fixed-interest securities	1,480,251	1,031,735
Sale of investments	91,521	29,878
Sale of OEIC units	82,852	47,285
Sale of class D	22,736	13,645
Repayment of loans and borrowings	14,091	8,010
Other financial disinvestments	-	3,000
Cash flow arising from disinvesting activities	1,691,605	1,161,392
Cash flow generated	2,044,451	1,541,692

Statement of cash flows

(€/000)

	31/12/2022	31/2/2021
Buildings	344	235
Fixed-interest securities	1,677,250	1,185,920
Participations	75,814	93,302
OEIC Units	158,526	141,389
Class D investments	89,252	80,120
Loans to third parties	11,372	6,297
Previous year's dividend distributed	30,417	30,417
Total application of funds	2,042,975	1,537,680
Increase/decrease in cash and cash equivalents	1,476	4,012
TOTAL	2,044,451	1,541,692
cash and cash equivalents at the beginning of the year	6,315	2,302
cash and cash equivalents at the end of the year	7,790	6,315

Remuneration of administrative and control bodies

According to the Article 2427 of the Italian Civil Code, the following table summarizes the most significant relations with the administrative and control bodies:

Position held	Period for which the position was held	Remuneration	
		Period cost	Debt to the period
Directors	01.01 - 31.12.2022	3.793	256
Statutory auditors	01.01 - 31.12.2022	267	114
Total		4.060	370

(€/000)

Key figures of the Parent Company

Pursuant to Article 2497-bis of the Italian Civil Code, as amended by the corporate law reform, the key figures of the latest approved financial statements of Yafa SpA - the parent company that exercises management and coordination activities on Vittoria Assicurazioni – are summarized below:

Denomination	Registered office	Share Capital	Sector	Key figures for the last financial report approved as of 31 December 2020							
				Total Assets	Fixed assets	Current assets	Liabilities	Equity	Profit (loss) for the year	Costs	Revenues
Yafa S.p.A.	Turin - Corso vittorio Emanuele II n. 72	15,000	Insurance	121,605	107,640	13,957	28,543	93,030	20,479	3,013	23,407

(€/000)

Equity Investments in Subsidiaries

Vittoria Immobiliare S.p.A.

Registered offices in Milan – Via Aldo Rossi 4; Share Capital Euro 34,500,000

Equity interest: 100%

Company operating in the real estate promotion and trading sector, as well as holding company with investments in companies operating in the real estate management, brokerage, trading and promotion sectors.

The draft financial statements reviewed by the Board of Directors on 16 February 2023 show shareholders' equity of 32,070 thousand euro, including 529 thousand euro of net loss for the year.

Immobiliare Bilancia S.r.l.

Registered offices in Milan - Via Aldo Rossi 4; Share Capital Euro 6,650,000

Equity interest: 100%

Company operating in the real-estate trading business.

The draft financial statements reviewed by the Board of Directors on 16 February 2023 show shareholders' equity of 9,972 thousand euro, including the year's net profit of 36 thousand euro.

Immobiliare Bilancia Prima S.p.A.

Registered offices in Milan - Via Aldo Rossi 4; Share Capital Euro 100,000

Equity interest: 100%

Company operating in the real-estate trading business.

The draft financial statements reviewed by the Board of Directors on 16 February 2023 show shareholders' equity of 54,465 thousand euro, including the year's net loss of 1,863 thousand euro.

Acacia 2000 S.r.l.

Registered offices in Milan - Via Gardella 2; Share Capital Euro 369,718

Equity interest: 100%

Company operating in the real-estate development and trading business.

The draft financial statements reviewed by the Board of Directors on 16 February 2023 show shareholders' equity of 145,349 thousand euro, including the year's net loss of 5 thousand euro.

VAIMM Sviluppo S.r.l.

Registered offices in Milan - Via Aldo Rossi 4; Share Capital Euro 3,000,000

Equity interest: 100%

Company operating in the real-estate development and trading business.

The draft financial statements reviewed by the Board of Directors on 16 February 2023 show shareholders' equity of 54,435 thousand euro, including the year's net loss 82 thousand euro.

Vittoria Properties S.r.l.

Registered offices Milan - Via Aldo Rossi 4; Share Capital Euro 8,000,000

Equity interest: 100%

Company operating in the management and leasing of its property assets.

The draft financial statements reviewed by the Board of Directors on 16 February 2023 show shareholders' equity of 20,171 thousand euro, including the year's net loss of 1,112 thousand euro.

V.R.G. Domus S.r.l.

Registered offices in Milan - Via Gardella 2; Share Capital Euro 800,000

Equity interest: 100%

Company operating in the real-estate development and trading business.

The draft financial statements reviewed by the Board of Directors on 16 February 2023 show shareholders' equity of 32,655 thousand euro, including the year's net profit of 451 thousand euro.

Vittoria HUB S.r.l.

Registered offices in Milan - Via Gardella 2; Share Capital Euro 10,000

Equity interest: 100%

Insurtech Incubator, with the aim of promoting the circulation of ideas, collaboration between start-ups and recognised companies in the services market and the growth of new insurance business models.

The draft financial statements reviewed by the Board of Directors on 07 February 2023 show shareholders' equity of 1,048 thousand euro, including the year's net loss of 479 thousand euro.

Interbilancia S.r.l.

Registered office in Milan - Via Gardella 2; Share Capital Euro 80,000

Equity interest: 100%

Holding company with investments in companies operating in the service sector.

The draft financial statements reviewed by the Board of Directors on 20 February 2023 show shareholders' equity of 3,388 thousand euro, including the year's net loss of 117 thousand euro.

The following table provides the essential data of the last annual report of the subsidiaries and associated companies as required by Article 2429 of the Italian Civil Code:

Subsidiaries Companies							(€'000)
Denomination	Registered Office	Share Capital	Equity	Profit (loss) for the year	Ownership %	balance sheet value	
Vittoria Immobiliare S.p.A.	Milano	34,500	32,070	- 529	100	35,076	
Immobiliare Bilancia S.r.l.	Milano	6,650	9,972	36	100	12,562	
Immobiliare Bilancia Prima S.r.l.	Milano	100	54,465	- 1,863	100	56,314	
Vittoria Properties S.r.l.	Milano	8,000	20,171	- 1,112	100	21,816	
Interbilancia S.r.l.	Milano	80	3,388	- 117	100	2,696	
Vaimm Sviluppo S.r.l.	Milano	3,000	54,435	- 82	100	54,812	
Vittoria Hub S.r.l.	Milano	10	1,049	- 478	100	2,235	
Acacia 2000 S.r.l.	Milano	370	145,349	- 5	100	156,522	
V.R.G. Domus S.r.l.	Milano	800	32,655	451	100	33,935	

Associated Companies							(€'000)
Denomination	Registered Office	Share Capital	Equity	Profit (loss) for the year	Ownership %	balance sheet value	
Yarpa S.p.A.	Genova	30,000	74,672	17,007	28.56	8,856	
Touring Vacanze S.r.l.	Milano	12,900	15,960	233	46.00	6,814	

Litigation

End-year existing litigation is related to the normal operations linked to the claims management.

Tax situation

The Company confirmed the option for the National Tax Consolidation regime (Article 117 et seq. of the Presidential Decree no. 917 of 22 December 1986) with the subsidiaries Immobiliare Bilancia S.r.l., Acacia 2000 S.r.l., VAIMM Sviluppo S.r.l., Vittoria Properties S.r.l., Vittoria Immobiliare S.p.A., Interbilancia S.r.l., VRG Domus S.r.l. and Vittoria Hub S.r.l. and the company exercised the option with subsidiaries Immobiliare Bilancia Prima S.r.l. and Servitt. S.r.l..

The option is confirmed with the same structure for the year 2023.

With reference to the year 2022, the Company confirmed the option for VAT payment at Group level pursuant to Ministerial Decree of 13.12.1979, along with the subsidiaries Vittoria Immobiliare, Acacia 2000 S.r.l., VRG Domus S.r.l., Vittoria Properties S.r.l., Immobiliare Bilancia S.r.l., Vaimm Sviluppo S.r.l. and Vittoria Hub S.r.l.

The option is confirmed with the same structure for the year 2023 and it was exercised, for the same year, also with the subsidiaries Immobiliare Bilancia Prima S.r.l. and Servitt S.r.l.

During 2019, the Company was subject to a tax inspection by the Italian Tax Authorities for the fiscal years 2014 and 2015, which resulted in VAT disputes. As of this report, the Italian Tax Authorities notified the tax assessment notice and formal penalty notices for the year 2014, and the Company challenged both measures before the Milan CTP (the expert appointed by the parties). Subsequently, the Company closed the notice of assessment through judicial conciliation while the act of contestation of the penalties was cancelled in self-defence by the tax authorities. Nothing has been notified for 2015 or subsequent years at the time of writing.

Milan, 22 February 2023

The Board of Directors

Annexes to the notes to the financial statements

page

144	Annex 1	Balance sheet - Non-life business
154	Annex 2	Balance sheet - Life business
165	Annex 3	Allocation of the net profit (loss) for the year between non-life and life businesses
166	Annex 4	Assets - Changes in intangible assets (caption B) and land and buildings (caption C.I)
167	Annex 5	Assets - Changes in investments in group and other companies: equity investments (caption C.II.1), bonds (caption C.II.2) and loans (caption C.II.3)
169	Annex 6	Assets - Information on companies in which Vittoria holds an investment
171	Annex 7	Assets - Changes in investments in group and other companies: equity investments
174	Annex 8	Assets - Allocation based on the use of other financial investments: equity investments, OEIC units, bonds and other fixed-interest securities, shares in investment pools and other financial investments (captions C.III.1,2,3,5,7)
175	Annex 9	Assets - Changes in other financial investments: investment portfolio: equity investments, OEIC units, bonds and other fixed-interest securities, shares in investment pools and other financial investments (captions C.III.1,2,3,5,7)
176	Annex 10	Assets - Changes in loans and deposits with banks (captions C.III.4,6)
177	Annex 11	Assets - List of assets relating to unit-linked and index-linked policies (caption D.I)
178	Annex 12	Assets - List of assets arising from pension fund management (caption D.II)
179	Annex 13	Liabilities - Changes in premium reserve (caption C.I.1) and claims reserve (caption C.I.2) of non-life business
180	Annex 14	Liabilities - Changes in mathematical reserves (caption C.II.1) and profit participation and reimbursement reserve (caption C.II.4)
181	Annex 15	Liabilities - Changes in provisions for contingencies and other charges (caption E) and employees' leaving entitlement (caption G.VII)
182	Annex 16	List of assets and liabilities relating to group and other companies
184	Annex 17	List of classes I, II, III and IV of "guarantees, commitments and other memorandum and contingency accounts"
185	Annex 18	Commitments for derivative transactions
186	Annex 19	Summarised non-life business technical account
187	Annex 20	Summarised life business premiums and reinsurance balance
188	Annex 21	Income on investments (captions II.2 and III.3)
189	Annex 22	Income and unrealised capital gains relating to investments benefiting policyholders bearing the risk and investments stemming from pension fund management (caption II.3)
190	Annex 23	Capital and financial charges (captions II.9 and III.5)
191	Annex 24	Capital and financial charges and unrealised capital losses relating to investments benefiting policyholders bearing the risk and investments stemming from pension fund management (caption II.10)
193	Annex 25	Non-life business - Summarised technical account by line of business - Domestic portfolio
194	Annex 26	Non-life business - Summarised technical account
195	Annex 27	Life business - Summarised technical account by line of business - Domestic portfolio
196	Annex 28	Life business - Summarised technical account
197	Annex 29	Life and non-life business - Summarised technical account - Foreign portfolio
198	Annex 30	Intercompany relationships
200	Annex 31	Summarised direct insurance premiums accounted for
201	Annex 32	Personnel expenses and directors' and statutory auditors' fees

Previous year

			181
182			
184			
186			
187			
188			
189	12,372		190 12,372
191	60,542		
192	45,238		
193			
194			
195	2,830	196	108,610
197			
198	362,832		
199			
200	15,670		
201	49,884	202	428,386
203			
204			
205			
206			
207		208	
209			
210			
211			
212	840		
213		214 840	215 429,226
	to carry forward		12,372

BALANCE SHEET - NON-LIFE BUSINESS

ASSETS

		Current year	
		brought forward	18,541
C. INVESTMENTS (continues)			
III	- Other financial investments:		
	1. Equity investments		
	a) Listed shares	36	
	b) Unlisted shares	37	
	c) Quotas	38	39
	2. OEIC Units		40 549,041
	3. Bonds and other fixed-interest securities		
	a) listed	41 1,333,541	
	b) unlisted	42 4,443	
	c) convertible bonds	43	44 1,337,984
	4. Loans		
	a) secured loans	45 2,934	
	b) loans on policies	46	
	c) other loans	47 11,637	48 14,571
	5. Shares in investment pools		49
	6. Deposits with banks		50
	7. Other financial investments		51 1,901,596
IV	- Deposits with ceding companies		53 54 2,430,908
D bis.	REINSURERS' SHARE OF TECHNICAL RESERVES		
	I - NON-LIFE BUSINESSES		
	1. Premium reserve	58 14,759	
	2. Claims reserve	59 51,901	
	3. Profit participation and reimbursement reserve	60	
	4. Other technical reserves	61	62 66,660
		to carry forward	2,516,109

Previous year

brought forward			12,372
216			
217			
218	219		
	220	525,592	
221	224	1,224,898	
222			
223			
225	228	17,099	
226	229		
227	230		
	231		
	232	1,767,589	
	233		
	234		2,305,425
238			
239			
240			
241			
	242		65,692
to carry forward			2,383,489

BALANCE SHEET - NON-LIFE BUSINESS

ASSETS

				Current year	
		brought forward			
				2,516,109	
E. RECEIVABLES					
I	- Receivables relating to direct insurance due from:				
	1. Policyholders				
a)	premiums for the year	71	81,090		
b)	premiums for previous years	72	1,748		
	2. Insurance brokers and agents	73	82,838		
	3. Current account companies	74	118,975		
	4. Amounts to be recovered from policyholders and third parties	75	8,251		
		76	34,548	77	244,612
II	- Receivables relating to reinsurance due from:				
	1. Insurance and reinsurance companies	78	1,316		
	2. Reinsurance brokers and agents	79		80	1,316
III	- Other receivables			81	115,622
F. OTHER ASSETS					
I	- Tangible assets and inventory:				
	1. Office furniture and machines and internal transport systems	83	6,061		
	2. Registered chattel property	84	166		
	3. Plant and machinery	85	765		
	4. Inventory and other assets	86	11	87	7,003
II	- Cash and cash equivalents				
	1. Bank and postal accounts	88	3,985		
	2. Cheques on hand and cash-in-hand	89	8	90	3,993
III	- Own shares or quotas			91	
IV	- Other assets				
	1. Suspense reinsurance accounts	92			
	2. Sundry assets	93	70,955	94	70,955
	of which: transfer account with life business	901			
G. PREPAYMENTS AND ACCRUED INCOME					
	1. Interest			96	6,012
	2. Rent instalments			97	
	3. Other prepayments and accrued income			98	8,194
				99	14,206
TOTAL ASSETS				100	2,973,815

Previous year

	brought forward		2,383,489
251	69,633		
252	3,202	253	72,835
		254	119,079
		255	7,860
		256	30,037
		257	229,811
		258	5,217
		259	
		260	5,217
		261	100,632
		262	335,660
263	4,440		
264	217		
265	1,033		
266	11	267	5,701
268	2,527		
269	4	270	2,531
		271	
272			
273	72,817	274	72,817
903		275	81,049
		276	5,797
		277	
		278	9,130
		279	14,927
		280	2,815,124

BALANCE SHEET - NON-LIFE BUSINESS
LIABILITIES AND SHAREHOLDERS' EQUITY

Current year

A. SHAREHOLDERS' EQUITY			
I	- Subscribed share capital or equivalent fund	101	39,427
II	- Share premium reserve	102	
III	- Revaluation reserves	103	16,582
IV	- Legal reserve	104	7,885
V	- Statutory reserves	105	
VI	- Reserve for own shares	106	
VII	- Other reserves	107	504,879
VIII	- Retained earnings or losses carried forward	108	
IX	- Net profit/(loss) for the year	109	64,865
X	- Negative reserve for own shares	401	633,638
B. SUBORDINATED LIABILITIES			110
			250,000
C. TECHNICAL RESERVES			
I	- NON-LIFE BUSINESSES		
1.	Premium reserve	112	470,947
2.	Claims reserve	113	1,427,513
3.	Profit participation and reimbursement reserve	114	
4.	Other technical reserves	115	409
5.	Equalisation reserves	116	10,759
	to carry forward		117
			1,909,628
			2,793,266

Previous year

	281	39,427	
	282		
	283	16,582	
	284	7,885	
	285		
	286		
	287	445,170	
	288		
	289	90,125	
	501		290 599,189
			291 250,000
292	447,830		
293	1,312,306		
294			
295	409		
296	9,805		297 1,770,350
to carry forward			2,619,539

BALANCE SHEET - NON-LIFE BUSINESS
LIABILITIES AND SHAREHOLDERS' EQUITY

		Current year	
		brought forward	2,793,266
E. PROVISIONS FOR CONTINGENCIES AND OTHER CHARGES			
1.	Pension and similar provisions	128	
2.	Provision for taxation	129	
3.	Other provisions	130	18,442
			131 18,442
F. DEPOSITS FROM REINSURERS			
			132 2,609
G. PAYABLES AND OTHER LIABILITIES			
I - Payables arising from direct insurance business due to:			
1.	Insurance brokers and agents	133 1,445	
2.	Current account companies	134 1,607	
3.	Guarantee deposits and premiums paid by policyholders	135 1,244	
4.	Guarantee funds in favour of policyholders	136	137 4,296
II - Payables arising from reinsurance business due to:			
1.	Insurance and reinsurance companies	138 21,975	
2.	Reinsurance brokers and agents	139	140 21,975
III - Bond issues			
		141	
IV - Due to banks and other financial institutions			
		142	5,863
V - Secured debts			
		143	
VI - Sundry loans and other financial payables			
		144	
VII - Employees' leaving entitlement			
		145	2,468
VIII - Other sums payable			
1.	Policyholders' tax due	146 29,102	
2.	Other sums payable to taxation authorities	147 2,121	
3.	Social security charges payable	148 4,477	
4.	Sundry payables	149 41,162	150 76,862
IX - Other liabilities			
1.	Suspense reinsurance accounts	151	
2.	Commissions on premiums under collection	152 24,451	
3.	Other liabilities	153 16,191	154 40,642
	of which: transfer account with life business	902	155 152,106
H. ACCRUED EXPENSES AND DEFERRED INCOME			
1.	Interest	156	6,813
2.	Rent instalments	157	
3.	Other accrued expenses and deferred income	158 579	159 7,392
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY			160 2,973,815

Previous year

brought forward			2,619,539
		308	
		309	
		310	48,712
		311	48,712
		312	2,774
313	4,762		
314	4,779		
315	1,012		
316		317	10,553
318	12,357		
319		320	12,357
		321	
		322	9,523
		323	
		324	
		325	2,125
326	28,587		
327	2,299		
328	3,836		
329	32,702	330	67,424
331			
332	20,948		
333	14,316	334	35,264
904		335	137,246
		336	6,813
		337	
		338	40
		339	6,853
		340	2,815,124

Company VITTORIA ASSICURAZIONI S.p.A.

BALANCE SHEET - LIFE BUSINESS

ASSETS

		Current year	
A. SHARE CAPITAL PROCEEDS TO BE RECEIVED			1
of which: called-up	2		
B. INTANGIBLE ASSETS			
1. Acquisition commissions to be amortised	3	18,507	
2. Other acquisition costs	6		
3. Start-up and capital costs	7		
4. Goodwill	8		
5. Other deferred costs	9	1,402	10
			19,909
C. INVESTMENTS			
I - Land and buildings			
1. Operating buildings	11	17,840	
2. Buildings used by third parties	12	18,022	
3. Other buildings	13		
4. Other property rights	14		
5. Assets under construction and payments on account	15	361	16
			36,223
II - Investments in group and other companies:			
1. Equity investments in:			
a) parent companies	17		
b) subsidiaries	18	19,514	
c) related companies	19		
d) associated companies	20		
e) other companies	21	9,000	22
			28,514
2. Bonds issued by:			
a) parent companies	23		
b) subsidiaries	24		
c) related companies	25		
d) associated companies	26		
e) other companies	27		28
3. Loans to:			
a) parent companies	29		
b) subsidiaries	30		
c) related companies	31		
d) associated companies	32		
e) other companies	33		34
			35
			28,514
		to carry forward	
			19,909

Previous year			
			181
	182		
	183	8,389	
	186		
	187		
	188		
	189	988	190 9,377
	191	18,148	
	192	18,489	
	193		
	194		
	195	358	196 36,995
197			
198	28,636		
199			
200			
201	9,000	202 37,636	
203			
204			
205			
206			
207		208	
209			
210			
211			
212			
213		214 37,636	215 37,636
	to carry forward		9,377

BALANCE SHEET - LIFE BUSINESS

ASSETS

		Current year	
		brought forward	19,909
C. INVESTMENTS (continues)			
III	- Other financial investments		
	1. Equity investments		
	a) Listed shares	36 1,797	
	b) Unlisted shares	37	
	c) Quotas	38 39 1,797	
	2. OEIC Units	40 417,622	
	3. Bonds and other fixed-interest securities:		
	a) listed	41 1,411,715	
	b) unlisted	42	
	c) convertible bonds	43 44 1,411,715	
	4. Loans		
	a) secured loans	45	
	b) loans on policies	46 113	
	c) other loans	47 48 113	
	5. Shares in investment pools	49	
	6. Deposits with banks	50	
	7. Other financial investments	51 52 1,831,247	
IV	- Deposits with ceding companies	53 54 1,895,984	
D. INVESTMENTS BENEFITING LIFE POLICYHOLDERS BEARING THE RISK AND STEMMING FROM PENSION FUND MANAGEMENT			
I	- Investments relating to index-linked policies	55 210,106	
II	- Investments relating to pension fund management	56 26,949 57 237,055	
D bis. REINSURERS' SHARE OF TECHNICAL RESERVES			
II - LIFE BUSINESSES			
	1. Mathematical reserves	63 4,950	
	2. Complementary insurance premium reserve	64	
	3. Reserve for amounts payable	65 28	
	4. Profit participation and reimbursement reserve	66	
	5. Other technical reserves	67 67	
	6. Technical reserves where investment risk is borne by policyholders and reserves relating to pension fund management	68 69 5,045	
		to carry forward	2,157,993

Valori dell'esercizio precedente

	brought forward		9,377
216	1,981		
217			
218	219 1,981		
	220 365,397		
221	1,344,945		
222			
223	224 1,344,945		
225			
226	249		
227	228 249		
	229		
	230		
	231	232 1,712,572	
		233	234 1,787,203
		235 166,131	
		236 29,396	237 195,527
	243 4,058		
	244		
	245 13		
	246		
	247 55		
	248	249 4,126	
	to carry forward		1,996,233

BALANCE SHEET - LIFE BUSINESS

ASSETS

		Current year			
		brought forward		2,157,993	
E. RECEIVABLES					
I	- Receivables relating to direct insurance due from:				
	1. Policyholders				
	a) premiums for the year	71	4,666		
	b) premiums for previous years	72	-54	73	4,612
	2. Insurance brokers and agents			74	19,583
	3. Current account companies			75	
	4. Amounts to be recovered from policyholders and third parties	76		77	24,195
II	- Receivables relating to reinsurance due from:				
	- 1. Insurance and reinsurance companies	78	5		
	- 2. Reinsurance brokers and agents	79		80	5
III	- Other receivables			81	54,897
F. OTHER ASSETS					
I	- Tangible assets and inventory:				
	1. Office furniture and machines and internal transport systems	83	42		
	2. Registered chattel property	84			
	3. Plant and machinery	85	4		
	4. Inventory and other assets	86		87	46
II	- Cash and cash equivalents				
	1. Bank and postal accounts	88	3,797		
	2. Cheques on hand and cash-in-hand	89		90	3,797
III	- Own shares or quotas			91	
IV	- OTHER ASSETS				
	1. Suspense reinsurance accounts	92			
	2. Sundry assets	93	56,374	94	56,374
	of which: transfer account with non-life business	901		95	60,217
G. PREPAYMENTS AND ACCRUED INCOME					
	1. Interest			96	16,016
	2. Rent instalments			97	
	3. Other prepayments and accrued income			98	355
				99	16,371
TOTAL ASSETS				100	2,313,677

Previous year					
	brought forward				1,996,233
251	3,214				
252		253	3,214		
		254	21,826		
		255			
		256		257	25,040
		258			
		259		260	
				261	17,861
				262	42,901
		263	68		
		264			
		265	8		
		266		267	76
		268	3,783		
		269		270	3,783
				271	
		272			
		273	23,866	274	23,864
		903		275	27,725
				276	17,851
				277	
				278	374
				279	18,225
				280	2,085,082

BALANCE SHEET - LIFE BUSINESS
LIABILITIES AND SHAREHOLDERS' EQUITY

		Current year	
A. SHAREHOLDERS' EQUITY			
I	- Subscribed share capital or equivalent fund	101	27,952
II	- Share premium reserve	102	13,419
III	- Revaluation reserves	103	1,611
IV	- Legal reserve	104	5,590
V	- Statutory reserves	105	
VI	- Reserve for own shares	106	
VII	- Other reserves	107	88,756
VIII	- Retained earnings or losses carried forward	108	
IX	- Net profit (loss) for the year	109	-2,325
X	- Negative reserve for own shares	401	110
			135,003
B. SUBORDINATED LIABILITIES			
C. TECHNICAL RESERVES			
II - LIFE BUSINESSES			
	1. Mathematical reserves	118	1,832,102
	2. Complementary insurance premium reserve	119	52
	3. Reserve for amounts payable	120	11,937
	4. Profit participation and reimbursement reserve	121	
	5. Other technical reserves	122	7,681
			123
			1,851,772
D. TECHNICAL RESERVES WHERE THE INVESTMENT RISK IS BORNE BY POLICYHOLDERS AND RESERVES ARISING FROM PENSION FUND MANAGEMENT			
I	- Reserves arising from index- linked policies	125	210,106
II	- Reserves arising from pension fund management	126	26,949
			127
			237,055
to carry forward			2,223,830

Previous year		
	281	27,952
	282	13,419
	283	1,611
	284	5,590
	285	
	286	
	287	76,831
	288	
	289	11,923
	501	290 137,326
		291
298	1,683,324	
299	50	
300	15,469	
301		
302	7,079	303 1,705,922
	305	166,131
	306	29,396
		307 195,527
to carry forward		2,038,775

BALANCE SHEET - LIFE BUSINESS
LIABILITIES AND SHAREHOLDERS' EQUITY

		Current year	
	brought forward		2,223,830
E. PROVISIONS FOR CONTINGENCIES AND OTHER CHARGES			
1.	Pension and similar provisions	128	
2.	Provision for taxation	129	636
3.	Other provisions	130	3,835
			131
			4,471
F. DEPOSITS FROM REINSURERS			
			132
			4,910
G. PAYABLES AND OTHER LIABILITIES			
I	- Payables arising from direct insurance business due to:		
1.	Insurance brokers and agents	133	767
2.	Current account companies	134	75
3.	Guarantee deposits and premiums paid by policyholders	135	717
4.	Guarantee funds in favour of policyholders	136	1,559
II	- Payables arising from reinsurance business due to:		
1.	Insurance and reinsurance companies	138	526
2.	Reinsurance brokers and agents	139	526
III	- Bond issues	141	
IV	- Due to banks and other financial institutions	142	
V	- Secured debts	143	
VI	- Sundry loans and other financial payables	144	
VII	- Employees' leaving entitlement	145	168
VIII	- Other sums payable		
1.	Policyholders' tax due	146	428
2.	Other sums payable to taxation authorities	147	330
3.	Social security charges payable	148	468
4.	Sundry payables	149	7,866
		150	9,092
IX	- Other liabilities		
1.	Suspense reinsurance accounts	151	
2.	Commissions on premiums under collection	152	991
3.	Other liabilities	153	68,127
	of which: transfer account with non-life business	154	69,118
		155	80,463
H. ACCRUED EXPENSES AND DEFERRED INCOME			
1.	Interest	156	
2.	Rent instalments	157	
3.	Other accrued expenses and deferred income	158	3
		159	3
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY			160
			2,313,677

Previous year

brought forward			2,038,775
		308	
		309	1,364
		310	3,835
			311 5,199
			312 4,099
313	2,536		
314	75		
315	714		
316		317	3,325
318	1,192		
319		320	1,192
		321	
		322	1,716
		323	
		324	
		325	142
326	404		
327	1,466		
328	230		
329	5,031	330	7,131
331			
332	745		
333	22,755	334	23,500
904			335 37,006
		336	
		337	
		338	3
			339 3
			340 2,085,082

Company VITTORIA ASSICURAZIONI S.p.A.Year 2022

Allocation of the net profit (loss) for the year between non-life and life businesses

	Non-life businesses	Life businesses	Total
Result of technical account	1 66,833	21 -6,245	41 60,588
Income on investments	+ 2 45,621		42 45,621
Capital and financial charges	- 3 20,660		43 20,660
Income on investments transferred from the life business technical account	+ 24		44
Income on investments transferred to the non-life business technical account	- 5 16,769		45 16,769
Operating result	6 75,026	26 -6,246	46 68,780
Other income	+ 7 28,734	27 545	47 29,279
Other expense	- 8 24,380	28 928	48 25,308
Extraordinary income	+ 9 7,998	29 5,482	49 13,480
Extraordinary expense	- 10 98	30 2,095	50 2,193
Profit (loss) before taxation	11 87,280	31 -3,242	51 84,038
Taxation on profit for the year	- 12 22,414	32 -916	52 21,498
Net profit (loss) for the year	13 64,865	33 -2,325	53 62,540

Year 2022

Company VITTORIA ASSICURAZIONI S.p.A.

Assets - Changes in intangible assets (caption B) and
land and buildings (caption C.I)

		Intangible assets B	Land and buildings C.I
Gross opening book value	+	1 156,954	31 202,080
Increase of the year	+	2 22,556	32 344
for: acquisitions or increases		3 19,178	33 344
write-backs		4	34
revaluations		5	35
other variations		6 3,378	36
Decrease of the year	-	7 268	37 154
for: sales or decreases		8	38 154
permanent write-downs		9	39
other variations		10 268	40
Gross closing book value (a)		11 179,242	41 202,270
Amortisation and depreciation:			
Opening book value	+	12 135,205	42 56,476
Increase of the year	+	13 5,589	43 3,027
for: amortisation/depreciation charge of the year		14 5,589	44 3,027
other variations		15	45
Decrease of the year.....	-	16	46
for: disposals		17	47
other variations		18	48
Closing book value (b) (*)		19 140,794	49 59,503
Book value (a - b)		20 38,448	50 142,767
Current value			51 210,835
Total revaluations		22	52
Total write-downs		23	53
(*) of which resulting from fiscally-driven entries		24	54

Company VITTORIA ASSICURAZIONI S.p.A.Year 2022Assets - Changes in investments in group and other companies: equity investments
(caption C.II.1), bonds (caption C.II.2) and loans (caption C.II.3)

		Equity investments C.II.1	Bonds C.II.2	Loans C.II.3
Opening book value	+	1 466,022	21	41 840
Increase of the year	+	2 75,814	22	42 1,000
for: acquisitions, subscriptions or lending		3 4,500	23	43 1,000
write-backs		4	24	44
revaluations		5		
other variations		6 71,314	26	46
Decrease of the year:	-	7 91,337	27	47 1,055
for: sales or repayments.....		8 20,023	28	48 1,055
write-downs		9	29	49
other variations		10 71,314	30	50
Book value		11 450,499	31	51 785
Current value		12 510,156	32	52
Total revaluations		13		
Total write-downs.....		14	34	54

Caption C.II.2 includes:

Listed bonds	61
Unlisted bonds	62
Book value	63
of which: convertible bonds	64

Assets - Information on subsidiaries (*)

Number	Type	Listed or unlisted	Business activity	Name and registered offices	Currency	Share
						Amount (4)
1	b	NQ	2	VITTORIA IMMOBILIARE S.p.A. - Via Aldo Rossi 4 - 20149 Milano	242	34,500
2	b	NQ	2	VITTORIA IMMOBILIARE S.p.A. - Via Aldo Rossi 4 - 20149 Milano	242	34,500
3	e	NQ	3	BANCA PASSADORE & C. S.p.A. - Via E.Vernazza 27 - 16121 Genova	242	150,000
4	e	NQ	2	GRUPPO G.P.A. S.p.A. in Liquidazione - Via Vittor Pisani 7 - 20124 Milano	242	3,772
5	e	Q	3	MEDIOBANCA S.p.A. PATTO SINDACATO - P.tta E.Cuccia 1 - 20121 Milano	242	444,154
6	e	NQ	3	BCC VALDOSTANA Soc.Coop. - Fraz.Taxel 26 - 11020 Gressan AO	242	6,336
7	e	NQ	9	U.C.I. S.cons.r.l. - Corso Sempione 39 - 20145 Milano	242	526
8	e	NQ	2	MEDINVEST INTERNATIONAL S.C.A. - 34, Avenue Marie Thérèse - L-2132 Lussemburgo	242	9,963
9	b	NQ	2	INTERBILANCIA S.r.l. - Via Ignazio Gardella n.2 - 20149 Milano	242	80
10	b	NQ	4	IMMOBILIARE BILANCIA S.r.l. - Via Aldo Rossi 4 - 20149 Milano	242	6,650
11	b	NQ	4	IMMOBILIARE BILANCIA S.r.l. - Via Aldo Rossi 4 - 20149 Milano	242	6,650
12	d	NQ	9	TOURING VACANZE S.r.l. - Corso Italia n.10 - 20122 Milano	242	12,900
13	b	NQ	4	VITTORIA PROPERTIES S.r.l. - Via Ignazio Gardella n.2 - 20149 Milano	242	8,000
14	b	NQ	4	IMMOBILIARE BILANCIA PRIMA S.r.l. - Via Aldo Rossi 4 - 20149 Milano	242	100
15	d	NQ	2	YARPA S.p.A. - Via Roma 3 - 16121 Genova	242	30,000
16	e	NQ	2	YAM INVEST N.V. - Herengracht 450 - 1017 CA Amsterdam	242	63,083
17	e	NQ	3	BANCO FIORENTINO Mugello Impruneta Signa - Via Villani 13 - 50033 Fiorenzuola	242	18,768
18	e	NQ	3	BCC MILANO ex BCC CARUGATE INZAGO - Via De Gasperi 11 - 20061 Carugate	242	51,492
19	e	NQ	3	BCC DEL GRAN SASSO D'ITALIA SCPA - Via dell'Industria 3 - 64025 Pineto TE	242	10,684
20	e	NQ	3	BCC ROMAGNA in Liq.Coatta.Amm. - Via Leopoldo Lucchi, 135 - 47521 Cesena FC	242	15,041
21	e	NQ	2	PORTA ROMANA 4 S.r.l. In Liq. - Corso di Porta Romana 6 - 20122 Milano	242	100
22	b	NQ	4	ACACIA 2000 S.r.l. - Via Ignazio Gardella n.2 - 20149 Milano	242	370
23	b	NQ	4	VAIMM SVILUPPO S.r.l. - Via Aldo Rossi 4 - 20149 Milano	242	3,000
24	e	NQ	7	CONSORZIO SERVIZI ASSICURATIVI - Via Don Carlo Gnocchi 37/b - 20148 Milano	242	364
25	e	NQ	2	CONSULTINVEST S.p.A. - Piazza Grande n.33 - 41121 Modena	242	40,000
26	e	NQ	3	BCC CARATE BRIANZA - Via Cusani 6 - 20841 Carate Br	242	4,824
27	e	NQ	3	BANCA POPOLARE PUGLIESE Soc.Coop. per Azioni - via Provinciale Matino, 5 - 73052 Parabita	242	183,084
28	b	NQ	4	V.R.G. DOMUS S.r.l. - Via Ignazio Gardella n.2 - 20149 Milano	242	800
29	e	NQ	2	MERCURE HOLDING SCA - avenue Emile Reuter 24 - L-2420 Lussemburgo	242	5,481
30	b	NQ	9	VITTORIA HUB S.r.l. - Via Ignazio Gardella 6 - 20149 Milano	242	10
31	e	NQ	3	BANCA DEL VENETO CENTRALE Soc.Coop. - Via Ponte di Costozza n.12 - 36023 Longare	242	11,163
32	e	Q	1	REVO S.p.A. - Piazza Belgioioso 2 - 20121 Milano	242	23,055
33	e	NQ	9	PROPENSIONE S.p.A. - Via di Torrebianca 20 - 34132 Trieste	242	2,444
34	e	NQ	3	BANCO MARCHIGIANO Soc.Coop. - Viale Matteotti, 8 - 62012 Civitanova	242	17,457
35	e	NQ	1	NSA SOLUZIONI ASSICURATIVE S.p.A. - Via Pietro Mascagni 15 - 20122 Milano	242	148
36	e	Q	1	REVO INSURANCE Spa - Viale dell'Agricoltura n. 7 - 35135 Verona	242	6,680

(*) List of group companies and other companies held either directly or through trustee or nominee.

(1) Type

- a = Parent companies
- b = Subsidiaries
- c = Related companies
- d = Associated companies
- e = Other companies

(2) Indicate Q for listed securities
and NQ for unlisted securities

(3) Business activity

- 1 = Insurance company
- 2 = Financial company
- 3 = Bank
- 4 = Real estate company
- 5 = Trust
- 6 = Trust management company
- 7 = Consortium
- 8 = Manufacturing company
- 9 = Other

capital	Shareholders' equity (**)	Net profit or loss for the last year (**)	Percentage held (5)		
			Number of shares	Direct %	Indirect %
	(4)	(4)			
261,818	32,070	-529	25.09		25.09
261,818	32,070	-529	74.91		74.91
15,000,000			2.76		2.76
16,400,000					
849,225,969			0.26		0.26
1,227,887			0.31		0.31
1,032,258			0.76		0.76
7,663,600					
80,000	3,388	-117	100.00		100.00
6,650,000	9,972	36	67.48		67.48
6,650,000	9,972	36	32.52		32.52
12,900,000	15,960	233	46.00		46.00
8,000,000	20,171	-1,112	100.00		100.00
10,000	54,465	-1,863	100.00		100.00
30,000,000	74,672	17,007	28.56		28.56
63,083,168			18.75		18.75
726,861			0.25		0.25
1,994,270			0.09		0.09
75,770					
601,637			0.33		0.33
100,000					
369,718	145,349	-5	100.00		100.00
3,000,000	54,435	-82	100.00		100.00
364,200	387	1	0.11		0.11
40,000,000			18.75		18.75
93,411			0.01		0.01
61,028,066			0.13		0.13
800,000	32,655	451	100.00		100.00
548,096,101			0.44		0.44
10,000	1,049	-478	100.00		100.00
2,090,454			0.02		0.02
23,055,000					
1,332,829			11.32		11.32
123,810			0.29		0.29
148,100			18.97		18.97
24,619,985			6.82		6.82

(**) To be compiled only for subsidiary and associated companies

Assets - Changes in investments in group and other companies: equity investments

Number (1)	Type (2)		Name (3)	Increase of the year		
				Acquisitions		Other increases
				Quantity	Amount	
1	b	V	VITTORIA IMMOBILIARE S.p.A. - Via Aldo Rossi 4 - 20149 Milano			
2	b	D	VITTORIA IMMOBILIARE S.p.A. - Via Aldo Rossi 4 - 20149 Milano			
3	e	D	BANCA PASSADORE & C. S.p.A. - Via E.Vernazza 27 - 16121 Genova			
4	e	D	GRUPPO G.P.A. S.p.A. in Liquidazione - Via Vittor Pisani 7 - 20124 Milano			
5	e	D	MEDIOBANCA S.p.A. PATTO SINDACATO - P.tta E.Cuccia 1 - 20121 Milano			
6	e	D	BCC VALDOSTANA Soc.Coop. - Fraz.Taxel 26 - 11020 Gressan AO			
7	e	D	U.C.I. S.cons.r.l. - Corso Sempione 39 - 20145 Milano			
8	e	D	MEDINVEST INTERNATIONAL S.C.A. - 34, Avenue Marie Thérèse - L-2132 Lussemburgo			
9	b	D	INTERBILANCIA S.r.l. - Via Ignazio Gardella n.2 - 20149 Milano			2,000
10	b	V	IMMOBILIARE BILANCIA S.r.l. - Via Aldo Rossi 4 - 20149 Milano			
11	b	D	IMMOBILIARE BILANCIA S.r.l. - Via Aldo Rossi 4 - 20149 Milano			
12	d	D	TOURING VACANZE S.r.l. - Corso Italia n.10 - 20122 Milano			
13	b	D	VITTORIA PROPERTIES S.r.l. - Via Ignazio Gardella n.2 - 20149 Milano			
14	b	D	IMMOBILIARE BILANCIA PRIMA S.r.l. - Via Aldo Rossi 4 - 20149 Milano			
15	d	D	YARPA S.p.A. - Via Roma 3 - 16121 Genova			
16	e	D	YAM INVEST N.V. - Herengracht 450 - 1017 CA Amsterdam			
17	e	D	BANCO FIORENTINO Mugello Impruneta Signa - Via Villani 13 - 50033 Fiorenzuola			
18	e	D	BCC MILANO ex BCC CARUGATE INZAGO - Via De Gasperi 11 - 20061 Carugate			
19	e	D	BCC DEL GRAN SASSO D'ITALIA SCPA - Via dell'Industria 3 - 64025 Pineto TE			
20	e	D	BCC ROMAGNA in Liq.Coatta.Amm. - Via Leopoldo Lucchi, 135 - 47521 Cesena FC			
21	e	D	PORTA ROMANA 4 S.r.l. In Liq. - Corso di Porta Romana 6 - 20122 Milano			
22	b	D	ACACIA 2000 S.r.l. - Via Ignazio Gardella n.2 - 20149 Milano			
23	b	D	VAIMM SVILUPPO S.r.l. - Via Aldo Rossi 4 - 20149 Milano			
24	e	D	CONSORZIO SERVIZI ASSICURATIVI - Via Don Carlo Gnocchi 37/b - 20148 Milano			
25	e	V	CONSULTINVEST S.p.A. - Piazza Grande n.33 - 41121 Modena			
			Totale C.II.1			
	a		Società controllanti			
	b		Società controllate			
	c		Società consociate			
	d		Società collegate			
	e		Altre			
			Totale D.I			
			Totale D.II			

(1) It should match that indicated in Annex 6

(2) Type
a = Parent companies
b = Subsidiaries
c = Related companies
d = Associated companies
e = Other companies

(3) Indicate:
D investment allocated to the non-life business (caption C.II.1)
V investments allocated to the life business (caption C.II.1)
V1 investments allocated to the life business (caption D.I)
V2 investments allocated to the life business (caption D.2)
Even if it is only a portion, the investment should be identified with the same number

Decrease of the year		Other decreases	Book value (4)		Acquisition cost	Current value
Sales			Quantity	Amount		
Quantity	Amount					
			65.703	8,802	17,264	8,269
			196.115	26,274	45,183	24,681
			413.355	3,540	3,540	11,037
			0			
			2.225.350	20,300	21,149	19,993
			3.800	41	41	41
			7.879	4	4	4
		1	0			
			80.000	2,696	2,696	5,441
		10,122	4.487.398	8,477	8,477	7,005
		4,878	2.162.602	4,085	4,085	3,376
			5.934.000	6,814	10,365	7,300
			8.000.000	21,816	24,316	20,740
			10.000	56,314	58,515	55,586
			8.567.945	8,856	8,856	14,937
			11.828.094	6,594	6,594	60,637
			1.817	46	46	46
			1.818	46	46	46
			0			
			2.000	50	50	50
		1,522	0			
		3,500	369.718	156,522	156,522	153,964
			3.000.000	54,812	69,386	54,944
			400			
			7.500.000	7,500	7,500	7,500

(4) Insert (*) if stated with the equity method (only for types b and d)

Assets - Changes in investments in group and other companies: equity investments

Number (1)	Type (2)	Name (3)	Increase of the year		
			Acquisitions		Other increases
			Quantity	Amount	
26	e	D BCC CARATE BRIANZA - Via Cusani 6 - 20841 Carate Br			
27	e	D BANCA POPOLARE PUGLIESE Soc.Coop. per Azioni - via Provinciale Martino, 5 - 73052 Parabita			
28	b	D V.R.G. DOMUS S.r.l. - Via Ignazio Gardella n.2 - 20149 Milano			
29	e	D MERCURE HOLDING SCA - avenue Emile Reuter 24 - L-2420 Lussemburgo			
30	b	V VITTORIA HUB S.r.l. - Via Ignazio Gardella 6 - 20149 Milano			1,000
31	e	D BANCA DEL VENETO CENTRALE Soc.Coop. - Via Ponte di Costozza n.12 - 36023 Longare			
32	e	D REVO S.p.A. - Piazza Belgioioso 2 - 20121 Milano			
33	e	V PROPENSIONE S.p.A. - Via di Torrebianca 20 - 34132 Trieste			
34	e	D BANCO MARCHIGIANO Soc.Coop. - Viale Matteotti, 8 - 62012 Civitanova			
35	e	D NSA SOLUZIONI ASSICURATIVE S.p.A. - Via Pietro Mascagni 15 - 20122 Milano	28100	1,500	
36	e	D REVO INSURANCE Spa - Viale dell'Agricoltura n. 7 - 35135 Verona			15,000
0	0	0			
0	0	0			18,000
		TOTALE			
		Totale C.II.1		1,500	18,000
	a	Società controllanti			
	b	Società controllate			3,000
	c	Società consociate			
	d	Società collegate			
	e	Altre		1,500	15,000
		Totale D.I			
		Totale D.II			

(1) It should match that indicated in Annex 6

(2) Type

- a = Parent companies
- b = Subsidiaries
- c = Related companies
- d = Associated companies
- e = Other companies

(3) Indicate:

- D investment allocated to the non-life business (caption C.II.1)
 - V investments allocated to the life business (caption C.II.1)
 - V1 investments allocated to the life business (caption D.I)
 - V2 investments allocated to the life business (caption D.2)
- Even if it is only a portion, the investment should be identified with the same number

Decrease of the year		Other decreases	Book value (4)		Acquisition cost	Current value
Sales			Quantity	Amount		
Quantity	Amount					
			10	1	1	1
			81.300	201	201	201
			800.000	33,935	33,935	33,111
			2.400.000	2,483	2,483	2,483
			10.000	2,235	2,235	1,161
			483	3	3	3
		15,000	0			
			150.885	1,500	1,500	1,500
			354	50	50	50
			28.100	1,500	1,500	1,500
			1.680.000	15,000	15,000	14,549
			0			
		35,023	0	450,498	501,543	510,156
		35,023		450,497	501,543	510,156
		18,500		375,968	422,614	368,278
				15,670	19,221	22,237
		16,523		58,859	59,708	119,641

(4) Insert (*) if stated with the equity method (only for types b and d)

Assets - Allocation based on the use of other financial investments: equity investments, OEIC Units, bonds and other fixed-interest securities, shares in investment pools and other financial investments (captions C.III.1, 2, 3, 5, 7)

I - Non-life business

	Investment portfolio		Trading portfolio		Total	
	Book value	Current value	Book value	Current value	Book value	Current value
1. Equity investments:						
a) listed shares	21	41	61		81	101
b) unlisted shares	22	42	62		82	102
c) quotas	23	43	63		83	103
2. OEIC Units	24	44	64		84	104
a1) listed government securities	25	571,728	65		85	549,041
a2) other listed securities	26	1,245,544	66		86	1,337,984
b1) unlisted government securities	27	1,095,434	67		87	1,182,285
b2) other unlisted securities	28	145,667	68		88	151,256
c) convertible bonds	29		69		89	
5. Shares in investment pools	30	4,443	70		90	4,443
7. Other financial investments	31		71		91	
	32		72		92	
	33		73		93	

II - Life business

	Investment portfolio		Trading portfolio		Total	
	Book value	Current value	Book value	Current value	Book value	Current value
1. Equity investments:						
a) listed shares	141	1,797	181		201	1,797
b) unlisted shares	142	1,797	182		202	1,797
c) quotas	143		183		203	
2. OEIC Units	144		184		204	
a1) listed government securities	145	344,620	185		205	417,622
a2) other listed securities	146	1,180,887	186		206	1,411,715
b1) unlisted government securities	147	788,257	187		207	929,063
b2) other unlisted securities	148	392,630	188		208	482,652
5. Shares in investment pools	149		189		209	
7. Other financial investments	150		190		210	
	151		191		211	
	152		192		212	
	153		193		213	

Assets - Changes in other financial investments - investment portfolio: equity investments, OEIC Units, bonds and other fixed-interest securities, shares in investment pools and other financial investments (captions C.III.1, 2, 3, 5, 7)

	Equity investments C.III.1	OEIC Units C.III.2	Bonds and other fixed-interest securities C.III.3	Shares in investment pools C.III.5	Other financial investments C.III.7
Opening book value	21	860,719	41	2,451,334	81
Increase of the year:	22	128,943	42	1,494,973	82
for: acquisitions	23	89,716	43	1,491,223	83
write-backs	24		44		84
transfers from the trading portfolio.....	25		45		85
other variations	26	39,227	46	3,750	86
Decrease of the year:	27	67,517	47	1,265,787	87
for: sales	28	44,145	48	504,628	88
write-downs	29		49		89
transfers to the trading portfolio	30		50		90
other variations	31	23,372	51	761,159	91
Book value	32	922,145	52	2,680,520	92
Current value	33	916,348	53	2,426,431	93

Year 2022Company VITTORIA ASSICURAZIONI S.p.A.

Assets - Changes in loans and deposits with banks (captions C.III.4, 6)

		Loans C.III.4	Deposits with banks C.III.6
Opening book value	+	1 17,348	21
Increase of the year	+	2 11,372	22
for: lending		3 11,372	
write-backs		4	
other variations		5	
Decrease of the year:	-	6 14,036	26
for: repayments		7 14,036	
write-downs.....		8	
other variations		9	
Book value		10 14,684	30

Company **Vittoria Assicurazioni S.p.A.**Year **2022**

Assets - List of assets relating index-linked policies (caption D.I)

Unit trust code: Unit trust description: TOTAL

	Current value		Acquisition cost	
	Year	Previous year	Year	Previous year
I. Land and buildings	21	41	61	
II. Investments in group and other companies:				
1. Equity investments	22	42	62	
2. Bonds	23	43	63	
3. Loans	24	44	64	
III. OEIC Units	179,546	154,412	181,346	134,432
IV. Other financial investments:				
1. Equity investments	1,811	2,772	2,005	2,561
2. Bonds and other fixed-interest securities	9,102	685	9,204	678
3. Bank deposits	28	48	68	
4. Other financial investments	29	49	69	
V. Other assets	-2,885	-1,950	-2,885	-1,950
VI. Cash and cash equivalent	22,532	10,214	22,532	9,024
.....	32	52	72	
.....	33	53	73	
Total	210,106	166,131	212,202	144,745

Company **Vittoria Assicurazioni S.p.A.**Year **2022**

Assets - List of assets arising from pension fund management (caption D.II)

Code: Pension fund description

	Current value		Acquisition cost	
	Year	Previous year	Year	Previous year
I. Investments in group and other companies:				
1. Equity investments	21	41	61	
2. Bonds	22	42	62	
II. Other financial investments:				
1. Equity investments	23	43	63	
2. Bonds and other fixed-interest securities	24	1.016,44	64	1.030
3. OEIC Units	24.638,25	27.851,45	23.562,65	22.784
4. Bank deposits	26	46	66	
5. Other financial investments	27	47	67	
III. Other assets	622,28	-617,48	623,68	-617
IV. Cash and cash equivalents	1.689,29	1.146,49	1.689,69	1.146
	30	50	70	
	31	51	71	
Total	26.949,32	29.396,52	25.873,72	24.343

Company VITTORIA ASSICURAZIONI S.p.A.

Year 2022

Liabilities - Changes in premium reserve (caption C.I.1) and claims reserve (caption C.I.2) of non-life business

Type	Year	Previous year	Change
Premium reserve:			
Unearned premium reserve	1 470,947	11 447,440	21 23,507
Reserve for Unexpired risks:	2	12 390	22 -390
Book value.....	3 470,947	13 447,830	23 23,117
Claims reserve:			
Reserve for claims settlement and direct expenses	4 1,271,473	14 1,163,273	24 108,200
Reserve for settlement costs	5 70,778	15 62,318	25 8,460
IBNR reserve	6 85,262	16 86,715	26 -1,453
Book value	7 1,427,513	17 1,312,306	27 115,207

Company VITTORIA ASSICURAZIONI S.p.A.Year 2022Liabilities - Changes in the mathematical reserves (caption C.II.1) and
profit participation and reimbursement reserve(caption C.II.4)

Type	Year	Previous year	Change
Pure premium reserve	1 1,821,668	11 1,673,506	21 148,162
Premiums carried forward	2 7,727	12 7,257	22 470
Mortality risk reserve	3 29	13 24	23 5
Integration reserves	4 2,678	14 2,538	24 140
Book value	5 1,832,102	15 1,683,325	25 148,777
Profit participation and reimbursement reserve.....	6	16	26

List of assets and liabilities relating to group and other companies

I: Assets

	Parent companies	Subsidiaries	Related companies	Associated companies	Other companies	Total
Equity investments	1	2	3	4	5	6
Bonds	7	8	9	10	11	12
Loans	13	14	15	16	17	18
Shares in investment pools.....	19	20	21	22	23	24
Bank deposits	25	26	27	28	29	30
Other financial investments	31	32	33	34	35	36
Deposits with ceding companies	37	38	39	40	41	42
Investments relating to index-linked policies.....	43	44	45	46	47	48
Investments relating to pension fund management	49	50	51	52	53	54
Receivables relating to direct insurance business.....	55	56	57	58	59	60
Receivables relating to reinsurance business	61	62	63	64	65	66
Other receivables	67	68	69	70	71	72
Bank and postal accounts.....	73	74	75	76	77	78
Sundry assets	79	80	81	82	83	84
Total	85	86	87	88	89	90
of which: subordinated assets	91	92	93	94	95	96

Company VITTORIA ASSICURAZIONI S.p.A.Year 2022

List of classes I, II, III and IV of "guarantees, commitments and other memorandum and contingency accounts"

	Year	Previous year
I. Guarantees given:		
a) sureties and endorsements given in the interest of parent companies, subsidiaries and related companies	1	31
b) sureties and endorsements given in the interest of associated companies and other group companies	2	32
c) sureties and endorsements given in the interest of third parties	3	33
d) other personal guarantees given in the interest of parent companies, subsidiaries and related companies	4	34
e) other personal guarantees given in the interest of associated and other group companies	5	35
f) other personal guarantees given in the interest of third parties	6	36
g) collateral against obligations of parent companies, subsidiaries and related companies	7	37
h) collateral against obligations of associated companies and other group companies	8	38
i) collateral against third party obligations	9	39
l) guarantees given against company's obligations	10	40
m) assets pledged as guarantee deposit against inwards reinsurance	11	41
Total	12	42
II. Guarantees received:		
a) from associated and other group companies	13	43
b) from third parties	14	17,128
Total	15	17,128
III. Guarantees given by third parties in the interest of the company:		
a) from associated and other group companies.....	16	46
b) from third parties	17	47
Total	18	48
IV. Commitments:		
a) purchase commitments with resale obligation	19	49
b) sale commitments with repurchase obligation	20	50
c) other commitments	21	62,105
Total	22	62,105
V. Assets pertaining to pension funds managed in favour and on behalf of third parties	23	26,949
VI. Securities held by third parties	24	4,141,564
Total	25	4,168,513

Commitments for derivative transactions

Derivative	Current year				Previous year			
	Purchase		Sale		Purchase		Sale	
	(1)	(2)	(1)	(2)	(1)	(2)	(1)	(2)
Futures:								
on shares	101	21	131	41	141	61	161	
on bonds	102	22	122	42	142	62	162	
on currencies	103	23	123	43	143	63	163	
on exchange rates	104	24	124	44	144	64	164	
other	105	25	125	45	145	65	165	
Options:								
on shares	106	26	126	46	146	66	166	
on bonds	107	27	127	47	147	67	167	
on currencies	108	28	128	48	148	68	168	
on exchange rates	109	29	129	49	149	69	169	
other	110	30	130	50	150	70	170	
Swaps:								
on currencies	111	31	131	51	151	71	171	
on exchange rates	112	32	132	52	152	72	172	
other	113	33	133	53	153	73	173	
Other transactions	114	34	85,000	54	154	74	213,300	2,429
Total	0	0	85,000	55	20,654	0	213,300	2,429

Notes: - Include only derivative transactions existing at the balance sheet date which imply a commitment for the company; where the derivative does not exactly match one of the above captions or relates to more than one caption, it should be included in the one more related; no offsetting is allowed if not related to purchase/sale transactions relating to the same derivative category (same contents, maturity, underlying asset, etc.).

- Derivatives involving two currency swaps should be stated only once, referring to the currency to be purchased. Derivatives involving both interest rate and currency swaps should only be included in currency swaps. Derivatives relating to interest rate swaps are classified as "purchases" or "sales", depending on whether or not they imply the fixed rate purchase or sale.

(1) Derivatives which involve or may involve capital forward exchanges should be stated at their regulated prices; all other derivatives should be stated at their nominal value

(2) Indicate fair value of derivatives;

Summarised non-life business technical account

		Gross premiums accounted for	Gross premiums earned	Gross claims charge	Management fees	Reinsurance balance
Direct insurance:						
Accident and health insurance (classes 1 and 2)	1	130,347 ²	127,942 ³	49,251 ⁴	46,558 ⁵	-407
Third-party motor liability (class 10)	6	691,052 ⁷	687,325 ⁸	592,301 ⁹	127,083 ¹⁰	-806
Hull insurance for motor vehicles (class 3)	11	159,549 ¹²	156,377 ¹³	87,926 ¹⁴	44,537 ¹⁵	-2,230
Marine, aviation and transport insurance (classes 4, 5, 6, 7, 11 and 12)	16	7,397 ¹⁷	7,243 ¹⁸	5,212 ¹⁹	2,040 ²⁰	-245
Fire and miscellaneous damages (classes 8 and 9)	21	172,697 ²²	161,835 ²³	105,993 ²⁴	58,492 ²⁵	-11,865
Third-party general liability (class 13)	26	93,730 ²⁷	92,053 ²⁸	35,189 ²⁹	30,669 ³⁰	-314
Credit and bond insurance (classes 14 and 15)	31	3,730 ³²	3,634 ³³	-1,386 ³⁴	963 ³⁵	-1,109
Pecuniary losses (class 16)	36	22,812 ³⁷	22,618 ³⁸	2,201 ³⁹	6,278 ⁴⁰	-771
Legal protection (class 17)	41	8,980 ⁴²	8,685 ⁴³	-1,282 ⁴⁴	2,554 ⁴⁵	-3,714
Support and assistance (class 18)	46	34,744 ⁴⁷	34,211 ⁴⁸	10,926 ⁴⁹	9,659 ⁵⁰	-5,227
Total direct insurance	51	1,325,038 ⁵²	1,301,923 ⁵³	886,331 ⁵⁴	328,833 ⁵⁵	-26,688
Indirect insurance	56	104 ⁵⁷	101 ⁵⁸	8 ⁵⁹	7 ⁶⁰	1
Total domestic portfolio	61	1,325,142 ⁶²	1,302,024 ⁶³	886,339 ⁶⁴	328,840 ⁶⁵	-26,687
Foreign portfolio	66	67 ⁶⁷	68 ⁶⁸	69 ⁶⁹	70 ⁷⁰	
Total	71	1,325,142 ⁷²	1,302,024 ⁷³	886,339 ⁷⁴	328,840 ⁷⁵	-26,687

Company VITTORIA ASSICURAZIONI S.p.A.Year 2022

Summarised life business premiums and reinsurance balance

	Direct insurance	Indirect insurance	Total
Gross premiums:	1 354,281	11	21 354,281
a) 1. individual policies	2 344,533	12	22 344,533
2. group policies	3 9,748	13	23 9,748
b) 1. periodic premiums	4 100,333	14	24 100,333
2. single premiums	5 253,949	15	25 253,949
c) 1. non-profit participation contracts.....	6 20,760	16	26 20,760
2. profit participation contracts.....	7 250,911	17	27 250,911
3. contracts where the investment risk is borne by policyholders and pension fund	8 82,610	18	28 82,610
Reinsurance balance	9 -704	19	29 -704

Company VITTORIA ASSICURAZIONI S.p.A.

Year 2022

Income on investments (captions II.2 and III.3)

	Non-life business	Life business	Total
Income on equity investments			
Dividends and other income on equity investments in group companies	1 6,124	41 336	81 6,460
Dividends and other income on equity investments in other companies.....	2	42	82
Total	3 6,124	43 336	83 6,460
Income on investments in land and buildings	4 2,801	44 1,612	84 4,413
Income on other investments:			
Income on bonds issued by group companies.....	5	45	85
Interest on loans to group companies	6 20	46	86 20
Income on unit trust units	7 20,208	47 17,567	87 37,775
Income on bonds and other fixed-interest securities	8 14,649	48 41,388	88 56,037
Interest on loans	9 191	49 -6	89 185
Income on shares of investment pools	10	50	90
Interest on bank deposits.....	11	51	91
Income on other financial investments	12	52	92
Interest on deposits with ceding companies.....	13	53	93
Total	14 35,068	54 58,949	94 94,017
Adjustments to investment values:			
Land and buildings	15	55	95
Equity investments in group companies.....	16	56	96
Bonds issued by group companies	17	57	97
Other equity investments	18	58	98
Other bonds	19	59	99
Other financial investments.....	20	60	100
Total	21	61	101
Profits on sale of investments:			
Profit on sale of land and buildings	22	62	102
Profit on sale of equity investments in group companies	23	63	103
Profit on sale of bonds issued by group companies	24	64	104
Profit on sale of other equity investments	25	65 352	105 352
Profit on sale of other bonds	26 1,628	66 393	106 2,021
Profit on sale of other financial investments.....	27	67	107
Total	28 1,628	68 745	108 2,373
TOTAL	29 45,621	69 61,642	109 107,263

Company VITTORIA ASSICURAZIONI S.p.A.Year 2022

Income and non-realised capital gains relating to investments benefiting policyholders bearing the risk and investments stemming from pension fund management (caption II.3)

I. Investments relating to index-linked policies

	Amount
Income on:	
Land and buildings	1
Investments in group companies	2
OEIC Units	3 208
Other financial investments	4 126
- of which: bonds..... 5 11	
Other assets	6 10
Total	7 344
Profit on sale of investments	
Profit on sale of land and buildings	8
Profit on sale of investments in group companies	9
Profit on sale of OEIC Units.....	10 688
Profit on sale of other financial investments:	11 702
- of which: bonds	12
Other income.....	13 359
Total	14 1,749
Non-realised capital gains	15 1,290
TOTAL	16 3,383

II. Investments relating to pension fund management

	Amount
Income on:	
Investments in group companies.....	21
Other financial investments	22 93
- of which: bonds..... 23 3	
Other assets	24 754
Total	25 847
Profit on sale of investments	
Profit on sale of investments in group companies	26
Profit on sale of other financial investments.....	27
- of which: bonds	28
Other income.....	29
Total	30
Non-realised capital gains	31 97
TOTAL	32 944

Company VITTORIA ASSICURAZIONI S.p.A.

Year 2022

Capital and financial charges (captions II.9 and III.5)

	Non-life business		Life business		Total	
Investment management and other charges						
Charges relating to equity investments	1	341	31	1	61	342
Charges relating to investments in land and buildings.....	2	4,295	32	878	62	5,173
Bond charges	3	13,189	33	9,104	63	22,293
Charges relating to OEIC Units.....	4	443	34	15	64	458
Charges relating to shares in investment pools	5		35		65	
Other financial investment charges	6		36		66	
Interest on deposits from reinsurers	7	40	37	95	67	135
Total	8	18,308	38	10,093	68	28,401
Adjustments to investment values:						
Land and buildings	9	2,252	39	775	69	3,027
Equity investments in group companies	10		40		70	
Bonds issued by group companies	11		41		71	
Other equity investments.....	12		42	184	72	184
Other bonds	13		43	17,144	73	17,144
Other financial investments	14		44	4,532	74	4,532
Total	15	2,252	45	22,635	75	24,887
Loss on sale of investments						
Loss on sale of land and buildings	16		46		76	
Loss on sale of equity investments	17		47		77	
Loss on sale of bonds	18	101	48	337	78	438
Loss on sale of other financial investments	19		49	9	79	9
Total	20	101	50	346	80	447
TOTAL	21	20,661	51	33,074	81	53,735

Company VITTORIA ASSICURAZIONI S.p.A.Year 2022

Capital and financial charges and non-realised capital losses relating to investments benefiting policyholders who bear the risk and investments stemming from pension fund management (caption II.10)

I. Investments relating to index-linked policies

	Amount
Management charges arising from:	
Land and buildings	1
Investments in group companies	2
OEIC Units	3 1
Other financial investments	4 1
Other assets	5 2,873
Total	6 2,875
Loss on sale of investments	
Loss on sale of land and buildings	7
Loss on sale of investments in group companies	8
Loss on sale of OEIC Units	9 1,930
Loss on sale of other financial investments	10 150
Other charges.....	11 9
Total	12 2,089
Non-realised capital losses	13 21,424
TOTAL	14 26,388

II. Investments relating to pension fund management

	Amounts
Management charges arising from:	
Investments in group companies	21
Other financial investments	22 364
Other assets.....	23
Total	24 364
Loss on sale of investments	
Loss on sale of investments in group companies	25
Loss on sale of other financial investments	26 1,152
Other charges	27
Total	28 1,152
Non-realised capital losses	29 3,024
TOTAL	30 4,540

	Class 01 Accident insurance (name)	Class 02 Health insurance (name)
Direct insurance gross of outwards reinsurance		
Gross written premiums	+ 1 107,953	1 22,394
Change in premium reserve (+ or -)	- 2 1,745	2 661
Charges relating to claims	- 3 35,335	3 13,916
Change in other technical reserves (+ or -) (1)	- 4	4
Other technical captions, net (+ or -)	+ 5 -752	5 -192
Management fees	- 6 39,331	6 7,227
Direct insurance technical result (+ or -)	A 7 30,790	7 398
Outwards reinsurance result (+ or -)	B 8 -313	8 -94
Indirect insurance net result (+ or -)	C 9 -20	9
Change in equalisation reserve (+ or -)	D 10 36	10
Income on investments transferred from non-technical account .	E 11 691	11 153
Result of technical account (+ or -)	(A + B + C - D + E) 12 31,112	12 457

	Class 07 Cargo insurance (name)	Class 08 Fire and natural events (name)
Direct insurance gross of outwards reinsurance		
Gross written premiums	+ 1 3,469	1 103,077
Change in premium reserve (+ or -)	- 2 49	2 7,639
Charges relating to claims	- 3 2,194	3 60,614
Change in other technical reserves (+ or -) (1)	- 4	4
Other technical captions, net (+ or -)	+ 5 -55	5 -2,826
Management fees	- 6 1,066	6 35,819
Direct insurance technical result (+ or -)	A 7 105	7 -3,821
Outwards reinsurance result (+ or -)	B 8 -132	8 -7,244
Indirect reinsurance net result (+ or -)	C 9	9
Change in equalisation reserve (+ or -)	D 10	10 440
Income on investments transferred from non-technical account .	E 11 38	11 1,013
Result of technical account (+ or -) (A + B + C - D + E)	12 11	12.00 -10,492

	Class 13 Third-party general liability (name)	Class 14 Credit insurance (name)
Direct insurance gross of outwards reinsurance		
Gross written premiums	+ 1 93,730	1 52
Change in premium reserve (+ or -)	- 2 1,676	2 40
Charges relating to claims	- 3 35,189	3 -1,439
Change in other technical reserves (+ or -) (1)	- 4	4
Other technical captions, net (+ or -)	+ 5 -1,272	5
Management fees	- 6 30,669	6 13
Direct insurance technical result (+ or -)	A 7 24,924	7 1,438
Outwards reinsurance result (+ or -)	B 8 -314	8 12
Indirect reinsurance net result (+ or -)	C 9 95	9
Change in equalisation reserve (+ or -)	D 10 4	10
Income on investments transferred from non-technical account .	E 11 1,852	11 15
Result of technical account (+ or -) (A + B + C - D + E)	12 26,553	12 1,465

(1) This caption includes changes in "Other technical reserves" as well as changes in "Profit participation and reimbursement reserve"

Year 2022

account by line of business - Domestic portfolio

Class 03 Motor vehicle hulls (name)	Class 04 Railway truck hulls (name)	Class 05 Aviation hulls (name)	Class 06 Marine hulls (name)
1 159,549	1 30	1 1	1 2,568
2 3,172	2	2	2 76
3 87,926	3	3	3 2,088
4	4	4	4
5 -331	5	5	5 -48
6 44,537	6 9	6	6 718
7 23,583	7 21	7 1	7 -362
8 -2,230	8 -13	8	8 -97
9	9	9 1	9
10 313	10	10	10
11 868	11	11 2	11 35
12 21,908	12 8	12 4	12 -424

Class 09 Miscellaneous damages (name)	Class 10 Third-party motor liability (name)	Class 11 Third-party aviation liability (name)	Class 12 Third-party marine liability (name)
1 69,621	1 691,052	1 1	1 1,327
2 3,223	2 3,726	2	2 29
3 45,379	3 592,301	3	3 930
4	4	4	4
5 -1,259	5 -1,815	5	5 -2
6 22,673	6 127,083	6	6 247
7 -2,913	7 -33,873	7 1	7 119
8 -4,622	8 -806	8 -1	8 -3
9	9	9	9
10 161	10	10	10
11 360	11 11,444	11	11 24
12 -7,336	12 -23,235	12	12 140

Class 15 Bond insurance (name)	Class 16 Pecuniary losses (name)	Class 17 Legal protection (name)	Class 18 Support and assistance (name)
1 3,678	1 22,812	1 8,980	1 34,744
2 57	2 194	2 295	2 533
3 53	3 2,201	3 -1,282	3 10,926
4	4	4	4
5 -337	5 -143	5 -37	5 -71
6 950	6 6,278	6 2,554	6 9,659
7 2,281	7 13,996	7 7,376	7 13,555
8 -1,120	8 -771	8 -3,714	8 -5,227
9	9	9	9 9
10	10	10	10
11 141	11 69	11 19	11 47
12 1,302	12 13,294	12 3,681	12 8,384

Summarised non-life business technical account
Domestic portfolio

	Direct insurance risk		Transferred risks 2	Indirect insurance risk		Retained risks Total 5 = 1-2+3-4	
	Direct risk 1	Inwards reinsurance risk		Inwards reinsurance risks 3	Inwards reinsurance risks 4		
Gross written premiums	1,325,038	11	72,734	21	104	41	1,252,408
Change in premium reserve (+ or -)	23,115	12	1,622	22	4	42	21,497
Charges relating to claims	886,331	13	34,885	23	8	43	851,453
Change in other technical reserves (+ or -) (1)		14		24		44	
Other technical captions, net (+ or -)	-9,140	15		25	35	45	-9,140
Management fees	328,833	16	9,539	26	7	46	319,301
Technical result (+ or -)	77,621	17	26,690	27	85	47	51,017
Change in equalisation reserves (+ or -)						48	954
Income on investments transferred from non-technical account	16,764			29	4	49	16,768
Result of technical account (+ or -)	94,385	20	26,690	30	89	50	66,831

(1) This caption includes changes in "Other technical reserves" as well as changes in "Profit participation and reimbursement reserve".

Year 2022

Company VITTORIA ASSICURAZIONI S.p.A.

Life business - Summarised technical account by line of business - Domestic portfolio

	Class 01 Whole and term life insurance (name)	Class 02 Marriage and birth insurance (name)	Class 03 Insurance linked OEIC Units (name)
Direct insurance gross of outwards reinsurance			
Gross written premiums	1 269,698	1	1 80,265
Charges relating to claims	2 118,998	2	2 11,759
Change in mathematical and other technical reserves (+ or -) (*)	3 166,831	3	3 42,681
Other technical captions, net (+ or -)	4 803	4	4 3,026
Management fees.....	5 17,375	5	5 6,666
Income on investments net of the portion transferred to the non-technical account (**)	6 28,200	6	6 -23,013
Direct insurance result gross of outwards reinsurance (+ or -)	7 -4,503	7	7 -828
A	8 -436	8	8
Outwards reinsurance result (+ or -)	9	9	9
Indirect insurance net result (+ or -).....	10 -4,939	10	10 -828
C			
Result of technical account (+ or -)			
(A + B + C)			

	Class 04 Health insurance (name)	Class 05 Capitalisation transactions (name)	Class 06 Pension Funds management (name)
Direct insurance gross of outwards reinsurance			
Gross written premiums	1 1,957	1 16	1 2,346
Charges relating to claims	2 74	2 17,572	2 852
Change in mathematical and other technical reserves (+ or -) (*)	3 938	3 -16,795	3 -1,457
Other technical captions, net (+ or -)	4 -1	4 9	4 317
Management fees	5 237	5 111	5 103
Income on investments net of the portion transferred to the non-technical account (**)	6 -72	6 439	6 -3,587
Direct insurance result gross of outwards reinsurance (+ or -)	7 635	7 -424	7 -422
A	8 -268	8	8
Outward reinsurance result.....	9	9	9
Indirect insurance net result (+ or -)	10 367	10 -424	10 -422
C			
Result of technical account (+ or -)			
(A + B + C)			

(*) The caption "other technical reserves" includes "other technical reserves" and "technical reserves where investment risk is borne by policyholders and reserves relating to pension fund management".

(**) Algebraic sum of the items relating to the domestic line of business and portfolio included in captions II.2, II.3, II.9, II.10 and II.12 of the profit and loss account

Company VITTORIA ASSICURAZIONI S.p.A.

Year 2022

Summarised life business technical account
Domestic portfolio

	Direct insurance risks		Indirect insurance risks		Retained risks Total 5 = 1 - 2 + 3 - 4
	Direct risks 1	Transferred risks 2	Inwards reinsurance risks 3	Outwards reinsurance risks 4	
Gross written premiums	+ 354,282,11	2,214,21	31	41	352,068
Charges relating to claims.....	- 149,255,12	160,22	32	42	149,095
Change in mathematical and other technical reserves (+ or -) (*)	- 192,198,13	903,23	33	43	191,295
Other technical captions, net (+ or -)	+ 4,154,14		34	44	4,154
Management fees.....	- 24,492,15	447,25	35	45	24,045
Income on investments net of the portion transferred to the non-technical account (**)	+ 1,967		26	46	1,967
Result of technical account (+ or -)	- 5,542,17	704,27	37	47	-6,246

(*) The caption "other technical reserves" includes "other technical reserves" and "technical reserves where investment risk is borne by policyholders and reserves relating to pension fund management".

(**) Algebraic sum of the items relating to the domestic portfolio included in captions II.2, II.3, II.9, II.10 and II.12 of the profit and loss account

Company VITTORIA ASSICURAZIONI S.p.A.

Year 2022

Summarised life and non-life business technical accounts - foreign portfolio

Section I: Non-life businesses

		Total lines of business
Direct insurance gross of outwards reinsurance		
Gross written premiums	+	1
Change in premium reserve (+ or -).....	-	2
Charges relating to claims	-	3
Change in other technical reserves (+ or -) (1).....	-	4
Other technical captions, net (+ or -).....	+	5
Management fees	-	6
Direct insurance technical result (+ or -)	A	7
Outwards reinsurance result (+ or -)	B	8
Indirect insurance net result (+ or -).....	C	9
Change in equalisation reserves (+ or -)	D	10
Income on investments transferred from non-technical account	E	11
Result of technical account (+ or -)	(A + B + C - D + E)	12

Section II: Life business

		Total lines of business
Direct insurance gross of outwards reinsurance		
Gross written premiums	+	1
Charges relating to claims	-	2
Change in mathematical and other technical reserves (+ or -) (2)	-	3
Other technical captions, net (+ or -)	+	4
Management fees	-	5
Income on investments net of the portion transferred to the non-technical account (3)	+	6
Direct insurance result gross of outwards reinsurance (+ or -)	A	7
Outwards reinsurance result (+ or -)	B	8
Indirect insurance net result (+ or -)	C	9
Result of technical account (+ or -)	(A + B + C)	10

(1) This caption includes changes in "Other technical reserves" as well as changes in "Profit participation and reimbursement reserve"

(2) The caption "other technical reserves" includes "other technical reserves" and "technical reserves where investment risk is borne by policyholders and reserves arising from pension fund management".

(3) Algebraic sum of the items relating to the foreign portfolio included in captions II.3, II.2, II.3, II.9 and II.10 of the profit and loss account

Intercompany relationships

II: Expense

		Parent companies	Subsidiaries	Associated companies	Related companies	Other companies	Total
Investment management charges and interest payable:							
Charges relating to investors	91	92	93	94	1,305	96	1,305
Interest on subordinated liabilities	97	98	99	100	101	102	
Interest on deposits from reinsurers.....	103	104	105	106	107	108	
Interest on payables arising from direct insurance business.....	109	110	111	112	113	114	
Interest on payables arising from reinsurance business.....	115	116	117	118	119	120	
Interest on sums due to banks and financial institutions	121	122	123	124	125	126	
Interest on secured debts.....	127	128	129	130	131	132	
Interest on other sums payable	133	134	135	136	137	138	
Losses on receivables.....	139	140	141	142	143	144	
Administrative and third party charges	145	146	147	148	149	150	
Other charges	151	152	153	154	155	156	
Total	157	158	159	160	1,305	162	1,305
Charges and non-realised capital losses on investments benefiting policyholders bearing the risk and investments stemming from pension fund management	163	164	165	166	167	168	
Loss on sale of investments (*)	169	170	171	172	173	174	
Extraordinary expense	175	176	177	178	179	180	
TOTAL.....	181	182	183	184	1,305	186	1,305

(*) With reference to the counterparty

Summarised direct insurance premiums accounted for

	Non-life business		Life business		Total	
	Establishment	Freedom to provide services	Establishment	Freedom to provide services	Establishment	Freedom to provide services
Gross premiums accounted for:						
in Italy	1,324,850	5	354,281	15	1,679,131	25
in other EU countries	187	6	16	22	203	26
in non-EU countries		7		17		27
Total	1,324,850	8	354,281	18	1,679,131	28
						187

Company VITTORIA ASSICURAZIONI S.p.A.Year 2022

Personnel expenses and directors' and statutory auditors' fees

I: Personnel expenses

	Non-life business	Life business	Total
Employees' expenses:			
Domestic portfolio:			
- Wages and salaries	1 43,034 31	2,928 61	45,962
- Social security contributions	2 11,231 32	764 62	11,995
- Accruals to the employees' leaving entitlement and similar provisions	3 3,009 33	205 63	3,214
- Other personnel expenses.....	4 4,245 34	287 64	4,532
Total	5 61,519 35	4,184 65	65,703
Foreign portfolio:			
- Wages and salaries	6	66	
- Social security contributions.....	7	67	
- Other personnel expenses	8	68	
Total	9	69	
Total.....	10 61,519 40	4,184 70	65,703
Consultants' fees:			
Domestic portfolio	11 8,989 41	288 71	9,277
Foreign portfolio	12	72	
Total.....	13 8,989 43	288 73	9,277
Total personnel expenses.....	14 70,508 44	4,472 74	74,980

II: Allocation captions

	Non-life business	Life business	Total
Investment management charges.....	15 1,994 45	66 75	2,060
Charges relating to claims	16 21,513 46	477 76	21,990
Other acquisition costs	17 20,755 47	1,769 77	22,524
Other administrative costs	18 26,161 48	2,156 78	28,317
Administrative and third party charges	19	79	
Other technical captions	20 85 50	2 80	87
Total	21 70,508 51	4,470 81	74,978

III: Average number of employees for the year

	Number
Managers	91 28
White collars	92 522
Blue collars	93
Other	94
Total.....	95 550

IV: Directors and statutory auditors

	Number	Fees
Directors	96 13 98	3,793
Statutory auditors	97 3 99	267

Board of Statutory Auditors' Report

STATUTORY AUDITORS' REPORT TO THE SHAREHOLDERS OF VITTORIA ASSICURAZIONI S.P.A. PURSUANT TO THE LEGISLATIVE DECREE NO. 39/2010 AND ART. 2429, PARAGRAPH 2, CIVIL CODE

Dear Shareholders

during the course of the 2022 financial year, we carried out the supervisory activities required by law, and in particular by art. 2403 of the Civil Code, the communications of the Ivass as well as established professional practices. In this direction the activity of the Board of Statutory Auditors was inspired by the provisions of the law and the Rules of Conduct for Boards of Statutory Auditors of unlisted companies issued by the National Council of Professional Accountants and Auditors, published in December 2020 and in force as of January 1, 2021.

Following the Covid-19 pandemic, the Board of Statutory Auditors has carried out its audits both in teleconference pursuant to the provisions of art. 106 of Legislative Decree no. 18 of March 17, 2020 and in presence.

The Company is part of the Vittoria Assicurazioni Group registered under No. 8 of the Register established pursuant to Article 210-ter of the Private Insurance Code, and is subject to the management and coordination, pursuant to articles 2497 et seq. of the Civil Code, of the Parent Company Yafa S.pa; the Group Regulations approved by the Parent Company also delegates Vittoria Assicurazioni the management and coordination of its subsidiaries. In compliance with Ivass Regulation No. 38/2018 and taking into account the parameters set forth in the Letter to the market issued by Ivass on July 5, 2018, the Company adopted the model of corporate governance of the "reinforced" type.

We also highlight:

- we attended the meetings of the Board of Directors and obtained, at least quarterly, information on operations and on the most important economic, financial and equity transactions made by the company and its subsidiaries, ensuring that the decisions taken complied with the law and company mission and they were not in conflict of interest or in contrast with resolutions adopted in Shareholders' Meetings;
- we ascertained, insofar as it falls within our competence, compliance with the principles of proper management by the Directors in fulfilling their duties, with direct observations, gathering information from those responsible for administrative requirements and through meetings with the independent auditors aimed at sharing data and information;
- we monitored, during the financial year, the organizational structure, the internal control system and the administrative-accounting system and its reliability in correctly representing management events through:
 - ✓ obtaining information from the department managers, including the manager responsible for preparing the financial reports;
 - ✓ examining company documents and the reports of the Internal Audit and of the Compliance and Risk Management functions;
 - ✓ periodic meetings with the independent auditor who, during the year, informed us about the outcome of quarterly checks on proper bookkeeping;
 - ✓ dealing with the Supervisory Board pursuant to Legislative Decree N. 231/01, examining the periodic reports and receiving updates on the activities performed;
 - ✓ reviewing the minutes of the Finance, Real Estate, Related Parties, Nominating and Compensation;
 - ✓ participating in the work of the Audit and Risk Committee held, on certain occasions, also jointly with the Appointments and Remuneration Committee.

Constant participation in the Control and Risks Committee enabled the Board of Statutory Auditors to coordinate with said Control and Risks Committee the execution of its Internal Control Committee functions and its auditing functions as provided by Article 19 of Legislative Decree 39/10, and specifically to monitor:

- ✓ the financial reporting process;
- ✓ the effectiveness of internal control systems, internal audit and risk management;
- ✓ the profiles concerning the compliance with money laundering regulations;
- ✓ the statutory audit of annual and consolidated accounts;
- ✓ the matters relating to the independence of the external auditors, as attested in the Additional Report. In particular, the Board of Statutory Auditors examined and approved, in the presence of the legal requirements, the other assignments conferred during the 2022 financial year to KPMG SpA, whose fees are reported in detail in the Explanatory Notes, to which reference is made. These fees are considered adequate to the complexity and size of the work carried out and not such as to affect the independence of the statutory auditor.

On the basis of the activity carried out, the internal control system is adequate as a whole and no critical issues have emerged that should be reported in this report.

Board of Statutory Auditors also reports that carried out, where applicable, additional special audit in compliance with IVASS legislation.

In particular, the Board of Auditors acknowledges that it:

- verified compliance with the guidelines on general investment policies approved by the Board of Directors pursuant to Article 8 of Ivass Regulation no. 24 of June 6, 2016;
- performed the required controls on the use of derivative financial instruments;
- verified the administrative procedures for handling, custody and accounting of financial instruments allocated to cover the technical liabilities, ensuring the instructions given to the depositary entities in order to sending periodic account statements with appropriate evidence of any restrictions;
- checked during the periodic monitoring freedom from constraints and the full availability of the assets allocated to cover the technical provisions;
- found correspondence with the register of assets covering technical provisions;
- verified, also pursuant to ISVAP Regulation no. 44 of February 12, 2019, the fulfilments provided for by the anti-money laundering and counter-terrorist financing regulations and monitored the implementation of the management and control system also on the basis of the results of the self-assessment exercises carried out by the the company as required by the Supervisory Authority;
- monitored the progress of the corrective action plan for the annual assessment of the Best Estimate Life following comments made by Ivass;
- received, in compliance with the Regulations ISVAP no. 24 of 19th May 2008 and IVASS n. 30 of 24th March 2015, quarterly reports on complaints prepared by the Internal Audit and that they did not reveal any critical situation or organizational shortcomings;
- met the members of the Supervisory Body established pursuant to Legislative Decree. n. 231/01, which has set specific half-yearly reports to the Board of Directors and that such positions did not reveal any critical issues that need to be identified in this report;
- acquired the reports and exchanged information with the Control Bodies of the subsidiaries, pursuant to Article 74 of Ivass Regulation No. 38/2018;
- verified that the Company has put in place regulations, procedures and structures aimed at monitoring the insurance, financial, credit and business risks, in accordance with IVASS regulation no. 38/2018 related to Corporate Governance system;
- monitored the fulfilment of the information obligations towards the Supervisory Authority, and in particular the in particular, the extraordinary monthly monitoring of solvency;

- monitored the activities implemented by the Company to comply with Solvency II regulations;
- verified the indication in the Management Reports of the estimates concerning the solvency situation with Solvency II metric, pursuant to ISVAP Regulation no. 22 of 4 April 2008, amended by the Ivass Provision no. 53 of 6 December 2016, and in particular a Solvency Ratio of 192.0% and a Minimum Capital Ratio of 366.1%; these solvency capital requirements individual were calculated using the Standard Formula with Undertaking Specific Parameters, subject to the approval of the Supervisory Authority.

The Statutory Auditors state that:

- information provided by the Board of Directors, also specifically regarding subsidiaries, intercompany transactions and transactions with related parties are considered adequate;
- as far as we know there were no atypical or unusual transactions carried out either with Group companies or related parties, and even with third parties, as evidenced by the Directors in the Management Reports;
- ordinary transactions with Group companies and related parties are carried out at market conditions and respond to the interest of the Company and are performed in compliance with the specific procedure approved by the Board of Directors; they are described in the Management Reports with details of their entity and their economic effects on the operating result;
- during 2022 no. 8 meetings of the Board of Auditors were held; he also attended all 11 meetings of the Board of Directors, 9 meetings of the Audit and Risk and the 5 joint meetings with the Nomination and Remuneration Committee;
- During the year under review, the Board of Statutory Auditors has issued the opinions as required by law;
- after the end of the year no significant events have been reported;
- the Company verified the actual independence of the independent directors and we confirm that we have verified the correct application of the criteria and procedures adopted by the Board of Directors, as well as the persistence of our independence as required the Self-Regulation Code;
- we have no comments on the Remuneration Report for 2022 prepared in accordance with ISVAP Regulation no.38 of 3th July 2018 and submitted for approval to the Shareholders' Meeting;
- as a result of the supervisory activity performed, we have no observations regarding the Consolidated Non-Financial Statement for 2022 financial year, prepared by the Company pursuant to Legislative Decree 254/2016;
- during the year we have received no complaints pursuant to art. 2408 of the Italian Civil Code C.C., nor any other exposures pursuant to Article 2409 of the Italian Civil Code.

The Company has drawn up the Financial Statements and the Consolidated Financial Statements according to (as required by law) the National Accounting Principles (the Financial Statements) and IAS / IFRS accounting principles, such as endorsed by the EU (Consolidated Financial Statements).

The Board of Auditors supervised, to the extent of its competence, the general layout of the financial statements and consolidated financial statements, verifying their general compliance with the regulations that governing their formation and structure, both general and specific to insurance companies.

On April 4, 2023, the auditing firm KPMG issued the Audit Reports pursuant to accordance with Articles 14 and 16 of Legislative Decree No. 39/2010 for the Annual Report and Financial Statements

Consolidated Financial Statements as of December 31, 2022. As stipulated in Article 10 of Regulation (EU) no. 537/2014, the above-mentioned Reports also identify the "key aspects of the audit" in accordance with the law. These reports were issued with no qualifications or requests for additional disclosures, also expressing consistency judgment with the financial statements, the Management Reports and the information contained in the Report on Corporate Governance and Ownership Structure as well as the judgment of the sufficiency of technical provisions.

KPMG S.p.a. on April 4, 2023 released the Additional Report required by art. 11 of Regulation (EU) 537/2014 concerning the financial statements of Vittoria Assicurazioni and the consolidated financial statements as at

31st December 2022, from which no significant deficiencies emerge in the internal control system in relation to the financial reporting process. In turn, the Board of Statutory Auditors transmitted this Report to the Board of Directors pursuant to art. 19, paragraph 1, letter a) of Legislative Decree no. 39/2010. Board of Directors, pursuant to art. 19, paragraph 1, letter a) of Legislative Decree no. 39/2010, without any observations. The Audit firm also released the certification pursuant to art. 3, paragraph 10 of Legislative Decree no. 254/16 on the Consolidated Non-Financial Statement for 2022 financial year.

On April 5, 2023, the Independent Auditors issued the report pursuant to Article 47-septies, paragraph 7, of Legislative Decree no. 209/2005 and art. 4, paragraph 1, letters a) and b), of IVASS Regulation no. 42/2018 relating to the Report on Solvency and Financial Condition (SFCR) for the year 2022.

With reference to the proposed dividend distribution, it is acknowledged that in light of the current macroeconomic situation and the possible evolution in a negative direction of the risk factors risk, Ivass in a letter dated March 13, 2023 sent to the Insurance Companies, has recommended that extreme prudence be adopted in dividend distribution resolutions.

The Board of Directors meeting of March 22 as a result of the evaluations carried out, also considering possible stress scenarios, decided to confirm the dividend policy implemented so far.

Dear Shareholders,

taking into account the foregoing considerations, the Board sees no impediment to the approval of the financial statements as at 31 December 2022, as prepared by the Board of Directors, and issues a favorable opinion on the proposal made for the allocation of profit of the year of 62,540,035 euro:

2,323,937 euro to decrease the available reserves Life Business, 34,446,764 euro to increase the available reserves Non-Life Business and 30,417,208 euro as dividends.

Milan, 5 April 2023

THE BOARD OF STATUTORY AUDITORS

Giuseppe Cerati

Giovanni Maritano

Francesca Sangjani

Independent auditor's Report



KPMG S.p.A.
Revisione e organizzazione contabile
Via Vittor Pisani, 25
20124 MILANO MI
Telefono +39 02 6763.1
Email it-fmauditaly@kpmg.it
PEC kpmgspa@pec.kpmg.it

(This independent auditors' report has been translated into English solely for the convenience of international readers. Accordingly, only the original Italian version is authoritative.)

Independent auditors' report pursuant to article 14 of Legislative decree no. 39 of 27 January 2010, article 10 of Regulation (EU) no. 537 of 16 April 2014 and article 102 of Legislative decree no. 209 of 7 September 2005

*To the shareholders of
Vittoria Assicurazioni S.p.A.*

Report on the audit of the financial statements

Opinion

We have audited the separate financial statements of Vittoria Assicurazioni S.p.A. (the "company"), which comprise the balance sheet as at 31 December 2022, the profit and loss account for the year then ended and notes thereto.

In our opinion, the separate financial statements give a true and fair view of the company's financial position as at 31 December 2022 and of its financial performance for the year then ended in accordance with the Italian regulations governing their preparation.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the "*Auditors' responsibilities for the audit of the separate financial statements*" section of our report. We are independent of the company in accordance with the ethics and independence rules and standards applicable in Italy to audits of financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the separate financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



Vittoria Assicurazioni S.p.A.

Independent auditors' report

31 December 2022

Measurement of property

Notes to the separate financial statements: "Part A – Accounting policies", paragraph "Investment captions" (C.I Land and buildings) and (C.II- Investments in group companies and other investees)

Notes to the separate financial statements: "Part B – Information on balance sheet and income statement" Balance sheet - Assets paragraph "Class C – Investments" (C.I - Land and buildings) and (C.II – Investments in group and in other companies)

Key audit matter	Audit procedures addressing the key audit matter
<p>The separate financial statements at 31 December 2022 include "Land and buildings - operating buildings" of €77.3 million, "Land and buildings - buildings used by third parties" of €62.0 million and "Investments in group and other companies – equity investments" of €450.5 million, mostly related to investments in companies that manage and develop the property portfolio ("property companies").</p> <p>As explained in "Part A – Accounting policies" of the notes to the separate financial statements, land and buildings and investments in group and other companies are classified as fixed assets. Land and buildings are recognised at purchase cost and, should they have a finite useful life, are systematically depreciated over their residual useful life, except for buildings held for sale. The investments in group and other companies are recognised at acquisition cost, including transaction costs. This cost may be written down to account for any impairment losses that may be inferred from the investees' approved financial statements.</p> <p>In order to determine the property's fair value and identify any impairment losses, the directors engaged an independent expert. They also consider the independent expert's appraisals when measuring the company's investments in property companies and in identifying any impairment losses.</p> <p>The independent expert's main assumptions and parameters relate to financial variables, e.g., the discount rate used, and non-financial variables, mainly linked to the estimated lease payments and the expected property sales' timing and cash flow forecasts. As explained in "Part A - Accounting policies" of the notes to the separate financial statements, in 2022, the directors have estimated the property's fair value taking into account the unprecedented macroeconomic scenario caused by the Covid-19 public health emergency. Moreover, they considered any available offers received from market operators.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none">• understanding the process adopted to measure land and buildings and investments in group and other companies and to identify any related indicators of impairment;• understanding the valuation models and underlying assumptions and parameters used by the independent expert to determine the fair value of property, also taking into account the current macroeconomic scenario caused by inflation and the increase of interest rates;• performing a critical analysis of the independent expert's appraisals of selected items of property, including by comparing them with the most recent market inputs and available historical figures. We carried out these procedures with the assistance of experts of the KPMG network;• checking the property companies' financial statements to ensure there were no indicators of impairment;• performing tests of details to check the accuracy of the carrying amounts and the recognition of any impairment losses;• discussing any sales negotiations underway with the company's management;• assessing the appropriateness of the disclosures about investments in group companies.



Vittoria Assicurazioni S.p.A.

Independent auditors' report

31 December 2022

Key audit matter	Audit procedures addressing the key audit matter
<p>Considering the subjectivity of the estimates inherent in the valuation models used to measure the fair value of property, the uncertainty of the underlying assumptions and parameters, the current macroeconomic scenario caused by the pandemic emergency and the materiality of the carrying amount of property and investments in property companies, we believe that the measurement of property is a key audit matter.</p>	

Measurement of class C financial instruments

Notes to the separate financial statements: "Part A – Accounting policies", paragraph "Investment captions" (C.III Other financial investments)

Notes to the separate financial statements: "Part B – Information on balance sheet and income statement" Balance sheet - Assets paragraph "Class C – Investments" (C.III Other financial investments)

Key audit matter	Audit procedures addressing the key audit matter
<p>The separate financial statements at 31 December 2022 include class C financial instruments of €3,732.8 million, accounting for approximately 70.6% of total assets.</p> <p>Listed bonds and other fixed-income securities make up 73.7% of financial instruments, while units of mutual funds (mostly alternative investment funds) and, marginally, loans, listed shares and unlisted bonds and other fixed-income securities account for 25.9%.</p> <p>Since financial instruments are a significant portion of the company's assets, our audit procedures required adequate time and resources.</p> <p>Moreover, measuring class C financial instruments, particularly those unquoted on active markets or poorly liquid, requires estimates, including by using specific valuation methods, which may present a high level of judgement and are, by their very nature, uncertain and subjective.</p> <p>For the above reasons, we believe that the measurement of class C financial instruments is a key audit matter.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> • understanding the process for the measurement of class C financial instruments and the related IT environment and assessing the design and implementation of controls and performing procedures to assess the operating effectiveness of material controls; • analysing the significant changes in Class C financial instruments and in the related income statement items compared to the previous years' figures and discussing the results with the relevant internal departments; • checking the measurement of all Class C listed financial instruments in portfolio at 31 December 2022; • checking, on a sample basis, the measurement of class C unlisted financial instruments (especially units of alternative investment funds), by analysing the valuation models and the reasonableness of input data and parameters used; we carried out these procedures with the assistance of Financial Risk Management experts of the KPMG network; • assessing the appropriateness of the disclosures about class C financial instruments.



Vittoria Assicurazioni S.p.A.

Independent auditors' report

31 December 2022

Measurement of non-life technical provisions

Notes to the separate financial statements: "Part A – Accounting policies", paragraph "Non-life technical insurance captions" (premium reserve, other technical reserves, equalisation reserves, claims reserve and reversals and profit participation)"

Notes to the separate financial statements: "Part B – Information on balance sheet and income statement" Balance sheet - Liabilities paragraph "Class C – Technical reserves" (C.I Non-life business)

Key audit matter	Audit procedures addressing the key audit matter
<p>The separate financial statements at 31 December 2022 include non-life technical provisions of €1,909.6 million, accounting for approximately 36.1% of total liabilities.</p> <p>The company measures this caption including by using actuarial valuation techniques which entail a high level of complex and subjective judgement relating to past and future internal and external variables with respect to which any changes in the underlying assumptions may have a significant impact on the measurements of these liabilities.</p> <p>For the above reasons, we believe that the measurement of non-life technical provisions is a key audit matter.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none">• understanding the process for the measurement of non-life technical provisions and the related IT environment and assessing the design and implementation of controls and performing procedures to assess the operating effectiveness of material controls;• analysing the significant changes in non-life technical provisions compared to the previous years' figures, analysing the key summary indicators and discussing the results with the relevant internal departments;• analysing the valuation methods adopted by the company and the reasonableness of input data and parameters used for the most significant regulatory lines of business; we carried out these procedures with the assistance of experts of the KPMG network;• checking the compliance of the calculation of the overall technical provisions with the applicable laws and regulations and correct actuarial techniques, by applying actuarial methods, in order to identify a range of reasonable technical provision values. We carried out this procedure with the assistance of experts of the KPMG network;• reading and analysing the actuarial function's report;• assessing the appropriateness of the disclosures about the non-life technical provisions.



Vittoria Assicurazioni S.p.A.

Independent auditors' report

31 December 2022

Measurement of class C life technical provisions

Notes to the separate financial statements: "Part A – Accounting policies", paragraph "Life technical insurance captions" (Mathematical and other technical reserves and reversals and profit participation)"

Notes to the separate financial statements: "Part B – Information on balance sheet and income statement" Balance sheet - Liabilities paragraph "Class C – Technical reserves" (C.II Life business)

Key audit matter	Audit procedures addressing the key audit matter
<p>The separate financial statements at 31 December 2022 include class C life technical provisions of €1,851.8 million, accounting for approximately 35.0% of total liabilities.</p> <p>The company measures this caption including by using actuarial valuation techniques which, in certain instances, entail a high level of complex and subjective judgement relating to past and future internal and external variables with respect to which any changes in the underlying assumptions may have a significant impact on the measurements of these liabilities.</p> <p>For the above reasons, we believe that the measurement of class C life technical provisions is a key audit matter.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none">• understanding the process for the measurement of class C life technical provisions and the related IT environment and assessing the design and implementation of controls and performing procedures to assess the operating effectiveness of material controls;• analysing the significant changes in class C life technical provisions compared to the previous years' figures and discussing the results with the relevant internal departments;• checking, on a sample basis, the valuation models adopted by the company and the reasonableness of the input data and parameters used; we carried out these procedures with the assistance of actuarial experts of the KPMG network;• checking the compliance of the calculation of the overall class C life technical provisions with the applicable laws and regulations and correct actuarial techniques. We carried out this procedure with the assistance of experts of the KPMG network;• reading and analysing the actuarial function's report;• assessing the appropriateness of the disclosures about the class C life technical provisions.

Other matters - Management and coordination

As required by the law, the company disclosed the key figures from the latest financial statements of the company that manages and coordinates it in the notes to its own separate financial statements. Our opinion on the company's separate financial statements does not extend to such data.



Vittoria Assicurazioni S.p.A.

Independent auditors' report

31 December 2022

Responsibilities of the company's directors and board of statutory auditors ("Collegio Sindacale") for the separate financial statements

The directors are responsible for the preparation of separate financial statements that give a true and fair view in accordance with the Italian regulations governing their preparation and, in accordance with the Italian law, for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The directors are responsible for assessing the company's ability to continue as a going concern and for the appropriate use of the going concern basis in the preparation of the separate financial statements and for the adequacy of the related disclosures. The use of this basis of accounting is appropriate unless the directors believe that the conditions for liquidating the company or ceasing operations exist, or have no realistic alternative but to do so.

The *Collegio Sindacale* is responsible for overseeing, within the terms established by the Italian law, the company's financial reporting process.

Auditors' responsibilities for the audit of the separate financial statements

Our objectives are to obtain reasonable assurance about whether the separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA Italia will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these separate financial statements.

As part of an audit in accordance with ISA Italia, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;
- conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report



Vittoria Assicurazioni S.p.A.

Independent auditors' report

31 December 2022

to the related disclosures in the separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the company to cease to continue as a going concern;

- evaluate the overall presentation, structure and content of the separate financial statements, including the disclosures, and whether the separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance, identified at the appropriate level required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the ethics and independence rules and standards applicable in Italy and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the separate financial statements of the current year and are, therefore, the key audit matters. We describe these matters in our auditors' report.

Other information required by article 10 of Regulation (EU) no. 537 of 16 April 2014

On 29 April 2020, the company's shareholders appointed us to perform the statutory audit of its separate and consolidated financial statements as at and for the years ending from 31 December 2021 to 31 December 2029.

We declare that we did not provide the prohibited non-audit services referred to in article 5.1 of Regulation (EU) no. 537 of 16 April 2014 and that we remained independent of the company in conducting the statutory audit.

We confirm that the opinion on the separate financial statements expressed herein is consistent with the additional report to the *Collegio Sindacale*, in its capacity as audit committee, prepared in accordance with article 11 of the Regulation mentioned above.

Report on other legal and regulatory requirements

Opinion pursuant to article 14.2.e) of Legislative decree no. 39/10 and article 123-bis.4 of Legislative decree no. 58/98

The company's directors are responsible for the preparation of a directors' report and a report on corporate governance and ownership structure at 31 December 2022 and for the consistency of such reports with the related separate financial statements and their compliance with the applicable law.



Vittoria Assicurazioni S.p.A.

Independent auditors' report

31 December 2022

We have performed the procedures required by Standard on Auditing (SA Italia) 720B in order to express an opinion on the consistency of the directors' report and the specific information presented in the report on corporate governance and ownership structure indicated by article 123-bis.4 of Legislative decree no. 58/98 with the company's separate financial statements at 31 December 2022 and their compliance with the applicable law and to state whether we have identified material misstatements.

In our opinion, the directors' report and the specific information presented in the report on corporate governance and ownership structure referred to above are consistent with the company's separate financial statements at 31 December 2022 and have been prepared in compliance with the applicable law.

With reference to the above statement required by article 14.2.e) of Legislative decree no. 39/10, based on our knowledge and understanding of the entity and its environment obtained through our audit, we have nothing to report.

Opinion pursuant to article 102.2 of Legislative decree no. 209 of 7 September 2005 of the life business

The company appointed us to perform the check required by article 102.2 of Legislative decree no. 209/2005 of the life technical provisions, recognised under liabilities in its separate financial statements at 31 December 2022.

The directors are responsible for the sufficiency of the technical provisions recognised to cover the obligations arising from insurance and reinsurance contracts.

Based on the procedures carried out in accordance with article 102.2 of Legislative decree no. 209/2005, ISVAP regulation no. 22/2008 and the Clarification published by IVASS on its website on 31 January 2017, the above technical provisions recognised under liabilities in the company's separate financial statements at 31 December 2022 are sufficient in conformity with the applicable laws and regulations and correct actuarial techniques, in accordance with the requirements of ISVAP regulation no. 22/2008.

Opinion pursuant to article 102.2 of Legislative decree no. 209 of 7 September 2005 of the non-life business

The company appointed us to perform the check required by article 102.2 of Legislative decree no. 209/2005 of the non-life technical provisions, recognised under liabilities in its separate financial statements at 31 December 2022.

The directors are responsible for the sufficiency of the technical provisions recognised to cover the obligations arising from insurance and reinsurance contracts.

Based on the procedures carried out in accordance with article 102.2 of Legislative decree no. 209/2005, ISVAP regulation no. 22/2008 and the Clarification published by IVASS on its website on 31 January 2017, the above technical provisions recognised under liabilities in the company's separate financial statements at 31 December 2022 are sufficient in conformity with the applicable laws and regulations and correct actuarial techniques, in accordance with the requirements of ISVAP regulation no. 22/2008.



Vittoria Assicurazioni S.p.A.
Independent auditors' report
31 December 2022

Other matters

Calculating non-life technical provisions is a complex estimation process that includes many subjective variables. Any changes to these variables may significantly affect the final outcome. Accordingly, we have identified a range of reasonable technical values to account for the uncertainty inherent in those variables. Our checks of the sufficiency of the non-life technical provisions mentioned above included checking that these provisions fell within that range.

Milan, 4 April 2023

KPMG S.p.A.

(signed on the original)

Maurizio Guzzi
Director of Audit

Company's development from incorporation

YEAR	PREMIUS		Technical reserves and payable amounts net of reinsurance		Investments	Capital income net of charges	Monetary revaluation reserves	Net profit	Equity reserves	Share capital fully paid-up
	Gross	Ceded	Retained	Reinsured						
1922	6	4	2	1	1	0	-	0	-	3
1930	6	3	3	2	4	0	-	0	0	3
1940	14	6	8	7	15	1	-	0	1	6
1950	424	165	259	176	301	14	61	3	8	62
1960	1.581	353	1.227	1.685	2.061	104	-	63	222	258
1970	4.525	844	3.681	6.800	5.814	319	-	25	425	258
1975	10.092	1.693	8.399	12.943	11.186	632	1.046	1	1.099	258
1980	24.693	5.436	19.257	30.174	22.649	2.140	271	718	2.979	1.033
1985	57.175	10.124	47.051	74.108	76.515	8.150	4.912	3.119	6.023	1.291
1990	112.689	11.074	101.616	168.239	198.395	18.440	781	4.704	43.691	15.494
1995	197.690	17.744	179.946	392.946	393.862	35.550	3.911	4.220	50.146	15.494
1996	221.584	20.185	201.399	467.309	460.189	39.109	3.911	4.264	51.595	15.494
1997	249.580	20.195	229.385	553.201	550.231	36.523	3.911	4.665	51.965	15.494
1998	289.033	54.849	234.184	614.684	653.252	44.466	3.911	6.322	54.012	15.494
1999	339.363	67.464	271.899	700.653	762.696	41.342	3.911	8.400	57.562	15.494
2000	391.485	79.638	311.847	818.799	898.521	34.209	3.911	6.835	63.038	15.494
2001	386.400	77.879	308.521	884.849	978.279	19.300	3.911	10.744	52.289	30.000
2002	407.054	83.605	323.449	934.347	1.027.554	21.975	3.911	12.806	59.733	30.000
2003	457.564	95.129	362.435	1.005.640	1.114.418	46.385	3.911	15.147	68.939	30.000
2004	519.268	94.965	424.303	1.115.862	1.234.421	47.511	3.911	17.779	80.186	30.000
2005	551.202	86.514	464.688	1.198.173	1.322.597	49.000	3.911	20.330	93.765	30.000
2006	587.489	75.717	511.772	1.305.203	1.451.137	67.146	3.911	27.437	111.310	30.452
2007	636.526	50.281	586.245	1.443.579	1.557.261	66.341	3.911	36.495	142.290	32.666
2008	630.718	32.798	597.920	1.444.379	1.561.805	43.317	-	37.939	155.972	65.766
2009	671.307	32.656	638.651	1.545.324	1.646.765	69.137	-	24.290	182.814	65.789
2010	817.539	37.645	779.894	1.658.527	1.750.118	55.295	-	29.256	198.146	67.379
2011	937.566	27.779	909.787	1.785.955	1.880.749	31.230	-	35.329	215.947	67.379
2012	1.018.323	30.757	987.566	1.911.766	2.031.532	52.065	-	57.482	239.822	67.379
2013	1.151.294	37.878	1.113.416	2.130.410	2.290.440	57.555	-	62.467	293.106	67.379
2014	1.283.786	37.252	1.246.534	2.387.053	2.559.151	46.010	-	74.935	343.444	67.379
2015	1.287.543	29.795	1.257.748	2.500.719	2.772.609	47.466	-	66.268	405.577	67.379
2016	1.270.731	32.756	1.237.975	2.617.562	3.077.114	48.943	-	139.487	458.369	67.379
2017	1.339.317	37.886	1.301.432	2.753.539	3.259.157	33.921	-	78.445	583.706	67.379
2018	1.424.160	47.197	1.376.963	2.918.937	3.760.882	41.031	-	99.607	643.285	67.379
2019	1.470.710	58.489	1.412.221	3.127.057	3.710.711	48.597	-	74.370	427.455	67.379
2020	1.443.891	37.921	1.405.970	3.275.323	3.937.943	45.644	-	108.624	488.882	67.379
2021	1.590.804	53.458	1.537.346	3.601.980	4.294.467	70.308	-	102.051	567.088	67.379
2022	1.679.423	74.948	1.604.476	3.926.750	4.571.738	26.926	-	62.540	638.722	67.379