



# FINANCIAL STATEMENT 2020



*Shareholders' meeting  
of April 1<sup>st</sup> 2021*



## 2020 FINANCIAL STATEMENT

### INDEX

• Company's Board	pag.	5
• Introduction	pag.	7
• Management Report	pag.	19
• Tables		
➤ Balance sheet	pag.	61
➤ Income statement	pag.	77
• Notes to the accounts	pag.	89
➤ Notes to the account annexes	pag.	141
▪ 2 Balance sheet	pag.	143
▪ 3 Profit and loss account	pag.	156
▪ 4 Intangible assets and land and buildings	pag.	157
▪ 5 Investments in Group	pag.	158
▪ 6 Participating interests in Group undertakings	pag.	159
▪ 7 Investments in group undertakings	pag.	160
▪ 8 Financial investments per type of portfolio	pag.	161
▪ 9 Change in long-term financial investments	pag.	162
▪ 10 Change in loans and deposits over the financial year	pag.	163
▪ 11 Statement of investments relating to benefits linked with investment funds and market indices	pag.	164
▪ 14 Change of the technical provisions over the financial year	pag.	175
▪ 15 Change in the provision for risks and charges provisions and in the staff leaving indemnity	pag.	176
▪ 16 Detail of assets and liabilities Group undertakings	pag.	177
▪ 17 Memorandum accounts	pag.	179
▪ 18 Statement of pledges for transactions in derivative contracts	pag.	180
▪ 20 Summary information on life business relating to premiums	pag.	181

▪ 21	Investment income	pag.	182
▪ 22	Income and unrealised gains relating to investments benefiting that bear the risk and investments arising from pension fund management	pag.	183
▪ 23	Investment charges	pag.	184
▪ 24	Charges and unrealized losses relating to investments benefitting Policyholders that bear the risk and investments arising from pension fund management	pag.	185
▪ 27	Life assurance business	pag.	186
▪ 28	Summary of the Life business technical account	pag.	187
▪ 30	Transactions account with Group companies	pag.	188
▪ 31	Summary of written premiums	pag.	190
▪ 32	Charges relating to staff, Board members and Statutory Auditors	pag.	191
•	Cash flow statement	pag.	193
•	Actuarial report on technical provisions	pag.	197
•	External Auditors' Report	pag.	241
•	Statutory Auditors' Report	pag.	249



## 2020 FINANCIAL STATEMENT

### COMPANY'S BOARD

BOARD OF DIRECTORS	CHAIRMAN	Andrea Moneta
	CEO GENERAL MANAGER	Alessandro Santoliquido
	BOARD MEMBERS	Alexander Wallace Humphreys Ugo Ruffolo Paola Tagliavini (until 25/05/2020) Gloria Francesca Marino (from 19/06/2020) Elio Berti
BOARD OF STATUTORY AUDITORS	CHAIRMAN	Francesco Illuzzi
	STATUTORY AUDITORS	Guido Marchese Paolo Delpino
	ALTERNATE AUDITORS	Silvano Montaldo Giovanni Queirolo
INDEPENDENT AUDITOR		EY S.p.A.





## INTRODUCTION





## REFERENCE FRAMEWORK

### The macroeconomic scenario

The global spread of Covid-19 hit the world economy hard in the first half of 2020, with a partial rebound in the central part of the year, supported by massive fiscal stimuli. Unfortunately, the second outbreak compromised recovery, keeping a high degree of uncertainty in the short term. According to the International Monetary Fund, the impact of the pandemic in 2020 proved less severe than expected, estimating a contraction of world GDP around -3.5% and a marked increase in the following two years (+ 5.5% in 2021 and +4, 2% in 2022). The downturn affected all geographic areas without exception, and even if short-lived, the recession could have persistent consequences in some particularly exposed sectors such as tourism, air transport, entertainment. The global forecast framework would remain highly uncertain conditioned by the dynamics of the vaccination campaign, which really represents the turning point of this crisis and at the same time an element capable of changing the current geopolitical equilibrium. Evidence of this is the recent tensions between the European Union and some pharmaceutical groups, due to cuts in vaccines supplies which violate previously undersigned contracts. Outside the health sector more risks persist, namely related with the management of policies to support national and supranational economies: an expansionary monetary policy will be essential in order to guarantee favorable financing conditions for all sectors. Indeed, reducing uncertainty and strengthening confidence encourages consumption and investment spending, thus favoring overall economic activities.

Concerning Brexit, at the end of 2020 the treaty regulating commercial and political relations between the European Union and the United Kingdom entered into force: the agreement creates a free trade area for all goods on which no duties will be imposed, but leaves barriers to various types for services. Early difficulties due to the new regulations can be seen already in terms of circulation of goods, while concerning financial services, the impact consisted in the shifting of significant volumes of business transactions denominated in Euros towards EU markets such as Amsterdam and Paris.

The trend in prices is confirmed to be very contained in a global context characterized by significant unused capacity in the labor market for goods and services, and demand curbed by the health emergency. For now, inflation in advanced economies remains well below the 2 percent target, but there are some signs of change. In the euro area, it went from -0.3% in December 2020 to +0.9% in January 2021, the strongest increase in over a decade. In Germany, the president of the German central bank that estimated it will exceed 3% in 2021, while in the UK and the USA economists foresaw a 2 percent excess by the end of 2021.

In early 2021, the growth in oil price continues, further approaching levels observed before the crisis (-7.7% since the beginning of 2020), exceeding the threshold of \$ 60 per barrel in the Brent variety. The discipline shown by OPEC and non-OPEC producers in respecting production cuts has been a key factor in recovering the price of crude oil, and will continue to be so in the near future. A moderate rise in the price of oil is expected, also fueled by a more significant global recovery during the year.

In the currency markets, after a bad summer season, the dollar has re-stabilized since September 2020. Against the euro, the fluctuation found a limit of 1.20, a value in line with the current interest rate differentials between US and EU. Unless strongly positive or negative surprises concerning the two sides, the exchange rate should fluctuate around the same values for some time.

In the **United States**, the recession which began in February 2020 has no historical precedent in terms of speed and depth, and took place both through the supply induced by companies closing, and through the demand resulting from the lockdown and social distancing. After the collapse of the second quarter, the recovery of the US economy which began in May marked a large summer rebound thanks to fiscal stimulus and household savings. The IMF estimates a 2020 GDP down by -3.4%, with a vigorous return to growth

+5.1% already in 2021 and a deceleration in 2022 to + 2.5%. Although delayed due to disagreements between Democrats and Republicans, the Biden administration has recently taken further fiscal stimulus measures aimed at supporting demand and the prevalently weak labor market. Permanent job losses have increased, while availability of new jobs remains below pre-pandemic levels. The unemployment rate remains stable at around 6.7%, with more marked criticalities in the hospitality/recreational sector. Consumer inflation in December 2020 recorded an annual change of approximately +1.3% with “core” inflation stable at +1.6%. Both levels are still far from the long-term averages and the target levels of the US central bank (+ 2%).

In **Japan**, the pandemic has aggravated a recession, which was already underway since the end of 2019. However, the fiscal measures, which were confirmed by the new secretary of the majority party who succeeded ABE, have contained the decline in employment and will support families, and their disposable income. The IMF expects a GDP decline worth -5.1% in 2020, with a sharp improvement expected throughout the following two-year period, with growth rates unseen for decades (+ 3.1% in 2021 and + 2.4% in 2022). The unemployment rate will rise up to mid-2021 towards 3.2% while inflation, now negative, is expected to be around zero at the end of 2020, far from 2% over the entire foreseeable horizon.

In the fourth quarter of 2020, Chinese GDP grew by 2.6%, bringing growth over 12 months to 6.0%. This trend makes the **China** one of the few countries in the world with positive economic growth in 2020. In January 2021, the data still confirm the trend, in particular retail sales and industrial production suggest a broadening of the structural recovery also in consumption. The PMI also indicates that the services sector is in a phase of strengthening, as the pandemic in China is substantially under control despite the closure measures taken by several municipalities to deal with new outbreaks. The IMF expects a strong acceleration of GDP in 2021 (+ 8.1%) and 2022 (+ 5.6%). As for the inflation rate, which was not affected at all by the monetary stimulus, it continues to provide negative values of -0.4% on an annual basis.

For the area of the so called **Emerging countries**, the reference framework is differentiated and not without uncertainties. Mexico owes its struggles to its close ties with the US; Brazil and many South American countries struggling with a difficult crisis triggered by the decline in raw materials and unbalanced fiscal policies. Turkey has uncertainties related to its political situation, as well as financial imbalances, which make it very fragile. Perhaps India, with all its known weaknesses, can be considered as one the most emerging countries, as the one showing positive dynamics in terms of reforms in a context of substantial political stability: after the abrupt setback of 2020 (-8.0%), the GDP is expected to accelerate in subsequent years (+ 11.5% in 2021 and + 6.8% in 2022).

Also in **Europe**, the first published data show weakness and a marked slowdown due to the restrictive measures introduced in the area. The 2020 GDP falls by -7.2% even if different trends are observed among member countries, such as Germany -5.4%, France -9.0%, Spain -11.1%. Retail sales contracted by -2.9%, and also in January 2021, both the consumer and business confidence index remained negative. Growth should regain momentum in the spring, settling at around +4.2% for 2021 and at 3.6% in 2022, also thanks to the agreement reached by the European Council on the EU budget, the so-called *Next Generation EU*, following which on December 17th, the EU Council approved the multiannual financial framework for the years 2021-27. The financial budget set forth for the entire period is 1,074.3 billion, of which 166 for 2021. For the effective launch of the NGEU, it is still necessary to ratify the decision on the Union's own resources by all Member States, according to their national constitutional rules. Inflationary pressures continue to remain low, with inflation stable at -0.3% and the core index (excluding energy and food) also stable at 0.4% while the unemployment rate in December 2020 settles around to 8.3%.

According to the first estimates contained in the Economic Bulletin of the Bank of **Italy**, our economy recorded an estimated contraction of -9.2% in 2020, while in the following quarter there could be a consistent recovery which may bring GDP back to levels just below those before the crisis, + 3.5% in 2021, + 3.8% in 2022 and + 2.3% in 2023. The contagion containment measures that followed the second wave of Covid-19 immediately after the summer heavily impacted economic activity. The service sector was the most penalized, with limitations on the opening hours of some activities and a traffic ban between 10pm and 5am. Industrial activity decreased by more than 10% for the whole of 2020, while the support measures have mitigated the liquidity needs of companies and contained the risks of insolvency, but at the same time further widened their indebtedness. The labor market barely held on, also thanks to the massive use of wage integration tools: the unemployment rate in December 2020 rose to 9% in line with the previous year and youth unemployment (15-24 years) proved worth 29.7%. The harmonized index of consumer prices in December 2020 stood at -0.2%, with no increase foreseen at least in the short term.

### **Financial markets**

On January 21, 2021, the European Central Bank confirmed the interest rates: the reference rate remains zero, while that on deposits stays at -0.5%. The Governing Council expects rates to remain at these levels or to be further lowered, until inflation expectations in the area approach the target level of 2%. Purchases will continue under the health emergency program (PEPP) with a financial endowment of € 1,850 billion at least until March 2022, and in any case until this current critical phase of the COVID-19 pandemic is considered over. The ECB also intends to continue to fully reinvest the principal repaid on maturing securities under the APP as long as it is necessary, to maintain favorable liquidity conditions and a large degree of monetary accommodation.

The Federal Reserve also confirmed its monetary policy at its meeting on January 27th, 2021. Rates remain unchanged between zero and 0.25%. The US central bank has confirmed that it will keep rates at these levels, until the economy reaches full employment and the inflation rate stabilizes at 2% over the long term.

Positive start of 2021 for bond markets driven by optimism generated by announcements of vaccine efficacy, further monetary and budget support and the resolution of uncertainty linked to the presidential elections in the United States. The benchmark rate on the 10-year maturity was on the average in December equal to 0.93% in the USA, -0.57% in Germany and 0.54% in Italy: The spread between the yield on the ten-year BTP/Bund is worth 112 basis points. Based on indications provided by the Merrill Lynch index, financial bonds showed an average return of 0.38% in the Euro area in January 2021 and 1.58% in the United States.

In January 2021, international share prices showed the following dynamics: the Dow Jones Euro Stoxx rose on a monthly average of +2.9% (-4.2% y/y), the Nikkei 225 +5% (+19% y/y) and Standard Poor's +2.6% (+15.6% y/y). Going into detail, in January 2021 the main European stock market indices showed: the Cac40 (F) +0.8% (-6.9% y/y), the Ftse100 (GB) + 2.6% (-11,5% y/y), Dax30 (D) +2.7% (+3.4% y/y), Milan's Ftse Mib +1.5% (-6.2% y/y). After a positive start, the Italian stock market recorrected in the wake of the 2020 closure, particularly due to concerns related to the persistent high number of Covid-19 infections and the slowdown in the vaccination campaign, due to delays in the delivery of vaccines by pharmaceutical companies. Added to this is the worsening of the political situation with the fall of the Conte government and the search for a new executive capable of ferrying our country out of the moment of great difficulty we are experiencing.

### Insurance sector

According to the estimates of the association of insurance companies, in 2020 the accounted premiums of the Italian non-life and life direct portfolio should record a slight contraction of around 5%, reversing an ultra-annual growth trend.

Collections from the **Non-Life** sector obtained in the first nine months of 2020 are worth € 26.9 billion, and undergo an annual decline of -2.2%, which is worth -€ 591 million. Among the main classes, the slight growth in general TPL (+€ 96 million) Other damage to property (€+42 million) and Fire and natural elements (+€ 69 million) does not compensate for the decline in premiums written in the other classes, including the motor sector (-€ 491 million for motor liability only) and the Accident and Health classes. The main form of intermediation is confirmed to be the agency channel (70.3%), despite a decrease compared to the previous year, followed by brokers (13.3%), bank and post office classes 7.2% and direct sales (Management, Telephone sales, internet) which retain their last position in the distribution channels at 8.2%.

Regarding the **Life** class, adding to the new business premiums of individual and collective policies those of subsequent years relating to policies underwritten in previous years, it is estimated that overall life premiums (gross recorded) should reach an amount of approximately € 100 billion in 2020, down by 6.0% compared to 2019. This result is due to the contraction (-9%) in premiums relating to class I worth € 66 billion, only minimally offset by the increase in class VI policies (+36%, for a volume of almost 4 billion), while the volume relating to class III policies is estimated to be almost stationary, compared to that recorded in 2019, amounting to almost € 28. More than two thirds of the collection comes from bank and post office classes, 14% for financial consultants, 12% agents, 4% direct sales.

### Real estate sector

According to data from the Revenue Agency, 2020 was one of the worst years for the real estate sector: less than 400,000 residential sales transactions, a value worth -13.9% compared to the previous year. In the March and April 2020 lockdown, it was not possible to conclude acquisitions or sales or to physically visit the properties. All of this effectively ended up plastering the market. However, the effects of Covid 19 were different depending on the areas involved: a positive trend was recorded for peripheral municipalities, while the impact was considerable in the provincial and metropolitan capitals. The construction sector was heavily affected by the freeze in activity in the first phase of the pandemic. The so called “Relaunch” decree gave important signals to the market and allowed the gradual recovery of construction sites, albeit with new costs and precautions, which resulted in greater cost and lower productivity. The health emergency has influenced the demand for properties in all sectors: residential, offices, hotels, commercial and logistics, and operators agree that the transformation we have witnessed is not to be considered transitory but structural.

Concerning the 2021 outlook there is cautious optimism, with 45% of European real estate investors expecting a recovery within the year, and only 5% fearing that the crisis will continue. Growth will probably be slower than expected in both Europe and Italy, but in any case such as to justify a climate of progressive greater confidence in the construction and reconstruction sector, supported by significant tax incentives. To achieve the desired expansionary effect, robust support for both public and private investments will be required through resources sourced from the Next Generation EU program. The interventions should favor energy efficiency and safety, including seismic safety, as well as that of public and private buildings. The desire of Italians to own a property will find confirmation by favoring larger multi-purpose houses also used for smart working, large outdoor spaces with balconies, terraces and gardens. The non-residential segment concerning offices will still mark the pace despite, the continuing work on the creation of important office spaces in squares such as Milan, in which interest will remain high, albeit with decreasing prices and rents.

## Solvency II

From 1 January 2016, the Solvency II legislation came into force.

In particular, Legislative Decree No. 74 of May 12, 2015, modifying the code of private insurance (Legislative Decree No. 209 of September 7, 2005), implemented the Directive 2009/138/EC of the European Parliament and of the Council, introducing Italian regulatory framework the new solvency regime (Solvency II) to which insurance and reinsurance undertakings are subject.

### *Annual and Quarterly Reporting*

In the letter dated March 13th, 2019, IVASS defined the timing for transmission of the Quantitative Reporting Template (QRT) with the annual data relating to December 31st, 2019, for individual companies (deadline for sending on April 7th, 2020) and for data belonging to the Group (deadline on May 19th, 2020).

On March 20th, in consideration of the Covid-19 pandemic emergency, 2020 EIOPA issued some recommendations aimed at promoting greater flexibility regarding the deadlines of supervisory reporting and public disclosure, in order to give companies the opportunity to concentrate on monitoring and assessing the impact of Covid-19, as well as guaranteeing operational continuity in an extremely difficult phase.

On March 31st, 2020, IVASS ordered the extension of deadlines for the obligations related to Solvency II reporting, in line with what is indicated in the Recommendations on temporary flexibility relating to the terms for supervisory and public disclosure due to the Covid-19 emergency, issued by EIOPA on March 20th, 2020.

The Amissima Group has decided not to use the 8-week extension granted by IVASS due to the Covid-19 emergency, for the sending of the Annual quantitative reporting templates (AES and ARG) and of the individual and group Regulatory Supervisory Reports (RSR), the single Solvency and Financial Condition Report (SFCR). Therefore, in compliance with the disclosure obligations established by the Solvency II regulation, the Annual quantitative reporting template (AES) and the Regulatory Supervisory Report (RSR) were sent to IVASS on April 7th, 2020, for the individual companies, with the Annual quantitative reporting template (ARG), the Regulatory Supervisory Report (RSR) of the Group and the single Solvency and Financial Condition Report (SFCR) being sent on May 19th, 2020.

The 2020 Quarterly Reports relating to the closing data for each quarter were sent within the expected deadline of 5 weeks from the end of each quarter.

Referring to art. 216-novies of the Private Insurance Code as well as art. 36 of the IVASS Regulation no. 33 of December 6th, 2016, concerning the exercise of the right by the last Italian parent company to draw up a single report on solvency and financial condition (SFCR), and considering the organizational and corporate governance structure which characterizes the Amissima Insurance Group, Parent Company Amissima Holdings has opted for the preparation of a single report for all the companies of the Group, also including information required for its subsidiaries (Amissima Vita and Amissima Assicurazioni). This intention was communicated to the Supervisory Authority with a request dated February 27th, 2017. This option also remains valid for the 2020 report.

### *Periodic monitoring*

With communication dated March 17th 2020 as a consequence of the effects produced by the Covid-19 epidemiological emergency, IVASS started a periodic monitoring of the solvency position, requesting a weekly update of the solvency data of both Companies and Group, also making use of simplifications.

Subsequently, with communication dated June 19th, 2020, considering the changes in the health situation as well as the partial recovery of some economic-financial variables, the Institute decided to reduce the frequency of the information flow on a monthly basis.

### *Regulatory changes*

On December 17th 2020, the European Insurance and Occupational Pensions Supervisory Authority (EIOPA) sent its "Opinion on the Solvency II 2020 Review" to the European Commission, containing the proposed amendments to the Solvency II regulation, namely the 2009/138/EC directive of January 1st, 2016.

The document is the product of a process which lasted over two years and saw two consultations, one directed to EIOPA and one to the European Commission, three impact studies and more than one occasion for an official meeting between EIOPA and interested parties.

With this act, EIOPA responds to the request for a technical opinion that the European Commission itself had addressed to the Authority in February 2019, at the same time evaluating the impact of the situation created by Covid-19 on the ongoing review.

With the submission of the opinion to the Commission, the review process gets underway with the task now of the Commission to draft the proposals to amend the directive in the third quarter of 2021. The proposals will then be submitted to the Council and Parliament for the usual co-decision procedure.

The revision affects more than one structural element of Solvency II, although EIOPA has stated that it considers its approach to be evolutionary rather than revolutionary, arguing that the framework should be updated in order to keep it suitable to relate to the current economic and financial context.

On December 15th, 2020, IVASS published the Letter to the market "Solvency II Reports: clarifications on the criteria to be adopted in compiling the annual reporting and use of the LEI code in prudential supervisory reports", in order to provide useful information to improve the quality of reporting.

### *The regulatory developments*

In this context, the regulatory framework appears to be constantly evolving by the legislator and the sector regulator, with significant impacts from a regulatory, legal and managerial point of view, always with a view to a more general Community strategy aimed at creating a European market unique, integrated, competitive and efficient, with low cost, high stability and consumer protection.

In particular:

- As regards specifically to the secondary legislation, **IVASS** issued:
  - ❑ IVASS regulations:
    - Regulation n. 45 of August 4th, 2020, laying down provisions on the governance and control requirements of insurance products pursuant to the legislative decree Law Decree of 7 September 2005, n. 209 - private insurance code and subsequent amendments and additions;
    - Regulation n. 46 of November 17th, 2020, laying down provisions on the transparency of the commitment policy and of elements of the equity investment strategy of insurance or reinsurance companies, in implementation of article 124 novies, paragraph 3, of the consolidated text of provisions on financial intermediation.
  - ❑ IVASS measures:
    - Provision no. 97 of August 14th, 2020, concerning "Provision containing amendments and additions to ISVAP Regulations N.23/2008 (transparency of premiums and contract conditions in compulsory insurance for motor vehicles), N.24/2008 (complaints) and IVASS Regulations N 38/2018 (corporate governance), 40/2018 (insurance distribution) and 41/2018 (information, advertising and creation of insurance products);



- Provision no. 99 of October 6th, 2020, laying down the procedure for the remote hearing of parties in the context of the sanctioning procedure;
- Provision no. 101 of December 15th, 2020, amending IVASS Provision no. 97 of August 4th, 2020 (exemption for intermediaries registered in sections A, B or F of the Register from the obligation to certify the civil liability insurance);
- Provision no. 104 of December 16th, 2020, Setting of the rate for the calculation of management charges to be deducted from the insurance premiums collected in the financial year 2021 for the purpose of determining the supervisory contribution on insurance and reinsurance activities.

❑ **CONSOB** Measures:

- Resolution no. 21466 of July 29th 2020, Amendments to the Intermediaries Regulation regarding information obligations and rules of conduct for the distribution of insurance investment products, in transposition of (EU) Directive 2016/97 on insurance distribution (IDD).

❑ Furthermore, the **Authority** has issued the following Letters to the Market:

- Letter to the market dated February 7th 2020, Self-assessment of money laundering and terrorist financing risks. Annual report of the anti-money laundering function. The deadlines are set for 30/06/2020;
- Letter to the market dated February 7th 2020, Market conduct supervision. Request for information on the insurance business carried out by companies and class offices;
- Letter to the market dated 19 February 2020, New IT procedure for the Register of Companies and Insurance Groups (RIGA) for the management of personal data - parallel operational phase;
- Ivass - Bank of Italy Joint letter dated March 17th, 2020, offer of products combined with financing;
- Letter to the market dated 15 December 2020, Solvency II reports: clarifications on the criteria to be adopted in compiling the annual reporting and use of the LEI code in prudential supervisory reports.

➤ Concerning the **national regulatory framework**, we shall report:

- February 28th, 2020 Law, conversion into law, with amendments to the Law Decree of December 30th, 2019, n. 162 (so called “Milleproroghe Decree”), containing urgent provisions regarding the extension of legislative deadlines, the organization of public administrations, as well as technological innovation;
- April 2nd, 2020, n. 21 Law, conversion into law, with amendments, of the Decree Law 5 February 2020, n. 3, containing urgent measures to reduce the tax burden on employees;
- Legislative Decree 30 July 2020, n. 100 - Implementation of Council Directive (EU) 2018/822, of 25 May 2018, amending Directive 2011/16/EU regarding the mandatory automatic exchange of information in the tax sector in relation to cross-border mechanisms subject to the notification obligation;
- Law Decree 20 October 2020, n. 129 - Urgent provisions on tax collection;

- Law Decree 21 October 2020, n. 130 - Urgent provisions on immigration, international and complementary protection, amendments to articles 131-bis, 391-bis, 391-ter and 588 of the criminal code, as well as measures regarding the prohibition of access to public establishments and places of public detention, for countering distorted use of the web and to regulate the National Guarantor for the rights of persons deprived of personal liberty, converted with Law 18 December 2020, n. 173;
- Law 30 December 2020, n. 178, State budget for the financial year 2021 and multi-year budget for the three-year period 2021-2023;
- Legislative Decree 30 December 2020, n. 287 - Supplementary and corrective provisions to Legislative Decree 21 May 2018, n. 68, implementing Directive (EU) 2016/97 of the European Parliament and of the Council of 20 January 2016 on insurance distribution.

➤ in **the EU regulatory framework**, we shall report:

- Regulation (EU) 2020/34 amending Regulation (EC) No. 1126/2008 of the Commission which adopts certain international accounting standards in accordance with Regulation (EC) no. 1606/2002 of the European Parliament and of the Council, as regards the International Accounting Standard IAS 39 and the Internationals *Financial Reporting Standard* (IFRS) 7 and 9;
- Regulation (EU) 2020/283 of the Council of 18 February 2020 amending Regulation (EU) no. 904/2010 as regards measures to strengthen administrative cooperation to combat VAT fraud;
- Implementing Regulation (EU) 2020/744, amending Implementing Regulation (EU) 2016/1800 establishing implementing technical standards (ITS) regarding the association between the creditworthiness assessments of external credit assessment agencies and an objective scale of credit creditworthiness pursuant to Directive 2009/138/EC on the taking-up and pursuit of insurance and reinsurance activities (Solvency II);
- Regulation (EU) 2020/852, on the establishment of a framework that favors sustainable investments and amending Regulation (EU) 2019/2088.

➤ **Concerning the fiscal field**, we shall report:

- Law Decree of March 17th 2020, n. 18 (so called "Cura Italia"), GU n. 70 of 17 March 2020, bearing "*measures to strengthen the National Health Service and economic support for families, workers and businesses connected to the epidemiological emergency from Covid-19*", Which provides:
  - the general extension to 30 June 2020 of the obligations, other than payments and the execution of withholding taxes and withholdings relating to the regional and municipal surcharge, the terms of which expire between 8 March and 31 May 2020, with the exception of electronic submissions to the tax registry of data relating to deductible and deductible charges for the preparation of the pre-filled return, for which the deadline remained March 31, 2020;
  - tax incentives in favor of taxpayers who make donations in cash or in kind during 2020 in favor of certain subjects indicated by the law, to support measures to combat the epidemiological emergency from Covid-19;
  - the suspension of the terms relating to the activities of the offices and the terms of payment of the charges entrusted to the Collection Agent;
  - changes to the discipline of the tax credit for advertising investments, to be calculated in the single measure of 30% of the entire value of advertising investments made in 2020, notwithstanding the ordinary incremental criterion;



- in the event of the transfer for consideration, by 31 December 2020, of pecuniary credits due to defaulting debtors, both of a commercial and financing nature, the possibility of transforming into a tax credit, for an amount proportional to the value of the credits impaired that are sold to third parties, a portion of the deferred tax assets (DTA);
  - As regards financial statements, the introduction of provisions aimed at allowing companies to convene the ordinary shareholders' meeting within a longer term than the ordinary one established by the civil code, as well as facilitating their performance.
- Law Decree of March 19th 2020, n. 34 (so called "Decreto Rilancio"), GU n. 180 of 18 July 2020, bearing "*urgent measures in the field of health, support for work and the economy, as well as social policies related to the epidemiological emergency from Covid-19*", In particular As regards:
- the exclusion of the payment of the 2019 Irap balance and of the first Irap 2020 advance, all subjects with a volume of revenues or remuneration not exceeding 250 million in the tax period preceding the one in progress at the date of entry into force of the decree, for exception of insurance companies and subjects referred to in article 162-BIS of the TUIR;
  - incentives for energy efficiency, bonus earthquake, photovoltaic and electric vehicle charging stations and the possibility of transforming tax deductions into a discount on the amount due and into a transferable tax credit;
  - the introduction of a tax credit, which can be used as offsetting without limits on the amount, equal to 60% of the costs incurred in 2020 for the sanitation of the environments and tools used for the purchase of personal protective equipment and other devices designed to guarantee the health of workers and users, up to a maximum limit of 60 thousand euros for each beneficiary;
  - the introduction of a new type of Individual Savings Plans (PIR), achievable through insurance contracts;
  - the increase, for the year 2020 alone, from 700 thousand euros to one million, of the maximum limit for the "horizontal" offsetting of tax credits using the F24 form;
  - the extension of the terms for resuming the collection of suspended payments, as well as the postponement and suspension of the payment of the amounts requested following the automated and formal control of the declarations;
  - the extension to 31 December 2021 of the deadline for the notification of tax deeds for which the assessment deadlines expire between 9 March and 31 December 2020, provided that they are issued by 31 December 2020;
  - further changes to the tax credit regulations for advertising investments, raising the percentage for calculating the tax credit from 30% to 50% of the entire investment.
- Law Decree of August 14th, 2020, n. 104, bearing "*urgent measures to support and revive the economy*", Published in the Official Gazette no. 203 of 14 August 2020, concerning:
- the further extension of the terms of suspension of the payments of sums deriving from payment orders, executive assessments, customs enforcement assessments, tax injunctions of territorial bodies and executive assessments of local bodies;

- for ISA subjects, the extension to 30 April 2021 of the payment deadline, scheduled for November 2020, of the second or single installment of the advance on income taxes and Irap, due for the tax period subsequent to the one in progress on 31 December 2019;
  - the renewal of the possibility of revaluation of company assets and equity investments, provided that they are recorded in the current financial statements as at 31 December 2019.
- December 30th, 2020 law, n. 178, so called "Stability Law 2021" - "State budget for the financial year 2021 and multi-year budget for the three-year period 2021-2023"- published in the Official Gazette no. 322 of 30 December 2020, in particular as regards:
- the provision of a new incentive for business combination processes, carried out through mergers, demergers or company transfers, which will be approved in 2021. The subject resulting from the merger (or the acquiring company, the beneficiary and the transferee) is allowed to transform into a tax credit a portion of deferred tax assets (DTA) referring to tax losses and ACE surpluses accrued up to the previous tax period to that in progress at the date of legal effect of the transaction and not yet used in offsetting or transformed into a tax credit at that date. The effectiveness is subject to the payment of a commission, deductible for the purposes of income taxes and IRAP, equal to 25% of the total amount of the DTA subject to transformation;
  - the telematic transmission through the Exchange System, and therefore no longer through the esterometer, of foreign transactions carried out starting from January 1, 2022;
  - the extension of the possibility of recalculating the purchase value of land and equity investments not traded on regulated markets, owned on 1 January 2021, by paying the substitute tax;
  - the confirmation also for the years 2021 and 2022 of the cd "Advertising bonus", in the single measure of 50% of the value of advertising investments made in daily and periodical newspapers, including online;
  - the extension of the tax credit for investments in capital goods up to 31 December 2022 (or to investments made up to 30 June 2023, provided that by 2022 the order is accepted by the seller and the down payments have been made for at least 20% of the acquisition cost); the subsidy rates, the amount of eligible costs are increased and the objective scope extended to include "generic" intangible assets, as regards to investments made starting from November 16, 2020;
  - the confirmation until 31 December 2022 of the tax credit for investments in research and development, in ecological transition, in technological innovation 4.0 and in other innovative activities;
  - the extension until 2022 of the tax credit for training 4.0, with expansion of eligible costs.



## MANAGEMENT REPORT



## THE COMPANY SITUATION

### Operating result

Amissima Vita's 2020 financial statements closed with a profit of € 27.9 million, up after the loss recorded last year (- € 11.8 million), despite the health emergency caused by Covid-19 affecting the results.

The main components of the result can be summarized as follows (amounts in thousands of Euro):

INCOME STATEMENT SUMMARY	2020	2019	ABSOLUTE	2020– 2019
			Variation	%
Gross premiums written	808,962	909,177	-100,215	-11.02%
Charges for claims	-595,340	-673,787	78,447	-11.64%
Variation in Technical Reserves	-275,349	-344,107	68,758	-19.98%
Management costs	-29,671	-28,142	-1,529	5.43%
Net investment income	154,384	89,786	64,597	71.95%
Other net technical items and plus/minus class D	-19,161	20,035	-39,196	-195.64%
Profit share Investments transferred to the non-technical account	-4,502	-2,167	-2,335	107.74%
<b>Gross technical balance</b>	<b>39,322</b>	<b>-29,206</b>	<b>68,528</b>	<b>-234.64%</b>
Profit or loss from reinsurance	215	406	-191	-46.95%
<b>Profit or loss of the technical account</b>	<b>39,538</b>	<b>-28,800</b>	<b>68,338</b>	<b>-237.28%</b>
Other income and costs	-3,276	12,386	-15,662	-126.45%
Profit share Investments transferred to the Technical Account	4,502	2,167	2,335	107.74%
<b>Ordinary profit or loss</b>	<b>40,764</b>	<b>-14,246</b>	<b>55,011</b>	<b>-386.13%</b>
Extraordinary profit or loss	701	235	466	197.78%
<b>Profit before taxation</b>	<b>41,465</b>	<b>-14,011</b>	<b>55,476</b>	<b>-395.95%</b>
Income taxes	-13,608	2,123	-15,731	-740.99%
<b>Profit (Loss) for the year</b>	<b>27,857</b>	<b>-11,888</b>	<b>39,745</b>	<b>-334.33%</b>

- ✓ **Gross premiums** decreased by 11.0%, which is worth € -100.2 million, with total deposits of approximately € 809.0 million. The decline is entirely concentrated on traditional products, and was largely due to the effects of the pandemic. Unit-linked production recorded a growth of 106.4% compared to 2019, thanks to the marketing of hybrid products and in particular thanks to the contribution of the new distributor Cassa Centrale Banca, which, as at 31 December, recorded a production of approximately € 215.5 million in total of multi-class products, which partially offset the lower contribution of the other distributors.
- ✓ **Charges for claims** are decreasing and also reflect the situation caused by the pandemic emergency in particular concerning redemptions, especially during the first lockdown, which recorded a decrease of 30% (€ -110.2 million). On the other hand, claims settlements increased (+ 6.7% equal to € 9.9 million) while policies which have matured recorded a slight decrease compared to the previous year (-4.3% equal to - € 7.4 million).
- ✓ **Management costs** increased by about 5.4 percentage points due to the increased production of products with higher loads, while the other administration costs benefit from the action of constant monitoring in order to reduce management costs. In particular, costs for Services and Consulting services, and commercial costs, where in 2019 there were costs related to advertising for the relaunch of the company, fell. Costs for projects, which already include some costs related to the future separation from the non-life company, are on the rise.

- ✓ **Net financial income** contribute positively to the operating result, with a strong increase of 71.9% compared to 2019 thanks to lower value adjustments on financial investments (-11.5 million vs -57.5 million in 2019).  
More specifically, ordinary income decreased following the lower rates of return on investments deriving from the change in Asset Allocation and lower dividends from the investment vehicle ICAV, offset by sales transactions that led to capital gains of over 57 million.
- ✓ The variation of **other income and charges** of -€ 39,196 thousand is attributable for -€ 34,750 thousand to net realized charges and class D valuation effect in contrast to 2019. The remaining difference is mainly due to the increase in management and maintenance fees, as a direct consequence of the higher assets under management.
- ✓ **Taxes** (€ 13,608 thousand), calculated on the theoretical income as at 31 December 2020, represent a tax liability of 32.8%. Current taxes generated a cost for IRES of € 2.5 million and a cost for IRAP of € 3 million, while net prepaid taxation a cost of € 8.2 million essentially due to the repayment of deferred tax assets set aside in previous years in relation to value adjustments of financial investments and assets in the process of being disposed of.

### Key facts

The year 2020 was strongly influenced by the spread of the infection generated by the Covid-19 Coronavirus that initially developed in China. The contagion, qualified as a "pandemic" by the World Health Organization, involved precautionary measures adopted in China and then extended to several other countries, including Italy.

The Amissima Group, right from the first news of expansion of the contagion, has started activities to identify the perimeter of subjects potentially at risk due to proximity to the areas where the first cases were occurring.

The Business Continuity crisis group was immediately activated for the preparation of emergency plans and the intervention on all resources residing in the vicinity of the contagion areas through the activation of work remotely or absence from work in a state of illness. In consideration of the continuing spread of the infection, it was decided to activate the Business Continuity plan by enabling all key resources identified to operate remotely.

During the year, repeated sanitization of the ventilation systems and the premises of the Milan and Genoa offices were arranged, as well as the installation of sanitizing gel dispensers in both main offices and in the secondary offices available to workers. Other measures adopted concerned the suspension of on-site training activities, limitations on the presence of external staff at the offices, instructions on the limitations on the use of lifts, meetings exclusively remotely, respecting distances of at least one meter.

To date, the development of the action plan has allowed almost all workers to be already operational in remote working mode, through the provision of a laptop and router with access to the VPN, with the activation of the agile working mode.

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During the month of February 2020, the CEO announced that, in the current phase of transformation of the insurance industry which sees the market asking companies to reinforce themselves in terms of presence and volumes, the Apollo Fund, owner of the Amissima Insurance Group, has received expressions of interest in our Group from various parties. For this reason, the Shareholder has decided to launch an investigation to evaluate the best opportunities aimed at strengthening the Companies and looking for possible integrations and/or industrial partnerships in order to continue our growth on the market.

On 23 September 2020, a binding offer was received for the sale of the Group's non-life asset by HDI International AG, a company of the HDI insurance group owned by Talanx, a leading multinational financial services group particularly specialized in the insurance and reinsurance class. An agreement was therefore reached on 21 October, through the signing of a *Share Purchase Agreement*, for the sale of all the shares of Amissima Assicurazioni S.p.A. to HDI Assicurazioni S.p.A.. The transaction, having obtained all the necessary authorizations, including approval by the Supervisory Authority, should be finalized on April 1, 2021. Following the signing of the purchase agreement between the Apollo Fund and HDI Assicurazioni S.p.A., the operational separation project from the logical and functional point of view of the insurance companies was launched, aimed at ensuring that the latter are able to function independently once the sale of Amissima Assicurazioni S.p.A. has been finalized.

The emergency situation dictated by the spread of Covid 19 resulted in constant monitoring by the Board of Directors on the business aspects and on the operations of the Company managed almost exclusively remotely. In this regard, it should be noted the keeping and overall adequacy of the Business Continuity Plan, approved in November 2019 and, most recently, in December 2020. Furthermore, the country's economic and financial scenario was strongly impacted by the Covid-19 health emergency; therefore, the Company, like the entire Insurance Group, updated the Group Business Plan approved at the end of the previous year, factoring the effects deriving from this emergency, proceeding with the revision of the 2020-2023 projections. Based on the new 2020-2023 projections, the Company has finalized the ORSA 2020 assessments, whose analyzes and results were formalized as part of the Group's ORSA 2020 report, whose approval, in line with the extension granted by the Supervision, took place during the board meeting of 8 July 2020. In this context, the Board of Directors continued to constantly monitor the solvency level of the Company, also due to the market scenarios deriving from this emergency characterized by a sharply decreasing trend in interest rates. In this regard, the Board of Directors, detected at the end of last June a breach of the threshold of the coverage level of the so-called solvency requirement Soft referred to in the Risk Appetite Framework (so called RAF), promptly finalized and activated a contingency plan which led to the restoration of this threshold already at the end of September. This contingency plan also provides for a new issue by the Company, in 2021, of new instruments in compliance with the criteria set out in Delegated Regulation (EU) 2015/35, for the purposes of classification in level 2 basic own funds, for an amount of Euro 80 million, the net proceeds of which will be used for the repurchase in full of the loan already issued by said Life Company in 2020. This latter operation is subject to the authorization of the Supervisory Authority, and is aimed at strengthening the capital position of the Company. In this regard, the issue of the new subordinate was successfully carried out on February 16, 2021, while the authorization procedure for the repurchase of the existing bond is currently underway. Furthermore, in order to further stabilize and strengthen the solvency situation of Amissima Vita S.p.A., at the end of 2020, Amissima Holdings S.r.l. proceeded, at the request of the Company's Administrative Body, with a capital payment transaction for an amount of € 15 million made available by the sole shareholder of reference Primavera Intermediate Holdings S.r.l.

During 2020, the **Board of Directors** continued to monitor the execution of the action plan communicated to IVASS, noting, on the one hand, the actual implementation of the measures adopted and the consolidation of the indications formulated last year by the Supervisory Authority in terms of strengthening the governance system and, on the other hand, the capital strengthening of the Company through the issue of a subordinated bond loan for an amount of € 45 million (Tier 2), fully subscribed by Primavera Intermediate Holdings S.à.r.l, the Group's ultimate reference shareholder Insurance. Again in the context of the execution of this plan, the Board of Directors of Amissima Assicurazioni S.p.A. constantly monitored the execution of the plan for the disposal of the investment positions subject to significance by IVASS; the Administrative Body also continued

to strengthen both the overall ORSA and strategic planning process and the first and second level monitoring and control systems of the investment sector. The Board of Directors also reviewed and updated the Policies on Investments, Liquidity Risk Management, Asset and Liabilities Management (ALM), Valuation of assets and liabilities other than technical provisions, Capital Management, Management of conflicts of interest, Risk Management and Risk and Solvency Assessment (ORSA). Therefore, having ascertained the effective implementation of the corrective measures adopted by the Group and, therefore, the conclusion of the overall process of strengthening the governance structures, the Insurance Parent Company requested IVASS to remove the restrictive measures ordered by the Supervisory Authority. IVASS, taking into account the interventions adopted by the Group, ordered the revocation of all restrictive measures on January 28th, 2021.

As for the composition of the Administrative Body, it should be noted that Ms Paola Tagliavini resigned from her position as director of the Company on 25 May 2020 and with immediate effect; consequently the Board of Directors in the meeting of 19 June 2020, with the favorable opinion of the Board of Statutory Auditors, resolved, after verifying the existence of the requisites required by the applicable legislation, the co-option of Ms. Gloria Francesca Marino, an appointment which was subjected to ratification of the Shareholders' Meeting of 1 December 2020. At the same meeting of 19 June 2020, the Board of Directors appointed the latter as a member of the internal control and risk committee.

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During 2020, the Board of Directors continued to monitor the effectiveness and efficiency of the Group's corporate governance system. In this regard, the Board of Directors carried out, with the support of the Internal Control and Risks Committee, the review of the corporate governance system adopted in 2019, pursuant to the current sector legislation, evaluating the same, on the basis of the nature, extent and complexity of the risks inherent in the Group's business, "mainly adequate".

The Board of Directors maintained periodic relations with the key functions, receiving specific information on the activity carried out from the latter at pre-established intervals. Periodic information was also provided to the Board of Directors by the Supervisory Body established pursuant to Legislative Decree 231/01 regarding the monitoring activity carried out on the adequacy of the Company's Organization and Management Model.

Also in 2020, the Company's Administrative Body carried out the self-assessment activity, which confirmed that the Administrative Body operates in an adequate and consistent manner with its mandate.

As regards the organizational structure of the Fundamental Functions, the institute of the partial secondment of the Heads of the Fundamental Functions of Internal Audit, Compliance, Risk Management and Anti-money laundering/Anti-terrorism continued. Furthermore, by virtue of the extension authorized by the Supervisory Authority for the re-internalization of the Function envisaged by 01 January 2021, the centralization of the Actuarial Function at the Insurance Parent Company and by the latter outsourced to Studio Attuariale De Angelis- Savelli & Associati and, therefore, the related intra-group agreement between the Company and the Parent Company was maintained in 2020. In this regard, in execution of the plan for the re-internalization of the Actuarial Function approved by the Board of Directors during the meeting of 24 October 2019, the Board of Directors appointed the new Holder of the Actuarial Function starting from 01 January 2021. The Board of Directors, in acknowledgment of the regulatory evolution and of the suggestions formulated from time to time by the Internal Audit and Compliance Function, as well as in adaptation to the organizational changes that have taken place, has updated the Policy on intragroup operations and the Policies on Capital Management, Risk and Solvency Assessment (ORSA), Risk Management, Asset and Liabilities Assessment other than Technical Reserves, Liquidity Risk, Asset and Liability Management (ALM), Investments, Life Reservation, Settlement of death benefits and PPI policies, Life Reinsurance, Data Governance, Corporate



Governance System, Internal Audit, Compliance, Actuarial Function, Outsourcing, Reports addressed to IVASS, Risk Management, Operational Risks, Anti-Money Laundering and Compliance with Sanctions, Subscription, governance and control of distribution networks, incentives to the Network, Complaints, Privacy, Anti-corruption, SFCR, RSR and QRT, Deferred taxes, Requirements of integrity, professionalism and independence, data and information for statistical purposes.

The Board of Directors, through the Compliance and Internal Audit Function, continued to monitor the regulatory adequacy and the effective application of the Company Policies currently in force.

The Board of Directors also intervened to:

- approve the plans of the audit activities of the Fundamental Functions, assigning them an independent expenditure budget, as well as to approve the updated regulation of the Internal Audit, Compliance and Anti-terrorism/Anti-money laundering functions;
- update the Regulations governing the self-assessment process of the Board of Directors;
- approve the Management by Objectives 2020 (cd MBO) to be assigned to Top Management. Furthermore, the Board of Directors, having ascertained the non-existence of the disbursement requirements of the variable remuneration components accrued in 2017, approved the disbursement in favor of the so-called Risk Takers of these variable and deferred components. The Board itself, having ascertained the non-existence of the disbursement requirements of the 2019 variable remuneration components, resolved not to proceed definitively with the payment of the same. Furthermore, again on the subject of remuneration and in line with current company policies, the Board of Directors, supported by the Remuneration Committee, has defined certain remuneration instruments (so-called Retention Payment and the so-called Transaction Bonus) aimed at guaranteeing and retaining the Management's activity also with a view to carrying out extraordinary transactions;
- approve the update of the Business Continuity Plan;
- approve the report on the prospective assessment of the risk profile (so-called ORSA Supervisory Report), the report on solvency and financial condition (so-called Solvency and Financial Condition Report - SFCR), and the periodic report to be sent to the Supervisory Authority (so-called Regular Supervisory Report - RSR) pursuant to IVASS Regulation no. 33/2016. Concerning SFCR 2019, the same was subjected to a complete revision of the Solvency Capital Requirement (SCR) and of the Minimum Capital Requirement (MCR) by Auditing Firm Ernst & Young S.p.A. as part of the assignment previously conferred on it, as required. and approved by the Board of Directors;
- approve the review of the rental contract for the property owned by the Hotel Genova Romairone;
- strengthen and make the organizational structure and governance of corporate operations more efficient, proceeding, in particular, (i) with the rationalization of the structure of the internal Committees, the organizational structure and the related reporting systems to the Corporate Bodies and (ii) the "ad interim" assignment of the responsibility of the IT Department to the Central Staff Manager and the reorganization of the IT department;
- approve the Strategic Plan on information and communication technology (ICT) pursuant to Reg. 38/2018 in its updated version;
- approve the update of the Organization, Management and Control Model pursuant to Legislative Decree 231/2001;
- approve the delegation to Cassa Centrale Banca (CCB) of the financial management of the internal insurance funds "Global Bond", "Global Balanced", "Global Equity" linked to the Multi-Class product "Sicresce Dinamico";

- approve the delegation to Banca Cesare Ponti S.p.A. of the financial management of the internal insurance funds "Amissima Obbligazionario Globale", "Amissima Bilanciato Globale" and "Amissima Azionario Globale", then also extending it to the three Internal Insurance Funds Amissima Flessibile Conservativo, Amissima Flessibile Bilanciato and Amissima Dinamica Flessibile.

The Board of Directors also continued to monitor the overall disposal project of the subsidiary Assi 90 S.r.l. - in this regard, we highlight the liquidation on 10/04/2020 of said Company - and of investee company I.H. Roma S.r.l. Concerning the latter, we highlight, on the one hand, the rationalization of the related shareholding held by the Insurance Companies and, on the other hand, the definition of the disposal operation of the last property for hotel use located in Milan (Hotel Conca del Naviglio) owned by I.H. Roma S.r.l., for which the deed is expected between May and June 2021. Both transactions are in line with the investment and risk management strategy of the Insurance Group which provides, once the divestment of the property owned by said instrumental company has been finalized, the liquidation of IH Roma S.r.l.

Concerning intra-group operations, referring to the relevant section for more detail, the Board of Directors, with the support of the Control and Risks Committee, approved the infragroup transactions relating to the aforementioned rationalization of the shareholdings of instrumental company I.H. Roma S.r.l. held by insurance companies.

Finally, it should be noted that, on the proposal of the Board of Directors, the Shareholders' Meeting of 29 April 2020 assessed, on the basis of the verifications by the competent functions, the application in 2019 of the previously adopted remuneration policies and also approved the new Remuneration policies.

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As for relations with the Supervisory Authorities, IVASS, with a communication dated March 17 2020, requested insurance companies to provide a periodic update on their solvency data in order to monitor the impacts of the spread of the epidemiological emergency from Covid-19 on their solvency position. In this regard, the Company monitored the estimated projections of its solvency position in accordance with the methods and deadlines set out by IVASS, giving the Administrative Body a constant update. It should also be noted the IVASS Letter to the Market of July 29th, 2020 (Prot. N ° 0080563/20) by which the Supervisory Authority, in the face of the growing spread of the epidemiological emergency from Covid-19, and considering the incidence in perspective of the same in terms of related effects on the national economy, recommended that all companies in the insurance market adopt extreme prudence in assessing the distribution of dividends and other equity items as well as the payment of the variable component of remuneration to company representatives. IVASS, at the end of 2020, requested to continue to use extreme prudence in the distribution of dividends, in the repurchase of treasury shares and in recognizing variable components of remuneration, at least until September 2021. Furthermore, IVASS, with a joint communication with the Bank of Italy, requested, As regards the offer of non-financial products combined with loans, the adoption of a series of precautions in order to guarantee compliance with the relevant legislation and preserve the " integrity of the relationship of trust with customers. IVASS also requested the Compliance and Internal Audit functions to carry out periodic checks on the correct marketing of the combined products; in this regard, it should be noted that the results of the verifications of these control functions, brought to the attention of the Administrative Body, revealed an overall assessment of the procedures and controls in place that was mainly adequate.

## BUSINESS PLAN 2021-2023

The objective of the Amissima Insurance Group is to continue along the path of growth started a few years ago, continuing to offer savings solutions for our policyholders through the development of products that combine protection needs with an adequate return on capital.

The Strategic Plan drawn up on the occasion of the Orsa financial year and approved by the Administrative Body is based on some cornerstones such as the marketing of "Capital Light" products and adequate production levels, the latter thanks to the new exclusive distribution agreement with Banca Carige and commercial agreements with distributors Banca Finnat, Banca Sella/Banca Patrimoni, Azimut, EFG Bank, and some brokers. Furthermore, an important collaboration relationship with CCB for the distribution of multi-class products began in July of the current year.

The objective of combining growth with a balanced remuneration for the shareholder, in line with the Risk Appetite defined by the Company's Capital Management Policy, will be achieved through a series of actions:

- a.* Continuous focus on the collaboration relationship with Banca Carige and the new distributors;
- b.* Incentive and development of Unit Linked production through the sale of "hybrid" products;
- c.* Strategic Asset Allocation "SAA" according to the guidelines defined; in particular, the SAA will be calibrated for each of the Separate Management funds (Norvita, Carige Vita Nuova and Amissima Multicredit), with the aim of minimizing capital consumption and the volatility of returns, guaranteeing both attractive returns for policyholders and profitability for Company;
- d.* Continuous study and development of new "capital light" products, therefore with less capital absorption for the company and which are at the same time suited to the needs of customers;
- e.* Continued activity to improve the operating model and costs, with the aim of improving the Company's profitability, while maintaining high levels of service.

## EVOLUTION OF THE INSURANCE PORTFOLIO

### Premiums

As of December 2020 (latest ANIA data available), the market shows a decrease in Life production of 4.4% conditioned by the Covid-19 pandemic emergency: the "traditional" class I policies show a -9.4%, while Class III "financial" policies recorded an increase of 6.2%. The so-called "hybrid" products also grew slightly (+1.1%).

The overall trend of Amissima Vita was also negative for the reasons set out above, whose production decreased by 11.0%.

Class I "traditional" policies recorded a decrease of 11.7%, while the collection of Capitalization policies suffered a decrease of 92.2% due to some non-recurring business signed in 2019. There was a sharp increase in the production of class III which recorded premiums of € 92.7 million (€ 13.7 million in 2019), thanks to the contribution of the aforementioned multi-class products with total premiums of € 286.0 million (€ 21 , 9 million in 2019) of which € 215.5 million deriving from the new CCB distributor.

We summarize, in greater detail, the evolution of Amissima Vita's gross premiums written in the following table, by sales channel and by product type (amounts in thousands of Euro):

#### ISSUED PREMIUMS - by sales channel and product type

	2020	2019	Absolute 2020 - 2019	
			Variation	%
Individual	42,922	75,510	-32,588	-43.2
Collective	5,823	6,153	-330	-5.4
Unit Linked	338	266	73	27.4
<b>Agencies Channel</b>	<b>49,083</b>	<b>81,928</b>	<b>-32,845</b>	<b>-40.1</b>
Individual	385,667	418,064	-32,397	-7.7
Collective	2,946	4,704	-1,758	-37.4
Unit/Index Linked	27,697	13,421	14,276	106.4
<b>Banca Carige</b>	<b>416,310</b>	<b>436,189</b>	<b>-19,879</b>	<b>-4.6</b>
<b>Creditis</b>	<b>382</b>	<b>1,073</b>	<b>-690</b>	<b>-64.4</b>
<b>Banca Finnat</b>	<b>6,472</b>	<b>40,820</b>	<b>-34,348</b>	<b>-84.1</b>
<b>Banca Sella/Patrimoni</b>	<b>77,215</b>	<b>142,102</b>	<b>-64,887</b>	<b>-45.7</b>
<b>Azimut</b>	<b>24,038</b>	<b>107,375</b>	<b>-83,338</b>	<b>-77.6</b>
<b>Brokers</b>	<b>9,390</b>	<b>97,870</b>	<b>-88,480</b>	<b>-90.4</b>
Individual	150,828	-	150,828	-
Unit/Index Linked	64,640	-	64,640	-
<b>CCB</b>	<b>215,468</b>	<b>-</b>	<b>215,468</b>	<b>-</b>
<b>EFG Bank</b>	<b>10,604</b>	<b>1,820</b>	<b>8,784</b>	<b>482.6</b>
<b>GRAND TOTAL</b>	<b>808,962</b>	<b>909,177</b>	<b>-100,215</b>	<b>-11.0</b>

In the following table, instead, we show the comparison between the Company and the market as regards the distribution by sales channel (amounts in thousands of Euro):

**ISSUED PREMIUMS - distribution by sales channel**

	<b>Amissima Vita</b> (as of December '20)	<b>Market</b> (ANIA as of 09/20) *
Agencies	9.0%	13.5%
Bank classes	89.8%	60.0%
Brokers	1.2%	2.0%
Other channels	-	24.5%
<b>GRAND TOTAL</b>	<b>100.0%</b>	<b>100.0%</b>

\* Source: ANIA TRENDS - Flows and Reserves as at the 3rd quarter of 2020

For the market, the item "Other channels" mainly includes financial advisors (13.5%) and business and management agencies (10.6%).

Finally, in the last table, production is broken down by so-called ministerial class, pursuant to Article 2 of the Private Insurance Code:

**PREMIUMS ISSUED by class (Article 2 of Legislative Decree 209/05)**

	<b>PREMIUMS</b>		<b>Absolute 2020 - 2019</b>		<b>Market</b> (ANIA to 09/20 *)
	<b>2020</b>	<b>2019</b>	<b>Variation</b>	<b>%</b>	
Class I (human life)	709,022	802,697	-93,675	-11.70%	-12.90%
Class III (Unit/Index Linked)	92,676	13,687	78,989	577.10%	4.50%
Class V (capitalization)	7,264	92,793	-85,529	-92.20%	-17.40%
<b>GRAND TOTAL</b>	<b>808,962</b>	<b>909,177</b>	<b>-100,215</b>	<b>-11.00%</b>	<b>-7.00%</b>
<i>of which Multiclass products</i>	<i>285,961</i>	<i>21,937</i>	<i>264,024</i>	<i>1203.50%</i>	<i>-4.30%</i>

\* Source: ANIA TRENDS - Flows and Reserves as at the 3rd quarter of 2020

### Agency sales network

Particular attention was paid in the 2020 financial year also to the production improvement of the network agency appropriately strengthened through the recruitment of new agencies and the training of existing ones.

In particular, for the consolidated network:

- confirmed the reward system of the last 3 years aimed at stimulating new production with incentives dedicated to agencies with the highest potential;
- new initiatives aimed at involving the network more actively.

The following commercial initiatives were also launched:

- "Family Care": an initiative lasting three days, dedicated to all Agencies with a Life mandate with the aim of increasing the collection of TCM policies.

In line with current regulations, the Company continued to monitor the agencies from a quantitative and qualitative point of view. The measurement of the excellence in the quality of the service offered to the end customer was conducted with the "Amis Stars" model.

Collaboration with Arca SGR continued to ensure the correct continuation of the management of the pension offer.

As of December 31 2020, there were 278 agencies with a life mandate, compared to 286 in December 2019, following 10 new openings and 18 mergers, mostly determined by critical issues with the Amissima Assicurazioni mandate.

### **Training**

The training was planned with the aim of encouraging the professional growth of both the Agents network and Agency collaborators.

Also for 2020 the training phases took the form of three main steps:

1. Basic training in Webinar mode
2. E - Learning product and regulatory training
3. Higher training courses and Masters

Basic courses were also provided to Agencies by the External Organization with the main objective of developing a method of commercial proposition in line with the new IDD directive.

The main topics of the courses in webinar mode mainly concerned the deepening of "social media marketing insurance" and "NPL" (neuro linguistic programming) as well as to provide Cyber Risk courses in compliance with the provisions of the IVASS letter to the market on the subject. (20% of professional refresher hours dedicated to IT security).

The university MASTER of Amissima continued until April in collaboration with LUM Jean Monnet, which began in November 2019, with the participation of numerous Amissima intermediaries in the Milan and Bari offices, which ended in April 2020.

### **New products Agencies**

For the Agency channel, the marketing of the Multiramo product with internal funds was started, offered in two versions: with constant annual premiums, payable monthly and bonuses, fixed duration 7 years (Amissima Multi-Piano Bonus - V800 rate) and single premium and Life Whole (Amissima Multi Piano - rate V801).

### **Banking Distribution Channel**

#### **New Bank Products**

The marketing of the new "multi-class" products for Banca Carige, called "Amissima Multi Strategia" and "Amissima Multi Strategia PAC". For these new products, the relative tests of compliance with the target market were carried out as required by IDD and the company POG.

The restyling of the products of Class I, Carige solution assured ed., Was also carried out. 2020 and Carige Performance Solution ed. 2020.

#### **Regulations**

Activities were carried out to verify the distribution methods relating to products intended for credit protection (PPI).

#### **Training**

In collaboration with Banca Carige, the companies have created and delivered two training and professional refresher courses in e-learning mode, one on the new products Amissima Multi Strategia, Amissima Multi Strategia PAC, and the other on the revisited Carige Solution Insured 2020 edition, and Carige Performance Solution 2020 edition, both valid for one hour for IVASS purposes.

Under current legislation and agreements between the parties, all training material is previously subjected to scrutiny by the Companies.

### **Institutional communication**

In 2020, the Company continued with activities aimed at enhancing the visibility of the brand by publishing articles and interviews with management in some sector magazines.

The “Newsletter” continues as a communication tool, a periodic bulletin with the salient facts that have concerned the Company from month to month (eg training, events, amis stars, initiatives of the distribution network, etc.).

A dedicated section to support the social activities of the distribution network is available on the Mistral platform, which also contains guidelines for the correct use of the brand on agency profiles and on advertising material created by the intermediaries themselves.

In terms of online communication, the closed group “Talenti di Amissima” on Facebook continues to be fed, reserved for all Amissima intermediaries and employees.

Digital communication campaigns continued, with the creation of video commercials and cartoons for posts on social networks, and radio, with a strong presence of our commercials on the main radio broadcasters, and extras on strategic slots on TV (led on the sidelines during some Serie A football matches).

The current communication mode (training and information) still continues successfully, with the distribution network consisting of webinars (interactive seminars via internet), which are now a crucial tool for promoting the activity of intermediaries, and are also helpful in strengthening their presence on the web and in exploiting the resources offered by the digital world.

## STATUS OF PAYMENTS AND TECHNICAL PROVISIONS

The total of claims, surrenders and maturities paid to policyholders as at December 31st 2020, including the change in the reserves for sums to be paid, gross of the reinsurers' share, is worth €595,340 thousand (-11.6% over the corresponding period of 2019), a decrease that reflects the global situation due to Covid-19, in particular as regards the buybacks component (amounts in thousands of Euro):

### PAID SUMS AND VARIATION IN COLLECTIBLE PROVISIONS

(amounts in € thousand)

PAID SUMS	2020	2019	Absolute 2020 - 2019	
			Variation	%
Class I claims ( <i>human life</i> )	148,047	138,812	9,235	6.7
Class III claims ( <i>Unit/Index Linked</i> )	9,490	8,846	644	7.3
Class V claims ( <i>capitalisation</i> )	9	18	-9	-49.6
<b>Total CLAIMS</b>	<b>157,546</b>	<b>147,675</b>	<b>9,870</b>	<b>6.7</b>
Class I redemptions ( <i>human life</i> )	197,386	290,526	-93,140	-32.1
Class III redemptions ( <i>Unit/Index Linked</i> )	31,906	37,495	-5,589	-14.9
Class V redemptions ( <i>capitalisation</i> )	4,269	5,816	-1,546	-26.6
<b>Total REDEMPTIONS</b>	<b>233,561</b>	<b>333,836</b>	<b>- 100,275</b>	<b>- 30.0</b>
Class I due dates ( <i>human life</i> )	157,681	168,156	-10,475	-6.2
Class III due dates ( <i>Unit/Index Linked</i> )	0	6	-6	-100.0
Class V due dates ( <i>capitalisation</i> )	5,070	1,961	3,108	158.5
<b>Total DUE DATES</b>	<b>162,751</b>	<b>170,123</b>	<b>- 7,372</b>	<b>- 4.3</b>
Class I coupons ( <i>human life</i> )	24,163	30,262	-6,098	-20.2
Class III coupons ( <i>Unit/Index Linked</i> )	0	0	0	0.0
<b>Total COUPONS</b>	<b>24,163</b>	<b>30,262</b>	<b>- 6,098</b>	<b>- 20.2</b>
Class I Yields ( <i>human life</i> )	195	190	5	2.7
<b>Total YIELDS</b>	<b>195</b>	<b>190</b>	<b>5</b>	<b>2.7</b>
<b>TOTAL SUMS PAID</b>	<b>578,217</b>	<b>682,087</b>	<b>- 103,870</b>	<b>- 15.2</b>

### CHANGE IN RESERVES FOR SUMS TO PAY

	2020	2019	Absolute 2020 - 2019	
			Variation	%
Class I ( <i>human life</i> )	16,563	-8,288	24,851	-299.8
Class III ( <i>Unit/Index Linked</i> )	3	-8	11	-144.0
Class V ( <i>capitalisation</i> )	557	-4	561	-15,129.0
<b>TOTAL CHANGE IN RESERVES</b>	<b>17,123</b>	<b>- 8,300</b>	<b>25,423</b>	<b>- 306.3</b>
<b>GRAND TOTAL</b>	<b>595,340</b>	<b>673,787</b>	<b>-78,447</b>	<b>-11.6</b>

Particular attention is paid to the trend in surrenders, which show a decrease both in the "traditional" classes (class I, Human life insurance, and class V, Capitalization) of 32.1%, and in the "financial" classes (class III, Unit policies) of 14.9%. The decrease was observed in particular during the first lockdown which took place in the second quarter of the year. If we consider the incidence of redemptions in relation to the average of



the reference reserves, we can observe a decrease in the "traditional" classes, going from 5.1% in 2019 to the current 3.3%, while in the "financial" sectors it goes from 8.5% to 7.0%. These indices, as a whole, are better than those observed on the Italian market, which in the third quarter of 2020 (latest data available - source ANIA) recorded a total incidence of 5.2% (4.5% on traditional, 7, 5% on financials).

The technical provisions of direct business, which at the end of 2020 amounted to approximately € 6.7 billion (€ 6,231 million for "traditional" products, € 487 million for policies *unit is index linked*) are calculated substantially with the same criteria as those shown in the financial statements as at 31/12/19, with the valuation of the additional reserve by interest rate (so-called ALM reserve) calculated with the so-called "C" method, as well as provided for by Annex 14-bis of ISVAP Regulation no.22 of 4 April 2008. The ALM reserve calculated with this method corresponds to approximately € 1,633 thousand (€ 1,652 thousand in 2019).

Compared to the 2019 financial statements, the reserves on "traditional" products increase, net of reinsurance transfers, by € 252, 3 million, while the reserves relating to unit and index-linked policies increased by € 45 million, as a function of the normal premiums-liquidations-revaluation dynamics. As for the additional reserves, in addition to that for the interest rate (so-called ALM reserve) already described above and relating to TCM policies with a technical rate higher than the rates of the "reference carrier", the one by demographic basis was also accounted for, which amounts to approximately € 704 thousand, an increase compared to the previous year (€ 493 thousand) .

Payments of the contractual sums due to the entitled parties are made in compliance with the times provided for by the general policy conditions and by the regulations in force.

## REINSURANCE POLICY

For the 2020 Reinsurance Sessions Plan, account was taken of the "Outwards reinsurance provisions", the Framework Resolution on the reinsurance strategy as well as the Ivass Regulation No. 38, introduced on 3 July 2018.

The 2020 Disposal Plan and placement were carried out in compliance with the aforementioned guidelines approved by the Administrative Body, choosing types of reinsurance agreements aimed at limiting risk and exposure based on the level of tolerance (risk appetite).

The range of products for the year 2020 was expanded with the introduction of 6 tariffs, of which 3 in multi-class form, 2 in revaluable form and 1 in the form of PPI, which in any case did not lead to significant changes in the portfolio profile just as there were no actual mortality levels higher than that hypothesized in the basis for calculating the premiums.

The protection of the Life portfolio continued to be significantly changed compared to what had been carried out up to 31 December 2016, in order to make reinsurance cessions more in line with the technical characteristics of the products marketed, in particular as regards the small impact in terms of SCR of the types of risk that would be ceded with different levels of retention.

In particular for the rates of *Pure Risk* the full conservation set at € 100,000 was therefore confirmed.

Therefore, the reinsurance policy adopted, starting from 01/01/2017, involved the modification of the principles of risk appetite for the generation of new business, while the reinsurance coverage of products already placed on the market remained unchanged.

According to the characteristics of the products placed and subject to reinsurance, the types of treaty adopted by the Company was that *Proportional in excess* for pure risk rates.

The reinsurers of the previous year belonging to OECD member countries were confirmed; they guaranteed economic, equity and financial solidity, certified by the Standard and Poor's agency (minimum rating A-). In the selection, the management of the reinsurer and its technical knowledge were assessed, with particular regard to Leader reinsurers.

During the year, as in the past and in the persistence of a still critical international financial situation, the rigorous verification of the creditworthiness of the reinsurers remained at the center of the Company's assessments, such as to affect the financial solidity of the individual reinsurers and the reinsurance market as a whole.

## ADMINISTRATION FEES

The "Administration Fees" item includes the commercial and operating costs of the company, which have always been subject to rigorous control in search of the best management efficiency.

As for the main components, there is an increase in commissions, following the increased production of products with higher loading, while Other Acquisition Costs are slightly down; general administration costs also decreased, following the continuous monitoring and efficiency of the processes.

It should also be noted that the incidence of Management Costs on premiums goes from 3.1% in 2019 to 3.6% in 2020, an increase due to the reduction in production (amounts in thousands of Euro):

MANAGEMENT COSTS	2020	2019	Absolute 2020 - 2019	
			Variation	%
Commissions	8,353	6,390	1,963	30.7
Other acquisition costs	7,939	8,085	-146	-1.8
Administration costs	13,379	13,668	-289	-2.1
<b>Gross Management Costs</b>	<b>29,671</b>	<b>28,142</b>	<b>1,529</b>	<b>5.4</b>
Commissions charged reinsurers	- 256	- 356	100	-28.1
<b>Total Management Costs</b>	<b>29,415</b>	<b>27,787</b>	<b>1,629</b>	<b>5.9</b>

As regards General Costs in particular, we show the detail before reallocation of the portion to be attributed to commercial and asset costs, net of the recharging of synergic costs (amounts in thousands of Euro):

## GENERAL ADMINISTRATION COSTS

	2020	2019	Absolute 2020 - 2019	
			Variation	%
Staff (net of synergic cost recovery)	10,109	9,929	180	1.8
EDP costs	3,837	3,810	27	0.7
Operating costs	1,149	1,211	-61	-5.1
Services and consultancy services	2,724	3,045	-321	-10.6
Corporate costs	1,967	1,828	140	7.6
Commercial costs	373	1,904	-1,531	-80.4
Projects	310	27	283	1,049.6
<b>TOTAL COSTS REPORT</b>	<b>20,469</b>	<b>21,753</b>	<b>- 1,284</b>	<b>- 5.9</b>
Recoveries	- 18	- 61	43	-71.2
Real estate charges	2,273	2,051	222	10.8
Other recoveries	1,139	1,561	-423	-27.1
<b>TOTAL COSTS (BEFORE REALLOCATION)</b>	<b>23,863</b>	<b>25,304</b>	<b>- 1,441</b>	<b>- 5.7</b>
Costs allocated to equity charges	- 3,276	- 3,875	599	-15.5
Costs allocated to Commercial charges	- 7,208	- 7,762	553	-7.1
<b>GRAND TOTAL ADMINISTRATION COSTS</b>	<b>13,379</b>	<b>13,668</b>	<b>- 289</b>	<b>- 2.1</b>

Analyzing the dynamics of the main items, there was a decrease mainly in the item relating to Commercial Costs, especially for advertising costs for the relaunch of the Company carried out in 2019 and in operating costs. Growth was noted, especially in the item relating to costs for projects which already include some costs relating to the possible future separation from the non-life company.

## THE ORGANIZATIONAL STRUCTURE

During 2020 the number of employees has passed from 88 to 87 units, of which 5 with contract *part time* (on average 78.60% FTA); the decrease was due to the hiring of 3 resources and the leaving of 4. The changes during the year all occurred in the actuarial and technical areas.

Also in the 2020 financial year, the staff policy was mainly based on the requalification and/or enhancement of resources with qualified and specific sectorial technical knowledge.

The secondments with the company Amissima Assicurazioni S.p.A. for the resources who perform synergistic functions within the Insurance Group continued also for 2020.

The bonus/employee ratio, calculated using the ANIA method, amounts to € 9,193 thousand and is down compared to € 10,215 thousand in 2019 mainly due to the lower premiums subscribed and a substantial maintenance of the average number of employees compared to last year.

The remuneration strategies adopted and the structure of the incentives, strictly connected to the achievement of the objectives and career paths of the resources with greater potential, have made it possible not only to improve individual performance and loyalty, but also to establish an intense climate of mutual

trust. ; after launching the performance management model in 2017, its use continued during the year, involving all company resources.

Amissima Vita's 2020 training plan, in addition to consolidating technical skills and guaranteeing continuous regulatory updating, its main objective was to develop a solid wealth of skills to better manage oneself and one's business role, concretely facilitating the innovation processes in the company. The training plan took into consideration the indications reported by the various company functions, the needs deriving from organizational changes and the regulatory scenario, with particular reference to the update on Privacy (GDPR regulation), the IDD regulation and the POG process. In the course of 2020, the company provided training financed by the Banks and Insurance Fund whose Plan, presented with Av. 3/19, in addition to the consolidation of technical skills, focused on the development of projects for the dissemination of a corporate culture increasingly aimed at reducing waste and maximizing value through the dissemination of the Lean Thinking methodology. The adhesion allowed to provide a greater number of training hours compared to the previous year.

Pursuant to Law 124/2017, it should be noted that the benefit of the income deriving from the Banks and Insurance Fund, recorded in the year 2020 at the end of the reporting and control activities of the same Fund, amounts to € 60,000.

The training determined by the State Regions Agreement of 21 December 2011 on the subject of "Protection of health and safety in the workplace" was provided.

Training on Corporate Administrative Liability, GDPR, Anti-Corruption, Solvency II, Anti-Money Laundering, IDD was also made available to new hires. and Phishing (cyber security).

Overall, 298 man-days of training were provided to 83 Amissima Vita employees for a total investment of approximately € 79 thousand.

## IT DEVELOPMENT

In the 2020 financial year, the program for completing the functions present in the PASS Life suite continued, allowing the activation of new products better suited to the placement needs of the primary banking distributors.

The program with the introduction of the Pegasus plan made it possible to respond flexibly to the needs of the various distributors, while on the other hand the optimization project of the same platforms did not allow the complete migration of the previous LIFE platform on the more modern PASS.

This project deferral is attributable to different needs on the part of the main distributor Banca Carige which recorded additional priorities during the year.

The platform rationalization plan will also see a further decline in the last quarter of 2021 due to the start of the project to separate the companies belonging to the Amissima Group which began in the last part of the year.

This project will catalyze the overwhelming majority of resources over the next financial year, keeping unchanged only the evolutionary activities connected with regulatory and/or regulatory compliance.

## FINANCIAL AND ASSET MANAGEMENT

### Investment policy

In light of the current economic-financial situation and the prospective macroeconomic scenarios, the Administrative Body declined on December 1, 2020 the investment policy as required by current legislation (Reg. Ivass n. 24/16). Investments must be consistent with the portfolio's short and medium-long term profitability objectives, focusing on asset classes capable of generating a high return on capital and through careful risk management, in particular through a high diversification of positions and risks in the portfolio. Bond investments made directly by the Company must mainly refer to issuers of high credit standing belonging to the OECD area, as well as be mainly denominated in Euro and traded on regulated markets or active markets and have an adequate level of liquidity. The investments made through the funds of "Amissima Diversified Income ICAV" concern various alternative credit strategies, mainly of a private type, for which the Company considers it more rewarding to use specialized professional operators. Various sub-funds have been set up within the vehicle, each of which has specific performance objectives, investment categories and management characteristics.

It should be noted that the investment policies are implemented directly by the Company which oversees the more strictly strategic and decision-making activities through the periodic meetings of the Investment Committee, the Capital Committee and the Risk Committee as well as a detailed design of the operational procedures of the Investment Department. The trading of financial instruments on the markets can be carried out through the trading desk of Banca Carige S.p.A., Cassa Centrale Banca or Apollo Asset Management Europe, with which the Company has concluded a contract for the supply of services concerning the execution of operations. The Company can also operate directly with qualified counterparties, with investment grade ratings and the professional requisites required by law, with which the company has opened or intends to open direct dealing lines.

### Operation of the year

#### The securities sector

During 2020, the securities trading activity was mainly directed towards Italian and foreign government bonds, diversifying the country risk and the issuer risk and towards corporate securities, also through the Irish investment vehicle called "Amissima Diversified Income ICAV".

The securities portfolio at the end of December 2020 generated € 106.4 million of fees: taking into account the net trading gains realized (for € 57.4 million), the net impairment losses at C/Economico for € 10.9 million and of the average balance (€ 5.9 billion), the financial return on the securities portfolio for 2020 was 2.59%.

The rates recognized to policyholders on segregated accounts are always at safe interest levels: the historic fund, Norvita, stood at 2.44% (certified rate as of 31 October 2020), an increase compared to 2.30% certified as of 31 October 2019; the C.Vitanuova fund recorded yield rates on average of 2.46% in 2020, a value lower than the average 2.74% in 2019; the Amissima Multicredit fund stood at 2.50% (certified rate for the month of October 2020), a value lower than the 3.00% in October 2019.

As regards the composition of the securities portfolio, it is noted that as at 31/12/2020 the carrying amount, before the closing valuations, amounts to a total of € 6,670.8 million, of which € 4,323.1 million relating to the non-durable sector and € 2,347.6 million to the durable segment; at the end of the year the same portfolio recorded a punctual market value equal to a total of € 7,147.5 million: € 4,425.4 million relating to

the non-durable segment and € 2,722 million attributable to the durable segment, as shown in the following table (amounts in thousands of Euro):

#### CURRENT PORTFOLIO/FIXED PORTFOLIO

	Carrying value before evaluation 31.12.2020	Market value 31.12.2020	Plus/Minus closing 31.12.2020	Plus/Minus latents
Current	4,323,139	4,425,445	-10,876	102,306
of which at P&L	-	-	-10,876	-
Long-term	2,347,644	2,722,015	-	374,371
of which at P&L	-	-	-	-
<b>TOTAL</b>	<b>6,670,783</b>	<b>7,147,461</b>	<b>-10,876</b>	<b>476,677</b>

The Company's movable assets recorded, as at 31/12/2020, total net hidden capital gains (before the alignment of book values to market values) of € 476.7 million: € 102.3 million to refer to the current segment net of the capital loss of € 42.4 million relating to derivatives and € 374.4 million to the durable segment. The valuation effects recognized in the income statement were negative for € 10.9 million.

During 2020, securities with simultaneous classification in the long-term sector were purchased for a total value of € 362.3 million: € 317.4 million relating to Italian government bonds and € 44.9 million relating to a corporate bond. There were repayments of investment securities for a total value of € 68.6 million, and no divestments of securities allocated to this sector were made.

In 2020, some foreign government bonds were first transferred from the durable to the non-durable segment and then were subject to sale. The transfer did not generate any effects on the income statement (amounts in thousands of Euro). The transfer and sale operations have the purpose of improving the mismatching profile between the flows of assets and the expected flows of liabilities, in particular for the years in which the flows of assets are higher than those of liabilities, and to stabilize returns current and prospective segregated accounts, at levels consistent with the expectations of the policyholders.

#### SUMMARY OF SECURITIES SUBJECT TO SUB-FUND TRANSFER

Portfolio	ISIN code	Description of the security	Nominal value
Norvita	BE000034554	EUR BELGIUM 18-28 0.8%	40,000
Norvita	FR001315404	EUR FRANCE 16-36 1.25%	66,400
Norvita	BE000034453	EUR BELGIUM 17-37 1.45%	32,000
Norvita	FR001315402	EUR FRANCE 15-66 1.75%	3,000
C.Vitanuova	BE000034554	EUR BELGIUM 18-28 0.8%	40,000
C.Vitanuova	FR001315404	EUR FRANCE 16-36 1.25%	14,000
C.Vitanuova	FR001315402	EUR FRANCE 15-66 1.75%	3,000
C.Vitanuova	FR001325752	EUR FRANCE 17-48 2.00%	18,000
C.Vitanuova	BE000033847	EUR BELGIUM 16-47 1.60%	25,000
<b>TOTAL</b>			<b>241,400</b>

Concerning operations in so-called “Structured and subordinated” securities: securities for a total value of 124.1 million were purchased, securities were sold for a total value of € 207.6 million and redemptions proved worth € 52.9 million.

### The real estate sector

As regards the real estate sector, PRELIOS has been entrusted with the task of updating the current value of the properties. At the end of 2020, the presumed market value was estimated at € 100,130 thousand (€ 100,410 at the end of 2019) against a book value of € 98,470 thousand.

The general average occupancy level is confirmed at the levels of the previous year while the average profitability of the whole sector is equal to 4.64% (4.40% in 2019).

The asset allocation for the last two years is shown below (amounts in thousands of Euro):

Description	Year 2020		Year 2019	
	value	%	value	%
Financial investments	6,662,273.00	98.4%	6,310,591.00	98.2%
Real estate investments	98,471.00	1.5%	99,141.00	1.5%
Liquidity	6,658.00	0.1%	13,831.00	0.2%
<b>Total</b>	<b>6,767,402.00</b>		<b>6,423,563.00</b>	

### Financial risk management

More specifically, As regards the financial risk management policy, pursuant to art. 2428 cc, paragraph 2, n.6-bis, we observe the following.

The Company defines its risk management policy as a generalized approach to identify, understand, measure and manage its risks *business*.

In particular, financial risks (credit risk, liquidity risk and market risk in its exchange or currency, interest and price components) arise from the management of the investment portfolio, naturally consisting of securities, equity investments, real estate, loans of various kinds and other liquid assets.

It should also be added that Amissima Vita is subject to the control of the Supervisory Authority of the insurance sector which, through provisions of a prudential nature, affects the Company's ability to absorb equity risks that may have an impact on insurance management.

For a more complete examination of the Company's exposure to financial risks, a detailed analysis of the various cases is carried out:

- Credit risk

Credit risk is defined as the risk that one of the parties to a financial contract will fail to fulfill its obligations and cause financial damage to the counterparty. The Company manages the level of credit risk it accepts by making use of market analyzes and assessments carried out by the main international *rating*.

The Board of Directors of the Company, in defining the investment policies envisaged by Reg. Ivass n. 24/16, has defined a series of concentration limits with respect to a specific issuer or issuing group (maximum 3% of the portfolio with the exception of bonds issued by EU Member States or belonging to the OECD, or similar, for which no limit has been established), as well as limits based on the sector to

which the issuer belongs (maximum 10%). These limits are verified by considering both the securities held directly by the Company and the securities within the investment funds of the ICAV.

With specific reference to *rating*, the securities which are not assigned or attributable a rating (so-called not rated) cannot exceed the limit of 25% of the portfolio value, considering both the securities held directly by the Company and the securities held within mutual funds of investment.

The degree of risk of the securities portfolio is illustrated in the table below, which also compares the current situation with that of the previous year (amounts in thousands of Euro):

**RISKINESS OF THE PORTFOLIO (amounts in € thousand)**  
**(market value)**

Description	2020	2019
Shares	0	134
Bond Rating AAA	917,323	990,286
Bond Rating AA	1,970,106	2,201,212
Bond Rating A	429,899	505,509
Bond Rating BBB	2,586,123	1,232,582
Bond Rating BB	47,920	49,215
Bond Rating B	51,174	1,236
Bond Rating <=C		49,984
Without Rating	55,221	51,127
Share in subsidiaries companies	7,170	12,389
Investment funds	283,787	424,890
ICAV	761,535	1,067,445
Securitization	79,672	85,755
Derivatives	- 42,470	- 25,042
Loans		175
<b>TOTAL INVESTMENTS</b>	<b>7,147,461</b>	<b>6,646,897</b>

As regards ETF investment funds, as at 31/12/2020 the average rating was:

Description	market value	average rating
iSHARES ITALY GOVERNMENT BOND UCITS	14,103	Baa
iSHARES EURO GOV. BOND 7-10Y	269,684	Aa
<b>TOTAL</b>	<b>283,787</b>	

Concerning ICAV shares, as at 31/12/2020 the weighted average rating is:

Description	market value	rating
ICAV AMISSIMA LOAN ORIGINATION FUND	206,084	B
ICAV AV (CVN) GLOBAL IG CORP CREDIT FUND	106,499	A
ICAV AV (NORVITA) GLOBAL IG CORP CREDIT FUND	39,197	A
ICAV AV MULTI CREDIT STRATEGY FUND	409,755	B
<b>Total</b>	<b>761,535</b>	

As regards the ICAV Loan Origination Fund and the ICAV Multi Credit Strategy Fund, the weighted average rating is the result of exposures to highly rated government bonds and unrated loans.

Operations in derivative instruments can only take place in compliance with the provisions issued by the Supervisory Authority and in compliance with the resolutions of the Board of Directors. The Company



has the right to underwrite derivatives for hedging and for the effective management of investments. These contracts can be entered into with high-ranking counterparties *standing* credit, and in any case on financial instruments that must have a high degree of liquidity.

As at 31/12/2020, in addition to having derivative instruments for hedging the exchange risk within the funds of "Amissima Diversified Income ICAV", the Company also holds own positions in derivative financial instruments to hedge against the Italian risk. The counterparty with which derivative contracts have been entered into is Goldman Sachs (amounts in thousands of Euro).

#### FINANCIAL DERIVATIVE INSTRUMENTS

ISIN code	Title Description	Market value as at 31/12/2020
IT0003934657	Fwd 070222 103.615 B.T.P. 01.08.05 - 01.02.37 4.00%	-716
IT0004513641	Fwd 070222 103.791 B.T.P. 01.03.09 - 01.03.25 5.00%	-27,114
IT0004759673	Fwd 070222 98.278 B.T.P. 01.09.11 - 01.03.22 5.00%	-797
IT0004889033	Fwd 070222 105.694 B.T.P. 22.01.13 - 01.09.28 4.75%	-8,919
IT0004898034	Fwd 070222 100.542 B.T.P. 01.03.13 - 01.05.23 4.50%	-1,227
IT0004953417	Fwd 070222 101.506 B.T.P. 01.08.13 - 01.03.24 4.50%	-2,895
IT0005028003	Fwd 050221 99.484 B.T.P. 15.06.14 - 15.12.21 2.15%	-455
IT0005045270	Fwd 070222 97.23 B.T.P. 01.09.14 - 01.12.24 2.5%	-150
IT0005086886	Fwd 070222 97.973 B.T.P. 16.02.15 - 15.04.22 1.35%	-197
<b>Total</b>		<b>-42,470</b>

- Liquidity risk

Liquidity risk is defined as the risk that a party has difficulty in raising funds to meet its commitments and obligations.

Liquidity risk can arise from an inability to sell a financial asset quickly at a value close to its own *fair value*, in the eventual settlement of insurance compensation before expectations, in the general inability to generate the expected positive cash flows.

The table below shows the distribution by maturity of the investment portfolio (amounts in thousands of Euro).

#### DISTRIBUTION BY EXPIRATION OF THE PORTFOLIO

Description	Equities	Debt securities	Total
Shares	0		0
Less than 1 year		280,121	280,121
1-5 years		1,740,130	1,740,130
5-10 years		2,115,401	2,115,401
10-20 years		1,424,695	1,424,695
More than 20 years		497,418	497,418
Participations	7,170		7,170
Share in subsidiaries companies	283,787		283,787
ICAV	761,535		761,535
Cartolarization		79,672	79,672
Derivatives		-42,470	-42,470
Loans			-
<b>Total</b>	<b>1,052,492</b>	<b>6,094,969</b>	<b>7,147,461</b>

As regards ETF investment funds, as at 31/12/2020 the average duration was:

Description	market value	duration
iSHARES ITALY GOVERNMENT BOND UCITS	14,103	7.77
iSHARES EURO GOV. BOND 7-10Y	269,684	8.27
<b>Total</b>	<b>283,787</b>	

As at 31/12/2020 the funds of the ICAVs had the following average duration:

Description	Market value	duration
ICAV AMISSIMA LOAN ORIGINATION FUND	206,084	2.19
ICAV AV (CVN) GLOBAL IG CORP CREDIT FUND	106,499	4.40
ICAV AV (NORVITA) GLOBAL IG CORP CREDIT FUND	39,197	4.44
ICAV AV MULTI CREDIT STRATEGY FUND	409,755	1.50
<b>Total</b>	<b>761,535</b>	

It should also be noted that the bond portfolio held directly by the Company is largely made up of financial instruments listed on regulated markets while the securities present within the ICAV funds are mostly unlisted. Overall, considering both the securities held directly by the Company and the securities within the ICAV, the unlisted securities cannot exceed the limit of 25% of the portfolio value.

- Market risk

Market risk is defined as the risk of possible losses resulting from a change in the *fair value* of a financial instrument (Price risk) which can be determined by multiple causes including a change in exchange rates (Exchange or currency risk), or in the interest rates prevailing on the market (Interest risk). The changes are due to specific factors of the instrument and/or its issuer (credit spread risk) or to factors that generally affect the market to which the financial instrument belongs.

The price risk it is defined as the risk of fluctuations in the value of financial assets and liabilities following changes in market prices, and this whether the changes derive from specific factors of the asset/liability considered, or from market factors. In order to avoid excessive overall variability in the value of financial investments, management follows the policy dictated by the Investment Committee, on the basis of the strategic guidelines formulated by the Administrative Body. This policy imposes limits in terms of issuers, overall exposures, expected returns, types of financial assets that can be acquired, and any use of derivatives. Furthermore, monitoring and control activities are put in place, and corrective actions are taken, if necessary, to the distribution and concentration of assets, according to market trends and the expected rate of overall return of the portfolio.

The currency risk, defined as a change in exchange rates, it is almost nil, since as at 31/12/2020 all the securities held directly by the Company are denominated in Euro and the exchange risk due to foreign currency securities within the ICAVs is almost entirely offset by hedging derivatives.

The interest rate risk it is defined as the risk that the expected value and/or cash flows of a financial asset or liability fluctuate following a change in market interest rates.

The portfolio held directly by the company is mainly composed of fixed rate securities. Within the ICAV investment funds there are mainly

variable rate financial instruments to deal with phases of possible rise in interest rates without reducing the value of the units.

As regards the synthetic indicators of interest risk, the *duration* at 31/12/2020 it is equal to 8.2 years (in 2019 equal to 7.2).

### SOLVENCY CAPITAL REQUIREMENT AND ASSETS COVERING TECHNICAL RESERVES

At the closing of the 2020 financial year, the capital requirement was calculated according to the model envisaged by the Standard formula of Directive 2009/138 EC and Delegated Regulation (EU) 2019/981.

The Company therefore adopted the Volatility Adjustment commensurate by EIOPA in 7 bps to be applied to the discount rate for the best estimate of insurance contracts.

For the calculation of the solvency situation as at 31.12.20, the Loss Absorbing Capacity (LAC) was considered for the valuation of the Net Asset Value following the shocks for market and technical risks, i.e. the ability to absorb losses by of the Technical Provisions. Below is the detail of the calculation with VA:

Reporting date	12.2020
Available capital	269,698
Eligible OF	269,698
SCR	143,973
<b>Ratio of Eligible own funds to SCR</b>	<b>187%</b>
Capital Surplus/Deficit	125,725
Eligible OF for MCR Coverage	235,260
MCR	64,788
<b>Ratio of Eligible own funds to MCR</b>	<b>363%</b>

If the VA is not used:

Reporting date	12.2020
Available capital	252,054
Eligible OF	252,054
SCR	156,518
<b>Ratio of Eligible own funds to SCR</b>	<b>161%</b>
Capital Surplus/Deficit	95,536
Eligible OF for MCR Coverage	218,745
MCR	70,433
<b>Ratio of Eligible own funds to MCR</b>	<b>311%</b>

The funds eligible to cover the solvency requirement consist of Tier 1 and Tier 2 capital elements, according to the constraints established by the regulations.

The Tier 2 own funds consist of the Tier 2 subordinated bond issued by the Company for a nominal value of 45 million on 01/04/2020. . Below is the detail of the calculation with VA:

<b>SCR Eligible Own Funds</b>	<b>12.2020</b>
<b>Tier 1 - unrestricted</b>	222,302
<b>Tier 1 - restricted</b>	-
<b>Tier 2</b>	47,396
<b>Tier 3</b>	-
<b>Total</b>	<b>269,698</b>

<b>MCR Eligible Own Funds</b>	<b>12.2020</b>
<b>Tier 1 - unrestricted</b>	222,302
<b>Tier 1 - restricted</b>	-
<b>Tier 2</b>	12,958
<b>Tier 3</b>	-
<b>Total</b>	<b>235,260</b>

If the VA is not used:

<b>SCR Eligible Own Funds</b>	<b>12.2020</b>
<b>Tier 1 - unrestricted</b>	204,659
<b>Tier 1 - restricted</b>	-
<b>Tier 2</b>	47,396
<b>Tier 3</b>	-
<b>Total</b>	<b>252,054</b>

<b>MCR Eligible Own Funds</b>	<b>12.2020</b>
<b>Tier 1 - unrestricted</b>	204,659
<b>Tier 1 - restricted</b>	-
<b>Tier 2</b>	14,087
<b>Tier 3</b>	-
<b>Total</b>	<b>218,745</b>

The technical reserves at the end of the year are fully covered with assets fully and freely owned by the company, as well as free from constraints or encumbrances of any kind.

As requested by IVASS, the Company has also activated monthly mechanisms for monitoring the solvency position for the purpose of a timely analysis of the evolution of the situation and the implementation of consequent actions, where necessary. At the date of approval of the financial statements, the updated solvency situation of the Company remains above the minimum requirements envisaged by the RAF Policy.

## TRANSACTIONS WITH RELATED PARTIES/INTRA-GROUP COUNTERPARTIES

A transaction with an infragroup counterparty can be defined, also in accordance with the IFRS international accounting standards, as a transfer of resources, services or obligations between a company and the parent company, subsidiaries, associates, affiliates, managers, directors, the statutory auditors and majority shareholders, as well as their close relatives, regardless of whether a consideration has been agreed.

Transactions with intragroup counterparties can lend themselves to critical profiles and give rise to possible fraudulent phenomena. Faced with these risks, the prevailing orientation is not to prohibit such transactions, but to request adequate information, which is considered essential for the efficient functioning of the capital market. In fact, the objective of IAS 24 is precisely to allow the user of the financial statements to understand how relations with intra-group counterparties may or may not influence the formation of the result for the period or future ones due to the realization or settlement of the balances. assets outstanding with them. The disclosure required by the Standard also covers the commitments outstanding at the balance sheet date and allows users of the financial statements to obtain useful information about the risks and opportunities arising from them.

Pursuant to IVASS Regulation no. 30/2016 and the regulatory provisions referred to in IAS 24, the business activities falling within the case in question are all the activities and/or transactions that occur between the Company on the one hand, and the following entities, natural and legal persons, on the other hand:

- natural persons:
  - directors, statutory auditors, executives with strategic responsibilities, Risk Takers of the Group to which they belong;
  - close family members of the natural persons mentioned above;
- legal entities
  - direct or indirect parent companies of Amissima Vita S.p.A.;
  - companies controlled directly or indirectly by Amissima Vita S.p.A.;
  - companies connected directly or indirectly to Amissima Vita S.p.A.;
  - companies controlled by a parent company Amissima Vita S.p.A.;
  - the company pension funds as, pursuant to IAS 24, they represent post-employment benefit plans in favor of employees of the entities that prepare the financial statements or of an entity related to it;
  - companies linked by corporate bonds to the ultimate shareholder;
  - companies controlled or subject to significant influence by one of the aforementioned natural persons.

Pursuant to IVASS Regulation no. 30/2016 concerning supervisory provisions on intra-group transactions and risk concentrations, the Board of Directors of the Company adopts, in acknowledgment of the indications of the Parent Company, the Policy on intra-group operations, updating it annually.

The Policy provides for the prior authorization of transactions with Intra-Group Counterparties by the Board of Directors of the Company and, if applicable, by the Parent Company, if they are significant (i.e. they are of a significant amount also due to the regulatory provisions referred to in the aforementioned Regulation) or atypical or unusual (i.e. atypical with respect to the normal management of the company, or carried out with unusual procedures, or without apparent economic rationale, or not in line with standard market conditions) or relevant (i.e. not part of the business ordinary business and/or which assume relevance due to the risk profile of the Company or the Group and/or which are the exclusive authorization of the Board of Directors).

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The Amissima Insurance Group registered in the special register with the number 50 is wholly owned, ultimately, by *Apollo Global Management Inc.*, leading American alternative fund manager. Limiting the analysis to the domestic market only, Amissima Holdings S.r.l., Italian insurance or reinsurance holding company e Insurance Parent Company, exercises management and coordination activities on the Group which is composed - as well as by the insurance companies Amissima Vita S.p.A. and by Amissima Assicurazioni S.p.A. (the share capital of which is held 100% by Amissima Holdings S.r.l.) - by their subsidiary instrumental companies Assi90 S.r.l., IH Roma S.r.l. and Dafne Immobiliare S.r.l.

Amissima Vita S.p.A. (hereinafter also "the Company" or "the Company") it does not own own shares or shares of the Parent Company.

\*\*\*

Transactions with Related Parties/Intra-Group Counterparties recorded in 2020 refer to:

- for the companies of the Group, to the activities indicated below;
- for representatives of Group companies, the salaries/fees paid (including MBOs), the recovery of costs incurred on their behalf, the stipulation - for them and their families - of policies with Amissima Vita S.p.A. with relative recognition of premiums paid, reserves set aside, any sums paid, loans granted and related interest accrued and received;
- for the other companies linked to the Group by the same shareholding constraint with the ultimate shareholder Apollo Global Management Inc:
  - an investment advisory agreement signed with Apollo Asset Management Europe PC LLP and Apollo Management International LLP;
  - to the investment activity carried out by the company Amissima Diversified Income (so-called ICAV), as the investment vehicle of the Insurance Group;
  - to the issue of a subordinated bond loan classified among the Tier 2 Basic Own Funds entirely subscribed by the indirect parent company Primavera Intermediate Holdings S.à rl;
- concerning the company pension funds, to the payment to the latter of the membership fees and to the stipulation of policies with relative recognition of the premiums paid, the reserves set aside and any sums paid.

#### Relations with the Parent Company

During the 2020 financial year, Amissima Vita S.p.A. registered with Amissima Holdings S.r.l. (as Parent Company and Sole Shareholder), the following relationships:

- management of the insurance policy premium relating to the civil liability of Directors, Statutory Auditors and Executives of Group Companies (D&O Policy);
- staff secondment agreements both concerning the Heads of the Internal Audit, Compliance, Risk Management, Anti-Money Laundering/Anti-Terrorism functions, and concerning the staff who also carry out activities for the Parent Company, including the recharging/re-credit of the related costs;
- centralization agreement of the Actuarial Function at the Insurance Parent Company;
- management of synergistic services by the Company on behalf of the other, through a specific agreement for other charges relating to services, supplies and services, with recharging of the related costs. In this regard, the renewal of the related framework agreement for the allocation of intra-group costs should be noted for 2020;
- transactions deriving from the Group cash pooling agreement between the Companies, the real estate instrumental companies and the Parent Company;
- relations relating to the tax consolidation regime for Group taxation of which the Group companies belong and related consequent activities;
- capital payment by the Parent Company.

#### Relations with the Subsidiaries

Amissima Vita S.p.A. holds 60.25% of Assi90 S.r.l., a company in liquidation; together with the stake held by Amissima Assicurazioni (39.75%), the Group holds the entire stake.

#### Relations with Associates

All non-controlling shareholdings held in companies belonging to the Amissima Insurance Group are grouped under the heading “associates”, even if the share held is lower than the limits indicated in art. 2359 of the Italian Civil Code

Amissima Vita S.p.A. holds 29.335% of the shares in the real estate company belonging to the Insurance Group, IH Roma S.r.l. Together with the stake held by Amissima Assicurazioni (70.665%), the Group holds the 100% stake in the Company<sup>1</sup>.

#### Relations with Affiliates

The companies subject to the direct shareholding control of the Parent Company Amissima Holdings S.r.l. are grouped under the item “Affiliates”; in this context, Amissima Vita S.p.A. in 2020 registered relationships with Amissima Assicurazioni S.p.A., for:

- the reciprocal chargeback of synergistic services between the two companies, managed, as is the case with the Insurance Parent Company, both through the regime of partial secondment as regards staff and through a specific agreement for what concerns other charges relating to services, supplies and performance other than staff. In this regard, the renewal of the related framework agreement for the allocation of intra-group costs should be noted for 2020;
- the leasing of a portion of the property seat of the Agency;
- the sale of a share equal to 21.665% of the share capital of the instrumental company IH Roma S.r.l.<sup>2</sup>

<sup>1</sup> On 1 December 2020, the Board of Directors, with the favorable opinion of the Parent Company Insurance Amissima Holdings Srl, resolved to proceed with the acquisition of the equity investment, equal to 70.665% of the share capital of IH Roma Srl, by Amissima Assicurazioni S.p.A. Once this transaction was finalized in February 2021, subject to prior notification to IVASS, Amissima Vita S.p.A. returned to possession of the entire share capital of IH Roma Srl

<sup>2</sup> Reference is made to what has been highlighted in the previous paragraphs.

The economic and equity balances generated by these relationships with the Parent Company, the Subsidiaries and the Associates are summarized in the tables below (amounts in thousands of Euro).

*Legend:*

*Balance sheet:*

*positive: receivables/-net worth*

*negative: payables/+net worth*

*Income:*

*positive: costs*

*negative: income*

## PARENT COMPANY

### Amissima Holdings S.r.l.

31.12.2020

**Balance**

Invoices to be issued	135
Correspondence current account balance	-
Cash pooling	2,600
Invoices to be received	-332
Debt for tax consolidation	-1,573

**Income**

Cash pooling interests	-19
Synergistic recovery	-128
Synergistic costs	672

## INSURANCE ASSOCIATE

### Amissima Assicurazioni

31.12.2020

**Balance**

Invoices to be issued	2,339
Correspondence current account balance	-920
Invoices to be received	- 2,819

**Income**

Synergistic costs	2,806
Active rentals	-31
Synergistic cost recovery	-2,273
Other income	54



## INTERMEDIATION AREA - AGENCIES CHANNEL

### Assi 90

31.12.2020

#### Balance

Participation	1,636
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## REAL ESTATE AREA

### I.H. Roma

31.12.2020

#### Balance

Participation	5,534
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#### P&L

Income from participation	-1,530
Loss from sale	481
Loss from valuation	651

Below is the quantitative evidence of the relationships with other infragroup counterparties - including individuals - not included in those shown in the previous tables.

## OTHER INTER-GROUP COUNTERPARTIES

31.12.2020

#### Balance sheet

Financial investments (Amissima Diversified IcaV)	799,094
Financing	112
Sums collected	2,733
Invoices received/to be received	-150
Technical reserves	-34,665
Bond issuing	45,000
Invoices issued/to be issued	60

#### P&L

IcaV dividends	-21,851
Prizes collected	-2,663
Other costs	204
Paid amounts	2,225
Contributions	744
Recovery of costs and interest income	-60
Remuneration of Directors, Statutory Auditors and Management members	1,990

## OTHER SIGNIFICANT ELEMENTS

### Non-financial risk management

In carrying out its insurance business activity, Amissima Vita is exposed to all the risks that generally accompany a typical business activity, and defines its policy policies as an approach extended to the entire company structure to identify, understand, measure and manage your own risks *business*.

In particular, the Company is subject to exposure to risks deriving from the exercise of its core business, in this case those deriving from any negative developments in insurance and operational risks, and to all those associated with movements in the financial markets.

The risks are therefore attributable to three macro-categories, which in turn can be divided into risk sub-categories:

- the risks insurance, that arise from the activity of the insurer, who acts as an intermediary on the market capable of determining a transfer and a consequent reduction of the risk, through a professional centralized management of the risks assumed; the insurance risks in turn are divided into
  - underwriting risk,
  - reservation risk,
  - reinsurance risk;
- the operational risks, i.e. the event or events whose manifestation may lead to a possible loss, including missed opportunities, originating from deficiencies and/or inadequate performance of internal control processes and/or systems, human resources and systems, for both internal and external causes;
- the financial risks, which have been extensively analyzed in the specific paragraph of the section dedicated to asset and financial management; among these, however, there is the credit risk, which also exists in the non-financial sphere, concerning the management of receivables from policyholders; in this case the risk is managed through the direct collection activity carried out by the intermediaries, with daily payments for the Carige Group banks, and ten-day payments for the agents, whose remittances are subject to timely supervision by the central and peripheral structures in order to to contain the risk of insolvency; for Amissima Vita there is also the guarantee given by the fact that the Companies that exercise the Life business are not at risk in the event of non-payment of the premium by the customer.

In all cases, the Company's Board of Directors dictates the guidelines for operations, and for the management of the risks connected to it, by means of specific policies. in force at the date of this Report.

### Insurance Risks

Insurance technical risk is the risk of unexpected process-related losses *core* of the Company; it is possible to distinguish, as mentioned, two sub-categories of risks (underwriting and reserve) and a common sub-risk (reinsurance).

In particular, the underwriting risk, linked to the underwriting of insurance contracts, is the risk that the premiums requested from policyholders are not sufficient to cover the resulting commitments, depending on the events covered, the pricing, the trend of the insured events, the company policies for underwriting the risk, reinsurance policies. For each class or type of policy, actuarial models are used to determine tariff requirements and monitor claims.

Relative to the reservation risk, it is linked to the quantification of the reserves, which could be inadequate with respect to the commitments undertaken towards the policyholders; this inadequacy may depend both on incorrect estimates of the reserves themselves and on changes in the general and market context in which the Company operates. Verification of the adequacy of the reserves is entrusted to the Actuarial Function, controlled and endorsed by the Company's Administrative Body.

Finally, as regards the reinsurance risk once the retention levels have been defined, treaties are signed to adequately cover the main classes exclusively with primary market counterparties, in order to mitigate the risk of insolvency. The counterparties are in any case constantly monitored and the exposure limits are reviewed annually, in compliance with the reinsurance policy outlined by the Board of Directors pursuant to Isvap circular no. 574/D, to verify the creditworthiness of the reinsurer and the possible need to carry outwrite-down of receivables recorded in the balance sheet; here the reinsurance risk overlaps with the credit risk, which is more widely discussed among those of a financial nature.

In all cases, the Company's Board of Directors dictates the guidelines for operations, and for the management of the risks connected to it, by means of specific policies. in force at the date of this Report (CD "Life Underwriting Policy", "Life Reservation Policy" and "Life Reinsurance Policy").

### Operational Risks

As mentioned, events whose manifestation may lead to a possible loss, including missed opportunities, originating from deficiencies and/or inadequate performance of internal control processes and/or systems, in human resources are recognized as operational risks. and in systems, both for internal and external causes.

To quantify exposure to operational risk for regulatory purposes, the Company uses the method provided for by the Standard Formula pursuant to Directive 2009/138/EC, the so-called Solvency 2; at the same time, the company has developed assessment methodologies which, while the complete mapping of this type of risk is implemented, insist on the different processes, see qualitative assessments produced by the various line functions (according to a of type *risk self assessment*) reviewed by the control functions, aimed at assessing the residual risk on company operating processes, net of the effectiveness of the controls put in place.

Also in this case, the Company's Board of Directors dictates the guidelines for operations, and for the management of the risks connected to it, through the specific policy in force at the date of this Report.

### Internal control

In the context of the Insurance Group, the organizational structure of the Fundamental Functions (so-called "Key Functions": Internal Audit, Compliance, Risk Management and Anti-Money Laundering/Anti-Terrorism - AML)) provides for the establishment of the individual Functions at the Holding and the Insurance Companies. Since 2019, steps have been taken, for the purposes of a progressive adaptation to the provisions of IVASS Regulation no. 38/2018, to the termination of the related intra-group agreements by virtue of the pre-existing centralization at the Parent Company by activating, as a replacement, the Institute for the partial secondment of the Heads of the Functions operating at the Parent Company, employees of the latter. Therefore, also in 2020, the Heads of these Functions of the Insurance Companies coincide with those of the Parent Company. As regards the Actuarial Function, the outsourcing by the Holding to an external Professional and the relative centralization of this Function at the Insurance Parent Company continues in 2020, regulated by intra-group agreements between the latter and the Insurance Companies.

The internal contact person in charge provided collaboration to the Head of the Group Actuarial Function, in order to guarantee adequate and homogenous risk control standards adequately calibrated with respect to the characteristics of the risks of the Company and the Insurance Group. The re-internalization of the Actuarial Function was implemented, as authorized by the Supervisory Authority upon an extension request formulated by the Group, by the deadline of 1 January 2021.

The activity of the Function of **Internal Audit** is carried out in the context of the Insurance Parent Company's Policy on Internal Audit, approved in the latest version by the Board of Directors on 19 June 2020. The Function adopts the operating methodology and the audit tools referred to in the Function Regulations, most recently submitted to the Administrative Body on 19 June 2020. The operating methodologies are based on the use of an approach based on the assessment of controls and oriented on the risks inherent in company processes, which allows the formulation of an opinion on the adequacy of the Internal Control System.

The activities planned for the entire 2020 financial year were formalized in the Plan *Audit*, approved by the Board of Directors on January 27, 2020.

Under the **Mandatory Activities/Mandatory activities**, periodic reports on complaints management were produced (Reg. ISVAP 24/2008); checks on the correct application of the remuneration policies defined by the Administrative Body (Reg. IVASS 39/2018); the part falling under the responsibility of RSR and SFCR; the part pertaining to the Review of the Corporate Governance System (SOG); verification of compliance with the statistical information policy (Reg. IVASS 36/2017); checks on the effective application of the Policies in the context of company operations; the verifications ordered by the joint IVASS-Bank of Italy letter regarding the offer of non-financial products combined with loans; the annual check on anti-money laundering and anti-terrorism; the periodic information reports to the BoD and the Board of Statutory Auditors regarding the activity carried out by the Function; Internal Audit also supported the Risk Management Department in conducting a self-assessment campaign of the «risks & controls» on the operational and support processes of the Companies (RSA).

Concerning the activities of **Financial Audit**, an analysis was made of the profiles inherent to the accounting disclosure risks identified in the processes audited during the year.

The activities of **Management Activities** (*Audit is Follow up*) they concerned the assessment, in terms of existence/adequacy and compliance of the internal control systems, in correlation with the risks identified in some of the main company processes. *Operational Audit*: Passive reinsurance process; Property management process - passive cycle; Management Audit for the evaluation of the internal control system. *Follow up*: IVASS Inspection Intervention Plan; Illiquid investments - ICAV; GDPR. The activities of *IT audit* concerned the information systems inherent to the outward reinsurance process (subject of *operational audit*).

Concerning **Advisory Activities/Support and consulting activities**, during the year, the Function participated in a consultancy role in the main company projects. Concerning relations with the various control bodies, the Head of the Internal Audit Function participated in meetings with the Board of Statutory Auditors and in all the meetings of the Supervisory Body pursuant to Legislative Decree 231, in the role of support and advice.

As the “operational arm” of the 231/01 Supervisory Body, also within the scope of the Supervisory Board 2020, the function carried out and reported the results relating to the required checks. The Manager also initiated the agreed information flows to the External Auditing Company.

The **outcomes of the activities carried out, corrective actions and action plans** were shared with the managers of the Organizational Units concerned and were the subject of information reports and periodic updates on the quarterly monitoring of the progress of the interventions, sent by competence to the Top Management, the Independent Directors, the Administrative Body, the Control Body, as well as in the context of the participation of the Head of the Function in the endo-advising Control and Risk Committee and in the management committees Management Committee and Risk Committee.

The operation of the function of **Compliance** focused on the areas of competence, with the aim of ensuring the compliance of company activities with legal, supervisory and self-regulatory provisions, developing in particular in the following areas:

- consultancy for fulfilments deriving from new Regulations, Provisions and Letters to the Market issued

by IVASS, through the regulatory monitoring of the same, the support activity in favor of the interested entities for the identification of the fulfilments, as well as the preparation of forms if necessary synthetic;

- consultancy for fulfilments deriving from new pertinent national and community legislation, with the preparation of in-depth information sheets;
- support to interested bodies for various regulatory aspects;
- verifications of *compliance* (the activity concerned, among other things, the Remuneration Policies, the other Company Policies, the Controls referred to in the Reporting Policy for Ivass, the Offer of products combined with loans pursuant to the joint Ivass-Bank of Italy of 17 March 2020, the Policies of organization, management and control of distribution, the Reservation Process, the controls pursuant to Consob Resolution no.17297), followed by the monitoring of the suggested interventions;
- risk self assessment in collaboration with the Operational Representatives with subsequent monitoring of the suggested interventions;
- *Compliance* it is part of the process relating to transactions with related parties, in particular, for the purposes of issuing the authorization of the BoD, its prior opinion is required, regarding the completeness of the supporting documentation; in addition, the Function must highlight the presence of a potential risk of contagion;
- examination of the information flows, implemented in order to oversee compliance with the legislation intended to protect the consumer every six months, concerning customer complaints, administrative inspections at intermediaries and disputes with policyholders relating to the interpretation of contractual rules ;
- preparation of "mandatory" reports pursuant to both internal and external regulations.

The risk management system of a company has the objective of maintaining the risks to which it is exposed at an acceptable level and consistent with its capital availability, and must guarantee the identification, assessment and control of risks. more significant, that is, those risks that can compromise the solvency or the achievement of the objectives of the company itself.

Article 45 Solvency 2 Directive requires companies and insurance groups to carry out an internal risk and solvency assessment and that this assessment is systematically taken into consideration in strategic decisions. This assessment, in line with the provisions of IVASS Regulation no. 32/2016, must be carried out from a prospective perspective by assessing the current risk profile and its evolution over a medium-term time horizon.

In the first half of 2020, the Risk Management Function conducted these assessments in relation to the capital and solvency situation in accordance with the provisions of the second level implementation measures of Directive 2009/138/EC Solvency 2 concerning the end of the 2019 financial year, whose results were brought to the assessment of the Board of Directors on 29.04.2020 as part of the preparation of the QRT - Quantitative Reporting Template provided by the cd Full Measures and the Solvency and Financial Condition Report as required by Regulation no.33/2016, and sent to the Supervisory Authority within the set deadlines.

The Risk Management Function updated the balance sheet and solvency situation in accordance with the second level implementing measures of Directive 2009/138/EC Solvency 2 concerning the interim financial situation in June and September 2020. The results were prepared in the QRT format and sent to the

Supervisory Authority within the set deadlines (QES2 and QES3 Information).

The estimate of the SCR and MCR Solvency requirements, as well as the fair value valuation of all the assets/liabilities of the Company's assets, were carried out by borrowing the methodological contents established in the most recent technical specifications published by EIOPA, including the Long Term Guarantees Measures or the package of extraordinary measures to be adopted in conditions of particular tensions on the financial markets, which require the use of a higher discount rate than the risk free one in order to offset the lower values of assets with a lower value of liabilities and mitigate thus the pro-cyclical effects induced by fair value measurements. The Volatility Adjustment commensurate by EIOPA was therefore adopted to be applied to the discount rate for the best estimate of insurance contracts.

In January 2021, the Risk Management Function carried out checks on the update of the equity and solvency situation in accordance with the provisions of the second level implementation measures of Directive 2009/138/EC Solvency 2 concerning the financial situation as at December 2020 pursuant to the QES4 2020 disclosure.

The results of the assessment of the Solvency 2 requirements were prepared in the QRT format (Quantitative Reporting Template) and sent to the Supervisory Authority within the set deadlines (04 February 2021 for the quarterly data of December 2020 QES4).

The Function has also prepared the assessment pursuant to Article 30 ter of the Private Insurance Code regarding the internal assessment of risks and Solvency (the so-called ORSA) and the Regulations n ° 32/2016 IVASS which reports the provisions that must be observed by insurance companies and groups and through which the companies/target groups of previous years are requested to carry out the prospective assessment of the risk profile and solvency (CD ORSA) concerning the data at 31 December 2019, the forecast for December 2020 and a three-year projection by implementing the indications contained in the aforementioned Regulation.

The prospective risk profile was assessed by projecting the individual balance sheet items as envisaged by the Company's strategic plan.

For the risks included in the standard formula for the calculation of the solvency requirement 2, the shocks and assessment criteria defined in the current version of the EIOPA Technical Specification for the calculation of the SCR have been applied.

For the risks included in the standard formula, the Company has not used criteria other than those established by the Solvency 2 Directive, which are considered adequate to represent the risk profile but stress analyzes and reverse stress tests have been carried out. For risks not considered in the standard formula, qualitative and/or quantitative assessments were carried out, in the latter case, assessing, where possible, the impact on Own Funds and on the Solvency Capital Requirement.

The Function has prepared the prospective assessment of the Company's Solvency profile in accordance with the new 2021-2023 Business Plan, approved by the Administrative body together with ORSA Report 2020 in the Board meeting of 08 July 2020.

The Function will continue both in adapting the risk management model according to the guidelines issued by the Administrative Body, and in monitoring the evolution of the Solvency 2 regulatory context, and will also continue to play its proactive role in all project activities. in which it is involved, in particular:

- the assessment of the Company's solvency requirement calculated in a standard formula on the data at subsequent quarterly closings;
- the updating of the ORSA 2021 report and of the current and prospective assessments of risks and Solvency, including sensitivity and stress test analyzes;

- updating the register of operating losses and the launch of the 2020 self-assessment campaign for operational risks in relation to the separation project of the Group companies;
- monitoring of the limits set by the Group's strategic policies and by the RAF (Risk Appetite Framework).

The **Board of Statutory Auditors** supervised the adequacy of the organizational, administrative and accounting structure adopted by the company and its concrete functioning, through the collection of documentation, the carrying out of punctual checks as well as through periodic meetings with the company representatives concerned. The Board of Statutory Auditors constantly monitored the progress of the significant disputes in progress, up to the settlement in the terms illustrated above. The Board of Statutory Auditors also supervised the internal control system, holding periodic meetings with the Head of the Internal Audit Function, thus verifying the progress of the improvement measures suggested by this function following the various audits carried out on company processes. The Board of Statutory Auditors participated in the meetings of the Internal Control and Risks Committee and maintained a periodic exchange of information flows relating to information of common interest. The Board of Statutory Auditors monitored the activities aimed at implementing the action plan communicated to IVASS in relation to the inspections carried out by the Institute on the Company in 2019. Without prejudice to the presence of the Board of Statutory Auditors at the meetings of the Board of Directors, the latter reported on a quarterly basis to the Board of Statutory Auditors on the activities carried out and the most significant operations carried out by the Company. The Board of Statutory Auditors monitored compliance with the regulations of the Decrees of the President of the Council of Ministers relating to the health emergency resulting from the spread of the Covid-19 virus.

The functions of the **Supervisory Body pursuant to Legislative Decree no. 231/01** they are carried out by the Company's Board of Statutory Auditors, assisted, within the terms established by the same Body and where deemed appropriate by the latter, by the Head of the Internal Audit Function and by a criminal expert. During 2020, in continuity of action and without prejudice to the separation of the functions assigned, the Body continued its monitoring activity on the adequacy of the Organizational Model adopted by the Company, carrying out specific hearings with the top management of the Company, as well as with the managers of the various sectors, in order to have precise awareness of the facts and documents relating to the activities of the various offices and paying specific attention to compliance with anti-money laundering legislation and protocols. The Supervisory Body maintained constant and periodic connection and coordination with the Company's Internal Audit, Compliance, Risk Management, Actuarial and Anti-Money Laundering/Anti-terrorism functions. The Supervisory Body also paid attention to the risks weighing on the Company deriving from the epidemiological emergency Covid-19.

### **"Anti-money laundering" obligations**

The activities of the Anti-Money Laundering Function concerned:

- analysis of external regulations: the Anti-Money Laundering function carries out all the activities necessary to continuously identify any changes in the reference regulatory framework and to ensure their knowledge, interpretation and analysis, evaluating the impacts on the Company's processes in order to obtain compliance; in particular, he collaborated in the review of the Money Laundering, Sanctions Compliance and Terrorist Financing Risk Management Policy and in relation to the review of operational processes and corporate procedures relating to customer due diligence on data retention and customer profiling;
- consultancy and opinions: preparation, in response to specific requests, of opinions relating to aspects relating to the organization, processes, company procedures, the design of product lines, management choices in general in the anti-money laundering and anti-terrorism fields;
- controls: specific anti-money laundering and anti-terrorism control activities and subjects subject to



sanctions;

- relations with the Supervisory Authority: obligations related to the IVASS Letter Prot. N. 0042991/20 of 7 February 2020 concerning the self-assessment of the risks of money laundering and terrorist financing on the 2019 financial statements;
- monthly transmission to the FIU of SARA aggregate data concerning financial movements relating to insurance transactions;
- monitoring of the risk of terrorist financing and Sanctions Compliance through the execution of the annual control plan that checks the lists of designated subjects (EU, UN, and OFAC), both ex ante and ex post, for all insurance subjects and for subjects and entities having relationships with the company;
- training: support, with specific reference to anti-money laundering and anti-terrorism regulations, to the Selection and Training Office and to *Marketing* in the identification of training needs, in the preparation of the training plan and, where required, in the provision of courses respectively for employees and for the direct distribution network.

The manager and the employees of the Office participated in training modules distributed throughout the year.

### **Compliance with "privacy protection"**

During the first half of 2020, the Company consolidated its oversight of the protection of personal data from the design stage (privacy by design) and by default (privacy by default), through the intervention of the Privacy Office. and the involvement of the DPO in new projects, products, events and collaborations.

In the second half of the year, the activities planned for the following continued: implementation of the Organizational Model for the protection of Personal Data; verification, improvement and updating of information forms and requests for consent; verification of the transfers of personal data to non-EU countries for the application of the guarantees referred to in the GDPR.

Furthermore, the processing Register was updated through the involvement of the individual functions concerned in order to update the processing activities recorded therein.

### **Handling complaints**

The management of complaints, as governed by Isvap Regulation no. 24/2008, issued pursuant to Article 7 of Legislative Decree 209/2005 (cd TU of Insurance), continued during the year by the Complaints Office.

As regards the complaints received by the Company, there were 18 positions cataloged in the specific Register throughout 2020, all of which could be dealt with with an average processing time of 27.75 days, while requests for IVASS investigations were received in relation to 4 positions (no. 2 as of 31/12/2019).

Number of complaints	2nd sem. 2020				2nd sem. 2019	
	Number	%	Var.num.	Var.%	Number	%
Accepted	8	50	3	60	5	22.7
Concluded	1	6.3	1	n/a	0	0
Rejected	7	43.8	-10	-58.8	17	77.3
<b>Total hesitated</b>	<b>16</b>	<b>100</b>	<b>-6</b>	<b>-27.3</b>	<b>22</b>	<b>100</b>
In Investigation	2	11.1	1	100	1	4.3
<b>Total negotiable</b>	<b>18</b>		<b>-5</b>	<b>-21.7</b>	<b>23</b>	
Not tractable	0	0	-1	0	1	4.2
<b>Total received</b>	<b>18</b>		<b>-6</b>	<b>-25</b>	<b>24</b>	



### **National Tax Consolidation**

In the fiscal field, it should be noted that in 2020 the "national tax consolidation" regime envisaged by art. 117 and following of the DPR n. 917/86. The relations between the consolidating company (Amissima Holdings S.r.l.) and the consolidated company deriving from group taxation are regulated by a specific agreement stipulated between the parties. The exercise of the option for the tax consolidation regime, lasting three years, for the tax periods from 2019 to 2021 inclusive, was confirmed with the Revenue Agency. The option is tacitly renewed at the end of each three-year period, unless revoked.

### **Tax Litigation**

In October 2011, the Company was served a tax settlement notice for approximately € 3 million regarding the sale, which took place in 2008, of the investment in Portorotondo Gardens S.r.l., a sale of shareholding considered by the tax authorities as a sale of a company and as this subject to a different tax regime; the notice was followed in April 2012 by a payment request for approximately € 4 million.

The Company filed an appeal against both notifications, obtaining the suspension and reunification of the two files; in October 2012, Amissima Vita's appeal was upheld. In May 2013, the Financial Administration challenged the sentence and Amissima Vita appeared before the court in accordance with the law; in March 2014, the second instance rulings were filed with which the Milan Regional Tax Commission confirmed the first instance ruling, reaffirming the nullity of the liquidation notice issued by the Milan Revenue Agency.

In November 2014 Amissima Vita was notified of the appeals to the Cassation of the Revenue Agency against the second degree sentences in favor of the Company, which in turn presented a counter-appeal to the Supreme Court of Cassation in December 2014, requesting the inadmissibility of appeals filed by the Office.

During 2019, the Company made use of the facilitated settlement of tax disputes (so-called "Tax peace"), introduced by art. 6 of the DL 23 October 2018, n. 119, in consideration of the cost-effectiveness of the subsidy offered.

For the completion of the procedure, Amissima Vita made a payment of approximately € 136 thousand on May 22, 2019 and submitted the definition applications to the Revenue Agency on May 27, 2019.

Since the deadline of July 31, 2020, by which the Revenue Agency could have notified the refusal, the settlement of the dispute is considered completed.

### **Ongoing disputes**

The most significant situations are given below:

- Litigation initiated by a subject who, claiming to have stipulated six life policies with Amissima Vita, through a former agency, sues the insurance company to obtain the payment of the premiums which it claims to have paid, for a total of Approximately € 879 thousand, as well as compensation for non-pecuniary damage. The application was rejected at first instance. With a sentence of 9 November 2018, the second instance judge found the counterparty's claim to be well founded, ordering the company to return the premiums paid for a total of Euro 907,335.71, for capital and interest, in addition to the reimbursement of legal fees. The company has appealed to the Supreme Court and is waiting for the first hearing to be set;
- With a settlement of 21-22 November 2019, the dispute pending before the Court of Genoa between Banca Carige, Amissima Holdings and the companies of the Amissima Group was settled. Banca Carige had requested compensation from Amissima Holdings S.r.l. (jointly with the former directors of Banca Cesare Castelbarco Albani and Pier Luigi Montani, Apollo Management Holdings LP and Apollo Global Management LLC) for a total of € 450 million, while to the insurance companies (jointly with Cesare

Castelbarco Albani, Pier Luigi Montani and Apollo Global Management LLC) compensation of € 800 million had been requested.

With sentence no. 3118/2018, published on 6 December 2018, the Court of Genoa had rejected all the requests put forward by the Bank with a sentence to reimburse the legal costs. The Bank had appealed the sentence before the Court of Appeal of Genoa, re-proposing the claims for compensation made in the first instance. Following the transaction, with a provision dated 7 October 2020, the Court of Appeal of Genoa ordered the separation of the positions relating to the relationship between Banca Carige and Apollo, Amissima Holdings, Amissima Assicurazioni, Amissima Vita on the one hand, from those relating to the relationship between Banca Carige and Castelbarco and Montani, on the other hand.

With the sentence of the Court of Appeal of Genoa, notified on 4 November 2020, the pending lawsuit between Banca Carige and Apollo, Amissima Holdings, Amissima Assicurazioni, Amissima Vita was declared extinct.

- On 21-22 November 2019, the arbitration dispute brought by Banca Carige S.p.A., Banca Carige Italia S.p.A., Banca del Monte di Lucca S.p.A., Creditis Servizi Finanziari S.p.A., against Amissima Vita S.p.A., was settled with a final settlement. the simultaneous payment by Banca Carige of all payables to the Company pursuant to the previous distribution agreement and the signing of a new exclusive distribution agreement extended up to 2038.

With the request for arbitration, the plaintiffs asked for the original nullity, or alternatively supervening, of the clauses of the Insurance Products Distribution Agreement to be declared; that it was declared resolved due to supervening legal impossibility; that the same was declared terminated due to Amissima Vita's breach of the obligations of good faith and fairness.

On 3 May 2018, the Board rejected Banca Carige's request, declaring the validity of the distribution agreement and ordering the Bank to pay the company the sum of approximately Euro 3.4 million, plus interest, by way of *adjustment* accrued in 2016. The sum was fully recovered. With a writ of summons dated 09/10/18, Banca Carige appealed the arbitration award, requesting its nullity and the acceptance of the questions already proposed before the Arbitration Board, including the refund of the amount paid, in execution of the contested award, equal to Euro 3.4 million approximately.

Following the waiver of the deeds notified by Banca Carige and Creditis, accepted by the company, the judgment was declared extinct with sentence of the Court of Appeal of Milan no. 345/2020, published on February 3, 2020.

## **SIGNIFICANT EVENTS OCCURRING AFTER THE END OF THE FINANCIAL YEAR**

It should be noted that, on January 28, 2021, the Supervisory Authority, with Letter Prot. No. 001974/21, following the request formulated by the Group on 6 November 2020 which requested the removal of the restrictive supervisory measures ordered by the Institute following the investigations carried out in 2019 on the subsidiary Amissima Assicurazioni S.p.A., ordered, taking into account the interventions adopted by the Group, the lifting of all restrictive measures.

On 9 February 2021 Amissima Vita launched a subordinated bond issue with a nominal coupon of 7.00%, maturing in August 2031, for a total amount of € 80 million, aimed at institutional investors. The loan, listed on the Dublin Stock Exchange's Global Exchange Market on February 16, 2021, has a maturity of 10 years and 6 months and is available for early repayment in the period between February 16, 2026 and August 16, 2026. The proceeds from the issue (which represents a tier 2 regulatory capital instrument) will be used to redeem an existing subordinated instrument as well as to further strengthen Amissima Vita's level of capital strength. Based on the provisions of the agreement related to the dismissal of the Non-Life asset from Amissima Holdings to HDI, on February 10<sup>th</sup>, Amissima Assicurazioni sold for the complete amount of € 13.3 millions its entire share of participation owned (70.665%) in the share equity of IH Roma to consociate Amissima Vita.

## **THE FORESEEABLE DEVELOPMENT OF MANAGEMENT**

In an international scenario in which the major world economies recorded a contraction in GDP due to the pandemic and still show signs of slowing down, our Company will continue its commitment to contain the impact of the emergency and at the same time improve economic results. The declared objective of financial management remains the consistency between assets and liabilities, to be achieved through the diversification of risks and also seeking to maintain a balance between the risk and return of the investment portfolio.

The first management evidence shows a rising premium income and, barring unforeseeable events at the moment, we hope to continue along the growth path by reaching the objectives set out in the latest industrial plan.

## PROPOSAL TO THE ASSEMBLY

Dear Shareholders,

We invite you to approve the Financial Statements as at 31.12.2020, consisting of the Balance Sheet, Income Statement, Explanatory Notes and related Attachments, Cash Flow Statement, and accompanied by this Report, as they have been prepared.

We propose to carry forward the profit for the year of € 27,856,656.

p. The Board of Directors  
President  
(Dr. Andrea Moneta)



## BALANCE SHEET



## Financial statements

**Annex 1 - Balance sheet 2020**
**Annex I.**

Society **AMISSIMA VITA S.p.A.**

Subscribed share capital      E.      50.431.778      Paid      E.      50.431.778

Headquarters  
in      Genoa - Mura di S. Chiara, 1  
Tribunale      Genova

**FINANCIAL STATEMENTS**
**Balance sheet**

Year      **2020**

(Value in Euro)

## Financial statements

### Annex 1 - Balance sheet 2020

#### BALANCE SHEET ASSETS

		Values for the year	
<b>A. RECEIVABLES FROM SHAREHOLDERS FOR UNPAID SHARE CAPITAL</b>		1	0
of which called-up capital	2 0		
<b>B. INTANGIBLE ASSETS</b>			
1. Acquisition commissions to be amortized			
a) life assurance business	3 1,478,773		
b) non-life insurance business	4 0	5 1,478,773	
2. Other acquisition costs	6 0		
3. Start-up and expansion costs	7 0		
4. Goodwill	8 0		
5. Other multi-year costs	9 3,915,655	10 5,394,428	
<b>C. INVESTMENTS</b>			
<b>I - Land and buildings</b>			
1. Buildings intended for business operations	11 0		
2. Real estate for use by third parties	12 98,470,665		
3. Other properties	13 0		
4. Other real rights	14 0		
5. Fixed assets in progress and advances	15 0	16 98,470,665	
<b>II - Investments in group companies and other investee companies</b>			
<b>1. Shares and shares of companies:</b>			
a) holding companies	17 0		
b) subsidiary companies	18 1,635,554		
c) affiliated companies	19 0		
d) associated companies	20 5,534,053		
e) others	21 0	22 7,169,607	
<b>2. Bonds issued by companies:</b>			
a) holding companies	23 0		
b) subsidiary companies	24 0		
c) affiliated companies	25 0		
d) associated companies	26 0		
e) others	27 0	28 0	
<b>3. Loans to companies:</b>			
a) holding companies	29 0		
b) subsidiary companies	30 0		
c) affiliated companies	31 0		
d) associated companies	32 0		
e) others	33 0	34 0	35 7,169,607
to carry forward			5,394,428



Values from the previous year			
			181 0
	182 0		
183 1,693,357			
184 0	185 1,693,357		
	186 0		
	187 0		
	188 0		
	189 4,860,504	190 6,553,861	
	191 0		
	192 99,141,130		
	193 0		
	194 0		
	195 0	196 99,141,130	
197 0			
198 12,388,529			
199 0			
200 0			
201 0	202 12,388,529		
203 0			
204 0			
205 0			
206 0			
207 0	208 0		
209 0			
210 175,000			
211 0			
212 0			
213 0	214 175,000	215 12,563,529	
	to carry forward		6,553,861

## Financial statements

# Annex 1 - Balance sheet 2020

### BALANCE SHEET ASSETS

		Values for the year	
	carry over		5,394,428
III- Other financial investments			
1. Shares and participating interests			
a) Listed shares	36 ..... 1		
b) Unlisted shares	37 ..... 0		
c) Shares	38 ..... 756,090,793	39 ..... 756,090,795	
2. Shares in common investment funds		40 ..... 275,259,495	
3. Bonds and other fixed-income securities			
a) Listed	41 ..... 5,537,898,438		
b) Unlisted	42 ..... 85,169,326		
c) Convertible debentures	43 ..... 0	44 ..... 5,623,067,764	
4. Loans			
a) loans secured by mortgage	45 ..... 228,535		
b) loans on policies	46 ..... 146,565		
c) other loans	47 ..... 309,560	48 ..... 684,660	
5. Participation in investment pools		49 ..... 0	
6. Deposits with credit institutions		50 ..... 0	
7. Other financial investments		51 ..... 0	52 ..... 6,655,102,714
IV - Deposits with ceding undertakings		53 ..... 0	54 ..... 6,760,742,986
D. INVESTMENTS FOR THE BENEFIT OF LIFE INSURERS WHO BORROW THEIR RISK AND ARISING FROM THE MANAGEMENT OF PENSION FUNDS			
I - Investments relating to services connected with investment funds and market indices		55 ..... 486,718,566	
II - Investments deriving from the management of pension funds		56 ..... 0	57 ..... 486,718,566
D bis. TECHNICAL RESERVES BORNE BY REINSURERS			
I – NON-LIFE INSURANCE BUSINESS			
1. Provision for unearned premiums	58 ..... 0		
2. Provision for claims outstanding	59 ..... 0		
3. Provision for profit-sharing and premium refunds	60 ..... 0		
4. Other technical provisions	61 ..... 0	62 ..... 0	
II - LIFE ASSURANCE BUSINESS			
1. Mathematical provisions	63 ..... 4,229,463		
2. Unearned premium provision for supplementary coverage	64 ..... 0		
3. Provision for sum to be paid	65 ..... 3,211,638		
4. Provision for profit-sharing and premium refunds	66 ..... 0		
5. Other technical provisions	67 ..... 0		
6. Other technical provisions is born by the policyholders and relating to the administration of pension funds	68 ..... 0	69 ..... 7,441,101	70 ..... 7,441,101
	to carry forward		7,260,297,081

Values from the previous year		
	carry over	6,553,861
216	133,902	
217	0	
218	1,064,589,768	219 1,064,723,670
		220 424,890,237
221	4,693,378,460	
222	114,244,901	
223	0	224 4,807,623,361
225	132,786	
226	213,271	
227	443,685	228 789,742
		229 0
		230 0
		231 0
		232 6,298,027,011
		233 0
		234 6,409,731,669
		235 441,730,660
		236 0
		237 441,730,660
		238 0
		239 0
		240 0
		241 0
		242 0
		243 10,531,324
		244 0
		245 1,782,483
		246 0
		247 0
		248 0
		249 12,313,807
		250 12,313,807
	to carry forward	6,870,329,998

## Financial statements

### Annex 1 - Balance sheet 2020

#### BALANCE SHEET ASSETS

		Values for the year	
	carry over		7,260,297,081
<b>E. CREDITS</b>			
I - Credits arising out of direct insurance operations			
1. Policyholders			
a) for premiums current year	71 1,185,790		
b) for premiums previous years	72 61,240	73 1,247,030	
2. Insurance intermediaries		74 2,194,264	
3. Current accounts with Insurance companies		75 0	
4. Policyholders and third parties for recoveries		76 0	77 3,441,293
II - Credits arising out of reinsurance operations			
1. Insurance and reinsurance companies		78 274,954	
2. Reinsurance intermediaries		79 0	80 274,954
III - Other credits		81 139,906,007	82 143,622,255
<b>F. OTHER ASSETS</b>			
I - Tangible assets and stocks:			
1. Furniture, office machines and internal transport vehicles		83 453,355	
2. Movable goods in public registers		84 0	
3. Machinery and equipment		85 118,359	
4. Stocks and other goods		86 14,604	87 586,318
II - Cash at bank and in hand			
1. Bank and Postal accounts		88 6,657,280	
2. Cheques and cash on hand		89 574	90 6,657,854
III - Own shares or units			91 0
IV - Other			
1. Deferred reinsurance accounts receivable		92 0	
2. Miscellaneous assets		93 13,979,001	94 13,979,001
			95 21,223,173
<b>G. PREPAYMENTS AND ACCRUED INCOME</b>			
1. Interest		96 28,931,103	
2. Rent		97 0	
3. Other prepayments and accrued income		98 1,480,009	99 30,411,112
<b>TOTAL ASSETS</b>			100 <b>7,455,553,620</b>

		Values from the previous year	
	carry over		6,870,329,998
251	2,782,464		
252	862,541		
	253	3,645,005	
	254	11,186,825	
	255	0	
	256	0	257 14,831,829
	258	418,214	
	259	0	260 418,214
		261 147,932,970	262 163,183,013
	263	300,674	
	264	0	
	265	153,631	
	266	15,688	267 469,993
	268	13,829,931	
	269	734	270 13,830,665
			271 0
	272	0	
	273	14,700,029	274 14,700,029
			275 29,000,688
		276 28,020,428	
		277 0	
		278 1,014,897	279 29,035,325
	<b>TOTAL ASSETS</b>		280 <b>7,091,549,024</b>

## Financial statements

# Annex 1 - Balance sheet 2020

### BALANCE SHEET LIABILITIES AND SHAREHOLDERS' EQUITY

Values for the year

<b>A. NET EQUITY</b>				
I - Subscribed capital or equivalent fund	101	50,431,778		
II - Share premium reserve	102	628,200		
III - Revaluation reserves	103	0		
IV - Legal reserve	104	24,975,738		
V - Statutory reserves	105	0		
VI - Reserves for own shares and of the parent company	106	0		
VII - Other reserves	107	89,446,911		
VIII - Profits (losses) carried forward	108	-11,214,893		
IX - Profit (loss) for the year	109	27,856,656	110	182,124,390
<b>B. SUBORDINATED LIABILITIES</b>			111	45,000,000
<b>C. TECHNICAL RESERVES</b>				
<b>I - NON-LIFE INSURANCE BUSINESS</b>				
1. Provision for unearned premiums	112	0		
2. Provision for claims outstanding	113	0		
3. Provision for profit-sharing and premium refunds	114	0		
4. Other technical provisions	115	0		
5. Equalization provision	116	0	117	0
<b>II - LIFE INSURANCE BUSINESS</b>				
1. Provision for policy liabilities	118	6,154,950,819		
2. Unearned provision for supplementary coverage	119	28,597		
3. Provision for sum to be paid	120	49,106,938		
4. Provision for profit-sharing and premium refunds	121	0		
5. Other technical provisions	122	27,870,509	123	6,231,956,863
<b>TECHNICAL PROVISIONS FOR LIFE ASSURANCE POLICIES WHERE INVESTMENT RISK IS BORNE</b>				
I - Provisions relating to contract linked to investment funds and market indexes	125	486,718,566		
II - Provisions relating to the administration o pension fund	126	0	127	486,718,566
to carry forward				6,945,799,820

Values from the previous year		
	281 50,431,778	
	282 628,200	
	283 0	
	284 24,975,738	
	285 0	
	286 0	
	287 74,446,911	
	288 673,167	
	289 -11,888,060	290 139,267,734
		291 0
292 0		
293 0		
294 0		
295 0		
296 0	297 0	
298 5,924,207,940		
299 43,494		
300 31,983,751		
301 0		
302 28,255,025	303 5,984,490,210	304 5,984,490,210
	305 441,730,660	
	306 0	307 441,730,660
to carry forward		6,565,488,605

## Financial statements

# Annex 1 - Balance sheet 2020

### BALANCE SHEET LIABILITIES AND SHAREHOLDERS' EQUITY

			Values for the year
	carry over		6,945,799,820
<b>E. PROVISIONS FOR RISKS AND CHARGES</b>			
1. Provisions for pensions and similar obligations	128	0	
2. Provisions for taxes	129	105,573	
3. Other provisions	130	2,502,209	131 2,607,782
<b>F. DEPOSITS RECEIVED FROM REINSURERS</b>			132 7,596,042
<b>G. DEPTS AND OTHER LIABILITIES</b>			
<b>I - Payables, deriving from direct insurance transactions, towards:</b>			
1. Insurance intermediaries	133	10,138,249	
2. Current account companies	134	0	
3. Insured for security deposits and premiums	135	0	
4. Guarantee funds in favor of policyholders	136	0	137 10,138,249
<b>II Debts arising out of reinsurance operations:</b>			
1. Insurance and reinsurance companies	138	2,231,865	
2. Reinsurance intermediaries	139	0	140 2,231,865
<b>III - Loans</b>			141 0
<b>IV - Amounts owed to banks and financial institutions</b>			142 0
<b>V - Loans guaranteed by mortgages</b>			143 0
<b>VI - Provisions for employed termination indemnities</b>			144 0
<b>VII - Employee severance indemnity</b>			145 646,478
<b>VIII - Other debts</b>			
1. Premium taxes	146	29,590	
2. Other tax liabilities	147	19,885,608	
3. Social security contributions	148	217,531	
4. Sundry debts	149	9,183,519	150 29,316,248
<b>IX- Other liabilities</b>			
1. Deferred reinsurance items	151	0	
2. Commissions for premiums in course of collection	152	42,740	
3. Sundry liabilities	153	454,120,382	154 454,163,122 155 496,495,962
	to carry forward		7,452,499,606



Values from the previous year		
carry over		6,565,488,605
	308	0
	309	138,141
	310	1,323,390
	311	1,461,531
	312	12,400,440
313	14,691,909	
314	0	
315	0	
316	0	
	317	14,691,909
318	3,060,060	
319	0	
	320	3,060,060
	321	0
	322	0
	323	0
	324	0
	325	637,487
326	55,995	
327	21,886,028	
328	200,281	
329	8,343,184	
	330	30,485,488
331	0	
332	511,694	
333	462,142,694	
	334	462,654,388
	335	511,529,331
to carry forward		7,090,879,906

## Financial statements

### Annex 1 - Balance sheet 2020

#### BALANCE SHEET LIABILITIES AND SHAREHOLDERS 'EQUITY

			Values for the year
	carry over		7,452,499,606
H. ACCRUALS AND DEFERRED INCOME			
1. Accrued interest	156	2,466,986	
2. Rent	157	289,330	
3. Other prepayments and accrued income	158	297,698	159 3,054,014
<b>TOTAL LIABILITIES AND SHAREHOLDERS 'EQUITY</b>			<b>160 7,455,553,620</b>

		Values from the previous year
carry over		7,090,879,906
	336 0	
	337 320,916	
	338 348,202	339 669,118
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		340 <b>7,091,549,024</b>

## Financial statements

# Annex 1 - Balance sheet 2020

The undersigned declares that these financial statements are in conformity with the truth and with the records

The legal representatives of the Company (\*)

The Chairman - DR. ANDREA MONETA (\*\*) .....  
 ..... (\*\*) .....  
 ..... (\*\*) .....

The Members of the board of statutory auditors

LAWYER FRANCESCO ILLUZZI - PRESIDENT

DR. PAOLO DELPINO

DR. GUIDO MARCHESE

Space reserved for certification from the Registry Office of companies about the deposit.

Date of receipt

(\*) For foreign companies, the signature must be affixed by the general representative for Italy  
 (\*\*) Indicate the office held by the person signing..



## PROFIT AND LOSS ACCOUNT



## Financial statements

**Annex 2 – Profit and Loss Account 2020**
**Annex II**

Society **AMISSIMA VITA S.p.A.**

Subscribed share capital    E.    50,431,778    Paid    E.    50,431,778

Headquarters  
in    Genoa - Mura di S. Chiara, 1

Tribunale    Genova

**FINANCIAL STATEMENTS**
**Income statement**

Year    **2020**

(Amounts in Euro)

## Financial statements

# Annex 2 – Profit and Loss Account 2020

### INCOME STATEMENT

Values for the year

<b>I. TECHNICAL ACCOUNT - NON-LIFE INSURANCE BUSINESS</b>				
PREMIUMS EARNED, NET OF REINSURANCE				
a) Gross premiums written	1	0		
b)(-) Outward reinsurance premiums	2	0		
c) Change in the gross provision for unearned premiums	3	0		
d) Change in the provision for unearned premiums, reinsurers' share	4	0	5	0
(+) ALLOCATED INVESTMENT RETURN TRANSFERRED FROM THE NON-TECHNICAL ACCOUNT (ITEM III.6)				6 0
OTHER TECHNICAL INCOME, NET OF REINSURANCE				7 0
CLAIMS INCURRED, NET OF RECOVERIES AND REINSURANCE				
a) Claims paid				
aa) Gross amount	8	0		
bb) (-) reinsurers' share	9	0	10	0
b) Change in recoveries, net of reinsurance				
aa) Gross amount	11	0		
bb) (-) reinsurers' share	12	0	13	0
c) Change in the provisions for outstanding claims				
aa) Gross amount	14	0		
bb) (-) reinsurers' share	15	0	16	0
17				0
5. CLAIMS INCURRED, NET OF RECOVERIES AND REINSURANCE			18	0
6. CLAIMS INCURRED, NET OF RECOVERIES AND REINSURANCE			19	0
7. OPERATING EXPENSES:				
a) Acquisition commissions	20	0		
b) Other acquisition costs	21	0		
c) Change in commissions and other acquisition costs to be amortized	22	0		
d) Collection commissions	23	0		
e) Other administrative costs	24	0		
f) (-) Reinsurance commissions and profit sharing	25	0	26	0
8. OTHER TECHNICAL CHARGES, NET OF REINSURANCE				27 0
9. CHANGE IN EQUATION RESERVES				28 0
10. BALANCE ON THE TECHNICAL ACCOUNT FOR NON-LIFE INSURANCE BUSINESS (Item III. 1)				29 0



Values from the previous year

[illegible]

## Financial statements

# Annex 2 – Profit and Loss Account 2020

### INCOME STATEMENT

Values for the year

II. TECHNICAL ACCOUNT OF LIFE BUSINESSES				
1. WRITTEN PREMIUMS, NET OF REINSURANCE:				
a) Gross premiums written		30	808,962,216	
b) (-) Outward reinsurance premiums		31	791,232	32 808,170,984
2. INVESTMENT INCOME:				
a) From shares and interests		33	23,380,575	
(of which: from Group companies		34	1,530,000 )	
b) From other investments:				
aa) income from land and buildings				
bb) income from other investments	35	5,694,516		
(of which: from Group companies		37	97,149,737	
c) Value re-adjustments on investments		38	30,791 )	
d) Gains on the disposal of investments				
		39	7,254,305	
		40	71,640,729	
(of which: from group companies		41	0 )	42 199,425,346
3. INCOME AND UNREALISED GAINS ON INVESTMENTS TO THE BENEFIT OF POLICYHOLDERS WHO BEAR THE INVESTMENT RISK AND RELATING TO THE ADMINISTRATION OF PENSION FUNDS				43 23,292,155
4. OTHER TECHNICAL INCOME, NET OF SALES UNDER REINSURANCE				44 11,852,173
5. CLAIMS INCURRED, NET OF REINSURANCE				
a) Claims paid:				
aa) Gross amount	45	578,216,567		
bb) (-) Reinsurers' share	46	5,623,573	47 572,592,994	
b) Change in the provision for claims to be paid:				
aa) Gross amount	48	17,123,187		
bb) (-) Reinsurers' share	49	1,429,155	50 15,694,032	51 588,287,025
6. CHANGE IN PROVISIONS FOR POLICY LIABILITIES AND IN OTHER TECHNICAL PROVISION, NET OF REINSURANCE				
a) Provisions for policy liabilities:				
aa) Gross amount	52	230,760,761		
bb) (-) Reinsurers' share	53	-6,301,862	54 237,062,623	
b) Unearned premium provision for supplementary coverage:				
aa) Gross amount	55	-14,897		
bb) (-) Reinsurers' share	56	0	57 -14,897	
c) Other technical provisions:				
aa) Gross amount	58	-384,516		
bb) (-) Reinsurers' share	59	0	60 -384,516	
d) Provisions for policies where the investment risk is borne by the policyholders and relating to the administration of pension funds	61	44,987,906		
aa) Gross amount	62	0	63 44,987,906	64 281,651,117

Values from the previous year			
	140	909,177,118	
	141	1,610,869	142 907,566,249
	143	41,428,516	
(of which: from group companies	144	482,000 )	
	145	5,927,269	
	146	85,161,903	
(of which: from group companies	147	91,089,172	
	148	48,073 )	
	149	7,212,315	
	150	33,501,948	
(of which: from group companies	151	2,410,272 )	152 173,231,950
			153 43,433,212
			154 8,697,423
	155	682,086,792	
	156	6,911,627	157 675,175,165
	158	-8,300,029	
	159	-342,787	160 -7,957,242
			161 667,217,923
	162	348,280,351	
	163	-4,907,929	164 353,188,280
	165	2,843	
	166	0	167 2,843
	168	-745,912	
	169	0	170 -745,912
	171	-3,429,807	
	172	0	173 -3,429,807
			174 349,015,404

## Financial statements

# Annex 2 - Profit and loss account 2020

### Profit and loss account

		Values for the year
7. PREMIUM REFUNDS AND PROFIT-SHARING, NET OF REINSURANCE		65 0
OPERATING EXPENSES:		
a) Acquisition commissions	66 6,755,887	
b) Other acquisition costs	67 7,939,089	
c) Change in deferred acquisition commissions and costs to be amortised	68 -214,584	
d) Collecting commissions	69 1,382,569	
e) Other administrative expenses	70 13,378,899	
	71 255,639	72 29,415,390
9. INVESTMENT MANAGEMENT AND FINANCIAL CHARGES:		
a) Investment management charges, including interest	73 12,083,882	
b) Value adjustments on investments	74 18,800,321	
c) Losses on the disposal of investments	75 14,157,539	76 45,041,743
10. EXPENSES AND UNREALISED LOSSES ON INVESTMENTS TO THE BENEFIT OF POLICYHOLDERS		77 27,971,964
11. OTHER TECHNICAL CHARGES, NET OF REINSURANCE		78 26,333,332
12. (-) ALLOCATED INVESTMENT RETURNS TRANSFERRED TO THE NON-TECHNICAL ACCOUNT (item III.4)		79 4,502,472
13. BALANCE ON THE TECHNICAL ACCOUNT - LIFE BUSINESS (Item III.2)		80 39,537,616
<b>III. NON-TECHNICAL ACCOUNT</b>		
1. BALANCE ON THE TECHNICAL ACCOUNT - NON-LIFE INSURANCE BUSINESS (item I.10)		81 0
2. BALANCE ON THE TECHNICAL ACCOUNT FOR LIFE BUSINESS (item II.13)		82 39,537,616
3. NON-LIFE INVESTMENT INCOME:		
a) From shares and interests	83 0	
(of which: from Group companies	84 0 )	
b) From other investments:		
aa) income from land and buildings	85 0	
bb) from other investments	86 0	87 0
(of which: from group companies	88 0 )	
c) Writebacks of value adjustments on investments	89 0	
d) Profits on the realization of investments	90 0	
(of which: from group companies	91 0 )	92 0

Values from the previous year

		175	0
		176	5,177,055
		177	8,084,705
		178	46,580
		179	1,259,644
		180	13,667,612
		181	355,746
		182	27,786,691
		183	11,801,953
		184	64,701,355
		185	6,942,327
		186	83,445,635
		187	13,363,224
		188	18,732,612
		189	0
		190	-26,632,654
		191	0
		192	-26,632,654
		193	0
	(of which: from group companies	194	0 )
		195	0
		196	0
	(of which: from group companies	197	0 )
		198	0
		199	0
		200	0
	(of which: from group companies	201	0 )
		202	0

## Financial statements

# Annex 2 - Profit and loss account 2020

### INCOME STATEMENT

		Values for the year
4. (+) ALLOCATED INVESTMENT RETURN TRANSFERRED FROM THE TECHNICAL ACCOUNT FOR LIFE BUSINESS (Item II. 12)		93 4,502,472
5. INVESTMENT MANAGEMENT AND FINANCIAL CHARGES NON-LIFE BUSINESS:		
a) Investment management charges, including interest	94 0	
b) Value adjustments on investments	95 0	
c) Losses on the disposal of investments	96 0	97 0
6. (-) ALLOCATED INVESTMENT RETURNS TRANSFERRED TO THE NON-LIFE INSURANCE TECHNICAL ACCOUNT (item I 2)		98 0
7. OTHER INCOME		99 3,465,618
8. OTHER CHARGES		100 6,741,665
9. INCOME FROM ORDINARY OPERATIONS		101 40,764,040
10. EXTRAORDINARY INCOME		102 1,115,690
11. EXTRAORDINARY CHARGES		103 414,648
12. EXTRAORDINARY PROFIT OR LOSS		104 701,042
13. PROFIT BEFORE TAXATION		105 41,465,082
14. INCOME TAXES		106 13,608,427
15. NET PROFIT (LOSS) FOR THE YEAR		107 27,856,656

Values from the previous year

		203	0
		204	0
		205	0
		206	0
		207	0
		208	0
		209	14,901,447
		210	2,515,282
		211	-14,246,488
		212	639,187
		213	403,765
		214	235,422
		215	-14,011,067
		216	-2,123,007
		217	-11,888,060

## Financial statements

# Annex 2 - Profit and loss account 2020

The undersigned declares that these financial statements are in conformity with the truth and with the records

The legal representatives of the Company (\*)

The Chairman - DR. ANDREA MONETA (\*\*) .....  
 ..... (\*\*) .....  
 ..... (\*\*) .....

The Members of the board of statutory auditors

LAWYER FRANCESCO ILLUZZI - PRESIDENT

DR. PAOLO DELPINO

DR. GUIDO MARCHESE

Space reserved for certification from the Registry Office of companies about the deposit.

Date of receipt

(\*) For foreign companies, the signature must be affixed by the general representative for Italy.

(\*\*) Indicate the office held by the person signing.





## NOTES TO THE ACCOUNTS



## **AMISSIMA VITA S.p.A.**

Registered office: Mura di Santa Chiara, 1 - Genoa

Share capital: € 50,431,778.28 fully paid up

Genoa Business Register

Tax code and Registration number: 01739640157 – R.E.A. 373333

Registration number in the Business Register – Ivass: 1.00039

Company belonging to the Amissima Insurance Group – n. 050

\* . \* . \*

## **NOTES TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2020**

The Company Amissima Vita SpA, with registered office in Genoa, operates in the life insurance sector and is part of the Amissima Insurance Group, registered under no. 050 in the Register of Insurance Groups set up at Ivass.

At 31 December 2020 it was 100.00% controlled by Amissima Holdings S.r.l..

It is here declared that the Company is subject to management and coordination by the insurance parent company as well as consolidating Amissima Holdings Srl, as registered in the special section of the Milan Business Register. A copy of the consolidated financial statement is kept at the registered office in Viale Certosa 222, Milan.

The Company is also included in the Consolidated Financial Statement of AP VIII Primavera Holdings Srl based in Luxembourg. A copy of the consolidated financial statement is kept at the registered office.

The financial statement for the year ended on 31.12.2020 has been prepared in compliance with the current statutory regulations and specific provisions of the insurance sector, and follows the layout and the provisions of Legislative Decree no. 173/97 and of the Art. 4 of ISVAP Regulation No. 22, issued on April 4, 2008 and supplemented and amended by IVASS provision no. 53 of December 6, 2016.

The financial statement consists of:

- Balance Sheet;
- Income Statement;
- Explanatory note with relative attachments;
- Financial statement.

It is also accompanied by the Management Report, shown above.

This Explanatory Note consists of:

Part A - Evaluation criteria;

Part B - Information on the balance sheet and profit and loss account

Part C - Other information.

Each part of the note is divided into sections, each of which illustrates, by means of comment notes, statements and details, individual aspects of the business management.

In consideration of the fact that the Company is authorized exclusively for operating in the life classes, the annexes provided for by the above-indicated Isvap Regulation no. 22 of April 4, 2008, relating to the non-life classes were not filled in and commented on.

The balance sheet and income statement data are expressed in euros, the explanatory notes is expressed in thousands of euros, unless otherwise indicated, as required by Art. 4 of the ISVAP Regulation no. 22 of April 4, 2008 and pursuant to Art. 2423, paragraph 6 of the Civil Code. The rounding of the data contained in the Note is carried out in such a way as to ensure consistency with the amounts shown in the balance sheets.

The financial statement is audited by the auditing company Ernst & Young spa, in compliance with the provisions of Art. 102 of the Insurance Code and Art. 1, paragraph 106, letter a) of Legislative Decree 12/5/15 no. 74 and in execution of the shareholders' resolution of April 24, 2018 which conferred the task of auditing the financial statement to this company for the nine-year period 2018 - 2026.

## PART A - EVALUATION CRITERIA

### Section 1 Illustration of the evaluation criteria

These financial statements have been drawn up on the assumption of "Going concern" and according to the accounting standards in force and the valuation criteria of the main items - including the technical reserves - adopted by the Company on 31.12.2020 and follows the layouts defined by the provisions of Isvap Regulation no. 22 of 4 April 2008 and subsequent amendments. The principles adopted are in any case inspired by the criteria of prudence and competence in order to give a truthful and correct representation of the equity, financial situation and economic result of Amissima Vita S.p.A..

In its drafting, reference was made to the provisions of the Civil Code and Legislative Decree 173/1997, integrated and modified by art. 8 of Legislative Decree. 139/2015, interpreted and integrated by the new accounting standards reviewed by the OIC (Italian Accounting Organization).

As regards information relating to the Company's activities, significant events occurring after the closure of the financial statements, relations with parent companies, subsidiaries, affiliates and associates, please refer to what is indicated in the Management Report.

The criteria set out below have been agreed with the Board of Statutory Auditors, where required by law, and are usually homogeneous with those used for preparing the financial statements for the previous year; any changes are analytically described and highlighted.

The numbering of the paragraphs refers to the numbering of the related items in the Balance Sheet and Income Statement of the annual financial statements.

## ASSETS

### B. Intangible assets

Intangible fixed assets, as required by art. 16 of Legislative Decree. 173/97, they are recognized in the financial statements at their purchase or production value including accessory charges and inclusive of all directly attributable costs. The value is reduced by the depreciation calculated on the basis of the period of their expected residual usefulness. If the value of the assets thus obtained exceeds that which is reasonably recoverable, the item is written down. This lower value cannot be maintained if the conditions for it no longer exist in future years.

Intangible assets are reversed from the accounts if the future economic benefits expected from their use cease to exist.

#### BI Acquisition commissions to be amortized

Purchase commissions paid in advance at the time of signing contracts with a multi-year duration are amortized within the maximum period of their duration, and in any case no later than the tenth year, within the limits of the loading present in the tariff.

#### B.II. Other multi-year costs

The item includes multi-year costs which are subject to systematic amortization on a straight-line basis, starting from the year in which they were incurred, generally for a period of five years.

These are the costs incurred for the purchase and development of *software* applications and for the purchase of licenses *software* time base and goods installation, expansion and research costs.

Any costs for improvements to third party assets are amortized in relation to the residual duration of the lease.

In general, the account also includes non-amortized intangible fixed assets in progress, the amortization of which will start from the year in which they will come into use.

Please refer to what is better described in part B of this Note.

Concerning intangible fixed assets relating to the category in question, it should be noted that the Company has available reserves that are amply sufficient to cover the amount of costs not yet amortized. Therefore in compliance with art. 16 paragraph 11 of the Legislative Decree. 173/97 it is possible, if envisaged, to proceed with the distribution of dividends.

## C. Investments

### CI - Land and buildings

Real estate assets recorded in the financial statements, as required by art. 15 of Legislative Decree 173/97, are considered long-term assets. Real estate assets are recorded in the financial statements at purchase or construction cost or at the incorporation value (in the case of properties previously owned by incorporated companies) reduced by adjustments for permanent losses in value, where recognized. The book value of the assets, divided between land and buildings, includes accessory charges and revaluations carried out in previous years in accordance with specific laws. Costs for improvements and conversions are capitalized if they result in an increase in the useful life of the assets and their profitability.

The properties are not depreciated, as they are not subject to economic deterioration, since they are subjected to periodic maintenance, the cost of which is expensed in the relevant year, allowing to keep their useful value constant, also in consideration of their nature of long-term investments essentially aimed at covering commitments to policyholders.

The properties which, at the closing date of the financial statements, have a lasting value lower than the aforementioned one, are recorded at this lower value. This lower value will also be maintained in subsequent years if the reasons for the write-down no longer apply. In order to highlight the market value of land and buildings, in compliance with art. 18 of Legislative Decree. 173/97 and articles 16 to 20 of Isvap Regulation 22 and supplemented and amended by IVASS provision 53 of 6 December 2016, the valuation of the asset is accompanied by an appraisal entrusted to a professional. Market value means the price at which the property can be sold at the time of valuation by private contract between a seller and a buyer, assuming that the sale takes place under normal conditions.

### C.II - Investments in group companies and other subsidiaries

Investments in Group companies and other investee companies are considered capital assets for long-term use (Article 15, paragraph 2, Article 15 of Legislative Decree 173/97) unless otherwise indicated in the explanatory notes.

As required by art. 16, paragraph 3 of Legislative Decree 173/97, are recorded in the financial statements at purchase or subscription cost or at a value lower than cost in the event that the investee companies present, on the basis of their balance sheet, permanent losses in value. Investments in securities of other subsidiaries, for the part destined for trading activities, are valued at the lower of the average purchase cost and the current value inferable from the market trend at the end of the period.

If the purchase cost is higher than the net equity at the time of first registration, this higher value is described in the relative items of part B.

### **C.III - Other financial investments**

#### **C.III.1 Shares and stocks**

#### **C.III.2 Shares in mutual investment funds**

#### **C.III.3 Bonds and other fixed-income securities**

They consist of investments of a financial nature, classified on the basis of the investment policies adopted annually by the Board of Directors, in compliance with the provisions of IVASS Regulation no. 24/16.

The investment policies aim to define what is summarized below;

- medium-long term investment policy in line with the technical commitments to policyholders;
- specification of the strategic objectives, including that of risk, expressed in terms of consistency with company guidelines and with the Company's multi-year industrial plan;
- investment categories, limits by geographical area, sector, counterparty and reference currency;
- tolerance limits to deviation from the various qualifying elements of the investments;
- concentration limits for individual issuers and groups as well as investment selection criteria and limits for illiquid investments not traded on regulated markets;
- risk monitoring and information timing;
- criteria for assigning investments to the "durable" and "non-durable" segment;
- management policies and related limits on the use of derivative financial instruments.

The key principle for the operations carried out on the securities portfolio is functional consistency with respect to the structure of the commitments. In general, the allocation for "lasting" or "non-lasting" use of each financial instrument takes place according to the current and future economic and financial situation generated by the commitments undertaken, in particular in terms of quantity and time. Securities assigned to the "durable" sector cannot be subject to systematic transactions of sale, transfer to another sector or early disposal, except in situations that are of an exceptional and extraordinary nature.

#### ***Classification of securities in portfolio.***

##### **Long-term investment segment**

Financial instruments are classified in this segment up to 45% of the book value, calculated from time to time, of class C investments including liquidity deposited in current accounts.

The financial instruments that can be classified in this class are instruments for which there is a correlation with the structure of the technical commitments towards the policyholders, and/or for which there is the intention and the ability of the company to keep them until their natural maturity and in any case in the medium to long term.

This sector includes:

- equity investments in listed and unlisted companies which carry out activities functional to the insurance one, or which are considered strategic with respect to corporate purposes, regardless of the shareholding;
- bonds convertible into shares of the Companies referred to in the previous point;
- other equity securities, stakes in companies and possibly specifically identified UCITS units that are considered a long-term strategic investment;

- fixed or variable income bonds, including so-called structured products, which meet the above characteristics, with a residual duration equal to or greater than 12 months and a predictable rate of return not lower than the *swap* negotiated for equivalent durations at the time of classification.

#### Non-long-term investments segment

Financial instruments, debt securities, quotas and shares are classified in this class on a residual basis with respect to the long-term use segment. The assets that can be classified in this category are instruments for which there is a correlation with the structure of the technical commitments towards the policyholders and/or for which there is a current or potential purpose of negotiation by the company.

#### **Evaluation criteria**

##### Long-term investment segment

The ordinary criterion for the valuation of financial fixed assets is that of cost. In compliance with the provisions of art. 16 Legislative Decree 173/97, the purchase cost must be maintained in subsequent financial statements unless there is a lasting loss of value or a change, in whole or in part, of economic destination is decided and there are the conditions for the adoption of a lesser value. For the purpose of identifying any losses of a lasting nature on securities registered in the sector for long-term use, a model of *impairment* defined at Group level, approved from time to time by the Administrative Body. This model identifies quantitative thresholds of *durability* is *severity*, differentiated by type of financial instrument; the exceeding of one of the two thresholds, even if separated, activates a qualitative analysis, the conclusions of which can lead to *impairment*.

For equity securities, the threshold of *severity* is quantified as a decrease of 25% of the market value with respect to the book value, while the threshold of *durability* is equal to 18 months. Furthermore, for equity securities, the exceeding, even if separated, of the *severity* 30% and *durability* of 24 months involves *impairment* automatic.

For debt securities, the threshold of *severity* it is quantified as a decrease of 20% (25% for bonds other than government and *corporate senior plain vanilla*) of the market value compared to the book value, while the threshold of *durability* it is identified over a period of 12 months, while for bonds other than government and corporate senior plain vanilla it is 18 months.

##### Short-term investments segment

a) shares, UCITS units and listed fixed income securities: the book value is determined with the criterion of the lower value resulting from the comparison between the historical cost (continuous average), adjusted by the accrual for the year on the issue discount, net of any withholding tax, and the market value, identified with the price recorded on the last day of the period on the stock exchange lists or made available by *infoprovider* specialized; all market values are provided by Banca Carige on the basis of a specific service agreement or defined by the Company which makes use of *infoproviders* with access to regulated listing markets; any lower value calculated is recorded as a direct adjustment of the historical cost with a balancing entry in the income statement; this adjustment is reversed in the following year, if the reasons no longer exist, restoring the value of the security down to the lower of the new market value and the original purchase cost (Article 2426 of the Italian Civil Code, paragraph 9); for implicit rate securities (*zero*



*coupon bond* and others) the capital adjustment quota already accrued is taken into account on an accruals basis;

b) *unlisted shares*: they are valued at the lower between the purchase cost and the market value corresponding to a prudent estimate of their presumed realizable value;

c) *unlisted fixed income securities*: they are valued according to the methodology set out in point a) above, using, where not available, prices of *infoprovider*, of the estimates resulting from theoretical valuation models, provided by Banca Carige as part of the aforementioned service or by other specialized operators or calculated by Amissima using internal valuation models.

d) *unlisted units of UCIT*: they are valued according to the methodology set out in point a) above, using the price provided by the calculation agent BNP Paribas or the price prudently recalculated by Amissima using internal valuation models.

### "Callable" titles

The method of calculating the amortization (trading and issue spreads) on subordinated financial bonds (insurance and banking) that have an early call option by the issuer (so-called "Callable") was analyzed.

For securities for which the probability of early call by issuers was assessed as high, even in stressed market scenarios, the date of the first "call" was considered as the date of the first "call" rather than the maturity and therefore the value was recalculated. load, in line with accounting principles.

### Derivative financial instruments

Derivative financial instruments are those financial instruments whose price depends on the value of one or more main financial assets (shares, bonds, rates, indices, etc.).

By way of non-exhaustive example, the following fall into this category:

- derivative contracts with an underlying security (*futures* is *options* with underlying security, forward purchase or sale commitments, etc.);
- derivative contracts on currencies (*DCS*, *Currency Option*, etc.);
- derivative contracts without underlying security linked to interest rates, indices or other assets (*interest rate option*, *forward rate agreement*, *irs*, etc);
- all contracts which, regardless of the terminology adopted, have technical-financial characteristics similar to those of any of the previously indicated contracts.

The Investment Policies provide for the following:

- ✓ the use of derivative financial instruments must be consistent with the principles of sound and prudent management;
- ✓ use is permitted if they show a clear technical-financial connection with assets intended to cover technical reserves, or to be allocated for this purpose in the event of transactions carried out to acquire or sell financial instruments; the underlying values must consist of eligible assets for the purpose of covering the technical provisions or of indices based on this type of asset; precise operating procedures are defined for the use of these tools, the choice of counterparties and the guarantees required, as well as organizational control and disclosure procedures;
- ✓ limits on the use of derivative instruments are identified in relation to the assets that cover the technical provisions.

The risk tolerance level of derivative instruments and the overall managed portfolio must be in line with balanced and prudent asset management. The investment must not alter the risk profile or the characteristics of the separately managed account.

The valuation criteria differ according to the purpose of "hedging" or "effective management" with which the financial transaction is carried out:

- transactions for "hedging" purposes are intended to reduce the investment risk, or to protect the value of individual assets or liabilities or set of assets or liabilities, also through their correlation, from adverse changes in interest rates, interest rates exchange rate or market prices. In this case, the derivative instruments are valued according to the "valuation consistency principle"; in particular, capital losses or capital gains from valuation are recognized in the income statement in line with the corresponding capital gains and losses calculated on the hedged assets;
- "effective management" operations are those that are carried out in order to achieve pre-established investment objectives in a faster, easier, cheaper and more flexible way than is possible by operating on the underlying assets; such transactions must not generate a significant increase in the investment risk and, in any case, this increase must be equivalent to that obtainable by operating directly on the underlying assets according to a balanced and prudent portfolio management; the derivative instrument is valued at market value, recording only the valuation losses in the income statement; the market value is determined by referring to the respective prices or, failing that, on the basis of a prudent evaluation of their presumed realization determined by calculation methods common on the market.

#### Forward purchase and sale transactions

At the closing date of this financial and economic situation, the Company directly holds in its portfolio derivative financial instruments "hedging" of Italian government securities subject to sale with delivery on time. The securities remained in the portfolio at their current book value and coupons and discounts relating to the security are regularly collected and recorded. Securities and derivatives are closed in compliance with the principle of symmetry: the net value between the plus/minus of the security compared with the plus/minus of the derivative is recognized in the balance sheet only if it is less than zero.

Otherwise, there is no derivative position recognized in the financial statements to hedge Italian government bonds subject to spot sale and forward repurchase. The securities subject to spot sale remained in the portfolio at their current book value, are valued at their current market value and the active coupons and spreads relating to the security are recorded. Liability positions were then created equal to the spot sale value on which negative coupons of equal value to those recorded in the security are recorded. Amortization of the liability is generated given by the difference between the spot sale value and the forward purchase value.

#### **C.III.4 Funding**

They are recorded at their nominal value, corresponding to the presumed realizable value, considering for mortgages and other loans the risk of insolvency of debtors against the guarantees offered is considered zero, and for loans on policies zero the risk of insolvency as they are granted for an amount not exceeding the surrender value of the policy.

#### **D.I - Investments relating to services connected with investment funds and market indices**

Investments for the benefit of life insurance policyholders who bear the risk are valued at current value. The current value of the assets is determined in accordance with the contractual conditions, in particular:

- for investments traded on regulated markets, the value on the last day of the financial year is meant;
- for other financial investments, assets and cash, their nominal value is generally understood.

## D.bis. Technical reserves borne by reinsurers

### D.II - Life insurance technical reserves

The Mathematical Reserves to be borne by the Reinsurers are calculated in compliance with the transfer treaties with the same criteria adopted for setting the direct business reserves (see *infra*, under item C.II of the Liabilities), with the exception of those treaties whose contractual conditions (pure risk premiums) do not provide for the calculation of the mathematical reserve.

## E. Credits

In compliance with the provisions of Legislative Decree 173/97 art.16 paragraph 9, the credits are entered at the presumed realization or extinction value. Loss estimates are based on the valuation of receivables that present obvious risks of bad debt, and are set aside in the specific bad debt provision.

As established by art. 2427 of the Italian Civil Code and of Legislative Decree 173/97, if in this Note no residual durations of more than one year and five years are expressly indicated, the credits are understood to have a duration of less than one year.

Please refer to what is better described in part B of this Note.

## F. Other assets

### FI - Assets materials and stocks

The tangible fixed assets they are entered at purchase or production cost, increased by accessory charges and incremental costs. The amount recorded in the financial statements is obtained by adjusting the book value as defined above with the depreciation carried out. Depreciation is calculated based on the following rates:

- Office furniture 12%
- Electronic office machines and EDP installations 20%
- Movable assets registered in public registers 25%
- Various machinery and equipment 15%

These rates are representative of the deterioration of the asset resulting from use during the year.

Reductions equal to 50% of the entire measures indicated above are applied for purchases during the year.

The stocks and various goods previously valued at average cost, given the scarce stocks relating to previous years, they are now valued at purchase cost.

### F.II - Cash and cash equivalents

The item in question includes bank and post office sight deposits, deposits which provide for withdrawals subject to time limits of less than 15 days, bank and postal checks, cash and similar values, recorded at nominal value.

### **G. Accruals and deferrals**

The item accruals and deferrals includes revenues and costs which, respectively, will be earned or incurred in subsequent years but pertain to the year, and those which will be earned or incurred by the end of the year but pertain to subsequent years.

Accruals and deferrals are calculated according to the criterion of temporal competence, in compliance with art. 2424 bis, paragraph 6 of the Italian Civil Code.

## LIABILITIES

### B. Subordinated liabilities

Bonds are recognized at the time of their subscription and are recognized at their nominal value. They are represented by loans granted to the Company which include a subordination clause. The debt for bonds issued corresponds to the total amount of the residual debt in principal at the balance sheet date, according to the repayment plan. The costs of issuing the loan consist of the accessory charges incurred and include legal and other costs associated with the issue of the loan itself. These costs are deferred and amortized, entering them under prepaid costs and then released to the income statement over the term of the bond loan. These liabilities possess the specific suitability requirements for the purposes of covering the solvency capital requirement referred to in Article 45 of Legislative Decree 7 September 2005, n. 209 and the minimum capital requirement pursuant to article 47-bis.

### C.. Technical reserves

Technical provisions are calculated on the basis of actuarial principles and the provisions of art. 23-bis of ISVAP Regulation no. 22 of 4 April 2008. The methods used by the Company for the calculation of the technical provisions as at 31 December 2020 are reported in the actuarial report on the technical provisions pursuant to art. 23-bis, paragraph 3, of Regulation 22 of 4 April 2008 as amended by Provision no. 53 of 6 December 2016, attached to these financial statements, to which reference should be made.

#### C.II - Life Insurance

##### C.II.1 Actuarial reserves

The mathematical reserves at the end of the period were calculated, for each contract in force, with specific IT procedures, according to technical-actuarial criteria, in relation to the technical bases used as a basis for the calculation of the tariff premiums, authorized by the Ministry or resulting from the related Systematic Communications sent to IVASS, in line with the provisions of current legislation.

For the purposes of the IT procedures adopted, it should be noted that, starting from August 2018, the portfolio of the Agency Channel alone and of the new distributors is managed on the PASS application while the rest of the portfolio continues to be managed on the LIFE application.

The reserves thus calculated are not lower than the surrender values.

The technical provisions of the contracts in the portfolio, as better described in the Technical Report, were integrated:

- ✓ an annual fee for the constitution of the greater capital to cover the annuity, necessary at the expiration of the contract, in the event that a predetermined amount of life annuity is guaranteed at maturity;
- ✓ of an additional reserve for financial risk (guaranteed interest rate), resulting from the results of the ALM analysis referred to in paragraphs 21, 22 and 23 of Annex 14 to IVASS Regulation No. 22 of 04/04/2008, which in this year is limited to the portion of the Temporary in Case of Death portfolio only.

The amount of the actuarial reserves also includes the Profit Fund Reserve pursuant to the provisions of par. 38 bis of Annex No. 14.

### **C.II.2 Additional reserves**

The premium reserve for supplementary insurance includes, in relation to the supplementary insurance referred to in article 2, paragraph 2 of the Code, the premium reserve as envisaged by art. 23 bis, paragraph 7 of IVASS Provision n ° 53 of 06/12/2016.

### **C.II.3 Reserves for Amounts to be paid**

The Reserve for amounts to be paid includes, in accordance with art. 23 bis, paragraph 5 of IVASS Provision n ° 53 of 06/12/2016, the capital which, having left the portfolio of policies in force (LIFE and PASS system), has not yet been liquidated, have not yet passed through settlement processes and therefore have not yet manifested themselves as costs in the Company's income statement.

### **C.II.5 Other technical reserves**

The item Other technical reserves is made up of the reserve for operating costs, which was determined according to the criteria set out in Art. 33 and 34 of IVASS Regulation No. 21/2008, ie on the basis of the so-called first-order hypotheses, making a comparison between the technical bases used in calculating the reserve and the results of direct experience on the portfolio.

## **D. Technical reserves when the investment risk is borne by the policyholders**

As regards the technical provisions when the investment risk is borne by the policyholders (contracts "*Unit Linked*"), The amount set aside is equal to the product of the number of portions representing the Company's commitments and the value of the portion as at 31/12/2020; also in this case the reserves are compared with the surrender values and any difference between the additional reserves pursuant to art. 41, paragraph 4, of Legislative Decree 209/2005.

## **E. Provisions for liabilities and charges**

As required by art. 40 of Legislative Decree. 173/97 the item includes provisions for risks and charges intended to cover losses or liabilities of a determined, certain or probable nature, the amount or date of occurrence of which is not known.

The item includes Provisions for taxes, which include probable or undetermined payables originating from the current tax dispute.

## **G. Payables and other liabilities**

Payables and other liabilities are entered at nominal value. This item includes, among others, current payables of various kinds, such as those deriving from direct insurance operations, deriving from reinsurance operations, tax payables and other liabilities. The item also includes payables for severance indemnities. As established by art. 2427 of the Italian Civil Code and of Legislative Decree 173/97, if in this Note no residual durations of more than one year and five years are expressly indicated, the credits are understood to have a duration of less than one year.

### **G.VII - Employee severance indemnity**

The employee severance indemnity is calculated in compliance with the provisions of art. 2120 of the Civil Code, as well as by Law no. 296 and employment contracts. The item reflects the certain, even if unpaid, debt accrued to employees at the end of the financial year, calculated analytically, in compliance with the laws and collective labor and supplementary company agreements in force. Starting from the 2007 financial year, it refers only to the severance indemnity accrued as at 31.12.06, appropriately revalued by means of the legal indices. The severance indemnity accrued starting from

1.1.07, allocated to cover the accrued liabilities towards employees, is paid mainly to a Pension Fund or the INPS Treasury Fund according to the indications of the worker.

#### **H. Accruals and deferrals**

The item accruals and deferrals includes the revenues and costs which, respectively, will be earned or incurred in subsequent years but pertain to the year, and those which will be earned or incurred by the end of the year but pertain to subsequent years . Accruals and deferrals are calculated according to the criterion of temporal competence, in compliance with art. 2424 bis, paragraph 6 of the Italian Civil Code.

## INCOME STATEMENT

### II. Technical Account of Life Insurance Lines

#### II. 1. Premiums for the year, net of reinsurance transfers

Premiums are recognized in the accounts at the time of their accrual. This moment corresponds to the expiry of each premium as shown in the insurance document. The attribution of operating competence is implicit in the method of calculating the Mathematical Reserve. As regards the premiums of the supplementary accident guarantee, which are however of an extremely limited amount, the accrual is obtained by posting, among the costs, the change in the Premium reserve calculated according to the methods that take into account the temporal competence. The premiums collected from the distribution network, which are awaiting the mechanographic match with the corresponding security in the portfolio, are recorded in the Balance Sheet under the item "Other liabilities".

#### II. 2. Investment income, II. 9. Capital and financial charges

Interest income accrued on fixed-income securities, including gross accruals, issue discounts and trading discounts for long-term investments, are recognized in the income statement on the basis of the accrual principle. Dividends are normally recorded in the relevant year following the distribution resolution. The profits and losses deriving from the trading of securities are recorded in the income statement in the year in which the relative sales contracts are stipulated.

Other income and charges are accounted for according to the accrual principle.

#### II.5. Charges relating to claims, net of reinsurance transfers

The charge relating to claims in the Life business includes the amounts accounted for in the year against accrued capital and annuities, surrenders and claims, including those of complementary insurance. The amount of the reinsurers' share is determined on the basis of how much foreseen by the contracts in progress.

#### II. 8. Operating expenses

Management fees include:

- II.8.a. **Acquisition provisions:** The account includes the fees due to the sales network in relation to the acquisition and renewal, and the rappels commensurate with the achievement of productivity objectives;
- II.8.b. **Other acquisition costs:** The account includes the costs deriving from the underwriting of the policies, other than those described in the previous paragraphs, directly or indirectly attributable to the issue of the same; also included are advertising and promotion costs to support the sale of the policies;
- II.8.c. **Changes in commissions and other acquisition costs to be amortized:** They include the amortization charges for the year relating to acquisition commissions and other acquisition costs;
- II.8.d. **Collection commissions:** Compensation paid to the sales network in relation to the collection activity carried out on behalf of the Company are recorded in this item.
- II.8.e. **Other administrative fees:** these include the costs of staff, logistics, the provision of services and the purchase of assets of the corporate structures other than those relating to the other acquisition costs indicated above and those attributed to the management of investments. This item also includes the charges incurred for the termination of agency relationships for the part not subject to recourse;



II.8.f. ***Commissions and profit sharing received from reinsurers:*** the commissions and profit sharing established by contractual agreements for the transfer and retrocession of premiums to reinsurers are recognized.

## **II. 12. Share of investment income transferred to non-technical account**

The portion of the profits from Life business investments to be transferred from the technical account to the non-technical account is calculated taking into account the provisions of art. 23 of Isvap Regulation no. 22 of 4 April 2008 and supplemented and modified by IVASS provision 53 of 6 December 2016.

## OTHER PRINCIPLES APPLIED

### Current taxation

Provisions include probable or undetermined debts and corporate taxes that are not yet certain and/or determined. The tax burden is determined by estimating the Tax Provision as if they were actually to be paid on the basis of the gross profit at the end of the period; the related tax adjustments are made by simulating a tax return for the reference period. The rate applied is the one presumed to be in force at the end of the year.

The payable for IRAP is estimated on the basis of a prudential calculation by applying the rate of 6.82% to the Value of Production for the period.

In determining IRES, the rate of 24.0% is applied, in force starting from the 2017 tax period, provided for by the 2016 Stability Law (Law No. 208 of 28/12/2015).

As regards IRES, the application of the consolidated national taxation envisaged by art. 117 and following of Presidential Decree 917/1986, to which the company adhered on the proposal of the Parent Company Amissima Holdings S.r.l. starting from the 2016 tax period.

The tax consolidation, relating solely to IRES, provides that the Parent Company, as the consolidating company, draws up a single tax return (as an algebraic sum of the taxable income of all the participating companies, varied by consolidation adjustments, as well as envisaged by art.122 of the TUIR) and that it is responsible for paying the balance and IRES advances. The financial relationship with the Revenue Agency deriving from the IRES calculation is therefore transferred to the consolidating company Amissima Holdings S.r.l.: if it is in debt, it is shown, net of any withholding taxes and tax credits, under the item "Other liabilities"; if it is a credit, it is shown, increased by any withholding taxes and tax credits, under the item "Other Assets". The relations between the consolidating company and the consolidated company deriving from group taxation are regulated by a specific agreement stipulated between the parties.

As regards the Revenue Agency, the option for the three-year tax consolidation regime was renewed for the tax periods from 2019 to 2021 inclusive. The option is tacitly renewed at the end of each three-year period, unless revoked.

In the area of IRES, also in 2020, following the write-downs made on the real estate sector in previous years, the value of the properties was depreciated for tax purposes only, to allow the misalignment between the civil value to be reabsorbed in the shortest possible time. and the tax value of the assets in question, generated by the aforementioned write-downs. This operation was carried out on the basis of the provisions of the Revenue Agency resolution no. 98 of 19 December 2013.

### Deferred tax

Pursuant to art. 2426 of the civil code and taking into account the accounting principle no. 25 of the National Council of Chartered Accountants and Accountants and Consob Recommendation no. 99059010 of 30 July 1999 on the accounting treatment of deferred tax assets and liabilities, which entered into force in the 1999 financial year, the prepaid and deferred taxes were booked, relating to the temporary differences between the profit for the period before tax and the taxable amount. The determination of this accounting entry was made for deferred tax assets by considering the temporary differences detectable from negative income components subject to taxation which determine elements with reversals in one or more subsequent years (deductible temporary differences); for deferred taxes considering the positive components of income not taxable in the year but in subsequent years (temporary taxable differences).

As part of the recognition of assets and liabilities relating to deferred taxation:

- a) the registration of the credit item for prepaid taxes is subject to the reasonable certainty of the existence, in the financial years in which the related positive tax effects will be produced, of a taxable amount not lower than the total amount of said effects;

- b) the registration of the passive entry for deferred taxes is subject to the verification of the existence of the conditions that translate the latent tax burden into an effective tax burden.

As regards the recoverability of deferred tax assets, a strategic plan has been drawn up which shows the ability to generate, in the years in which the temporary deductible differences will reverse, taxable income not lower than the amount of prepaid taxes to be reabsorbed.

Prepaid and deferred taxes are charged to the income statement, and their determination is made on the basis of the tax rates in force in each financial year in which said taxes will become payable.

### Currency Conversion Rates

In compliance with the provisions of art. 2425-bis and 2426 of the Civil Code, the initial recognition of foreign currency transactions provides for revenues/income and costs/charges to be accounted for at the exchange rate current at the date of the transaction. With regard to subsequent surveys and evaluations, Article 2426, Number 8-bis distinguishes different conversion criteria for non-monetary monetary items:

- Monetary items: foreign currency assets and liabilities that entail the right to be collected or the obligation to pay certain or determinable amounts at a future date such as receivables, payables, accrued income, liabilities, and debt securities. They must be recorded in the balance sheet at the spot exchange rate at the balance sheet date. Any losses or any profits deriving from the application of this principle must be charged to the income statement. Any net profit must be allocated to a non-distributable reserve until realization (in other reserves "Profit reserves on exchangerates");
- Non-monetary items: tangible, intangible and financial fixed assets consisting of equity investments, must be recorded at the exchange rate recorded at the time of their purchase or at the rate lower than the year-end date (if the reduction can be considered durable).

The provisions for risks and charges and the memorandum accounts associated with liabilities in foreign currency are to be considered as monetary items and therefore the principle of the spot exchange rate at the closing date of the financial year is followed.

## PART B - BALANCE SHEET INFORMATION

### BALANCE SHEET – ASSETS

The items in the Balance Sheet and the changes that have taken place with respect to the previous year are commented on and integrated below with the indications required by current regulations.

#### 1. Intangible assets (item B)

The item "intangible assets" amounts to € 5,394 thousand at 31.12.2020, and is made up as follows (in thousands of €):

Description	Amount 31.12.2020	Amount 31.12.2019	Variation
Deferred acquisition commissions	1,479	1,693	-214
Other deferred costs	3,916	4,861	-945
<b>Total</b>	<b>5,394</b>	<b>6,554</b>	<b>-1,160</b>

- The portion not yet amortized relating to the acquisition commissions amounts to € 1,479 thousand, compared to € 1,693 thousand at the end of the previous year. The decrease is attributable to the decrease in production relating to pre-counted tariffs.
- Other multi-year costs of € 3,916 thousand.  
They consist of costs relating to the development of the IT system and software for € 3,339 thousand and € 577 thousand relating to the capitalization of staff costs relating to activities under development.

The movements in the item "Other deferred costs" are shown below, by homogeneous category (in thousands of €):

Description	Software licenses	EDP projects	Other Assets	Total
Opening balance	683	3,853	325	4,861
Purchases/Increases	79	640	422	1,142
Sales/Decreases	0	0	0	0
Deferments	-295	-1,621	-170	-2,087
<b>Closing balance</b>	<b>467</b>	<b>2,872</b>	<b>577</b>	<b>3,916</b>

The change of € -945 thousand compared to the balance of the previous year is attributable to the net effect of purchases and depreciation.

Changes in intangible assets during the year are detailed in Attachment no. 4.

#### 2. Investments (item C)

Class C investments amount to € 6,760,743 thousand (€ 6,409,732 thousand at the end of 2019):

##### 2.1. Land and buildings (item CI)

All land and buildings are considered durable and are thus composed (in thousands of €):

Description	2020	2019	Variation
Property used by third parties	98,471	99,141	-670
<b>Total gross</b>	<b>98,471</b>	<b>99,141</b>	<b>-670</b>

Compared to the previous year, the value of real estate intended for use by third parties records a diminution of € -670 thousand due to the write-down of 15 real estate units.

As per company practice, also in 2020 the Company commissioned an external expert to estimate the fair value of all the properties owned and, on this occasion, ascertain any lasting losses in value.

Taking into account the nature and type of the properties, the appraiser used a method based on the prospective cash flows of each property, discounted over a medium/long-term time horizon. The net decrease of € 670 thousand refers to the properties listed below (in thousands of €):

Description		Recovery/Devaluation
<b>Real estate for third parties</b>		
<b>Municipality Address</b>		
BRONI	Piazza Garibaldi	-10
CAGLIARI	Piazza Deffenu	-10
CAMPOSAMPIERO	Contrà dei Nodari	-10
CATANIA	V.le Vittorio Veneto	-100
CERMENATE	Piazza XX Settembre	-20
COMO	Piazza Duomo	-20
DOLO	Via Matteotti	-40
JESOLO	Via Danimarca	-50
MILAN	Via Silva	-163
MILAN	Via Montebianco	-137
PIOVE DI SACCO	Via Roma	-40
PORTOGRUARO	Borgo S. Giovanni	-40
ROME	Via Appia Nuova	-10
ROME	Via Gallia	-10
VENICE	Via Cappuccina	-10
<b>Total</b>		<b>-670</b>

The following table shows the comparison between the book value and the market value for the land and buildings owned as at 31 December 2020 (in thousands of €):

Description	Carrying value			Market value		
	Ground	Manufactured	Total	Ground	Manufactured	Total
Real estate for third parties	47,855	50,616	98,471	47,528	52,602	100,130
<b>Total</b>	<b>47,855</b>	<b>50,616</b>	<b>98,471</b>	<b>47,528</b>	<b>52,602</b>	<b>100,130</b>

It should be noted that the Company does not own assets in *leasing*.

## 2.2. Investments in Group companies and other investee companies (item C.II)

The total amount of investments in Group companies (item C.II) was € 7,170 thousand at December 31, 2020 (€ 12,564 at December 31, 2019) made up as follows (in € thousand):

Description	Amount 31.12.2020	Amount 31.12.2019	Variation
<i>Shares and shares of companies</i>			
Check it out	1,636	12,389	-10,753
<i>Shares and shares of companies</i>			
Connect	5,534	-	5,534
Loans to subsidiaries	-	175	-175
<b>Total</b>	<b>7,170</b>	<b>12,564</b>	<b>-5,394</b>

The "*Shares and quotas of subsidiaries*" item refers to the investment held in the insurance brokerage company Assi90 S.r.l. and is classified in the current sector as it is being disposed of. The decrease in € 10,753 compared to 2019 is due to the sale of 21,665 shares (equal to 21.655% of the company's capital) of the investment in the real estate company IH Roma S.r.l. to Amissima Assicurazioni which took place in October 2020. The sale resulted in a loss of € 481 thousand.

The item "*Shares and quotas of associated companies*" - it refers instead to the residual investment held in IH Roma which, following the aforementioned sale, is no longer controlled but connected.

It was also for these subsidiaries commissioned to an external expert to verify the current value of the main properties and, on this occasion, ascertain any permanent losses in value.

The table below gives an indication of the value of the equity investments and related share of equity held (in thousands of €):

Society	Net Equity 12.31.2020	% possession	Share of shareholders' equity 31.12.2020	Shareholding value 31.12.2020	
IH ROMA S.r.l.	19,156	29.335%	5,555	5,534	Subsidiary
ASSI90 S.r.l.	3,024	60.250%	1,822	1,636	Controlled

"*Loans to subsidiaries* ", extinguished in 2020, relate to the repayment of a first loan disbursed in 2018 to IH Roma S.r.l. for € 75 thousand, followed by a second tranche of a further € 100 thousand on 11/06/2019. The analytical schedule of the movements is shown in Attachment 5 attached to these Explanatory Notes, of which it forms an integral part.

The prospectus concerning information relating to investee companies is reported in Attachment 6 attached to these Explanatory Notes, of which it forms an integral part.

The prospectus concerning changes in investments in group companies and other investee companies is shown in Attachment 7 attached to these Explanatory Notes, of which it forms an integral part.

The summary of the economic relationships with the companies of the Amissima Insurance Group (parent company, subsidiaries, associates) is shown in the Management Report.

### 2.2.1. Current value of investments (referred to in Annexes 7, 8 and 9)

For the current value of the investments traded on regulated markets, the price recorded on the last day of the last month of the financial year was assumed.

For investments traded on non-regulated markets, but with prices proposed by contributors representing primary intermediaries, the price indicated on the last day of the last month of the financial year was assumed. In the absence of significant quotations, a prudent analytical assessment was made As regards their probable realizable value. In particular, a theoretical value was determined for the securities using valuation models developed in compliance with *best practice* financial.

The current value of equity investments in associated companies was determined considering the shareholders' equity, including the result for the year resulting from the last approved financial statements, adjusted by any unrealized capital gains and losses on securities and properties and, where applicable, by the goodwill value.

For the purpose of identifying any losses of a lasting nature on securities entered in the investment sector, the model of *impairment* defined at Group level described previously in Section 1, point C.III. No bonds or shares emerged on which to record adjustments.

### 2.3. Other financial investments (item C.III)

The overall balance amounts to € 6,655,103 thousand, with an increase of € 357,076 thousand compared to December 2019. The main components can be summarized as follows (in thousands of €):

Description	Amount 31.12.2020	Amount 31.12.2019	Variation
Shares and units	756,091	1,064,724	-308,633
Shares of mutual funds	275,259	424,890	-149,631
Bonds and other fixed income securities	5,623,068	4,807,623	815,445
Loans	685	790	-105
Various financial investments	-	-	-
<b>Total</b>	<b>6,655,103</b>	<b>6,298,027</b>	<b>357,076</b>

The breakdown based on the use of other financial investments in shares and units of companies, units in mutual funds, bonds and other fixed-income securities, together with the comparison with the current value, is shown in Annex 8 attached hereto. Explanatory note, of which it forms an integral part.

In the item "*shares and quotas*" Investments are placed in Amissima Diversified Income ICAV (Irish Collective Asset-management Vehicle) and in companies in which the Company holds less than one-tenth of the share capital or voting rights exercisable at the ordinary shareholders' meeting. The decrease compared to December (€ 308,633 thousand) mainly refers to the redemptions of the shares of the investment funds underlying the Amissima Diversified Income ICAV carried out in 2020 and to the write-downs made in the financial statements.

The details of the ICAV investments as at 31 December (in thousands of €):

Isin	Description	Book value 31.12.2020	Market value 31.12.2020
QU0006740322	ICAV AMISSIMA LOAN ORIGINATION FUND (A)	70,414	72,289
QU0006743755	ICAV AMISSIMA LOAN ORIGINATION FUND_CVITA (A1)	130,335	133,795
QU0006740306	ICAV AV (CVN) GLOBAL IG CORP CREDIT FUND	106,419	106,499
QU0006740330	ICAV AV (NORVITA) GLOBAL IG CORP CREDIT FUND	39,168	39,197
QU0006743789	ICAV AV MULTI CREDIT STRATEGY FUND CVITA (A1)	296,381	296,381
QU0006740348	ICAV AV MULTI CREDIT STRATEGY FUND NORVITA (A)	113,373	113,373
<b>Total</b>		<b>756,091</b>	<b>761,535</b>

Amissima Diversified Income ICAV was set up in order to manage investment funds aimed at meeting the strategic financial needs of the Group in terms of investments. The ICAV is a legal entity supervised by the Central Bank of Ireland which can be defined as an investment fund organized according to a sub-fund structure representing underlying investment funds and subject to Directive 2009/65/EU as well as Directive 2011/61/EU. The ICAV funds are at the complete and exclusive service of Amissima Vita and Amissima Assicurazioni which are the only investors in the underlying funds. Therefore, the ICAV represents an important element in the investment policy pursued by the Company in order to diversify the Asset Allocation strategy and to guarantee high and competitive returns to the underwriters of the insurance policies.

Compared to December the **"Mutual Fund Units"** they decreased by € 149,631 thousand as in 2020 shares relating to the ETF funds were sold.

The item **"Bonds and other fixed income securities"** increases by € 815,445 thousand compared to December 2019 as a consequence of the tactical asset allocation outlined, aimed at reducing investments in ETFs and held through the ICAV, in favor of bonds, in particular government bonds.

During 2020, securities with simultaneous classification in the long-term sector were purchased for a total value of € 362.3 million: € 317.4 million relating to Italian government bonds and € 44.9 million relating to a corporate bond. There were repayments of investment securities for a total value of € 68.6 million and no divestments of securities allocated to this sector were made.

In 2020, some foreign government bonds were first transferred from the durable to the non-durable segment and then were subject to sale. Below is the list of securities with amounts expressed in thousands of euros:

Wallet	ISIN code	Title description	Nominal value
Norvita	BE0000345547	EUR BELGIUM 18-28 0.8%	40,000
Norvita	FR0013154044	EUR FRANCE 16-36 1.25%	66,400
Norvita	BE0000344532	EUR BELGIUM 17-37 1.45%	32,000
Norvita	FR0013154028	EUR FRANCE 15-66 1.75%	3,000
C. Vitanuova	BE0000345547	EUR BELGIUM 18-28 0.8%	40,000
C. Vitanuova	FR0013154044	EUR FRANCE 16-36 1.25%	14,000
C. Vitanuova	FR0013154028	EUR FRANCE 15-66 1.75%	3,000
C. Vitanuova	FR0013257524	EUR FRANCE 17-48 2.00%	18,000
C. Vitanuova	BE0000338476	EUR BELGIUM 16-47 1.60%	25,000
<b>TOTAL</b>			<b>241,400</b>

Movements during the year in other financial investments for long-term use are shown in attachment 9 attached to these Explanatory Notes, of which it forms an integral part.

At December 31, the net (post-closing) capital gains relating to securities classified as "long-term use" amounted to € 374.4 million compared to € 273.5 million at the end of 2019.

The progressive amortization of the positive differences with respect to the redemption value for the securities included in the durable goods sector and the amortization of the liabilities given by the

difference between the spot sale value of the Italian government bonds and the forward purchase value led to the registration ac/economic of net trading spreads for a positive value of € 11.4 million compared to € 12.5 million at the end of 2019: the positive spreads amounted to € 17.7 million while the negative spreads amounted to € 6.3 million.



Overall, during the year, the securities trading activity brought a positive net book result of € 57.6 million to the profit and loss account, while the reimbursements resulted in a negative net book result of € -0.09 million.

Net value adjustments amounted to € -10.9 million, of which € -0.4 million relating to ICAV funds, € -9.6 relating to a securitized security in the free portfolio and € +3.4 million to funds ETF. The Ferrarini obligation was prudently written down for the entire amount, with an effect on the item Adjustments equal to € 8 thousand, and the shares of Banca Carige, with an effect on the item Adjustments equal to € 134 thousand.

In relation to the bonds referred to in item C.III.3, an analytical indication is also provided of the positions of significant amount by issuer (in thousands of €):

<b>Issuer description</b>	<b>book value 31/12/2020</b>
Republic of Italy	2,211,242
French Republic	515,826
Republic of Austria	478,335
Federal Republic of Germany	348,675
Kingdom of the Netherlands	321,396
Kingdom of Spain	295,578
State of North Rhine-Westphalia	293,947
Kingdom of Belgium	159,121
Land Berlin	121,034
Purple Protected Asset SA	79,477
European Investment Bank	74,485
European Financial Stability	60,467
Portuguese Republic	55,303
Assistance Publique Hopitaux Paris	55,027
European Stability Mechanism	53,505
KFW	53,069
Communaute Francaise de Belgique	50,232
Banca Carige S.P.A.	50,000
AMCO Asset Management Company S.p.A.	44,906
City of Amsterdam Netherlands	39,871
Republic of Finland	37,866
Intesa San Paolo S.P.A.	34,592
Republic of Ireland	29,241
Leonardo S.P.A.	23,019
European Union	15,947
Enel S.P.A.	11,372
A2A S.P.A.	9,000
Credit Agricole London	6,982
ENEL Finance	6,541

The issuers were selected on the basis of the total book value of the securities exceeding € 6 million, and represent 98.5% of the entire category.

It should be noted that “Republic of Italy”, which amounts to € 2,211,242 thousand, also includes the portion of Italian government bonds which were sold forward for a value of € 411,622 thousand.

At 31 December, the securities with subordination clauses are indicated in the following table, drawn up according to the level of subordination envisaged internationally (in thousands of €):

ISIN code	Title description	Currency	book value as at 31/12/2020	Market value as at 31/12/2020	Exp Date	Classification	Quotation
XS0863907522	EUR ASS GENERALI 12-42 7.75% (FRN FROM 22) CALL SUB	EUR	2,015	2,290	12/12/2022	SUB-LOWER TIER2	LISTED
XS0951553592	EUR AVIVA 13-43 6.125% (RESET FROM 23) CALL SUB	EUR	1,519	1,714	7/5/2023	SUB-LOWER TIER2	LISTED
XS1083986718	EUR AVIVA 14-44 3.875% (FRN FROM 24) CALL SUB	EUR	1,000	1,109	7/3/2024	SUB-LOWER TIER2	LISTED
IT0005389934	EUR CARIGE SUB TIER II 19-29 8.25% (CALL 2024)	EUR	50,000	51,174	12/20/2029	SUB-LOWER TIER2	LISTED
FR0012620367	EUR AGRICULTURAL CREDIT 15-25 2.70% SUB	EUR	3,775	4,105	4/14/2025	SUB-LOWER TIER2	LISTED
XS0971213201	EUR INTESA 13-23 6,625 SUB	EUR	6,317	7,214	9/13/2023	SUB-LOWER TIER2	LISTED
XS0764278528	EUR MUNICH RE 12-42 6.25% (FRN FROM 22) CALL SUB	EUR	3,996	4,335	5/26/2022	SUB-LOWER TIER2	LISTED
XS0981632804	EUR RAIFFEISEN 13-23 6% SUB	EUR	2,019	2,329	10/16/2023	SUB-LOWER TIER2	LISTED
XS0357281046	EUR RBS 08-23 FRN INFL SUB	EUR	2,500	2,771	4/23/2023	SUB-LOWER TIER2	LISTED
FR0012770063	EUR SCOR 15-47 3.25% (FRN from 2027) SUB CALL	EUR	5,147	5,754	6/5/2027	SUB-LOWER TIER2	LISTED
XS0849517650	EUR UNICREDIT 12.22 6.95% SUB	EUR	4,008	4,446	10/31/2022	SUB-LOWER TIER2	LISTED
<b>Total</b>			<b>82,297</b>	<b>87,241</b>			

Concerning operations in so-called securities “Structured and subordinated”: securities for a total value of 124.1 million were purchased, securities were sold for a total value of € 207.6 million and redemptions were equal to a value of € 52.9 million.

At the closing date of the Financial Statements, the portfolio contains derivative financial instruments held directly by the Company (in thousands of Euro):

ISIN code	Title Description	Market value as at 31/12/2020
IT0003934657	Fwd 070222 103.615 BTP 01.08.05 - 01.02.37 4.00%	-716
IT0004513641	Fwd 070222 103,791 BTP 01.03.09 - 01.03.25 5,00%	-27,114
IT0004759673	Fwd 070222 98,278 B.T.P. 01.09.11 - 01.03.22 5,00%	-797
IT0004889033	Fwd 070222 105,694 B.T.P. 22.01.13 - 01.09.28 4,75%	-8,919
IT0004898034	Fwd 070222 100,542 B.T.P. 01.03.13 - 01.05.23 4,50%	-1,227
IT0004953417	Fwd 070222 101,506 B.T.P. 01.08.13 - 01.03.24 4,50%	-2,895
IT0005028003	Fwd 050221 99.484 BTP 15.06.14 - 15.12.21 2,15%	-455
IT0005045270	Fwd 070222 97,23 B.T.P. 01.09.14 - 01.12.24 2,5%	-150
IT0005086886	Fwd 070222 97,973 B.T.P. 16.02.15 - 15.04.22 1,35%	-197
<b>Total</b>		<b>-42,470</b>

The “**Loans**” item is reduced in 2020 for loans on policies (€ -67 thousand) and other loans (€ -134 thousand). On the other hand, collateralised loans increased (€ +96 thousand).

### 3. Investments for the benefit of life insurance policyholders who bear the risk and deriving from the management of pension funds (item D)

This item consists of investments in financial instruments to cover specific insurance policies (so-called *Unit Linked and Multiramo*) whose performance is linked to the value of the shares of the Internal Insurance Funds. At 31.12.2020 there are no contracts *Index Linked* linked to stock indices or other reference values (in thousands of €):

Description	Amount 31.12.2020	Amount 31.12.2019	Variation
Investments linked to investment funds and market indices related services	486,719	441,731	44,988
<b>Total</b>	<b>486,719</b>	<b>441,731</b>	<b>44,988</b>

The total assets under management of Class D recorded in the last year, an increase of 10% compared to the previous year, mainly due to the fact that in 2020 three new Internal Insurance Funds called Amissima Global Bond, Amissima Global Balanced were created. and Amissima Global Equity and consequently the distribution of the new Multiramo product started in the second half of the year, the policies of which are also linked to these same funds.

The prices of the Amissima Globale line recorded all positive performances in 2020. In detail: Amissima Azionario Globale reports a return of + 1.36% compared to the same period of 2019, Amissima Bilanciato Globale + 2.4%, Amissima Obbligazionario Globale + 2.2%. The return of the Funds of the Amissima Flexible line was negative: the Amissima Flessibile Dinamico fund recorded -3.03%, Amissima Flexible Balanced - 1.65% and Amissima Flexible Conservative of -1.23%. The three new Internal Funds recorded the following performances starting from 09/07/2020 until the end of the year: Amissima Global Bond yields -2.28%, Amissima Global Balanced yields + 3.58%, the Amissima Global Equity line + 6.76%. Finally, the Internal Fund Amissima Azionario Emerging Countries achieved a return of + 13.68%. The details of the activities relating to services connected with investment funds - at current value and at acquisition cost - are shown in attachment 11 attached to these Explanatory Notes, of which it forms an integral part.

As regards transfers from Class C to Class D, governed by paragraphs 1 to 4 of art. 20 of Legislative Decree no. 173 of 26 May 1997, no changes were recorded during the year.

### 4. Technical reserves reassured with third parties (item D bis)

The reserves borne by the reinsurers were determined on the basis of the gross reserves, taking into account the contractual clauses that govern the treaties in force. These are exclusively reserves relating to ministerial class I. (in thousands of €)

Description	Amount 31.12.2020	Amount 31.12.2019	Variation
Provisions for policy liabilities	4,229	10,531	-6,302
Provision for sum to be paid	3,212	1,782	1,430
<b>Total</b>	<b>7,441</b>	<b>12,313</b>	<b>-4,872</b>

As regards in particular the mathematical reserves, their amount is reduced compared to the previous year (-59.8%) due to the natural dismantling of the portfolio to which the treaties refer. Specifically, these are

policies sold at commercial premiums in run-off for more than ten years which will mostly expire within the next five years and whose natural lapse is accentuated by the exercise of the right of redemption by the contractors.

## 5. Receivables (item E)

The balance as at 31.12.2020 is € 143,622 thousand net of the respective bad debt provisions; the composition and changes compared to the previous year are summarized in the following table (in thousands of €):

Description	Amount 31.12.2020	Amount 31.12.2019	Variation
<i>Receivables:</i>			
Policyholders	1,247	3,645	-2,398
insurance intermediaries	2,194	11,187	-8,993
companies and reinsurance companies	275	418	-143
other debtors	139,906	147,933	-8,027
<b>Total</b>	<b>143,622</b>	<b>163,183</b>	<b>-19,561</b>

**"Policyholders "** premiums stood at around 0.15%, down from 0.40% at the end of 2019; the receivable mainly refers to premiums issued in the last quarter of the year (€ 1,112 thousand).

**"Insurance intermediaries"** are shown net of the write-down provision which amounts to € -671 thousand and consists mostly of the amount for the third ten days of December 2020; for € 708 thousand they refer to receivables for reimbursements. The criterion was applied to receivables from insurance intermediaries in dispute *Worst/Best*, identifying an average between the maximum recovery value and the minimum value. If the W/B average is greater than the net credit recorded in the financial statements, no further provision is made.

**"Receivables from reinsurance companies"** (item E.II) correspond to the balances of the bank statements. In 2020, they mainly consisted of receivables from Scor Global Se (€ 135 thousand) and from Munchener Ruck Gesellschaft (€ 99 thousand). In 2019 the balance of receivables amounted to € 418 thousand.

The item **"Other receivables"** (item E.III) results largely made up of receivables from the tax authorities (€ 134,136 thousand, equal to 96.42% of the total). The most significant item is represented by the advance of withholding taxes and substitute taxes on the capital gain of life policies (so-called "Tax on mathematical reserves"). The recovery of the aforementioned credit began on January 1, 2005. The Revenue Agency has established a special tax code for the use of the credit to deduct the withholdings provided for by art. 26-ter of the DPR 600/73 n. 600 applicable on the capital paid in relation to life policies and on the income referred to in art. 44 paragraph 1 letter g-quater) and g-quinquies) of the TUIR. Starting from 2007, any additional surpluses relating to the fifth previous year are allowed to be used to offset other taxes.

During the year, against the payment of the new portion of the tax pursuant to Legislative Decree 209/2002, equal to € 21,031 thousand, the same paid in previous years for € 17,069 thousand was used.

In addition, the tax credit accrued at the end of 2020 was recorded as early as 31.12.2020, with a contra-entry for various payables. We remind you that the so-called law "Stability 2013" has established, starting from 2013, the tax rate equal to 0.45% of the taxable Mathematical Reserves. The payment, equal to € 15,710 thousand, will take place next June 2021. This receivable from the tax authorities will in any case be used as a useful item to cover the technical reserves.

Receivables from tenants amount to approximately € 942 thousand. The changes in bad debt provisions that took place in 2020 (in units of €) are shown below:

	Provision for devaluation 31.12.2020	Usage 2020	Provision 2020	Provision for devaluation 31.12.2019
Credits vs agents	671	-22	-	693
<b>Total</b>	<b>671</b>	<b>-22</b>	<b>-</b>	<b>693</b>

The Other Receivables also include the amount relating to the recognition of prepaid taxes calculated on the temporary differences that led to the recognition of deferred tax assets for € 10,428 thousand, of which the related accounting item, the tax base, is detailed in the following table. the rate applied and the amount of the tax. The change in the accounting item compared to the previous year (€ 18,613 thousand at 31/12/2019) was mainly affected, among the decreases, by the return of deferred tax assets allocated in previous years in relation to the value adjustments of financial investments and assets in route of disposal.

## Total Prospectus

### NOTES TO THE FINANCIAL STATEMENTS

Prospectus referred to in no. 14) of art. 2427 of the Italian Civil Code: description of the temporary differences which led to the recognition of deferred tax assets and liabilities

Description of the temporary differences	Deferred tax assets year 2019			Resorptions 2020			Increases 2020			Prepaid taxes 2020		
	Taxable	Rate	Tax (a)	Taxable	Rate	Tax (b)	Taxable	Rate	Tax (c)	Taxable	Rate	Set (a-b + c)
Deductible differences												
Other non-deductible provisions	4,064,368	24.00%	975,448	1,851,719	24.00%	444,412	3,556,504	24.00%	853,561	5,769,153	24.00%	1,384,597
(art.107, paragraph 4 T.U.I.R.)	18,845,585	24.00%	4,522,940	2,288,958	24.00%	549,350	534,765	24.00%	128,344	17,091,392	24.00%	4,101,934
Real estate property writedowns	25,743,754	24.00%	6,178,501	10,723,646	24.00%	2,573,675	651,016	24.00%	156,244	15,671,124	24.00%	3,761,070
(art. 101, par. 1 T.U.I.R.)	28,901,628	24.00%	6,936,391	28,901,628	24.00%	6,936,391	4,920,371	24.00%	1,180,889	4,920,371	24.00%	1,180,889
<b>Total</b>	<b>77,555,335</b>		<b>18,613,280</b>	<b>43,765,950</b>		<b>10,503,828</b>	<b>9,662,656</b>		<b>2,319,037</b>	<b>43,452,041</b>		<b>10,428,490</b>

Description of the temporary differences	Deferred tax assets year 2019			Resorptions 2020			Increases 2020			Prepaid taxes 2020		
	Taxable	Rate	Tax (a)	Taxable	Rate	Tax (b)	Taxable	Rate	Tax (c)	Taxable	Rate	Set (a-b + c)
Taxable Differences												
Real estate property recovery (art.86, paragraph 1 Tuir)	575,589	24.00%	138,141	135,700	24.00%	32,568	-	24.00%	-	439,889	24.00%	105,573
<b>Total</b>	<b>575,589</b>		<b>138,141</b>	<b>135,700</b>		<b>32,568</b>	<b>-</b>		<b>-</b>	<b>439,889</b>		<b>105,573</b>

## 6. Other assets (item F)

The balance of this item as at 31.12.2020 is equal to € 21,223 thousand: the composition and changes compared to the previous year are summarized in the following table (in thousands of €):

Description	Amount 31.12.2020	Amount 31.12.2019	Variation
Accrued income and interest on securities	586	470	116
Rental prepaid expenses	6,658	13,831	-7,173
Other activities	13,979	14,700	-721
<b>Total</b>	<b>21,223</b>	<b>29,001</b>	<b>-7,778</b>

Concerning the "*active materials*" purchases were € 304 thousand and € 186 thousand is the amortization charge set aside for the year 2020;

The "*stocks*" stationery, printed matter and other consumable items are scarce (approximately € 15 thousand at 31.12.2020) thanks to efficient warehouse management.

The "*Cash and cash equivalents*" (item F.II) amount to € 6,658 thousand (€ 13,831 thousand at 31.12.2019) and are made up of € 6,657 thousand in bank and post office deposits and € 0.6 thousand in cash. Bank current account balances are contained following the purchase of securities completed at the end of the year.

In 2016, the Board of Directors of Amissima Holdings approved the centralized liquidity management project known as cash pooling. The cash pooling structure envisages on the one hand the opening of an account in the name of Amissima Holdings, as the Parent Company, (the "Master Account") and, on the other hand, the transfer by the Insurance Companies to this account of the respective liquidity according to established frequency. The benefits deriving from the adoption of this instrument are:

- ✓ greater coordination of the financial resources and liquidity of the Group companies, thus allowing the management of any temporary imbalances;
- ✓ the optimization of the resources available at Group level, reducing the use of sources of bank financing and, consequently, the related administrative costs.

In 2018, the contract between the parties involved - Amissima Holdings, Amissima Vita and Amissima Assicurazioni - was also extended to the instrumental companies IH Roma and Daphne.

The "*Other activities*" (item F.IV.2) decrease by € 721 compared to the same period of 2019. Globally the item amounts to € 13,979 thousand and includes € 7,295 thousand for a guarantee deposit relating to the "BTP Derisking Solution" and for € 3,992 thousand to temporary bank current accounts, relating to transactions awaiting reconciliation. The remaining € 2,692 thousand mainly include two adjustments relating to technical items relating to the management of outward reinsurance. The first constitutes an update of the mail, already present in previous years, equal to € 2,390 thousand; these are premiums ceded in lump sum reinsurance, against a multi-year coverage, on "death event" contracts which insure the residual debt linked to loans, for a more correct correlation between costs and revenues for the period. The second adjustment has the same nature as the previous one, but refers to the sale during the year of single premiums on a similar rate, and can be quantified in € 75 thousand. The related profit and loss account items are allocated between "Other technical charges" (II.11) and "Other technical income" (II.4).

## 7. Accruals and deferrals (item G)

Item G "accruals and deferrals" shows an overall balance as at 31.12.2020 of € 30,411 thousand, with an increase of € 1,376 thousand compared to the previous year.

The breakdown between accruals and deferrals is as follows (in thousands of €):

<b>Description</b>	<b>Amount 31.12.2020</b>	<b>Amount 31.12.2019</b>	<b>Variation</b>
Accrued interest income on investments	28,931	28,020	911
Prepaid rentals	41	51	-10
Other prepaid expenses	1,439	964	475
<b>Total</b>	<b>30,411</b>	<b>29,035</b>	<b>1,376</b>

The amount of accrued interest on fixed-income securities increases mainly for reasons linked to the assets under management.

The item "other prepaid costs" includes the prepaid transaction costs relating to the subordinated loan equal to € 239 thousand.

There are no other significant movements, nor accruals or deferrals with a multi-year maturity.

## STATEMENT OF LIABILITIES

### 8. Shareholder's equity (item A)

Shareholders' equity as of 31.12.2020 is made up as follows (in thousands of €):

SHAREHOLDERS' EQUITY	Amount 31.12.2020	Amount 31.12.2019	Variation
Subscribed capital or equivalent funds	50,432	50,432	
Share premium reserve	628	628	
Revaluation reserves	-	-	
Legal reserve	24,976	24,976	
Statutory reserve	-	-	-
Reserves for parent company shares	-	-	-
Other reserves	89,447	74,447	15,000
Net Profit (loss) brought forward	-11,215	673	-11,888
Net Profit (loss) for the year	27,857	-11,888	39,745
Negative reserve for treasury shares	-	-	-
<b>Total</b>	<b>182,124</b>	<b>139,268</b>	<b>42,856</b>

The share capital of the Company, as at 31 December 2020 fully subscribed and paid up for € 50,432 thousand, is represented by n. 240,151,325 Ordinary shares with no par value. The entire capital is held by the sole shareholder Amissima Holding S.r.l..

The loss for the year 2019 of € -11,888,060 has been entirely carried forward.

The changes in the period of the items making up the net equity are summarized in the following table (in thousands of €):

Net Equity Movements	Share capital	Surcharge reserve	Legal reserve	Profits/losses carried forward	Profit/(Loss) for the period	Others	Total
<b>CHANGES IN</b>	50,432	628	24,976	673	- 11,888	74,447	<b>139,268</b>
Balance as at 31.12.2019							
Share capital distribution				- 11,888	11,888		-
Allocation of the net profit for the 2019 financial year					-		-
Cover residual losses							
Establishment of legal reserve							
Distributing extraordinary reserve							
Distributing share premium reserve							
Loss leads to new - according to 24-29 OIC						15,000	<b>15,000</b>
Net profit for the 2020 financial year	-	-	-	-	27,857	-	<b>27,857</b>
<b>Balance as at 31.12.2019</b>	<b>50,432</b>	<b>628</b>	<b>24,976</b>	<b>- 11,215</b>	<b>27,857</b>	<b>89,447</b>	<b>182,125</b>

Paragraph 7 bis of Article 2427 of the Italian Civil Code. civ. introduced further analyzes of shareholders' equity, which are detailed here:



- origin, possibility of use and distribution of shareholders' equity items (in thousands of €)

Nature/Description	Amount	Possibility of use	Available share	Usage summary in the three previous years	
				loss coverage	Other
Equity	50,432				
Share premium reserve	628				
Revaluation reserves	-				
Legal reserve	24,976	B.			
Statutory reserve	-	A, B, C			
Reserves for own shares and shares of the controlling company	-	B.			
Other reserves	89,447	A, B, C			
Net Profit (loss) brought forward	-11,215	A, B, C		-11,888	
Reserves for own shares and shares of the controlling company	-				
<b>Total</b>	<b>154,268</b>				

Legend: A = for capital increase, B = to cover losses, C = for distribution to shareholders

- changes in shareholders' equity items in the last three years

	Share capital	Reserves Sovr.Az.	Reserves Rev.ne	Legal reserve	Exchange Res. Other R.	Extraord. Res.	Profits (losses) carried forward
	A.I	A.II	A.III	A.IV	A.VII	A.VII	A.VIII
Balance 31/12/2017	124,879	628		24,976		-	673
Provisions							34,724
Usage	-74,447					74,447	-34,724
Balance 31/12/2018	50,432	628		24,976		74,447	673
Provisions							33,678
Usage						-	-33,678
Balance 31/12/2019	50,432	628		24,976		74,447	673
Provisions							-11,888
Usage						15,000	0
<b>Balance 31/12/2020</b>	<b>50,432</b>	<b>628</b>		<b>24,976</b>		<b>89,447</b>	<b>-11,215</b>

## 9. Subordinated liabilities (item B)

The subordinated liabilities as at 31 December 2020 are made up of a bond loan of € 45 million subscribed on 1 April 2020 by Primavera Intermediate Holdings S.à.r.l, the ultimate shareholder of the Insurance Group, with the following characteristics:

- duration: 10 years;
- early repayment: early repayment option from the fifth year (call right);
- interest rate: 7.25% for the first 5 years; floating rate based on Euribor 3 months from the fifth year;
- subordination: with respect to other unsubordinated securities;
- classification according to the SII directive: Basic Own Funds Tier 2, as it complies with the requirements of art. 73 of the Commission Delegated Regulation (EU) 2015/35 of 10 October 2014.

As of 31 December 2020, interest was calculated, equal to € 2,467 thousand.

## 10. Technical provisions (item C.II)

The item refers to technical reserves deriving from direct insurance risks and are made up as follows (amounts in thousands of €):

Description	Amount as of 31.12.2020	Amount as of 31.12.2019
Provisions for policy liabilities	6,154,951	5,924,208
Unearned provision for supplementary coverage	29	43
Provision for sum to be paid	49,107	31,984
Other technical provisions	27,870	28,255
<b>Total</b>	<b>6,231,957</b>	<b>5,984,490</b>

The increase compared to the previous year is mainly due to the net positive flows deriving from commercial dynamics as well as to the development of new business which in 2020 was able to count on the start of operations of a new banking distributor.

The movements in the exercise of the actuarial reserves are shown in attachment 14 attached to these Explanatory Notes, of which it forms an integral part.

Mathematical reserves are made up of reserves for pure premiums for € 6,150,152 thousand, reserves for carry over of premiums for € 2,418 thousand and integration reserves for € 2,381 thousand. The integration reserves include the additional reserves for financial risk (guaranteed interest rate) resulting from the results of the ALM analysis referred to in paragraphs 21, 22 and 23 of Annex 14 to IVASS Regulation No. 22 of 04.04.2008 and subsequent amendments, issued pursuant to art. 36 of Legislative Decree 209/05, for an amount of € 1,633 thousand, a decrease compared to the 1,652 thousand in 2019; the additional reserves pursuant to art. 41, paragraph 4, of Legislative Decree 209/05 for the amount of € 44 thousand and the demographic base adjustment reserve pursuant to art. 49, paragraph 1, paragraphs 35 to 38 of Annex 14 to IVASS Regulation No. 22 of 4 April 2008 and subsequent amendments equal to € 704 thousand. The amount of the actuarial reserves also includes the Reserve for Profits set up solely for the "Amissima Multicredit" Separate Account pursuant to the provisions of par. 38 bis of Annex No. 14.

Overall, they refer for € 6,067,568 thousand to Class I, for € 770 thousand to Class III and € 163,619 thousand to Class V.

The Company continued to apply the method of calculating the Additional Reserve for financial risk using Method C. This method provides for the possibility of offsetting, for each separate management, between balances of opposite sign referring to the different levels of financial guarantee as well as to the different periods annual.

According to this approach, therefore, there is no need to set aside any reserve amount for all the Separate Managements, but a provision is made for temporary contracts in the event of death not connected to any separate management but which still provide a financial guarantee.

Reserves and amounts to be paid amounted to € 49,107 thousand and compared to 2019 they increased by € 17,123 thousand, most of them due to claims, which went from € 17,904 thousand to € 29,278 thousand and due to maturities, from € 12,757 to € 19,408. At 31.12.2020 they are made up as follows (amounts in thousands of €):

- Amounts to be paid for maturities € 19,408
- Sums to be paid for claims € 29,278
- Sums to be paid for redemptions € 421

The maturities refer for € 17,172 thousand to Class I, for € 631 thousand in class III and € 1,604 thousand in class V; claims for € 29,274 thousand in Class I and for € 4.2 thousand in Class III, while redemptions are for € 418 thousand in Class I and 1 thousand in Class III and € 2.5 thousand in Class V.

The item *Other technical reserves* it is made up of the Reserve for future costs, determined against charges that the Company will have to incur for the management of the contracts, and is allocated to the various classes as follows:

Class I: 26,938 thousand

Class III: 90 thousand

Class V: 843 thousand

For more details on the technical provisions by risk category, please refer to the Actuarial Report referred to in Article 23 bis, paragraphs 2 and 3 of Regulation 22 of 4 April 2008 and subsequent amendments.

#### 11. Technical reserves when the investment risk is borne by the policyholders and reserves deriving from the management of pension funds (item D) (amounts in thousands of €):

Description	Amount 31.12.2020	Amount 31.12.2019
Provisions relating to contracts linked to investment funds and market indexes	486,719	441,731
<b>Total</b>	<b>486,719</b>	<b>441,731</b>

The section includes the reserves set up for the commitments undertaken with the stipulation of unit-linked and index-linked contracts as fully described in the related section 3.

The total reserves correspond exactly to the total assets shown in this section and are divided as follows into the different product lines:

(in thousands of €)

Description	31.12.2020	31.12.2019
Amissima Global Bond	29,520	32,023
Amissima Balanced Global	37,960	40,133
Greatest Global Equity	32,866	34,874
<b>Total Gestlink book value</b>	<b>100,345</b>	<b>107,029</b>
<b>Amissima Emerging Markets Equity</b>	<b>207</b>	<b>182</b>
Amissima Flexible Dynamic	167,215	161,911
Amissima Flexible Balanced	98,420	108,282
Amissima Flexible Conservative	56,005	64,327
<b>Total Balance Sheet Unit Line Plus</b>	<b>321,640</b>	<b>334,519</b>
AMISSIMA GLOBAL BOND	20,795	-
AMISSIMA GLOBAL BALANCED	36,789	-
AMISSIMA GLOBAL EQUITY	6,942	-
<b>Total Balance Sheet Global Line</b>	<b>64,526</b>	
<b>GRAND TOTAL Unit + Index Linked</b>	<b>486,719</b>	<b>441,731</b>

For more details on the technical provisions by risk category, please refer to the Actuarial Report referred to in Article 23 bis paragraph 3 of Regulation 22 of 4 April 2008 and subsequent amendments.

## 12. Provisions for risks and charges (item E)

Item E shows the balances of the provisions specified below, with the changes compared to the previous year (in thousands of €):

Description	Amount 31.12.2020	Amount 31.12.2019	Variation
Provisions for taxes	106	138	-32
Other provisions	2,502	1,323	1,179
<b>Total</b>	<b>2,608</b>	<b>1,461</b>	<b>1,147</b>

The item **Provisions for taxes**, equal to € 106 thousand, decreases compared to the previous year (€ 138 thousand at 31/12/2019); the details are reported in the prospectus drawn up pursuant to art. 2427, n. 14, cod. civ., attached to these Explanatory Notes after the comment on the item “Other Receivables”.

In **Other Provisions** all provisions for risks and charges intended to cover losses or liabilities of a determined, certain or probable nature, of which the amount or date of occurrence are not known, are included. In particular, these are provisions relating to the commercial initiative launched on the portfolio with guaranteed minimums of 3-4% (€ 1,542 thousand), lawsuits in progress (€ 408.5 thousand), to agency relationships (€ 37 thousand). The provision for early retirement and company restructuring is (€ 140 thousand) and the provision for litigation costs (€ 374.5 thousand). For an illustration of the main disputes in progress, please refer to the paragraphs “Disputes in progress” and “Tax litigation” in the Board of Directors' Management Report.

## Deposits received from reinsurers (item F)

Description	Amount 31.12.2020	Amount 31.12.2019	Variation
Deposits received from reinsurers	7,596	12,400	-4,804

The item represents payables for deposits that the Company retains in the case of outward reinsurance. The decrease of € 4.8 million reflects the evolution of reinsurance relationships in the year 2020.

### 13. Payables and other liabilities (item G)

The balance of this item as at 31.12.2020 is equal to € 496.496 thousand, with a decrease of € -15.033 thousand compared to 31.12.2019, of which € -16.357 thousand relating to the spot sale with simultaneous commitment to repurchase at term (BTP Derisking Solution). The composition and details of the changes are summarized in the following table (in thousands of €):

Description	Amount 31.12.2020	Amount 31.12.2019	Variation
Payables deriving from direct assurance operations	10,138	14,692	-4,554
Payables deriving from reinsurance transactions	2,232	3,060	-828
Severance	647	637	10
Other debts	29,316	30,485	-1,169
Other liabilities	454,163	462,655	-8,492
<b>Total</b>	<b>496,496</b>	<b>511,529</b>	<b>-15,033</b>

**Payables to insurance intermediaries** it expresses the net financial position towards some agents of the sales network.

**Payables to reinsurance companies**, substantially stable, represents the negative balances deriving from sale transactions according to the treaties in force and varies according to the periodic closings and the related financial remittances.

The movements of the exercise of **Severance indemnity** of subordinate employment are reported in Attachment 15 attached to these Explanatory Notes, of which it forms an integral part.

The movements of the **Other debts** are summarized in the following table (in thousands of €):

Description	Amount 31.12.2020	Amount 31.12.2019	Variation
Sundry taxes	19,885	21,886	-2,001
Sundry payables	9,184	8,343	841
Social security contributions	217	200	17
Policyholders' tax	30	56	-26
<b>Total</b>	<b>29,316</b>	<b>30,485</b>	<b>-1,169</b>

THE **Payables for various tax charges** they show a decrease compared to what was recorded at the end of last year. The assessment of the payable to the tax authorities (€ 15,710 thousand) for the so-called tax on actuarial reserves, at the end of 2020 has the same counterpart in the receivables from the tax authorities. The related payment will take place in June 2021 at the same time as the balance of the 2020 income taxes.

The item **different debts** it mainly consists of trade payables for invoices received and to be received and outstanding settlements. The changes that occurred during the year pertain to the normal evolution of the Company's business.

The item ***Payables for taxes payable by policyholders*** shows a debt of € 29 thousand to the tax authorities for insurance taxes on premiums collected in December.

The item ***other liabilities*** amounted to € 454,163 thousand at 31.12.2020, a decrease of € 8,491 compared to 31.12.2019.

Description	Amount 31.12.2020	Amount 31.12.2019	Variation
Btp Solution (Fin. Liab)	436,103	452,460	-16,357
Btp Solution (derivatives)	1,680	162	1,518
Various liabilities	16,377	9,520	6,857
Premium commissions being collected	43	512	-469
<b>Total</b>	<b>454,163</b>	<b>462,654</b>	<b>-8,491</b>

Sundry liabilities include the item “Due to consolidating company for IRES” (€ 1,574 thousand) and represents the provision for taxes for the year by way of IRES, net of tax credits and withholding taxes. We remind you that adherence to the national tax consolidation regime continues in 2020 referred to in art. 117 and following of Presidential Decree 917/1986, and therefore Amissima Vita S.p.A., as a consolidated company, settles the debit/credit items with the parent company Amissima Holdings S.r.l.

The various liabilities include debts for bank transients for € 11,682 thousand and for remuneration variable to staff for € 2,214 thousand, + 566 thousand compared to 2019.

The commissions set aside on the premiums to be collected refer to the correlated amount of Receivables from policyholders examined in section 5 above.

#### 14. Accruals and deferrals (item H)

Item H “Accruals and deferrals” shows an overall balance as at 31.12.2020 of € 3,054 thousand, with an increase of € 2,385 thousand compared to the previous year.

The composition of the item is as follows (in thousands of €):

Description	Amount 31.12.2020	Amount 31.12.2019	Variation
Interest	2,467	-	2,467
Lease payments	289	321	-32
Other accruals and deferrals	298	348	-50
<b>Total</b>	<b>3,054</b>	<b>669</b>	<b>2,385</b>

In particular, the item Accruals and deferrals for interest refers to accruals relating to subordinated liabilities, while the item Other accruals and deferrals consists of € 40 thousand in accrued agency costs and € 258 thousand in accruals for staff costs.

#### 15. Assets and liabilities relating to group companies and other shareholdings

The detailed statement of assets and liabilities by balance sheet item relating to Group companies and other investee companies is shown in Attachment 16.

Below is the quantitative evidence of the relations with other related parties, shown in the tables in the section "Relations with the Amissima Holdings Group and with other related parties" of the Report on Operations (data in thousands of €):

<b>Other related parties (d - e)</b>	
<b>Balance Sheet</b>	
Financial investments (Amissima Diversified IcaV)	799,094
Loans	112
Sums collected	2,733
Passive invoices	-150
Technical reserves	-34,665
Bond issue	45,000
Invoices issued/to be issued	60
<b>P&amp;L</b>	
IcaV dividends	-21,851
Prizes collected	-2,663
Other costs	204
Amounts paid	2,225
Contributions	744
Recovery of costs and interest income	-60
Remuneration of Directors, Statutory Auditors and Management members	1,990
<b>Legend</b>	
<i>Balance: I. Statement:</i>	
<i>positive: credits /-net worth</i>	<i>positive: costs</i>
<i>negative: Payables /+net worth</i>	<i>negative: revenues</i>
<b>Type of related party</b>	
<i>a1 - controlling, controlled, common control</i>	
<i>d - senior executives</i>	
<i>e - close family member of one of the subjects in points (a1) or (d)</i>	
<i>f - controlled or subject to significant influence by managers and close family members</i>	

## 16. Credits and debts

The balances of receivables and payables are shown below recorded in the items of assets and liabilities, distinguishing for each category those collectible beyond the next financial year and the collectible of which beyond five years.

ITEM C			
Loans	Balance at 31.12.2020	Amount due after 31.12.2021	Amount due after 31.12.2025
Loans with collateral	229	220	177
Loans on policies	147	37	110
Other loans	310	10	236
<b>Total</b>	<b>686</b>	<b>267</b>	<b>523</b>

The changes in the financial year of the loans are detailed in Attachment no. 10.

ITEM E			
Credits	Balance at 12/31/2020	Amount due beyond 12/31/2021	Amount due beyond 12/31/2025
E.I. Receivables from policyholders	1,247	-	-
E.II. Insurance intermediaries	2,194	32	5
E.II. Receivables from insurance companies and reins.	275	-	-
E.III Other credits	139,906	-	-
<b>Total</b>	<b>143,622</b>	<b>254</b>	<b>-</b>

## 17. Guarantees, commitments and other memorandum accounts

The details of the guarantees given and received, as well as of the commitments, are shown in attachment 17 attached to these Explanatory Notes, of which it forms an integral part.

Item II b) of attachment 17 (Guarantees received - from third parties) goes from € 5,992 thousand at the end of 2019 to € 7,436 thousand at 31.12.2020.

The composition of the item is as follows (in thousands of €):

Guarantees received	Amount as of 31.12.2020	Amount as of 31.12.2019
Guarantees	3,387	3,680
Real warranties	4,049	2,312
<b>Total</b>	<b>7,436</b>	<b>5,992</b>

The guarantees received they refer, for € 2,018 thousand to mortgages relating to property management lent by tenants and to sureties received from agencies to guarantee the balances of the account statement, for € 1,647 thousand mainly to mortgage guarantees given by third parties.

Guarantees given by third parties in the interest of the company relating to surety policies subscribed to guarantee prize competitions reserved for the agency network in 2020 are worth 0.



Securities deposited with third parties for € 7,138,985 thousand are represented:

- for € 486,247 thousand from the total value of the fund units referred to the investments relating to the policies *Unit Linked* deposited with Banca Carige;
- for € 6,415,913 thousand from the value of the other securities in the portfolio, almost entirely deposited with Banca Carige as part of the Securities Management Services Agreement, including € 756,091 thousand relating to the Irish investment vehicle called "Amissima Diversified IcaV" , established in order to manage investment funds aimed at meeting the strategic financial needs of the Group in terms of investments.

### Pledges for Derivatives transactions

In line with the guidelines set out in the Investment Policy, in the Board of Directors of 02/08/2017, forward sales were approved which were then negotiated on 05/02/2018 and provide for the delivery of securities in 2021 and 2022.

Derivative contracts	Amount as of 31.12.2020				Amount as of 31.12.2019			
	Purchase		Sale		Purchase		Sale	
	Notional	Fair value	Notional	Fair value	Notional	Fair value	Notional	Fair value
Futures: on shares on debt securities on currencies on tax rates others								
Option: on shares on debt securities on currencies on tax rates								
Swaps: on currencies on tax rates other								
Other Operations	406,983	-42,470			406,983	-25,042		
<b>Total</b>	<b>406,983</b>	<b>-42,470</b>			<b>406,983</b>	<b>-25,042</b>		

Further indications in this regard are set out in the Report in the part relating to **Asset and financial management**.

## PROFIT AND LOSS ACCOUNT

### 18. Information concerning the technical account of the non-life classes (I)

Amissima Vita carries out insurance only in the life classes.

### 19. Information concerning the technical account of life business (II)

- 19.1.** The earned premiums, net of outward reinsurance (Item II.1), amount to € 808,171 thousand and are broken down as follows (in thousands of €):

<b>Earned premiums, net of reinsurance cessions</b>	<b>Amount 31.12.2020</b>	<b>Amount 31.12.2019</b>	<b>Variation</b>
Gross premiums accounted	808,962	909,177	-100,215
Premiums ceded in reinsurance	-791	-1,611	820
<b>Total net premiums</b>	<b>808,171</b>	<b>907,566</b>	<b>-99,395</b>

The balance of gross premiums written relating to Italian direct business consists of:

- Class I premiums for € 709,022 thousand (12.31.2019 € 802,697 thousand) linked to the issue of traditional products;
- from class III premiums for € 92,676 thousand (12.31.2019 € 13,687 thousand) linked to products *Unit is Index Linked*;
- from class V premiums for € 7,264 (12.31.2019 € 92,793 thousand).

The summary information concerning the life classes relating to the premiums and the reinsurance balance are shown in attachment 20 attached to these Explanatory Notes, of which it forms an integral part.

- 19.2.** The balance of **investment income** (Item II.2) is made up of the following items (amounts in thousands of €):

<b>Investment income</b>	<b>Amount 31.12.2020</b>	<b>Amount 31.12.2019</b>	<b>Variation</b>
Income from shares and interests	23,381	41,429	-18,048
Income from land and buildings	5,694	5,927	-233
Income from other investments	91,455	85,162	6,293
Value readjustments on investments	7,254	7,212	42
Gains on the disposal of investments	71,641	33,502	38,139
<b>Total</b>	<b>199,425</b>	<b>173,232</b>	<b>26.1931</b>

There are revenues from the distribution of dividends deriving from shares in investee companies equal to € 1,530 thousand and dividends deriving from shares and quotas of other companies for a value of € 21,850 thousand.

Income from investments in land and buildings decreased by € 233 thousand compared to 2019.

The balance of income from other investments includes among its most significant items € 70,091 thousand (€ 65,231 thousand in 2019) for coupons for the year accrued on fixed-income securities,

€ 17,673 thousand (€ 17,582 thousand in 2019) for spreads of trading and € 2,226 thousand for issue discounts including the effects attributable to changes in the duration of some subordinated financial bonds (insurance and banking) which have an early call option by the issuer (so-called "Callable").

The writebacks of value adjustments on investments consist of revaluations on bonds within the limits of the historical cost for € 1,601 thousand, for € 2,214 thousand to the valuation of shares and quotas and for € 3,439 on mutual investment funds.

The breakdown of investment income (item II.2) is shown in attachment 21 attached to these Explanatory Notes, of which it forms an integral part.

- 19.3.** The detail of the **Unrealized income and capital gains from investments for the benefit of policyholders who bear the risk and from investments deriving from pension fund management** (item II.3) is shown in attachment 22 attached to these Notes, of which it forms an integral part. At 31 December 2020 there was a prevalence of profits on Class DI investments, equal to € 23,292 thousand, a decrease compared to the profits recorded at the end of 2019, equal to € -20,141 thousand as summarized in the following table (amounts in thousands of €):

Description	Amount 31.12.2020	Amount 31.12.2019	Variation
<b>Income deriving from:</b>			
shares of mutual funds	-49	83	-132
other financial investments	1,118	1,697	-579
<b>Profits on the realization of investments</b>			
on mutual funds	6,081	14,758	-8,677
on other financial investments	-	-	-
<b>Unrealized capital gains</b>			
on mutual funds	16,142	26,895	-10,753
on other financial investments	-	-	-
<b>Total</b>	<b>23,292</b>	<b>43,433</b>	<b>-20,141</b>

- 19.4. Other Technical Income net of reinsurance transfers** (Item II.4), amount to € 11,852 thousand (as of 31.12.2019 € 8,697 thousand) and are made up of the following quantities (amounts in thousands of €)

Other Technical Income net of reinsurance cessions	Amount 31.12.2020	Amount 31.12.2019	Variation
Recovery of coupons paid to policyholders on Index Linked products with periodic coupon	10,981	7,962	3,019
Technical Items (mainly Reassurance)	133	178	-45
Commissions earned on Unit Linked products	738	557	181
<b>Total</b>	<b>11,852</b>	<b>8,697</b>	<b>3,155</b>

The increase in commissions received on Unit Linked products is attributable to the success in marketing the new Multiramo products distributed by Ccb.

The technical items refer mainly for € 133 thousand to the prepayments on reinsurance premiums, net of commissions, issued in the current year.

The Other technical items mainly consist of reversals of commissions (€ 558 thousand), reimbursements of commissions (€ 174 thousand).

- 19.5.** The **Charges relating to claims, net of reinsurance transfers** (item II.5) amount to € 588,400 thousand and are made up as follows (amounts in thousands of €):

<b>Charges relating to claims, net of reinsurance transfers</b>	<b>Amount 31.12.2020</b>	<b>Amount 31.12.2019</b>	<b>Variation</b>
Gross claims paid	578,217	682,087	-103,871
Reinsurers' share	-5,623	-6,912	1,298
Change in the provision for claims to be paid	17,123	-8,300	25,423
Reinsurers' share	-1,429	343	-1,772
<b>Total</b>	<b>588,287</b>	<b>667,218</b>	<b>-78,931</b>

Overall, the charges refer for € 536,919 thousand to Class I, for € 41,400 thousand to Class III and € 9,968 thousand to Class V.

Below is the breakdown by type of gross sums paid (amounts in thousands of €):

<b>Sums paid gross</b>	<b>Amount 31.12.2020</b>	<b>Amount 31.12.2019</b>	<b>Variation</b>
Claims	157,546	147,675	9,871
Surrenders	233,554	333,837	-100,283
Maturities	162,751	170,123	-7,372
Coupons	24,163	30,262	-6,099
Income	203	190	13
<b>Total</b>	<b>578,217</b>	<b>682,087</b>	<b>-103,870</b>

More detailed table is reported in the Management Report.

- 19.6.** There **Change in actuarial reserves and other technical reserves net of reinsurance ceded** (Item II.6) amounts to € 281,651 thousand and refers to the overall increase in commitments to policyholders. As regards the gross change in mathematical reserves and other technical reserves, the increase was equal to € 236,663 thousand while the reserves referring to *Unit* is *Index* have undergone an increase of € 44,988 thousand. For the composition, please refer to the comments on the Balance Sheet.

- 19.7.** The balance of **Management fees** totals € 29,415 thousand (€ 27,787 thousand at 31.12.2019), already net of commissions received from reinsurers (€ 256 thousand at 31.12.2020, € 356 thousand at 31.12.2019). Includes acquisition costs for € 7,939 thousand (€ 8,084 thousand at 31.12.2019), collection costs for € 1,382 thousand (€ 1,259 thousand at 31.12.2019) and other administration costs for € 13,379 thousand (€ 13,668 thousand at 31.12.2019). For more details on operating costs, please refer to what has already been said in the management report.

**19.8.** Property and financial charges amounted to € 45,042 thousand and are made up as follows (amounts in € thousands):

	Amount 31.12.2020	Amount 31.12.2019	Variation
<b>Property charges</b>			
Investment management charges, including interest	12,084	11,802	282
Value adjustments on investments	18,800	64,701	-45,901
Losses on the disposal of investments	14,158	6,942	7,216
<b>Total</b>	<b>45,042</b>	<b>83,445</b>	<b>-38,403</b>

The **management charges** they include the operating costs (€ 3,276 thousand) as the portion attributed to this area of the budget by the automatic expense reversal process present in the accounting management system, including the costs relating to the management of real estate assets (€ 1,139 thousand). The item also includes trading and issue spreads accrued on securities held in the portfolio (€ 8,431 thousand), interest expense accrued to reinsurers on sums withheld on deposit (€ 310 thousand). The **value adjustments on investments**, which has already been mentioned in Part B, Section 2 commenting on the Item Investments, are made up of:

- Losses from the write-down of securities € 16,612 thousand (€ 58,150 thousand in 2019);
- Losses from property write-downs € 670 thousand (€ 500 thousand in 2019);
- Losses from devaluation of mutual investment funds € 0 (€ 4,189 in 2019);
- Value adjustments on Btp solution derivatives € 1,517 thousand (€ 162 thousand in 2019).

Adjustments on securities are attributable for € 9,638 to a security present in the free equity and for € 2,633 to investments in IcaV. The Ferrarini obligation was prudently written down for the entire amount, with an effect on the item Adjustments equal to € 8 thousand, and the shares of Banca Carige, with an effect on the item Adjustments equal to € 134 thousand. " Losses from property write-downs refer to the reduction in value of 15 real estate units, as illustrated in the point **2.1 Land and buildings (item CI)**.

The **losses on the realization of investments** increased compared to 2019 by € 7,216 thousand.

The breakdown of equity and financial charges (item II.9) is shown in attachment 23 attached to these Explanatory Notes, of which it forms an integral part.

**19.09.** The detail of the **Capital and financial charges and unrealized capital losses relating to investments for the benefit of policyholders who bear the risk thereof and to investments deriving from the management of pension funds** (item II.10) is shown in attachment 24 attached to these Notes, of which it forms an integral part. During 2020 there was an increase in costs relating to Class DI investments, which went from € 13,363 thousand (2019) to € 27,971 thousand as summarized in the following table (amounts in thousands of €):

Description	Importo 31.12.2020	Importo 31.12.2019	Variazione
<u>Charges deriving from:</u>			
Shares in common investment funds	7,783	11,181	-3,398
Other financial investments	-	-	
Other assets	11	7	4
<u>Losses on realisation of investments</u>			
On common investment funds	15,646	1,600	14,046
On other financial investments	-	-	-
<u>Unrealised losses</u>			
On common investment funds	4,531	575	3,956
On other financial investments	-	-	-
<b>Total</b>	<b>27,971</b>	<b>13,363</b>	<b>14,608</b>

**19.10. Other Technical Charges net of earned premiums ceded**, (item II.11) equal to € 26,333 thousand, is made up as follows (amounts in thousands of €):

Other Technical Charges net of reinsurance transf	Amount 31.12.2020	Amount 31.12.2019	Variation
Commissions to intermediaries for portfolio maintenance	18,701	16,195	2,506
Depreciation Area activities Riass. [v. Section 6 (Item F Active)]	477	328	149
Portfolio management charges	3,631	560	3,071
Reimbursement of prizes	427	508	-81
Cancellation of premiums from previous years	2,948	870	2,078
Other games	149	272	-123
<b>Total</b>	<b>26,333</b>	<b>18,733</b>	<b>7,600</b>

Portfolio maintenance fees increase due to the higher assets under management due to the higher production recorded in previous years and as a consequence of the increase in assets and related reserves.

**19.11.** Item II.12 equal to € 4,502 thousand (€ 0 thousand in 2019) refers to the **share of investment income to be transferred from the technical account to the non-technical account** pursuant to ISVAP Regulation no. 22 of 4 April 2008 and subsequent amendments, art. 23.

## 20. Development of class technical items

### 20.1.2. Life insurance

The summary table of the technical accounts for each class - Italian portfolio is shown in attachment 27 attached to these Explanatory Notes, of which it forms an integral part.

The summary table of the technical account summarizing all the life classes - Italian portfolio is shown in attachment 28 attached to these Explanatory Notes, of which it forms an integral part.

## 21. Information concerning the non-technical account (III)

**21.3. Other income** (item III.7) The details of the most significant items that make up the balance are shown in the table below (amounts in thousands of €)

Other income	Amount 31.12.2020	Amount 31.12.2019	Variation
Recovery of synergic personnel and in outsourcing	2,401	2,224	177
Utilisation of Credits Devaluation Provision and other Funds	596	12,308	-11,712
Others	7	2	5
Interest on bank deposits	199	130	69
Exchange gain	263	237	26
<b>Total</b>	<b>3,466</b>	<b>14,901</b>	<b>-11,435</b>

The use of Funds refers to Loan Funds already commented on in the corresponding items of the Balance Sheet.

The change of € 11,712 thousand refers for € 10,631 to the use of the provision for sundry risks relating to the Banca Carige penalty recorded in 2018.

**21.4. Other charges** (item III.8) Increases a total of € 4,227 thousand for the recognition of interest expense on the subordinated loan and for the provision to the provision for sundry risks relating to the commercial initiative aimed at the early redemption of the policy portfolio with guaranteed minimums of 3-4% .

In detail:

Other Charges	Amount 31.12.2020	Amount 31.12.2019	Variation
Charges third parties	2,467	-	2,467
Provisions for pending litigation and other provisions	1,752	133	1,619
Others	2,418	2,285	133
Losses on debits and allocations to Devaluation Provision, Credits	105	97	8
Charges third parties	-	-	-
<b>Total</b>	<b>6,742</b>	<b>2,515</b>	<b>4,227</b>

Provisions for pending lawsuits and other provisions increased mainly due to the provision relating to the commercial initiative launched on the portfolio with guaranteed minimums of 3-4% (€ 1,542 thousand). The item Third party charges (€ 2,418 thousand) is offset by an equal Recovery recorded under Other Income.

### 21.5. Extraordinary income (item III.10):

The details of the most significant items making up the balance are shown in the table below (amounts in thousands of €):

Extraordinary income	Amount 31.12.2020	Amount 31.12.2019	Variation
Capital gains on disposal of assets	-	1	-1
Unanticipated gains	1,116	628	488
Other extraordinary income	-	10	-10
<b>Total</b>	<b>1,116</b>	<b>639</b>	<b>477</b>

### 21.6. Extraordinary costs (item III.11):

Description	Amount 31.12.2020	Amount 31.12.2019	Variation
Contingent liabilities	415	267	148
Taxes and penalties from previous years	-	137	-137
<b>Total</b>	<b>415</b>	<b>404</b>	<b>11</b>

### Income taxes (item III.14):

Item 14, Section III of the Profit and loss account - "Income taxes for the year" (€ 13,608 thousand), calculated on the theoretical income as at 31 December 2020, represents an estimated tax on the gross result equal to 32.82%.

Details of the provision for each individual tax are shown in the table below (in thousands of €):

Description	2020	2019
IRES	2,457	1,027
IRAP	2,999	-
Deferred taxes	-33	-
Prepaid taxes	8,185	-3,150
<b>Total</b>	<b>13,608</b>	<b>-2,123</b>

The recognition of taxes generated a cost for IRES of € 2,457 thousand, a cost for IRAP of € 2,999 thousand, and at the same time a cost of € 8,152 thousand for net prepaid taxation mainly due to the net decrease in deferred tax assets set aside on value adjustments of financial investments (€ 5,776 thousand) and to the repayment of deferred tax assets allocated in relation to assets being disposed of (€ 2,574 thousand).

As regards IRES, the taxable amount is mainly influenced, increasing, by the value adjustments of financial investments (€ 5,705 thousand), by the non-deductible share of the change in mathematical reserves (€ 3,550 thousand) and by allocations to bad debt provisions and provisions for risks and charges (€ 1,752 thousand), while, as a decrease, from the recovery of value adjustments of financial investments and equity investments sold (€ 39,625 thousand), from the exempt portion of dividends collected (€ 1,454 thousand), from the tax amortization of properties (€ 2,289 thousand) and the use of provisions for risks and taxed charges (€ 596 thousand).

In terms of IRAP, there are no particular significant differences between the actual and theoretical tax burden.



Overall, as at 31 December 2020 the deferred tax credit amounts to € 10,428 thousand and derives from the allocation of deferred tax assets on the value adjustments of financial investments for € 1,181 thousand, on the value adjustments of assets being sold for € 3,761 thousand on property write-downs for € 4,102 thousand and on other provisions for € 1,385 thousand.

The details are reported in the prospectus prepared pursuant to art. 2427, n. 14, cod. civ., attached to these Explanatory Notes after the comment on the item “Other Receivables”.

The reconciliation statement between the actual tax charge and the theoretical tax charge (in thousands of €) is attached:

<b>IRES</b>		
Profit before taxation	41,465	
Theoretical tax charge (rate 27.50%)		9,952
Exempt dividends	-1,454	
Temporary differences deductible/taxable in subsequent financial years	9,798	
Reversal of temporary differences from previous financial years	-43,766	
Differences not reversing in subsequent financial years	4,646	
<b>Taxable income</b>	<b>10,689</b>	
Usage benefit A.C.E.	-452	
<b>New taxable income</b>	<b>10,237</b>	
<b>Current IRES for the year (rate 24.00%)</b>		<b>2,457</b>
<b>IRAP</b>		
Item 13 C.E.	39,538	
Theoretical tax charge (rate 6.82%)		2,696
I.N.A.I.L. and tax wedge	-7,990	
Temporary differences deductible/taxable in subsequent financial years	-	
Reversal of temporary differences from next financial years	-	
Differences not reversing in subsequent financial years	12,430	
<b>Taxable income</b>	<b>43,978</b>	
<b>Current IRAP for the year (rate 6.82%)</b>		<b>2,999</b>

## 22. Information relating to the income statement

The prospectus relating to relations with group companies is shown in attachment 30 attached to these Notes, of which it forms an integral part.

The summary table of the written premiums of direct business is shown in attachment 31 attached to these Explanatory Notes, of which it forms an integral part.

The schedule of charges relating to staff, directors and statutory auditors is shown in attachment 32 attached to these Explanatory Notes, of which it forms an integral part.

The charges relating to staff and self-employed work, with the related attribution items, as well as the remuneration due to directors and statutory auditors, are detailed in Annex no. 32.

During the year the number of employees decreased by 3 units. The number of employees, broken down by category, was as follows:

Category	number
Managers	7
Middle Managers	15
Employees	65
<b>Total</b>	<b>87</b>

The cost of the year relating to the Directors amounts to € 455 thousand (€ 498 thousand in 2019), that of the Statutory Auditors amounts to € 83 thousand (€ 88 thousand in 2019).

In line with the guidelines set out in the Investment Policy, in the Board of Directors of 02/08/2017, forward sales were approved which were then negotiated on 05/02/2018 and provide for the delivery of securities in 2021 and 2022.

The transactions indicated in 2020 had a negative effect on the income statement of € 2.9 million.

## PART C - OTHER INFORMATION

### 1. Net assets

The following table shows the composition of the updated shareholders' equity based on the proposed allocation of the profit for the year (amounts in thousands of €):

NET EQUITY	31.12.2020	Proposal for the allocation of profit for the year	EQUITY UPDATED
Subscribed shared capital	50,432		50,432
Share premium accounts reserve	628		628
Legal reserve	24,976		24,976
Other reserves	89,447		89,447
Retained earnings (accumulated losses)	-11,215	27,856	16,642
Operating profit (loss)	27,856	-27,856	-
<b>Total</b>	<b>182,124</b>	<b>-</b>	<b>182,124</b>

### 2. Exemption from the drafting of consolidated financial statements

The obligation to prepare the consolidated financial statements for the purposes of art. 96 paragraph 1 and paragraph 3 of Legislative Decree 209 falls to the parent company Amissima Holdings S.r.l. which includes in the scope of consolidation, among others, Amissima Vita S.p.A. and its subsidiary IH Roma S.r.l. and Assi90 S.r.l., therefore Amissima Vita S.p.A. is exempted from drawing up the consolidated financial statements pursuant to Article 97, paragraph 2.

The consolidated balance sheet and income statement as at 31 December 2020 is was drawn up according to the consolidated schemes prepared by the sector authority, applying ISVAP Regulation no. 7 of 13 July 2007 and subsequent amendments and additions, most recently the IVASS provision no. 53 of 6 December 2016.

#### Parent Company

- **Name**  
AMISSIMA HOLDINGS S.R.L.
- **Legal Headquarters**  
Viale Certosa, 222 - Milan

The parent company is registered:

- at the Milan Register of Companies no.08813210963.
- at the C.C.I.A. of Milan R.E.A. no. 2050553.
- as parent company of the Amissima Insurance Group at the Register of Insurance Groups no. 050.
- Share capital € 1.000.000 as at 31.12.2019

- Highlights of the Parent Company's latest financial statements

*Ex. 2019*

*(Amounts in thousands of €)*

<b>BALANCE SHEET</b>			
<b>ASSETS</b>		<b>LIABILITIES</b>	
A) SUBSCRIBED CAPITAL, UNPAID	-	A) NET EQUITY	410,539
B) FIXED ASSETS	411,918	B) PROVISIONS FOR LIABILITIES AND CHARGES	834
C) CURRENT ASSETS	24,282	C) SEVERANCE PAY	90
D) ACCRUALS AND DEFERRALS	12	D) PAYABLES	24,743
		E) ACCRUALS AND DEFERRALS	6
<b>TOTAL ASSETS</b>	<b>436,212</b>	<b>TOTAL LIABILITIES</b>	<b>436,212</b>

<b>INCOME STATEMENT</b>	
A) PRODUCTION VALUE	1,654
B) OPERATING COSTS	-2,123
DIFFERENCE BETWEEN PRODUCTION VALUE AND COSTS	-469
C) FINANCIAL INCOME AND CHARGES	32,843
D) VALUATION ADJUSTMENTS TO FINANCIAL ASSETS	-
EARNINGS BEFORE TAX	32,374
TAXES	71
<b>PROFIT (LOSS) FOR THE YEAR</b>	<b>32,445</b>

### Information on public funds received

Concerning the discipline on the transparency of public disbursements introduced by Article 1, paragraph 125 of Law 124/2017 and subsequent amendments and additions, it should be noted that the Company, in 2020, did not benefit from subsidies, contributions, paid positions and in any case economic advantages subject to the obligation to disclose information in the financial statements pursuant to the aforementioned legislation.

While considering the legislation in question not applicable to the contributions received from inter-professional funds, it should be noted that in 2020 the contributions from the Banche and Insurance Fund were received for an amount of € 60 thousand, in relation to training activities carried out in favor their employees.

p. THE BOARD OF DIRECTORS

President

(Dr. Andrea Moneta)



## NOTES TO THE ACCOUNTS - ANNEXES



Financial statements

## Annexes to the Explanatory Notes

### Annex I.

Society **AMISSIMA VITA S.p.A.**  
 .....

Subscribed share capital E. 50,431,778 Paid E. 50,431,778  
 .....

Headquarters  
 in Genoa - Mura di S. Chiara, 1  
 .....

Tribunale Genova  
 .....

### Attachments to the Explanatory Notes

Year **2020**  
 .....

(Value in Euro)

## Notes to the Accounts

# Annex 2 - Life management balance sheet

Explanatory notes - Annex 2

Society Amissima Vita S.p.A.

### BALANCE SHEET - LIFE MANAGEMENT

#### ASSETS

Values for the year

			values for the year	
A. RECEIVABLES FROM SHAREHOLDERS FOR UNPAID SHARE CAPITAL			1	0
of which called-up capital	2	0		
B. INTANGIBLE ASSETS				
1. Deferred acquisition commissions	3	1,479		
2. Other acquisition costs	6	0		
3. Start-up and expansion costs	7	0		
4. Goodwill	8	0		
5. Other deferred costs	9	3,916	10	5,395
C. INVESTMENTS				
I - Land and buildings				
1. Buildings used in business operations	11	0		
2. Buildings rented to third parties	12	98,471		
3. Other properties	13	0		
4. Other real property rights	14	0		
5. Construction in progress and advance payments	15	0	16	98,471
II - Investments in group companies and other shareholdings				
1. Shares and shares of:				
a) holding companies	17	0		
b) subsidiaries	18	1,636		
c) affiliated	19	0		
d) associated	20	5,534		
e) others	21	0	22	7,170
2. Bonds issued by:				
a) holding companies	23	0		
b) subsidiaries	24	0		
c) affiliated	25	0		
d) associated	26	0		
e) others	27	0	28	0
3. Loans to:				
a) holding companies	29	0		
b) subsidiaries	30	0		
c) affiliated	31	0		
d) associated	32	0		
e) others	33	0	34	0
to carry forward			35	7,170
				5,395



Year 2020

Page 1

Values from the previous year

		values from the previous year			
		181	0		
	182	0			
	183	1,693			
	186	0			
	187	0			
	188	0			
	189	4,861	190	6,554	
	191	0			
	192	99,141			
	193	0			
	194	0			
	195	0	196	99,141	
197	0				
198	12,389				
199	0				
200	0				
201	0	202	12,389		
203	0				
204	0				
205	0				
206	0				
207	0	208	0		
209	0				
210	175				
211	0				
212	0				
213	0	214	175	215	12,564
	to carry forward				6,554

## Notes to the Accounts

# Annex 2 - Life management balance sheet

### BALANCE SHEET - LIFE MANAGEMENT

#### ASSETS

Values for the year

		carry over		5,395
C. INVESTMENTS (continued)				
III - Other financial investments				
1. Shares and shares				
a) Listed shares	36	0		
b) Unlisted shares	37	0		
c) Interests	38	756,091	39	756,091
2. Shares of mutual funds			40	275,259
3. Bonds and other fixed income securities:				
a) listed	41	5,537,898		
b) not listed	42	85,169		
c) convertible debentures	43	0	44	5,623,067
4. Loans				
a) collateralised loans	45	229		
b) loans on policies	46	147		
c) other loans	47	310	48	686
5. Shares in common investments			49	0
6. Deposits with credit institutions			50	0
7. Various financial investments			51	0
IV - Deposits with ceding companies			52	6,655,103
			53	0
			54	6,760,744
D. INVESTMENTS FOR THE BENEFIT OF LIFE INSURERS WHO SUPPORT THEIR RISK AND ARISING FROM THE MANAGEMENT OF PENSION FUNDS				
I - Investments relating to services connected with investment funds and market indices			55	486,719
II - Investments deriving from the management of pension funds			56	0
			57	486,719
D bis. TECHNICAL RESERVES BORNE BY REINSURERS				
II - LIFE CLASSES				
1. Mathematical reserves	63	4,229		
2. Premium reserve for supplementary insurance	64	0		
3. Reserve for amounts to be paid	65	3,212		
4. Reserve for profit sharing and rebates	66	0		
5. Other technical reserves	67	0		
6. Technical reserves when the investment risk is borne by the policyholders and reserves deriving from the pension fund management	68	0	69	7,441
		to carry forward		7,260,299

Values from the previous year		
	carry over	6,554
216	134	
217	0	
218	1,064,590	
	219 1,064,724	
	220 424,890	
221	4,693,378	
222	114,245	
223	0	
	224 4,807,623	
225	133	
226	213	
227	444	
	228 790	
	229 0	
	230 0	
	231 0	
	232 6,298,027	
	233 0	234 6,409,732
	235 441,731	
	236 0	237 441,731
	243 10,531	
	244 0	
	245 1,782	
	246 0	
	247 0	
	248 0	249 12,313
	to carry forward	6,870,330

## Notes to the Accounts

### Annex 2 - Life management balance sheet

#### BALANCE SHEET

##### ASSETS

Values for the year

		carry over		7,260,299
<b>E. CREDITS</b>				
I – Credits arising out of direct insurance transactions, from:				
1. Policyholders				
a) for premiums for the year	71	1,186		
b) for premiums previous year	72	61		
	73	1,247		
2. Insurance intermediaries	74	2,194		
3. Current account with insurance companies	75	0		
4. Insured and third parties for amounts to be recovered	76	0	77	3,441
II - Receivables deriving from reinsurance transactions from:				
1. Insurance and reinsurance companies	78	275		
2. Reinsurance intermediaries	79	0	80	275
III - Other credits			81	139,906
			82	143,622
<b>F. OTHER ASSETS</b>				
I - Material assets and inventories:				
1. Furniture, office machines and internal means of transport	83	453		
2. Movable assets registered in public registers	84	0		
3. Plant and equipment	85	118		
4. Stocks and various goods	86	15	87	586
II - Cash and cash equivalents				
1. Bank and post office deposits	88	6,657		
2. Checks and cash balance	89	1	90	6,658
III - Own shares or quotas			91	0
IV - Other activities				
1. Active reinsurance transitional accounts	92	0		
2. Different activities	93	13,979	94	13,979
of which Non-life management liaison account	901	0		
			95	21,223
<b>G. ACCRUALS AND DEFERRALS</b>				
1. interests			96	28,931
2. rents			97	0
3. accruals and deferrals			98	1,480
			99	30,411
<b>TOTAL ASSETS</b>			100	<b>7,455,555</b>

Values from the previous year		
	carry over	6,870,330
251	2,782	
252	863	
253	3,645	
254	11,187	
255	0	
256	0	257 14,832
258	418	
259	0	260 418
		261 147,933 262 163,183
263	301	
264	0	
265	154	
266	16	267 471
268	13,830	
269	1	270 13,831
		271 0
272	0	
273	14,700	274 14,700 275 29,002
903	0	
		276 28,020
		277 0
		278 1,014 279 29,034
		280 7,091,549

## Notes to the Accounts

### Annex 2 - Life management balance sheet

#### BALANCE SHEET

#### LIABILITIES

Values for the year

<b>A. NET EQUITY</b>		
I - Subscribed share capital or equivalent fund	101 50,432	
II - Share premium reserve	102 628	
III - Revaluation reserves	103 0	
IV - Legal reserve	104 24,976	
V - Statutory reserves	105 0	
VI - Reserves for own shares and of the parent company	106 0	
VII - Other reserves	107 89,447	
VIII - Profits (losses) carried forward	108 -11,215	
IX - Profit (loss) for the year	109 27,857	110 182,125
<b>B. SUBORDINATED LIABILITIES</b>		
		111 45,000
<b>C. TECHNICAL RESERVES</b>		
<b>II - LIFE CLASSES</b>		
1. Mathematical reserves	118 6,154,951	
2. Premium reserve for supplementary insurance	119 29	
3. Reserve for amounts to be paid	120 49,107	
4. Reserve for profit sharing and rebates	121 0	
5. Other technical reserves	122 27,871	123 6,231,958
<b>D. TECHNICAL RESERVES WHEN THE RISK OF THE INVESTMENT IS BEARED FROM THE INSURED PARTIES AND RESERVES ARISING FROM THE MANAGEMENT OF THE PENSION FUNDS</b>		
I - Reserves relating to contracts whose services are connected with funds of investment and market indices	125 486,719	
II - Reserves deriving from the management of pension funds	126 0	127 486,719
to carry forward		6,945,802

Values from the previous year		
	281	50,432
	282	628
	283	0
	284	24,976
	285	0
	286	0
	287	74,447
	288	673
	289	-11,889
	290	139,267
	291	0
298	5,924,208	
299	44	
300	31,984	
301	0	
302	28,255	
	303	5,984,491
	305	441,731
	306	0
	307	441,731
to carry forward		6,565,489

## Notes to the Accounts

### Annex 2 - Life management balance sheet

#### BALANCE SHEET - LIFE MANAGEMENT

#### LIABILITIES AND SHAREHOLDERS' EQUITY

		Values for the year	
	carry over		6,945,802
<b>E. PROVISIONS FOR OTHER RISKS AND CHARGES</b>			
1. Provisions for retirement benefits and similar obligations	128 0		
2. Provisions for taxes	129 106		
3. Other provisions	130 2,502	131 2,608	
<b>F. DEPOSITS RECEIVED FROM REINSURERS</b>		132 7,596	
<b>G. PAYABLES AND OTHER LIABILITIES</b>			
<b>I - Payables, deriving from direct insurance transactions, towards:</b>			
1. Insurance intermediaries	133 10,138		
2. Current account companies	134 0		
3. Insured for security deposits and premiums	135 0		
4. Guarantee funds in favor of policyholders	136 0	137 10,138	
1. Insurance and reinsurance companies	138 2,232		
2. Reinsurance intermediaries	139 0	140 2,232	
<b>III - Bonds</b>		141 0	
<b>IV - Payables to banks and financial institutions</b>		142 0	
<b>V - Debts with collateral</b>		143 0	
<b>VI - Sundry loans and other financial debts</b>		144 0	
<b>VII - Employee severance indemnity</b>		145 646	
<b>VIII - Other payables</b>			
1. For taxes payable by policyholders	146 30		
2. For various tax charges	147 19,886		
3. Towards welfare and social security institutions	148 218		
4. Different debts	149 9,184	150 29,318	
<b>IX - Other liabilities</b>			
1. Passive reinsurance transitional accounts	151 0		
2. Commissions for bonuses being collected	152 43		
3. Various liabilities	153 454,120	154 454,163	155 496,497
of which Non-life management liaison account	902 0		
to carry forward			7,452,503



		Values from the previous year	
carry over			6,565,489
	308	0	
	309	138	
	310	1,323	311 1,461
			312 12,400
313	14,692		
314	0		
315	0		
316	0	317 14,692	
318	3,060		
319	0	320 3,060	
		321 0	
		322 0	
		323 0	
		324 0	
		325 637	
326	56		
327	21,886		
328	200		
329	8,343	330 30,485	
331	0		
332	512		
333	462,143	334 462,655	335 511,530
904	0		
to carry forward			7,090,880

## Notes to the Accounts

### Annex 2 - Life management balance sheet

#### BALANCE SHEET - LIFE MANAGEMENT

#### LIABILITIES AND SHAREHOLDERS 'EQUITY

		Values for the year
	carry over	7,452,503
H. ACCRUALS AND DEFERRALS		
1. For interests	156 2,467	
2. For rents	157 289	
3. Other accruals and deferrals	158 298	159 3,054
<b>TOTAL LIABILITIES AND SHAREHOLDERS 'EQUITY</b>		160 <b>7,455,557</b>

Values from the previous year

carry over		7,090,880
	336	0
	337	321
	338	348
	339	669
	340	<b>7,091,549</b>

## Notes to the Accounts

## Annex 3 - Results for the year

Society Amissima Vita S.p.A. Explanatory notes - Annex 3  
Year 2020

Statement relating to the breakdown of the result for the year between non-life and life classes

		Non-Life management	Life management	Total
<b>Balance on the technical account .....</b>	1	21	39,538	41 39,538
Investment income .....	+	2		42
Investment charges.....	-	3		43
Allocated investment return transferred from the technical account - Life business .....	+		24 4,502	44 4,502
Allocated investment return transferred to the technical account - Non-Life business.....	-	5		45
<b>Intermediate operating profit .....</b>	6	26	44,040	46 44,040
Other income .....	+	7	27 3,466	47 3,466
Other charges .....	-	8	28 6,742	48 6,742
Extraordinary income.....	+	9	29 1,116	49 1,116
Extraordinary charges.....	-	10	30 415	50 415
<b>Profit before taxation .....</b>	11	31	41,465	51 41,465
Tax on profit .....	-	12	32 13,608	52 13,608
<b>Profit for the financial year .....</b>	13	33	27,857	53 27,857

## Notes to the Accounts

### Annex 4 - Intangible and immovable assets

Explanatory notes - Annex 4

Year 2020

Society Amissima Vita S.p.A.

Assets - Changes during the year in intangible assets (item B) and land e buildings (item CI)

		Active intangible B.	Land e manufactured CI
Gross opening balance .....	+	1 22,978	31 99,141
Increases during the year .....	+	2 1,638	32
for: purchases or increases .....		3 1,638	33
write-backs .....		4	34
revaluations .....		5	35
other changes .....		6	36
Decreases during the year .....	-	7 318	37 670
for: sales or decreases .....		8 318	38
permanent write-downs .....		9	39 670
other changes .....		10	40
<b>Closing gross balance (a) .....</b>		<b>11 24,298</b>	<b>41 98,471</b>
Depreciation:			
Opening balance .....	+	12 16,424	42
Increases during the year .....	+	13 2,485	43
for: depreciation charge for the year .....		14 2,485	44
other changes .....		15	45
Decreases during the year .....	-	16 6	46
for: reductions for disposals .....		17	47
other changes .....		18 6	48
<b>Closing balance of depreciation (b) .....</b>		<b>19 18,903</b>	<b>49</b>
<b>Book value (a - b) .....</b>		<b>20 5,395</b>	<b>50 98,471</b>
Current value .....			51 100,130
Total revaluations .....		22	52
Total write-downs .....		23	53 670
in application of tax laws .....		24	54

## Notes to the Accounts

## Annex 5 - Group investments

Explanatory notes - Annex 5

Society Amissima Vita S.p.A.

Year 2020

Assets - Changes during the year in investments in group companies and other investee companies: e  
quotas (item C.II.1), bonds (item C.II.2) and loans (item C.II.3)

		Shares and shares C.II.1	Bonds C.II.2	Loans C.II.3
Opening balance .....	+	1 12,389	21	41 175
Increases in the year: .....	+	2	22	42
for: purchases, subscriptions or disbursements....		3	23	43
write-backs .....		4	24	44
revaluations .....		5		
other changes .....		6	26	46
Decreases during the year: .....	-	7 5,219	27	47 175
for: sales or refunds .....		8 4,568	28	48 175
write-downs .....		9 651	29	49
other changes .....		10	30	50
<b>Book value</b> .....		11 7,170	31	51
Current value .....		12 7,377	32	52
Total revaluations .....		13		
Total devaluations .....		14 651	34	54

Item C.II.2 includes:

Listed bonds .....	61
Unlisted bonds .....	62
<b>Book value</b> .....	63
of which convertible bonds .....	64

Explanatory notes - Annex 6

Society Amissima Vita S.p.A.Year 2020

Assets - Prospectus containing information relating to investee companies (\*)

N. ord. (**)	Type (1)	Quot. or not quot. (2)	Activities turning point (3)	Name and registered office	Currency	Share capital		Net assets (***)  (4)	Profit or loss for the last financial year (***)  (4)	Share owned (5)		
						Amount (4)	Number shares			Direct %	Indirect %	Total %
1	B.	NQ	9	ASSINOVANTA SRL GENOA	242		350,000	3,024	-204	60.25		60.25
9	D.	NQ	4	IH ROMA SRL MILAN	242		29,335	19,156	1,071	29.335		29.335

Please indicate Group undertakings, as well as undertakings where participating interests are directly held, including through fiduciary companies or thir (\*\*\*)  
 Only for subsidiaries and affiliated undertakings (\*\*) Please the order number must be greater than " 0 "

(1) Type (3) Type of business (4) Amounts in original currency  
 a = Holding companies 1 = Insurance company  
 b = Subsidiaries 2 = Financial services compan(5) Please indicate the total % held  
 c = Associated undertakings 3 = Credit institution  
 d = Affiliated undertakings 4 = Property company  
 e = Other undertakings 5 = Fiduciary company for investment funds  
 (2) Please indicate L for securities listed in 7 = Consortium

Year 2020

[illegible]

(4) Highlight with (\*) if valued with the equity method net (only for Type bed)



## Notes to the Accounts

### Annex 8 - durable and non-durable financial investments

Explanatory notes - Annex 8

Society Amissima Vita S.p.A.

Year 2020

Assets - Breakdown based on the use of other financial investments: shares and shares of companies, shares of mutual funds, bonds and other fixed-income securities, shares in mutual investments and various financial investments (items C.III.1, 2, 3, 5, 7)

#### I - Non-life management

	Durable use wallet		Non-durable use wallet		Total	
	Book value	Current value	Book value	Current value	Book value	Current value
1. Shares and shares of companies: ...	1	21	41	61	81	101
a) listed shares .....	2	22	42	62	82	102
b) unlisted shares.....	3	23	43	63	83	103
c) shares .....	4	24	44	64	84	104
2. Mutual Fund Units....	5	25	45	65	85	105
3. Bonds and other fixed income securities.....	6	26	46	66	86	106
a1) listed government bonds.	7	27	47	67	87	107
a2) other listed securities....	8	28	48	68	88	108
b1) unlisted government bonds..	9	29	49	69	89	109
b2) other unlisted securities	10	30	50	70	90	110
c) convertible bonds .....	11	31	51	71	91	111
5. Shares in common investments	12	32	52	72	92	112
7. Various financial investments ..	13	33	53	73	93	113

#### II - Life management

	Durable use wallet		Non-durable use wallet		Total	
	Book value	Current value	Book value	Current value	Book value	Current value
1. Shares and shares of companies:....	121	141	161 756,091	181 761,535	201 756,091	221 761,535
a) listed shares .....	122	142	162	182	202	222
b) unlisted shares .....	123	143	163	183	203	223
c) shares .....	124	144	164 756,091	184 761,535	204 756,091	224 761,535
2. Shares of mutual funds ... ..	125	145	165 275,259	185 283,787	205 275,259	225 283,787
3. Bonds and other fixed income securities .	126 2,347,644	146 2,722,015	166 3,275,424	186 3,415,423	206 5,623,068	226 6,137,438
a1) listed government bonds	127 2,063,686	147 2,413,224	167 3,216,490	187 3,354,138	207 5,280,176	227 5,767,362
a2) other listed securities ...	128 204,403	148 229,041	168 53,320	188 55,671	208 257,723	228 284,712
b1) unlisted government bonds .	129	149	169	189	209	229
b2) other unlisted securities	130 79,555	150 79,750	170 5,614	190 5,614	210 85,169	230 85,364
c) convertible bonds ....	131	151	171	191	211	231
5. Shares in common investments .....	132	152	172	192	212	232
7. Various financial investments .....	133	153	173	193	213	233

## Notes to the Accounts

## Annex 9 - Change in long-term investments

Explanatory notes - Annex 9

Society Amissima Vita S.p.A.

Year 2020

Assets - Changes during the year in other financial investments with long-term use: shares and units, units in mutual funds, bonds and other fixed-income securities, units in mutual investments and various financial investments (items C.III.1, 2, 3, 5, 7)

		Shares and shares C.III.1	Shares of mutual funds C.III.2	Bonds and other fixed income securities C.III.3	Shares in common investments C.III.5	Various financial investments C.III.7
Opening balance .....	+	1	21	41 2,298,297	81	101
Increases in the year: .....	+	2	22	42 364,167	82	102
for: expenses .....		3	23	43 362,313	83	103
write-backs .....		4	24	44	84	104
transfers from the non-durable portfolio		5	25	45	85	105
other changes .....		6	26	46 1,854	86	106
Decreases during the year:	-	7	27	47 314,820	87	107
for: sales .....		8	28	48 68,668	88	108
write-downs .....		9	29	49	89	109
transfers to the non-durable portfolio		10	30	50 239,837	90	110
other changes .....		11	31	51 6,315	91	111
<b>Book value .....</b>		12	32	52 2,347,644	92	112
Current value .....		13	33	53 2,722,015	93	113

## Notes to the Accounts

## Annex 10 - Change in the financial year of loans

Explanatory notes - Annex 10

Year 2020

Society Amissima Vita S.p.A.

Assets - Changes in the financial year of loans and deposits with credit institutions (items C.III.4, 6)

		Loans C.III.4	Deposits with credit institutions C.III.6
Opening balance .....	+	1 790	21
Increases in the year: .....	+	2 108	22
for: disbursements .....		3 9	
write-backs .....		4	
other changes .....		5 99	
Decreases during the year: .....	-	6 213	26
for: refunds .....		7 7	
write-downs .....		8 0	
other changes .....		9 206	
<b>Book value .....</b>		10 685	30

## Notes to the Accounts

## Annex 11 - Activities relating to services connected with funds of investment and market indices

Explanatory notes - Annex 11

Society Amissima Vita S.p.A.

Year 2020

Assets - Statement of assets relating to services associated with investment funds and market indices (item DI)

Fund Code: 001 Fund description: AMAZING GLOBAL BOND

	Current value		Acquisition cost	
	Year	Previous exercise	Year	Previous exercise
I. Land and buildings .....	1 0	21 0	41 0	61 0
II. Investments in group companies and other investee companies:				
1. Shares and quotas .....	2 0	22 0	42 0	62 0
2. Bonds .....	3 0	23 0	43 0	63 0
3. Financing .....	4 0	24 0	44 0	64 0
III. Mutual Fund Units .....	5 29,241	25 31,874	45 28,588	65 29,991
IV. Other financial investments:				
1. Shares and quotas .....	6 0	26 0	46 0	66 0
2. Bonds and other fixed income securities .....	7 0	27 0	47 0	67 0
3. Deposits with credit institutions .....	8 0	28 0	48 0	68 0
4. Various financial investments .....	9 0	29 0	49 0	69 0
V. Other activities .....	10 -19	30 -15	50 -19	70 -15
YOU. Cash and cash equivalents .....	11 297	31 164	51 297	71 164
	12 0	32 0	52 0	72 0
	13 0	33 0	53 0	73 0
<b>Total</b> .....	14 29,519	34 32,023	54 28,866	74 30,140

Society Amissima Vita S.p.A.

Year 2020

Assets - Statement of assets relating to services associated with investment funds and market indices (item DI)

Fund Code: 002 Fund description: VERY LOVELY BALANCED GLOBAL

	Current value		Acquisition cost	
	Year	Previous exercise	Year	Previous exercise
I. Land and buildings .....	1 0	21 0	41 0	61 0
II. Investments in group companies and other investee companies:				
1. Shares and quotas .....	2 0	22 0	42 0	62 0
2. Bonds .....	3 0	23 0	43 0	63 0
3. Financing .....	4 0	24 0	44 0	64 0
III. Mutual Fund Units .....	5 37,628	25 39,964	45 36,746	65 35,590
IV. Other financial investments:				
1. Shares and quotas .....	6 0	26 0	46 0	66 0
2. Bonds and other fixed income securities .....	7 0	27 0	47 0	67 0
3. Deposits with credit institutions .....	8 0	28 0	48 0	68 0
4. Various financial investments .....	9 0	29 0	49 0	69 0
V. Other activities .....	10 -49	30 -42	50 -49	70 -42
YOU. Cash and cash equivalents .....	11 381	31 211	51 381	71 211
	12 0	32 0	52 0	72 0
	13 0	33 0	53 0	73 0
<b>Total .....</b>	14 37,960	34 40,133	54 37,078	74 35,759

Society Amissima Vita S.p.A.

 Year 2020

Assets - Statement of assets relating to services associated with investment funds and market indices (item DI)

 Fund Code: 003 Fund description: HIGHEST GLOBAL SHAREHOLDER

	Current value		Acquisition cost	
	Year	Previous exercise	Year	Previous exercise
I. Land and buildings .....	1 0	21 0	41 0	61 0
II. Investments in group companies and other investee companies:				
1. Shares and quotas .....	2 0	22 0	42 0	62 0
2. Bonds .....	3 0	23 0	43 0	63 0
3. Financing .....	4 0	24 0	44 0	64 0
III. Mutual Fund Units .....	5 32,422	25 34,765	45 32,081	65 40,389
IV. Other financial investments:				
1. Shares and quotas .....	6 0	26 0	46 0	66 0
2. Bonds and other fixed income securities .....	7 0	27 0	47 0	67 0
3. Deposits with credit institutions .....	8 0	28 0	48 0	68 0
4. Various financial investments .....	9 0	29 0	49 0	69 0
V. Other activities .....	10 -63	30 -56	50 -63	70 -56
VI. Cash and cash equivalents .....	11 506	31 165	51 506	71 165
	12 0	32 0	52 0	72 0
	13 0	33 0	53 0	73 0
<b>Total .....</b>	14 32,865	34 34,874	54 32,524	74 40,498

Society Amissima Vita S.p.A.

 Year 2020

Assets - Statement of assets relating to services associated with investment funds and market indices (item DI)

 Fund Code: 011 Fund description: HIGHEST SHAREHOLDER EMERGING COUNTRIES

	Current value		Acquisition cost	
	Year	Previous exercise	Year	Previous exercise
I. Land and buildings .....	1 0	21 0	41 0	61 0
II. Investments in group companies and other investee companies:				
1. Shares and quotas .....	2 0	22 0	42 0	62 0
2. Bonds .....	3 0	23 0	43 0	63 0
3. Financing .....	4 0	24 0	44 0	64 0
III. Mutual Fund Units .....	5 206	25 179	45 181	65 204
IV. Other financial investments:				
1. Shares and quotas .....	6 0	26 0	46 0	66 0
2. Bonds and other fixed income securities .....	7 0	27 0	47 0	67 0
3. Deposits with credit institutions .....	8 0	28 0	48 0	68 0
4. Various financial investments .....	9 0	29 0	49 0	69 0
V. Other activities .....	10 0	30 3	50 0	70 3
VI. Cash and cash equivalents .....	11 1	31 0	51 1	71 0
	12 0	32 0	52 0	72 0
	13 0	33 0	53 0	73 0
<b>Total</b> .....	14 207	34 182	54 182	74 207

Society Amissima Vita S.p.A.

Year 2020

Assets - Statement of assets relating to services associated with investment funds and market indices (item DI)

Fund Code: 016 Fund description: AMISSIMA FLEXIBLE CONSERVATIVE

	Current value		Acquisition cost	
	Year	Previous exercise	Year	Previous exercise
I. Land and buildings .....	1 0	21 0	41 0	61 0
II. Investments in group companies and other investee companies:				
1. Shares and quotas .....	2 0	22 0	42 0	62 0
2. Bonds .....	3 0	23 0	43 0	63 0
3. Financing .....	4 0	24 0	44 0	64 0
III. Mutual Fund Units .....	5 55,715	25 64,585	45 56,522	65 63,604
IV. Other financial investments:				
1. Shares and quotas .....	6 0	26 0	46 0	66 0
2. Bonds and other fixed income securities .....	7 0	27 0	47 0	67 0
3. Deposits with credit institutions .....	8 0	28 0	48 0	68 0
4. Various financial investments .....	9 0	29 0	49 0	69 0
V. Other activities .....	10 -729	30 -1,042	50 -729	70 -1,042
VI. Cash and cash equivalents .....	11 1,018	31 784	51 1,018	71 784
	12 0	32 0	52 0	72 0
	13 0	33 0	53 0	73 0
<b>Total .....</b>	14 56,004	34 64,327	54 56,811	74 63,346



Society Amissima Vita S.p.A.

Year 2020

Assets - Statement of assets relating to services associated with investment funds and market indices (item DI)

Fund Code: 017 Fund description: VERY FLEXIBLE BALANCED

	Current value		Acquisition cost	
	Year	Previous exercise	Year	Previous exercise
I. Land and buildings .....	1 0	21 0	41 0	61 0
II. Investments in group companies and other investee companies:				
1. Shares and quotas .....	2 0	22 0	42 0	62 0
2. Bonds .....	3 0	23 0	43 0	63 0
3. Financing .....	4 0	24 0	44 0	64 0
III. Mutual Fund Units .....	5 98,397	25 108,985	45 100,311	65 103,980
IV. Other financial investments:				
1. Shares and quotas .....	6 0	26 0	46 0	66 0
2. Bonds and other fixed income securities .....	7 0	27 0	47 0	67 0
3. Deposits with credit institutions .....	8 0	28 0	48 0	68 0
4. Various financial investments .....	9 0	29 0	49 0	69 0
V. Other activities .....	10 514	30 -346	50 514	70 -346
VI. Cash and cash equivalents .....	11 -491	31 -357	51 -491	71 -357
	12 0	32 0	52 0	72 0
	13 0	33 0	53 0	73 0
<b>Total</b> .....	14 98,420	34 108,282	54 100,334	74 103,277

Society Amissima Vita S.p.A.

 Year 2020

Assets - Statement of assets relating to services associated with investment funds and market indices (item DI)

 Fund Code: 018 Fund description: AMISSIMA FLESSIBILE DINAMICO

	Current value		Acquisition cost	
	Year	Previous exercise	Year	Previous exercise
I. Land and buildings .....	1 0	21 0	41 0	61 0
II. Investments in group companies and other investee companies:				
1. Shares and quotas .....	2 0	22 0	42 0	62 0
2. Bonds .....	3 0	23 0	43 0	63 0
3. Financing .....	4 0	24 0	44 0	64 0
III. Mutual Fund Units .....	5 167,100	25 164,285	45 172,118	65 152,106
IV. Other financial investments:				
1. Shares and quotas .....	6 0	26 0	46 0	66 0
2. Bonds and other fixed income securities .....	7 0	27 0	47 0	67 0
3. Deposits with credit institutions .....	8 0	28 0	48 0	68 0
4. Various financial investments .....	9 0	29 0	49 0	69 0
V. Other activities .....	10 98	30 -2,210	50 98	70 -2,210
VI. Cash and cash equivalents .....	11 17	31 -164	51 17	71 -164
	12 0	32 0	52 0	72 0
	13 0	33 0	53 0	73 0
<b>Total</b> .....	14 167,215	34 161,911	54 172,233	74 149,732

Society Amissima Vita S.p.A.

 Year 2020

Assets - Statement of assets relating to services associated with investment funds and market indices (item DI)

 Fund Code: 019 Fund description: AMISSIMA GLOBAL BOND

	Current value		Acquisition cost	
	Year	Previous exercise	Year	Previous exercise
I. Land and buildings .....	1 0	21 0	41 0	61 0
II. Investments in group companies and other investee companies:				
1. Shares and quotas .....	2 0	22 0	42 0	62 0
2. Bonds .....	3 0	23 0	43 0	63 0
3. Financing .....	4 0	24 0	44 0	64 0
III. Mutual Fund Units .....	5 19,171	25 0	45 19,379	65 0
IV. Other financial investments:				
1. Shares and quotas .....	6 0	26 0	46 0	66 0
2. Bonds and other fixed income securities .....	7 0	27 0	47 0	67 0
3. Deposits with credit institutions .....	8 0	28 0	48 0	68 0
4. Various financial investments .....	9 0	29 0	49 0	69 0
V. Other activities .....	10 1,584	30 0	50 1,584	70 0
VI. Cash and cash equivalents .....	11 40	31 0	51 40	71 0
	12 0	32 0	52 0	72 0
	13 0	33 0	53 0	73 0
<b>Total</b> .....	14 20,795	34 0	54 21,003	74 0

Society Amissima Vita S.p.A.

Year 2020

Assets - Statement of assets relating to services associated with investment funds and market indices (item DI)

Fund Code: 020 Fund description: AMISSIMA GLOBAL BALANCED

	Current value		Acquisition cost	
	Year	Previous exercise	Year	Previous exercise
I. Land and buildings .....	1 0	21 0	41 0	61 0
II. Investments in group companies and other investee companies:				
1. Shares and quotas .....	2 0	22 0	42 0	62 0
2. Bonds .....	3 0	23 0	43 0	63 0
3. Financing .....	4 0	24 0	44 0	64 0
III. Mutual Fund Units .....	5 34,445	25 0	45 33,412	65 0
IV. Other financial investments:				
1. Shares and quotas .....	6 0	26 0	46 0	66 0
2. Bonds and other fixed income securities .....	7 0	27 0	47 0	67 0
3. Deposits with credit institutions .....	8 0	28 0	48 0	68 0
4. Various financial investments .....	9 0	29 0	49 0	69 0
V. Other activities .....	10 2,269	30 0	50 2,269	70 0
VI. Cash and cash equivalents .....	11 76	31 0	51 8	71 0
	12 0	32 0	52 0	72 0
	13 0	33 0	53 0	73 0
<b>Total</b> .....	14 36,790	34 0	54 35,689	74 0

Society Amissima Vita S.p.A.

Year 2020

Assets - Statement of assets relating to services associated with investment funds and market indices (item DI)

Fund Code: 021 Fund description: AMISSIMA GLOBAL EQUITY

	Current value		Acquisition cost	
	Year	Previous exercise	Year	Previous exercise
I. Land and buildings .....	1 0	21 0	41 0	61 0
II. Investments in group companies and other investee companies:				
1. Shares and quotas .....	2 0	22 0	42 0	62 0
2. Bonds .....	3 0	23 0	43 0	63 0
3. Financing .....	4 0	24 0	44 0	64 0
III. Mutual Fund Units .....	5 6,411	25 0	45 6,078	65 0
IV. Other financial investments:				
1. Shares and quotas .....	6 0	26 0	46 0	66 0
2. Bonds and other fixed income securities .....	7 0	27 0	47 0	67 0
3. Deposits with credit institutions .....	8 0	28 0	48 0	68 0
4. Various financial investments .....	9 0	29 0	49 0	69 0
V. Other activities .....	10 494	30 0	50 494	70 0
VI. Cash and cash equivalents .....	11 38	31 0	51 38	71 0
	12 0	32 0	52 0	72 0
	13 0	33 0	53 0	73 0
<b>Total .....</b>	<b>14 6,943</b>	<b>34 0</b>	<b>54 6,610</b>	<b>74 0</b>

Society Amissima Vita S.p.A.

 Year 2020

Assets - Statement of assets relating to services associated with investment funds and market indices (item DI)

 Fund Code: Fund description: TOTAL

	Current value		Acquisition cost	
	Year	Previous exercise	Year	Previous exercise
I. Land and buildings .....	1 0	21 0	41 0	61 0
II. Investments in group companies and other investee companies:				
1. Shares and quotas .....	2 0	22 0	42 0	62 0
2. Bonds .....	3 0	23 0	43 0	63 0
3. Financing .....	4 0	24 0	44 0	64 0
III. Mutual Fund Units .....	5 480,736	25 444,637	45 485,416	65 425,864
IV. Other financial investments:				
1. Shares and quotas .....	6 0	26 0	46 0	66 0
2. Bonds and other fixed income securities .....	7 0	27 0	47 0	67 0
3. Deposits with credit institutions .....	8 0	28 0	48 0	68 0
4. Various financial investments .....	9 0	29 0	49 0	69 0
V. Other activities .....	10 4,099	30 -3,708	50 4,099	70 -3,708
VI. Cash and cash equivalents .....	11 1,883	31 803	51 1,815	71 803
	12 0	32 0	52 0	72 0
	13 0	33 0	53 0	73 0
<b>Total .....</b>	<b>14 486,718</b>	<b>34 441,732</b>	<b>54 491,330</b>	<b>74 422,959</b>

## Notes to the Accounts

# Annex 14 – Variation in reservers during the year

Explanatory notes - Annex 14

Society Amissima Vita S.p.A.

Year 2020

Liabilities - Changes during the year in the components of the mathematical reserves (item C.II.1) and of the reserve for profit sharing and returns (item C.II.4)

Typology	Year	Previous exercise	Variation
Mathematical reserve for pure bonuses .....	1 6,150,152	11 5,918,655	21 231,497
Carry-over premiums .....	2 2,418	12 3,360	22 -942
Mortality risk reserve .....	3 0	13 0	23
Integration reserves .....	4 2,381	14 2,193	24 188
<b>Book value</b> .....	5 6,154,951	15 5,924,208	25 230,743
Reserve for profit sharing and rebates .. ...	6 0	16 0	26

## Notes to the Accounts

## Annex 15 - Changes in provisions for risks and charges and severance pay

Explanatory notes - Annex 15

Society Amissima Vita S.p.A.

Year 2020

Liabilities - Changes during the year in provisions for risks and charges (item E) and in the employee severance indemnity (item G.VII)

		Funds for treatments For retirement and obligations similar	Provisions for taxes	Other provisions	Severance pay employment relationship subordinate
Opening balance .....	+	1 138	11 138	21 1,323	31 637
Provisions for the year ... ..	+	2 0	12 0	22 1,752	32 0
Other increases .....	+	3 0	13 0	23 0	33 9
Uses for the year .....	-	4 0	14 33	24 574	34 0
Other decreases .....	-	5 0	15 0	25 0	35 0
<b>Book value .....</b>		6 0	16 105	26 2,501	36 646



## Notes to the Accounts

# Annex 16 - Detail of group assets and liabilities

Explanatory notes - Annex 16

Year 2020

Society Amissima Vita S.p.A.

Detailed statement of assets and liabilities relating to group companies and other investee companies

THE: Assets

	Parent companies	Check it out	Subsidiaries	Connect	Others	Total
Shares and units.....	1	2 1,636	3	4 5,534	5	6 7,170
Bonds .....	7	8	9	10	11	12
Financing .....	13	14	15	16	17	18
Shares in common investments .....	19	20	21	22	23	24
Deposits with credit institutions .....	25	26	27	28	29	30
Various financial investments .....	31	32	33	34	35	36
Deposits with ceding companies ... ..	37	38	39	40	41	42
Investments relating to related services with investment funds and market indices	43	44	45	46	47	48
Investments deriving from the management of pension funds .....	49	50	51	52	53	54
Receivables deriving from operations of direct insurance .....	55	56	57	58	59	60
Receivables deriving from operations of reinsurance .....	61	62	63	64	65	66
Other credits .....	67 2,735	68	69 2,339	70	71	72 5,074
Bank and post office deposits .....	73	74	75	76	77	78
Different activities .....	79	80	81	82	83	84
<b>Total</b> .....	85 2,735	86 1,636	87 2,339	88 5,534	89	90 12,244
of which subordinated activities .....	91	92	93	94	95	96

## Detailed statement of assets and liabilities relating to group companies and other investee companies

### II: Liabilities

	Parent companies	Check it out	Subsidiaries	Connect	Others	Total
Subordinated liabilities .....	97	98	99	100	101	102
Deposits received from reinsurers .....	103	104	105	106	107	108
Payables deriving from operations of Direct insurance.....	109	110	111	112	113	114
Payables deriving from operations of reinsurance .....	115	116	117	118	119	120
Payables to banks and financial institutions .....	121	122	123	124	125	126
Payables with collateral .....	127	128	129	130	131	132
Other loans and other financial payables .....	133	134	135	136	137	138
Other payables .....	139	-332	140	141	142	143
Other liabilities .....	145	146	147	148	149	150
<b>Total .....</b>	<b>151</b>	<b>-332</b>	<b>152</b>	<b>153</b>	<b>154</b>	<b>155</b>
			<b>-3,739</b>			<b>-4,071</b>

## Notes to the Accounts

# Annex 17 - Analysis of "Guarantees, pledges and other memorandum accounts"

Society Amissima Vita S.p.A.

Explanatory notes - Annex 17

Year 2020

Information on "guarantees, commitments and other memorandum accounts"

	Year	Previous exercise
I. Guarantees given:		
a) sureties and endorsements given in the interest of parent companies, subsidiaries and affiliates .....	1	31
b) sureties and endorsements given in the interest of associates and other subsidiaries .....	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 affiliates .....	4	34
e) other personal guarantees given in the interest of associates and other investee companies .....	5	35
f) other personal guarantees given in the interest of third parties	6	36
g) collateral for obligations of parent companies, subsidiaries and affiliates .....	7	37
h) collateral for obligations of associates and other subsidiaries .....	8	38
i) collateral for third party obligations .....	9	39
l) guarantees given for company obligations .....	10	40
m) assets deposited for operations of inward reinsurance .....	11	41
<b>Total</b> .....	12	42
II. Guarantees received:		
a) from group companies, associates and other investee companies .....	13	43
b) from third parties .....	14	44
<b>Total</b> .....	15	45
III. Guarantees given by third parties in the interest of the company:		
a) from group companies, associates and other investee companies	16	46
b) from third parties .....	17	47
<b>Total</b> .....	18	48
IV. Commitments:		
a) commitments for purchases with resale obligation	19	49
b) commitments for sales with repurchase obligation .....	20	50
c) other commitments .....	21	51
<b>Total</b> .....	22	52
V. Activities pertaining to pension funds managed in the name and on behalf of third parties .....	23	53
VI. Securities deposited with third parties .....	24	54
<b>Total</b> .....	25	55

## Notes to the Accounts

# Annex 18 - Statement of pledges for transactions on derivative contracts

Explanatory notes - Annex 18

Society Amissima Vita S.p.A.

Year 2020

Schedule of commitments for transactions in derivative contracts

Derivative contracts	Year				Previous exercise			
	Purchase		Sale		Purchase		Sale	
	(1)	(2)	(1)	(2)	(1)	(2)	(1)	(2)
Futures: on shares	1	101	21	121	41	141	61	161
	2	102	22	122	42	142	62	162
	3	103	23	123	43	143	63	163
	4	104	24	124	44	144	64	164
	5	105	25	125	45	145	65	165
Options: on shares	6	106	26	126	46	146	66	166
	7	107	27	127	47	147	67	167
	8	108	28	128	48	148	68	168
	9	109	29	129	49	149	69	169
	10	110	30	130	50	150	70	170
Swaps: on currencies	11	111	31	131	51	151	71	171
	12	112	32	132	52	152	72	172
	13	113	33	133	53	153	73	173
Other operations	14	114	34	134	54	406,983	154	-25,042
<b>Total .....</b>	15	115	35	135	55	406,983	155	-25,042

Only transactions on derivative contracts outstanding at the date of preparation of the financial statements that involve commitments for the company must be entered. In the event that the contract does not correspond exactly to the figures described or in which elements of more than one case converge, said contract must be included in the most similar contractual category. Match offsets are not allowed except in relation to purchase/sale transactions referring to the same type of contract (same content, maturity, underlying asset, etc.)

Contracts involving the exchange of two currencies must be indicated only once, conventionally referring to the currency to be purchased. Contracts involving both the exchange of interest rates and the exchange of currencies should only be reported under contracts on currencies. Derivative contracts involving the exchange of interest rates are conventionally classified as "purchases" or "sales" depending on whether they involve the purchase or sale of the fixed rate for the insurance company.

(1) For derivative contracts which involve or may involve the forward exchange of capital, the settlement price of the same must be indicated; in all other cases, the nominal value of the reference capital must be indicated.

(2) Indicate the fair value of derivative contracts;

## Notes to the Accounts

# Annex 20 - Life assurance business - Summary of premium income and reinsurance balance

Explanatory notes - Annex 20

Society Amissima Vita S.p.A. Year 2020

Summary information concerning the life business relating to premiums and the reinsurance balance

	Direct work	Indirect work	Total
Gross premiums:	1 808,962	11 0	21 808,962
a) 1. for individual policies .....	2 799,890	12 0	22 799,890
2. for collective policies .....	3 9,072	13 0	23 9,072
b) 1. periodic awards .....	4 178,254	14 0	24 178,254
2. single prizes .....	5 630,708	15 0	25 630,708
c) 1. for contracts without profit sharing .....	6 6,696	16 0	26 6,696
2. for contracts with profit sharing .....	7 709,590	17 0	27 709,590
3. for contracts when the investment risk is borne by policyholders and for pension funds... ..	8 92,676	18 0	28 92,676

Reinsurance balance .....	9 -215	19 0	29 -215
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## Notes to the Accounts

## Annex 21 - Investment income

Explanatory notes - Annex 21

Year 2020

Society Amissima Vita S.p.A.

Investment income (items II.2 and III.3)

	Non-Life management	Life management	Total
<b>Income from shares and units:</b>			
Dividends and other income from shares and quotas of companies of the group and participated .....	1	41 1,530	81 1,530
Dividends and other income from shares and quotas of other companies .....	2	42 21,851	82 21,851
<b>Total .....</b>	3	43 23,381	83 5,806
<b>Income from investments in land and buildings .....</b>	4	44 5,695	84 1,882
<b>Income from other investments:</b>			
Income on bonds of group companies and subsidiaries .....	5	45	85
Interest on loans to group companies e to investee companies .....	6	46	86
Income deriving from shares in mutual investment funds .....	7	47 1,455	87 1,455
Income on bonds and other fixed income securities .....	8	48 89,989	88 89,989
Interest on loans .....	9	49 11	89 11
Income on shares of common investments .....	10	50	90
Interest on deposits with credit institutions .....	11	51	91
Income from various financial investments .....	12	52	92
Interest on deposits with ceding companies .....	13	53	93
<b>Total .....</b>	14	54 91,455	94 719
<b>Write-backs of value adjustments on investments relating to:</b>			
Lands and buildings .....	15	55	95
Shares and quotas of group companies and investee companies	16	56	96
Bonds issued by group companies and subsidiaries .....	17	57	97
Other shares and quotas .....	18	58 2,214	98 2,214
Other obligations .....	19	59 1,601	99 1,601
Other financial investments .....	20	60 3,439	100 3,439
<b>Total .....</b>	21	61 7,254	101 242
<b>Profits on investment realization:</b>			
Capital gains deriving from the sale of land and buildings .....	22	62	102
Profits on shares and quotas of group companies and subsidiaries .....	23	63	103
Profits on bonds issued by group companies and subsidiaries .....	24	64	104
Profits on other stocks and shares .....	25	65 11,932	105 11,932
Profits on other bonds .....	26	66 59,709	106 59,709
Profits on other financial investments .....	27	67	107
<b>Total .....</b>	28	68 71,641	108 3,232
<b>GRAND TOTAL .....</b>	29	69 199,426	109 11,880

## Notes to the Accounts

# Annex 22 - Income and unrealised gains relating to investments benefiting policyholders that bear the risk and investments arising from pension fund management

Explanatory notes - Annex 22

Year 2020

Amissima Vita S.p.A.

Unrealized income and capital gains relating to investments for the benefit of policyholders who bear the risk thereof and to investments deriving from the management of pension funds (item II.3)

### I. Investments relating to performance related to investment funds and market indices

	Amounts
<b>Income deriving from:</b>	
Lands and buildings .....	1 0
Investments in group companies and subsidiaries .....	2 0
Mutual Fund Units .....	3 0
Other financial investments .....	4 1,069
- of which income from bonds .....	5 0
Other activities.....	6 0
<b>Total .....</b>	<b>7 1,069</b>
<b>Profits on the realization of investments</b>	
Capital gains deriving from the sale of land and buildings .....	8 0
Profits on investments in group companies and investee companies .....	9 0
Profits on mutual funds .....	10 6,082
Profits on other financial investments .....	11 0
- of which bonds .....	12 0
Other income .....	13 0
<b>Total .....</b>	<b>14 6,082</b>
<b>Unrealized capital gains .....</b>	<b>15 16,142</b>
<b>GRAND TOTAL .....</b>	<b>16 23,293</b>

### II. Investments deriving from the management of pension funds

	Amounts
<b>Income deriving from:</b>	
Investments in group companies and subsidiaries .....	21 0
Other financial investments .....	22 0
- of which income from bonds .....	23 0
Other activities.....	24 0
<b>Total .....</b>	<b>25 0</b>
<b>Proceeds from the realization of investments</b>	
Profits on investments in group companies and subsidiaries .....	26 0
Profits on other financial investments .....	27 0
- of which bonds .....	28 0
Other income .....	29 0
<b>Total .....</b>	<b>30 0</b>
<b>Unrealized capital gains .....</b>	<b>31 0</b>
<b>GRAND TOTAL .....</b>	<b>32 0</b>

## Notes to the Accounts

## Annex 23 - Investment charges

Explanatory notes - Annex 23

Year 2020

Society Amissima Vita S.p.A.

Property and financial charges (items II.9 and III.5)

	Non-Life management	Life management	Total
<b>Investment management fees and other charges</b>			
Charges relating to shares and quotas .....	1	31 17	61 17
Charges relating to investments in land and buildings .....	2	32 1,062	62 1,062
Charges relating to obligations .....	3	33 10,695	63 10,695
Charges relating to units in mutual investment funds .....	4	34	64
Charges relating to shares in common investments .....	5	35	65
Charges relating to sundry financial investments .....	6	36	66
Interest on deposits received from reinsurers .....	7	37 310	67 310
<b>Total .....</b>	8	38 12,084	68 12,084
<b>Value adjustments on investments relating to:</b>			
Lands and buildings .....	9	39 670	69 670
Shares and quotas of group companies and investee companies .....	10	40	70
Bonds issued by group companies and investee companies .....	11	41	71
Other shares and quotas .....	12	42 3,418	72 3,418
Other obligations .....	13	43 13,194	73 13,194
Other financial investments .....	14	44 1,517	74 1,517
<b>Total .....</b>	15	45 18,799	75 18,799
<b>Losses on the realization of investments</b>			
Capital losses deriving from the sale of land and buildings .....	16	46	76
Losses on shares and quotas .....	17	47 5,087	77 5,087
Losses on bonds .....	18	48 3,537	78 3,537
Losses on other financial investments .....	19	49 5,534	79 5,534
<b>Total .....</b>	20	50 14,158	80 14,158
<b>GRAND TOTAL .....</b>	21	51 45,041	81 45,041



## Notes to the Accounts

# Annex 24 - Charges and unrealised losses relating to investments benefitting policyholders that bear the risk and investments arising from pension fund management

Explanatory notes - Annex 24

Society Amissima Vita S.p.A. Year 2020

Equity and financial charges and unrealized capital losses relating to investments for the benefit of policyholders who bear the risk thereof and to investments deriving from the management of pension funds (item II.10)

### I. Investments relating to performance related to investment funds and market indices

	Amounts
<b>Management charges deriving from:</b>	
Lands and buildings .....	1 0
Investments in group companies and subsidiaries .....	2 0
Mutual Fund Units .....	3 7,783
Other financial investments .....	4 0
Other activities .....	5 11
<b>Total</b> .....	6 7,794
<b>Losses on realization of investments</b>	
Losses deriving from the sale of land and buildings .....	7 0
Losses on investments in group companies and investee companies .....	8 0
Losses on mutual funds .....	9 15,646
Losses on other financial investments .....	10 0
Other charges .....	11 0
<b>Total</b> .....	12 15,646
<b>Unrealized losses</b> .....	13 4,531
<b>GRAND TOTAL</b> .....	14 27,971

### II. Investments deriving from the management of pension funds

	Amounts
<b>Management charges deriving from:</b>	
Investments in group companies and subsidiaries .....	21 0
Other financial investments .....	22 0
Other activities.....	23 0
<b>Total</b> .....	24 0
<b>Losses on the realization of investments</b>	
Losses on investments in group companies and investee companies .....	25 0
Losses on other financial investments .....	26 0
Other charges .....	27 0
<b>Total</b> .....	28 0
<b>Unrealized losses</b> .....	29 0
<b>GRAND TOTAL</b> .....	30 0

## Notes to the Accounts

# Attachment 27 - Life assurance business - Summary of technical accounts by accounting class - Italian portfolio

Explanatory notes - Annex 27

Society Amissima Vita S.p.A.

Year 2020

Life insurance - Summary table of technical accounts by single class - Italian portfolio

		Class code 01 Human Lifespan Insurance (name)	Class code 02 Marriage and birth insurance (name)	Class code 03 Operations connected with funds or indices (name)
<b>Direct business gross of reinsurance cessions</b>				
Premiums accounted for .....	+	1 709,022	1	1 92,676
Charges relating to claims .....	-	2 543,972	2	2 41,400
Change in actuarial reserves and in various technical reserves (+ or -) .....	-	3 230,740	3	3 44,920
Balance of other technical items (+ or -) .....	+	4 -17,511	4	4 3,645
Management fees .....	-	5 25,763	5	5 2,938
Investment income net of the quota transferred to non-technical account (*) .....	+	6 148,358	6	6 -4,680
<b>Result of direct business gross of reinsurance assignments (+ or -) .....</b>		7 39,394	7	7 2,383
<b>Outcome of outward reinsurance (+ or -) .....</b>		8 215	8	8 0
<b>Net result of indirect business (+ or -) .....</b>		9 0	9	9 0
<b>Technical account result (+ or -) .....</b>		10 39,609	10	10 2,383

		Class code 04 Illness insurance pursuant to art. 1 (name)	Class code 05 Capitalization operations (name)	Class code 06 Pension fund management operations (name)
<b>Direct business gross of reinsurance cessions</b>				
Premiums accounted for .....	+	1	1 7,264	1
Charges relating to claims .....	-	2	2 9,968	2
Change in actuarial reserves and in various technical provisions (+ or -) .....	-	3	3 -310	3
Balance of other technical items (+ or -) .....	+	4	4 -616	4
Management fees .....	-	5	5 969	5
Investment income net of the quota transferred to non-technical account (*) .....	+	6	6 1,523	6
<b>Result of direct business gross of reinsurance assignments (+ or -) .....</b>		7	7 -2,456	7
<b>Outcome of outward reinsurance (+ or -) .....</b>		8	8 0	8
<b>Net result of indirect business (+ or -) .....</b>		9	9 0	9
<b>Technical account result (+ or -) .....</b>		10	10 -2,456	10

(\*) Algebraic sum of the items relating to the Italian class and portfolio included in items II.2, II.3, II.9, II.10, and II.12 of the Income Statement

## Notes to the Accounts

# Annex 28 - Life assurance business - Summary of the aggregated technical account

Explanatory notes - Annex 28

Society Amissima Vita S.p.A.

Year 2020

Summary prospectus of the summary technical account of all life classes - Italian portfolio

		Risks of direct insurance		Risks of indirect insurance		Risks retained
		Direct Risks 1	Risks sold 2	Risks assumed 3	Risks downgraded 4	Total 5 = 1 - 2 + 3 - 4
Premiums written .....	+	1 808,962	11 791	21 0	31 0	41 808,171
Charges relating to claims .....	-	2 595,340	12 7,053	22 0	32 0	42 588,287
Change in actuarial reserves and other technical reserves (+ or -) .....	-	3 275,350	13 -6,302	23 0	33 0	43 281,652
Balance of other technical items (+ or -) ...	+	4 -14,482	14 0	24 0	34 0	44 -14,482
Management costs .....	-	5 29,670	15 256	25 0	35 0	45 29,414
Investment income net of the portion transferred to the non-technical account (*).	+	6 145,201		26 0		46 145,201
<b>Result of the technical account (+ or -) .....</b>		7 39,321	17 -216	27	37	47 39,537

## Notes to the Accounts

## Annex 30 - Transactions with Group undertakings and other participating interests

Explanatory notes - Annex 30

Year 2020

Society Amissima Vita S.p.A.

Relations with group companies and other investee companies

I: Proceeds

	Parent companies	Check it out	Subsidiaries	Connect	Others	Total
<b>Investment income</b>						
Income from land and buildings .....	1	2	3 31	4	5	6 31
Dividends and other income from shares and quotas .....	7	8	9	10 1,530	11	12 1,530
Income on bonds .....	13	14	15	16	17	18
Interest on loans .....	19	20	21	22	23	24
Income on other financial investments .....	25	26	27	28	29	30
Interest on deposits with ceding companies ...	31	32	33	34	35	36
<b>Total .....</b>	37	38	39 31	40 1,530	41	42 1,561
<b>Unrealized income and capital gains on investments for the benefit of policyholders who do not bear the risk and resulting from management of pension funds .....</b>	43	44	45	46	47	48
<b>Other income</b>						
Interest on loans .....	49 19	50	51	52	53	54 19
Recovery of administrative costs and burdens .....	55 128	56	57 2,273	58	59	60 2,401
Other income and recoveries .	61	62	63 54	64	65	66 54
<b>Total .....</b>	67 147	68	69 2,327	70	71	72 2,474
<b>Profits on the realization of investments (*)</b>	73	74	75	76	77	78
<b>Extraordinary income .....</b>	79	80	81	82	83	84
<b>GRAND TOTAL .....</b>	85 147	86	87 2,358	88 1,530	89	90 4,035

Relations with group companies and other investee companies

II: Charges

	Parent companies	Check it out	Connect	Subsidiaries	Others	Total	
Investment management fees e passive interests:							
Charges relating to investments .....	91	92	92	94	95	96	
Interest on subordinated liabilities .....	97	98	98	100	101	102	
Interest on deposits received from reinsurers.	103	104	104	106	107	108	
Interest on payables deriving from transactions							
direct insurance .....	109	110	110	112	113	114	
Interest on payables deriving from transactions							
reinsurance .....	115	116	117	118	119	120	
Interest on payables to banks and financial institutions .....	121	122	123	124	125	126	
Interest on debts with collateral .....	127	128	129	130	131	132	
Interest on other payables .....	133	134	135	136	137	138	
Credit losses .....	139	140	141	142	143	144	
Administrative costs and costs on behalf of third parties ...	145	146	147	148	149	150	
Other charges ....	151	152	153	154	155	156	
Total .....	157	158	159	160	161	162	
Unrealized charges and losses on investments for the benefit of policyholders who do not bear the risk and resulting from management of pension funds .....	163	164	165	166	167	168	
Losses on the realization of investments (*)	169	170	171	481	173	174	481
Extraordinary costs .....	175	176	177	178	179	180	
GRAND TOTAL .....	181	182	183	481	185	186	481

(\*) Concerning the counterparty in the transaction

## Notes to the Accounts

# Attachment 31 - Direct insurance business - Summary of written premiums

Explanatory notes - Annex 31

Year 2020

Society Amissima Vita S.p.A.

Summary statement of the written premiums of direct business

	Non-Life management		Life management		Total	
	Establishment	LPS	Establishment	LPS	Establishment	LPS
Premiums accounted for:						
in Italy .....	1	5	11	15 808,962	21 808,962	25
in other states of the European Union....	2	6	12	16	22	26
in third countries .....	3	7	13	17	23	27
<b>Total</b> .....	4	8	14	18 808,962	24 808,962	28

## Notes to the Accounts

# Annex 32 - Statement of charges relating to staff, Board members and Statutory Auditors

Explanatory notes - Annex 32

Year 2020

Society Amissima Vita S.p.A.

Schedule of charges relating to staff, directors and statutory auditors

I: Staff costs

	Non-Life management	Life management	Total
<b>Costs for subordinate work:</b>			
Italian wallet:			
- Salaries .....	1 31 6,832	61 6,832	
- Social contributions .....	2 32 1,531	62 1,531	
- Allocation to the severance indemnity fund relationship and similar obligations	3 33 454	63 454	
- Various costs related to staff	4 34 1,444	64 1,444	
<b>Total .....</b>	5 35 10,261	65 10,261	
Foreign portfolio:			
- Salaries .....	6 36	66	
- Social contributions .....	7 37	67	
- Various costs related to staff	8 38	68	
<b>Total .....</b>	9 39 10,261	69 10,261	
<b>Total amount.....</b>	10 40 23,631	70 23,631	
<b>Costs for self-employment:</b>			
Italian portfolio .....	11 41	71	
Foreign portfolio .....	12 42 97	72 97	
<b>Total .....</b>	13 43 602	73 602	
<b>Total costs for work services .....</b>	14 44 24,233	74 24,233	

II: Description of the imputation items

	Non-Life management	Life management	Total
Investment management fees .....	15 45 864	75 864	
Charges relating to claims .....	16 46	76	
Other acquisition costs .....	17 47 2,143	77 2,143	
Other administrative costs .....	18 48 4,950	78 4,950	
Administrative costs and costs on behalf of third parties .....	19 49 2,401	79 2,401	
<b>Total .....</b>	20 50	80	
	21 51 10,358	81 10,358	

III: Average number of staff in the year

	Number
Senior executives .....	91 7
Employees .....	92 80
Employees .....	93
Others .....	94
<b>Total .....</b>	95 87

IV: Directors and statutory auditors

	Number	Remuneration due
Directors .....	96 6	98 455
Statutory Auditors .....	97 3	99 83

## Financial statements

# Notes to the Accounts

The undersigned declares that these financial statements are in conformity with the truth and with the records

The legal representatives of the Company (\*)

The Chairman - DR. ANDREA MONETA (\*\*)  
 .....  
 ..... (\*\*)  
 ..... (\*\*)  
 .....

The Members of the board of statutory auditors

LAWYER FRANCESCO ILLUZZI - PRESIDENT

DR. PAOLO DELPINO

DR. GUIDO MARCHESE

Space reserved for certification from the Registry Office of companies about the deposit.

Date of receipt

(\*) For foreign companies, the signature must be affixed by the general representative for Italy.

(\*\*) Indicate the office held by the person signing.





## FINANCIAL STATEMENT



## Financial statements

### Financial statement - Indirect method

	€ (thousands)	
	12/31/2020	12/31/2019
<b>SOURCES OF FINANCING</b>		
Period result: Profit/(Loss)	<b>27,857</b>	<b>-11,888</b>
Adjustments to profit plus/(minus) relating to items which have no effect on liquidity:		
- variation in the Technical Reserves: incr./(decr.)	297,327	341,474
- depreciation for the year	2,698	2,537
- increment. net funds with allocation specific	1,146	-12,179
- variation severance indemnity fund: incr./(decr.)	9	7
- variation active loans: (incr.)/decr.	280	-42
- variation receivables, other assets and accrued income: (incr.)/decr.	18,921	43,731
- variation payables, other liabilities and accrued liabilities: incr./(decr.)	-17,462	-54,396
- adjustment of securities to the market: (plus)/minus	10,876	28,587
- adjustment of securities to the market categ. D: (plus)/minus	4,680	-30,070
- property devaluation: (plus)/minus	670	500
- write-down of equity investments: (plus)/minus	1,132	-2,410
Liquidity generated/(absorbed) by income management	<b>348,134</b>	<b>305,850</b>
Net value of assets sold:	0	0
equity investments	4,087	0
movable property and equipment	0	0
Total	4,087	0
Shareholders' equity increase (capital increase)	45,000	0
	<b>15,000</b>	<b>0</b>
<b>LIQUIDITY LOANS</b>	<b>412,221</b>	<b>305,850</b>
Purchase of real estate and incremental works	0	0
Net investments in equities, fixed income securities and mutual funds	417,722	283,216
Net investments in equity investments	0	0
Increase in assets and capitalized charges	1,671	1,628
Distribution of profits	0	33,679
	<b>419,393</b>	<b>318,523</b>
Net cash flow for the period	-7,172	-12,673
Cash and cash equivalents at the beginning of the year	13,830	26,503
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b>6,658</b>	<b>13,830</b>

Financial statements

**Financial statement**

The undersigned declares that these financial statements are in conformity with the truth and with the records

The legal representatives of the Company (\*)

The Chairman - DR. ANDREA MONETA (\*\*) .....  
..... (\*\*) .....  
..... (\*\*) .....

The Members of the board of statutory auditors

LAWYER FRANCESCO ILLUZZI - PRESIDENT .....  
DR. PAOLO DELPINO .....  
DR. GUIDO MARCHESE .....

Space reserved for certification from the Registry Office of companies about the deposit.

Date of receipt

(\*) For foreign companies, the signature must be affixed by the general representative for Italy.

(\*\*) Indicate the office held by the person signing.



# ACTUARIAL REPORT ON TECHNICAL PROVISIONS



**PRESIDENTI**

Paolo De Angelis  
Nino Savelli

**SOCI**

Eraldo Antonini  
Giuseppe Crupi  
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Andrea Fortunati  
Paolo Nicoli  
Marco Spina

**PARTNERS SCIENTIFICI**

Fabio Baione  
Susanna Levantesi  
Massimiliano Menzietti

**ACTUARIAL REPORT**  
**TECHNICAL PROVISIONS AS AT 31 DECEMBER 2020**  
**EX ART. 23-BIS, PAR. 3, REGOLAMENTO ISVAP N. 22/2008**  
**AMISSIMA VITA S.P.A.**

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Milan, February 2021

## Summary

Introduction .....	4
1. Checks on data base portfolio validation.....	4
1.1. Validation on the correct take-over of the portfolio .....	4
2. Calculation approach of technical provisions .....	6
2.1 Calculation approach of technical provisions adopted by the company.....	6
a. Mathematical Reserve .....	6
b. Additional Technical provisions for financial risk .....	9
c. Additional Technical provisions for decreasing rates .....	12
d. Additional Technical provisions for other risks.....	12
e. Additional Technical provisions for management expenses .....	14
f. Profit participation Technical provisions .....	17
g. Technical provisions of unit and index linked contracts and class VI .....	17
h. Additional Technical provisions of unit and index linked contracts and pension products on class VI .....	18
i. Technical provisions for future expenses .....	18
j. Additional Technical provisions for general risks and other technical provisions.....	19
k. Technical provisions for profit sharing and rebates .....	19
l. Technical provisions for sums to be paid.....	19
m. Technical provisions of supplementary insurance .....	19
2.2 Checks carried out on the Technical Provisions .....	20
a. Financial assumptions.....	21
b. Demographic assumptions and other technical bases .....	22
c. Assumptions for future expenses .....	23
d. Other technical bases .....	23



e. Calculation procedures .....	24
3. Values.....	26
4. Observations .....	26
5. Findings.....	27
6. Opinion on the Technical Provisions.....	27
ANNEX A .....	28
ANNEX B .....	31
ANNEX C .....	33
ANNEX D.....	40

## Introduction

This actuarial report, prepared pursuant to Article 23-bis, paragraphs 2 and 3, of ISVAP Regulation No. 22 of 4 April 2008 (hereafter the Regulation), as amended by Measure No. 53 of 6 December 2016, forms an integral part of the annual report of the Actuarial Function (hereafter AFR). Therefore, the draft report is the one annexed to the Rules of Procedure.

The following paragraphs describe the methodologies adopted by the Company for the calculation of the technical budget reserves at 31 December 2020 of direct Italian work, before the reinsurance divestitures, in accordance with the current IVASS regulation on civil reserves, legislative decree n. 209 of 7 September 2005 and the "Rules of application of actuarial principles and Guidelines for the Actuarial In charge of Life Insurance Companies". In substance, the same control scheme was replicated by the Actuary in charge of Life.

The audits carried out by the Actuarial Function constitute, therefore, an autonomous and independent opinion, both on the correct application of the calculation methodology and on the sufficiency of the technical reserves entered in the Company's balance sheet on the 2020 annual balance sheet date.

## 1. Checks on data base portfolio validation

All technical reservations for the preparation of the financial statements referred to in Chapter II and III of Title VIII of Legislative Decree No. 209 of 7 September 2005 have been calculated for each contract, taking into account the policies in force at 31 December 2020, the respective effective date and all contractually entered into commitments, with the exception of certain types of reserves, then illustrated, determined in aggregate form, in compliance with the provisions of current legislation.

### 1.1. Validation on the correct take-over of the portfolio

All checks have been carried out on the correct taking charge of the portfolio. In particular, the recursive analytical procedure for checking the number of contracts was verified, starting from the state of the portfolio at the end of the previous year and considering all incoming movements (new policies issued in

the year) and outgoing movements (policies due, redeemed, settled for claims or reversed for other causes) during the year ended December 31, 2020.

The same control was also extended to mathematical reserves to verify the consistency, in terms of economic value, of the change in the reserve (between the beginning and the end of the year) with respect to the portfolio movements of the same year (premiums entered in the accounts, settlement of policies and income realized with the investment of mathematical reserves). In particular, an over-all audit was carried out for homogeneous portfolio aggregates. In addition, it was found that all tariffs had a non-negative reserve amount and, on a sample basis, it was found that policies paid for maturities, total redemption or loss (entered under "Sums to be paid"), did not appear as active policies at the balance sheet date.

From the checks carried out, no particular critical issues emerged.

With reference to the comparison with the redemption value, the Company has informed the Actuarial Function that the comparison in question is managed directly in the portfolio management (LIFE and PASS) within the calculation formulas of the mathematical reserve.

In addition, some quantitative checks were carried out on an adequate number of contracts in an active policy state, in relation to most of the rates in the portfolio, in order to verify the correctness of the methodologies for calculating the different types of technical reserves and, therefore, the results generated by the Company's calculation tools. The aforementioned checks, with possible implementations, will be systematically carried out in the future on an ongoing basis, also with reference to the rates already tested, with the aim of reaching 100% of the rates controlled by the Actuarial Function.

## **2. Calculation approach of technical provisions**

### **2.1 Calculation approach of technical provisions adopted by the company**

All the reserves below were valued before reinsurance disposals.

#### **a. Mathematical Reserve**

The budgetary mathematical reserves of mixed insurance rates, deferred capital, fixed term, capitalization, whole, temporary and deferred annuities with counterinsurance and immediate, annual premium, constant and revaluable, single premium and recurring single premium (with technical rate 0%, 1%, 1.5%, 2%, 2.5%, 3%, 4%) they have been calculated prospectively according to the technical bases of the first order and on the basis of the pure premiums (with the exception of those subsequently reported in relation to the rates of immediate rent as well as the policies of deferred pension rates in a state of enjoyment), by means of the complete linear interpolation of the same elaborated at the recurrence before and after the balance sheet date.

With regard to deferred pension rate policies in a state of enjoyment as well as immediate income with a demographic basis other than A62 (ANIA), the Company determines the mathematical reserve directly with the A62 base (ANIA) for immediate commitments and for generations, distinct by sex, and the technical rate 2% regardless of the first order bases used in the calculation of the premium and indicated in the relevant technical reports.

In addition, with regard to TCM linked to loans and average premium rates, the Company determines the mathematical reserves in a timely manner on the basis of the age, gender and remaining duration of the contract.

For policies with a revaluable benefit, the capital or pension has been adjusted according to the provisions of the respective policy conditions.

The gross rate of return for the period 1 November 2019 – 31 October 2020 achieved by the Separate Management "Norvita" was 2.44%, as certified by the Auditing Company. This rate will be attributed to revaluations with dates from 1 January 2021 to 31 December 2021.

The gross rate of return for the period 1 November 2019 – 31 October 2020 carried out by the Separate Management "Amissima Multicredit" was equal to 2.50%, as certified by the Auditing Company. This rate will be attributed to revaluations with dates from 1 January 2021 to 31 December 2021.

The annual gross rates of return of the Separate Management "C.Vitanuova" are recorded monthly at the end of the individual months, over an annual time horizon and are therefore attributed to revaluations with recurrence following the end of the third month following that of the survey. The revaluation procedure provides for the application of the return on an annual basis in the twelve months preceding the beginning of the third month preceding the revaluation date. In particular, the following are the last two available rates certified by the Auditing Company recorded in the 2020 financial year, in particular the rate recorded at the end of September 2020 and the rate recorded at the end of October 2020, which will be used respectively for revaluations with the anniversary of January 2021 and February 2021:

Month	Rate
January (certified)	2,41%
February (certified)	2,40%

These rates were also used to determine the principal revalued at the next recurrence for policies with the recurrence of January and February as part of interpolation for the purpose of calculating the mathematical reserve for those policies as of December 31, 2020.

For the management of interpolation as part of the calculation of the mathematical reserve on the evaluation date for policies with recurrences after February 2021, the following rates of return have been adopted, estimated by the Company's Investment Directorate:

Month	Rate
March	2,37%
April	2,41%
May	2,41%
June	2,42%
July	2,37%
August	2,37%
September	2,30%
October	2,26%
November	2,27%
December	2,21%

The amounts of the budget mathematical reserves relating to the annual premium forms shall include the unconsumed pure annual premium instalment; for split annual premium contracts, any premium instalments which have not yet expired have not been taken into account.

With regard to the contracts relating to tariff changes that have become necessary for the transposition of the regulatory provisions on equal treatment between genders, taking into account the provisions of the "Guidelines" issued by the Order of Actuaries and consistent with the solutions allowed therein, the Company, for these rates, has used, in general, both for the calculation of premiums and for the calculation of mathematical reserves, a unisex demographic base determined on the basis of the so-called "weighted risk", i.e. through a prudent weighting of the probabilities of death (the latter derived from mortality tables differentiated by sex) with weights derived from the company's experience.

Following the enactment of Law No. 221 of 17 December 2012 - conversion of decree law of 18 October 2012 n.179 - the Company verifies the need to make provisions to meet the obligation to repay the part of the premium paid, concerning the remaining period compared to the original maturity, in relation to policies related to mortgages and other loans for which a single premium has been paid by the debtor/insured person. The mathematical reserve for two collective loan-related tariffs, tariff V218 and rate V219 equal to the difference, if positive, between the pure re-metricised premium on the basis of the residual debt on the valuation date and also taking into account the contractual period spent and the

mathematical reserve is then supplemented. The component related to the uploads is considered covered by the combined provision of the presence of the reserve for future management costs and the agreement, which the Company has communicated to the writer that it has signed, with the distribution network, an agreement to return the portion of the purchase commissions received.

The amount of this reserve is **€ 96,035.37**.

The reserves relating to the above prizes were calculated on the basis of the amount of the above prizes for the year. For annual premium rates, the reserve shall be equal to the amount of the premium for the financial year; whereas for single premium tariffs, the reserve is equal to the amount of the surcharge dismantled linearly during the contractual term; in particular to the numerator of the calculation of the "pro rata" the company uses the difference between the years of contractual duration and the entirely elapsed between the effective date and the date of assessment, relating this difference to the years of contractual duration.

The total amount of mathematical reserves is **€ 6,151,769,610.23**; reserves above is **€ 757,545.48**.

## **b. Additional Technical provisions for financial risk**

In view of the characteristics and policy conditions of the portfolio contracts and the provisions of paragraphs 21, 22 and 23 of Annex 14 to ISVAP Regulation No 22 of 4 April 2008, it was necessary to set aside the additional reserve for guaranteed interest rate risk only in respect of contracts not linked to any separate management but which nevertheless provide for a financial guarantee, as shown below.

As of 31/12/2020, the Company's portfolio of liabilities, distinguished by Separate Management, presents the following distribution:

- For Norvita Separate Management, the financial guarantee of 1.00% and 0.00% represents about 67% of the entire Management portfolio, while the highest guarantees (5.00% and 4.00%) represent about 14% of the total Management. Specifically, the 5.00% guarantee represents 0.07% of liabilities.

- For the C.Vitanuova Separate Management, the maximum guarantee is 3.00% and represents less than 0.01% of the liabilities of the Management, while the guarantees of 1.00% and 0.00% represent more than 93% of the portfolio of liabilities.
- For Amissima Multicredit Separate Management, the policy portfolio is all about the 0.00% guarantee.

The Company, similar to the previous year, both for contracts not linked to any Separate Management but which still provide for a financial guarantee and for contracts linked to a Separate Management, applies Method C. This method provides for the possibility of offsetting, for each separate management/guarantee line, between balances of the opposite sign referring to the different levels of financial guarantee as well as to the different annual periods.

According to this approach, there is no need to set aside any reserve amount for both separate managements; on the other hand, a provision is required for contracts not linked to any separate management but which still provide for a financial guarantee (in particular for the TCM component), for which the Company, over a 5-year horizon, has defined a vector of predictable returns equal to the weighted average of the foreseeable returns of The Norvita Management and the foreseeable annual average of the C.Vitanuova Management.

The Company also presents in its portfolio some contracts, other than TCM, not linked to any separate management but which still provide a financial guarantee for a mathematical reserve amount equal to about 64 thousand euros not managed on the company's main management system and included in the calculation of the interest rate reserve of the Separate Norvita Management, in the relevant guarantee line.

The additional reserve was calculated using foreseeable returns as follows:



### Gestione Separata C.Vitanuova

Anno n	Tassi prevedibili	Anno n+1	Tassi prevedibili	Anno n+2	Tassi prevedibili	Anno n+3	Tassi prevedibili
GE'21	2,41%	GE'22	2,31%	GE'23	2,01%	GE'24	2,07%
FE'21	2,42%	FE'22	2,29%	FE'23	2,05%	FE'24	2,05%
MR'21	2,36%	MR'22	2,29%	MR'23	2,09%	MR'24	2,04%
AP'21	2,36%	AP'22	2,29%	AP'23	2,10%	AP'24	2,08%
MG'21	2,30%	MG'22	2,31%	MG'23	2,11%	MG'24	2,09%
GI'21	2,26%	GI'22	2,15%	GI'23	2,08%	GI'24	2,06%
LU'21	2,27%	LU'22	2,14%	LU'23	2,12%	LU'24	2,02%
AG'21	2,22%	AG'22	2,13%	AG'23	2,10%	AG'24	2,07%
SE'21	2,21%	SE'22	2,16%	SE'23	2,04%	SE'24	1,99%
OT'21	2,21%	OT'22	2,12%	OT'23	2,05%	OT'24	2,00%
NO'21	2,25%	NO'22	2,09%	NO'23	2,05%	NO'24	2,00%
DI'21	2,25%	DI'22	2,04%	DI'23	2,07%	DI'24	1,99%

### Gestione Separata Norvita

Anno	2021	2022	2023	2024	2025
Tasso	2,11%	2,13%	2,23%	2,52%	2,79%

### Weighted average of current and foreseeable returns for the two Gestioni Separate

2021	2022	2023	2024	2025
Tasso anno n	Tasso anno n+1	Tasso anno n+2	Tasso anno n+3	Tasso anno n+4
2,37%	2,20%	2,10%	2,10%	2,12%

The amount set aside is € 1,632,900.05.

### **c. Additional Technical provisions for decreasing rates**

The Company did not consider it necessary to place the additional reserve for rate decreases taking into account the provisions of paragraph 23 of Annex 14 to ISVAP Regulation No. 22 of 4 April 2008, on the basis of the following technical assessments.

For services related to separate internal management called Norvita and Amissima Multicredit, whose contracts all have a time gap between the period in which the return to be contractually recognized has accrued and the time at which this is recognized to insured persons, in accordance with paragraph 23 of Annex 14 to ISVAP Regulation No. 22 of 4 April 2008, it should be noted that there is currently no need to set aside a timephasing reserve. In fact, the first rate of the vector of predictable returns (defined as "current" i.e. in the course of maturation) was higher than the average rate that will be granted to policyholders in 2021 on the basis of the latest certified rate and the weighted average of the actual participation rates that take into account the corresponding minimum deductions.

Also for the C.Vitanuova Separate Management, despite having a reduced period of time lag, the Company announced that it had made a comparison between the average of the 2020 rates referred to in the carrier of foreseeable returns and the estimate of the average rate that will be recognized to policyholders in 2021, calculated taking into account the actual participation rates that in turn take into account the corresponding minimum deductions; this comparison did not revealed the need for provisioning for this additional reserve.

### **d. Additional Technical provisions for other risks**

Taking into account the characteristics and policy conditions of the portfolio contracts and the provisions of paragraph 35 to paragraph 38 of Annex 14 to ISVAP Regulation No 22 of 4 April 2008, it was necessary to set aside an additional reserve in order to supplement the mathematical reserves of the rent rates during the deferral period, in accordance with the technical assessments given in the following sub-paragraph.

For the establishment of this reserve, the annuities calculated according to demographic table A62 (ANIA) for immediate commitments and with the application of the shifting age (modified compared to the previous year also on the basis of the indications of the Actuarial Function), assumed as the basis of the Second Order, with the annuities calculated with the bases of the first order, proceeding as follows.

For annuity rates, the calculation was made analytically, i.e. the increase in the capital value of the annuity was determined, which is equal to:

$$I = a^* - a$$

Where:

$a^*$  indicates the deferred annuity of life obtained from the new technical basis;

$a$  indicates the deferred annuity of life, with the technical basis of the first order, relating to the individual types of contracts previously recalled.

Annuities are calculated at the expiry age for contracts in force during the deferral period.

The burden thus identified was then updated to 31 December 2020 in a financial demographic sense, not considering, as a precautionary measure, exit hypotheses other than mortality:

$$R = I * E$$

These amounts, in line with points 36, 37 and 38 of Annex 14 to ISVAP Regulation No. 22 of 4 April 2008, have been reduced on the basis of the assumption regarding the propensity to enjoy the pension, deriving from the results of the sample survey updated by ANIA (July 2020) of 8.028%.

All the hypotheses used, including those of a demographic nature, will, however, be checked annually and possibly modified on the basis of actual experience.

With regard to receiving pensions and immediate pensions with a demographic basis other than A62 (ANIA), the mathematical reserve was calculated directly with the A62 base (ANIA) for immediate commitments and for generations, distinct by sex, and the technical rate 2%: for them, therefore, a provision equal to the entire present value of the difference between the two annuities was considered. In this case, therefore, there was no need to set aside an additional reserve for demographic reasons since the mathematical reserve was calculated, according to a prudential approach, directly on a second-order basis. The calculation of this reserve was carried out directly on both life and pass management systems, replicating the methodology described above, policy by policy.

The Company has announced that it does not have capital rates with guaranteed conversion coefficients into annuities in its portfolio.

The resulting amount to be set aside and set up in full in 2020 is **€ 703,634.38**.

#### **e. Additional Technical provisions for management expenses**

The Company has verified the need to place an additional reserve for future expenses in line with the provisions of paragraph 35.1 of Annex 14 of Regulation No 22 of 4 April 2008 using the same methodology used in previous closures.

In order to verify therefore that there has been no deviation of the technical bases and that there is no need to constitute a specific additional reserve, the Company has carried out a comparison test calculating on the contracts in the portfolio at 31 December 2020 the present value of the monthly net balances between the administrative expenses, increased by the commissions that the Company expects to have to bear and deduct the uploads contained in any future premiums to be collected and the future financial income from the investment of premiums, not relegated to contracts and intended to finance management costs.

The assessment of future expenses is based on assumptions taken from the forecast budget used by the Company for ORSA purposes, provided by the administrative offices. The assumptions are based on the assessment of the marginal costs represented in the Business Plan and not on the final costs observed in

the current year. The Business Plan represents the actual costs and for the actual duration by looking at them from a perspective perspective and therefore more relevant to reality than to using the final costs that represent only what happened in past years.

In this way the so-called non-repeatable costs are automatically excluded because in the business plan, a cost that is only for a certain year and therefore not repeatable, is not reported in the following years.

The reference bases loaded analytically in the model are those deductibles from the budget with reference to the year 2021; the model also takes into account a specific add-on determined for the year 2021.

The Company, which periodically conducts internal analyses in order to determine the actual costs related to the different types of contracts, has made a quantification of the contract expenses differentiating between: acquisition costs, management costs and investment costs of the contracts in the portfolio, attributing different weights according to the different types of tariff, premium, profit participation. In particular, investment charges have been assumed to vary according to mathematical reserves, the others according to the number of contracts.

The Company has adopted assumptions of annual costs associated with the individual categories of contracts in the portfolio on the basis of historical evidence of such analyses, updated on the latest information available as described above.

For all contracts, with the exception of branch III contracts, the calculation of the reserve for future expenditure with first-order bases was carried out through the management systems in use, the calculation algorithms of which are subject to periodic checks.

As regards the assessment of the prospective costing, the Company carried out the analyses using a dedicated software, MG ALFA. All portfolio fees are regularly modeled after MG ALFA software.

Through the dedicated software, therefore, the Company has estimated, on the basis of "best estimate" assumptions, the monthly net balances between administrative expenses, increased commissions that are expected to have to pay to the sales network and deducted the uploads contained in any future

premiums to be collected and future financial income, deriving from the investment of premiums, not relegated to contracts and intended to finance future expenses.

For the assumptions adopted in the evaluation, the Company referred wherever possible to the company experience, the context of the Italian insurance market as well as the economic and financial scenarios of the markets at the valuation date. In particular:

- The interest rate for the discounting of the balances used for the verification was placed prudently equal to 60% of the TMO, i.e. 0.46%, which is lower than the annual reference rate in force (TAR) and in accordance with paragraph 14.1 of Annex 14 to ISVAP Regulation No 22 of 4 April 2008.
- As a return on assets, the foreseeable return vector communicated by the Investment Management was used, determined in accordance with the indications of ISVAP Regulation no. 22 of 4 April 2008 as amended by Measure No. 53 of 6 December 2016, on the basis of the Separate Reference Management for the years for which this carrier is available; for the following, rates estimated by the Company's Investment Directorate were used.
- A long-term inflation rate of 1.26% was adopted, used as part of the valuation model to increase annually the operating expenses expressed in absolute terms.
- For the profit-participation mechanism of traditional contracts linked to separate management, reference was made to the contractually regulated revaluation law for each tariff.
- The forfeiture assumptions used are the same as the projections used in Solvency 2 for all revaluable products. In the development, the rate of propensity to rent used in determining the additional reserve for demographic risk was also taken into account. The methodology, as communicated by the Company, remained unchanged from the evaluation of previous years.
- With regard to the traditional policy portfolio, a propensity to renew premiums of 100% was assumed for all annual premium contracts, while for single-premium contracts paying on the valuation date, however, the same methodology as the previous year applied with a greater degree of historical depth (6 years instead of 5 years) was used and broken down by guaranteed minimum.
- The actuarial evaluations were carried out through a weighted average of the textures assuming an actual mortality deduced from the SIM/SIF 2010 tables with a discount of 24.90% and 26.90%

respectively, excluding the TCM rates for which the SIM/SIF 2010 table was used with a discount of 50.60% and 52.80% respectively.

- The costs used are the latest available on the date on which this analysis was carried out.

From the findings, the Company did not consider it necessary to set aside any amount as an additional reserve for future expenses, compensating, in the context of the products of branch I° and V°, the results obtained on the tariffs in individual form and those in collective form.

The Company verifies, in line with the provisions of paragraph 35.1 of Annex 14 to Regulation No 22 of 4 April 2008, at macro level the need to set aside an additional reserve for demographic risk on rates other than annuities through the comparison provided for in paragraph 15.2; this verification did not highlight the need to set aside an additional reserve for this title.

#### **f. Profit participation Technical provisions**

In accordance with the provisions of IVASS Measure n° 68 of 14/02/2018, limited to the separate management "Amissima Multicredit", the Company has proceeded to constitute the relative reserve obtained as the component of net pluses realized not attributed to the financial result of the current period.

The total amount of this reserve amounts to **€ 42,973.00**.

#### **g. Technical provisions of unit and index linked contracts and class VI**

There are branch III products in the portfolio. The branch portfolio III° as of December 31, 2020 includes only products referred to in art. 41, paragraph 1, of Legislative Decree No. 209/2005. For unit-linked tariffs classified in branch III referred to in art. 2 of Legislative Decree No. 209/2005, in accordance with paragraph 39.3 of Annex 14 to ISVAP Regulation No 22 of 4 April 2008, the mathematical balance sheet reserves were calculated on the basis of the number and value of the shares of the respective Managements (investment lines) in force on the valuation date or the market value of the corresponding hedging assets.

The total amount of branch III contracts amounted to **€ 486,718,566.13**.

#### **h. Additional Technical provisions of unit and index linked contracts and pension products on class VI**

With regard to Unit Linked contracts, in relation to the different technical characteristics of the tariffs in the Company's portfolio, it was considered necessary to place their additional reserves in accordance with paragraph 41.1 of Annex 14 to ISVAP Regulation No. 22 of 4 April 2008.

The total amount of additional reserves of unit linked contracts, placed in class C.II.1, is equal to **€ 44,155.43**, of which **€ 27,667.91** related to the coverage of additional guarantees in the event of death and the residual **€ 16,487.52** related to the coverage of a service defined as a "loyalty bonus", calculated with applications other than the main management system.

This bonus, recognized only for the V773 and V783 rates of branch III°, is equal to the additional loading costs paid on the first recognised premium year, at the end of the insurance year in which the last agreed premium was paid, or fifteen full years have passed since the date of expiry of the policy, when premiums are to be paid for more than fifteen years.

#### **i. Technical provisions for future expenses**

The Company calculated the reserve for future management expenses in accordance with the criteria defined in paragraph 20 of Annex 14 to ISVAP Regulation No. 22 of 4 April 2008 based on the first-order assumptions for all contracts in the portfolio, with the exception of Unit Linked contracts. For the latter, the Company calculates the reserve for future operating expenses, also in light of what was suggested by the then Actuarial Function on the occasion of the closing of the 2016 financial statements, as provided for in paragraph 17 of Annex 14 of ISVAP Regulation No. 22 of 4 April 2008.

For consideration of the verification of the need to supplement the reserve for future expenditure, see paragraph 2.1.c) of this report.

The total reserves entered in Class C.II.5 of the financial statements amount to **€ 27,870,509.01**.



#### **j. Additional Technical provisions for general risks and other technical provisions**

It was not necessary to set up provisions for general risks or other technical reserves

as for the portfolio at 31/12/2020 the company calculates the technical reserves separately for each contract. Therefore, no reasonable approximation or generalization has been made and, in any case, the precondition for the creation of additional reserves for general risks or other technical reserves has not been fulfilled.

#### **k. Technical provisions for profit sharing and rebates**

Profit and rebate reserves shall include any amounts to be allocated to policyholders or beneficiaries of contracts as participation in technical profits and rebates obtained from financial management, provided that these amounts have not been allocated to policyholders or have not already been taken into account in the mathematical reserves.

It was not necessary to set up provisions for participation in profits and rebates as there are no contracts in the portfolio at 31/12/2020 for which the aforementioned condition is fulfilled.

#### **l. Technical provisions for sums to be paid**

Only amounts relating to portfolio transactions involving the settlement of amounts which, although defined in the amount, have not yet been paid were taken into account in these reserves.

The amount is **€ 49,106,938.12**.

#### **m. Technical provisions of supplementary insurance**

The technical reserves of supplementary insurance relate to individual contracts for the coverage of accident death and invalidity cover. For these reserves, in line with paragraph 18 of Annex 14 to ISVAP Regulation No. 22 of 4 April 2008, reference was made to the legislation regulating the technical reserves of the damage branches.

The premium reserves of supplementary accident insurance are calculated policy by policy by applying the pro rata temporis method.

On the other hand, with regard to the Claims Reserves for supplementary insurance, the exact capital subject to liquidation has been set up in reserve in accordance with the specific contractual rules; the corresponding amounts are entered in the Reserve for sums to be paid.

The amount of supplementary insurance reserves is **€ 28,597.48**.

.....

The total amount of technical reserves, before reinsurance disposals, amounted to **€ 6,718,675,429.31**.

## **2.2 Checks carried out on the Technical Provisions**

During 2020, I expanded the autonomous audits, both methodological and operational. In the course of 2021, however, further refinements and in-depth studies are planned where and if deemed necessary.

Below are the technical evaluations and the hypotheses supporting the establishment of the different technical reserves whose calculation methodology has been described in the previous sub-paragraph.

With the exception of certain cases of mathematical reserves as described above, the technical bases used in the calculation of technical reserves are those of the first order in application of the principle of sufficient prudence contained in ISVAP Regulation No 22 of 4 April 2008, taking into account the criteria for assessing activities representative of technical. This choice was supported by an analysis of the development of the technical bases of The First and Second Levels (demographic, financial, expenditure components) which imposed the need to intervene, also following the provisions given by IVASS (formerly ISVAP), on the demographic component of pension insurance and on the financial component in relation to the guaranteed rate of return, as shown below.

#### **a. Financial assumptions**

In relation to paragraph 22.1 of Annex 14 to ISVAP Regulation No 22 of 4 April 2008, it was necessary to establish the additional reserve for guaranteed interest rate risk only for contracts not linked to any separate management but which still present a financial guarantee, taking into account the foreseeable returns determined in accordance with and in accordance with the methodology described in paragraphs 24 to 32 of Annex 14 to ISVAP Regulation No 22 of 4 April 2008.

This reserve was calculated by applying the "C" methodology provided for in Annex 14-bis of ISVAP Regulation No. 22 of 4 April 2008, considered consistent with the composition of the portfolio of separate managements less and less exposed, also in the future, to high guarantee lines. In particular, the evaluations carried out also took into account contracts issued before 19 May 1995, taking into account the provisions of that Regulation in relation to the trend and the value assumed by the foreseeable rates of return.

The writer retraced, on the basis of the inputs transmitted by the Company, the applied calculation methodology, both on the re-evaluable component and on the TCM component.

The Company has not considered setting aside an additional reserve to deal with the decrease in rates of return over time and the consequent misalignment with the related commitments made by the Company as a result of participation in profits. This is in relation to the comparative analysis of contractual commitments entered into, the returns of assets to cover technical reserves and the verification of their effect with regard to each of the Separate Managements. The writer, always on the basis of the information made available by the Company, independently made the aforementioned comparison with reference to both Separate Managements not highlighting critical issues regarding the non-need for provisioning.

For Unit Linked policies alone, the provisions of paragraph 39.3 of Annex 14 to ISVAP Regulation No 22 of 4 April 2008 and paragraph 40.3 of that Annex, which provide that the corresponding reserves shall be represented as approximately as possible by reference assets valued at market prices, have applied.

Without prejudice to the foreword, on the basis of the valuations made taking into account the Company's assets, the projections made for the calculation of foreseeable returns, the limits imposed by the legislation and the foreseeable evolution of the money and financial markets, it is considered that the financial assumptions used by the Company for the calculation of technical reserves are adequate also taking into account the additional reserves set aside for this purpose.

## **b. Demographic assumptions and other technical bases**

The population base indicated when defining the tariff shall be used in the calculation of the mathematical reserves of the tariffs for branch I and branch III.

In the case of death rates, mathematical reserves are calculated on a demographic basis of the first order, except in the cases expressly indicated where a second-order technical basis is used.

Monitoring the tightness of the top-notch demographic bases has led, as indicated above, to the provision:

- additional reserve for demographic risk for annuity rates
- supplementary reserve to the mathematical reserve for TCM rates linked to loans.

Both with reference to the additional reserve for demographic risk for pension rates and with reference to the supplementary reserve to the mathematical reserve for TCM rates linked to loans, the writer independently retraced the calculation made by the Company for all the policies covered by the provision in question, being able to confirm that the logics used by the Company in this calculation are in line with those communicated by the same to the writer and reported in the previous paragraph, taking into account what is stated in the same paragraph regarding the slight overestimation of the additional reserve for demographic risk for pension rates.

Without prejudice to the foreword, on the basis of the assessments made taking into account the mortality differentials between the demographic technical base of the first order and the demographic technical basis of the Second Order, it is considered that the demographic hypotheses for the calculation

of technical reserves are adequate also taking into account the additional reserves set aside for this purpose.

### **c. Assumptions for future expenses**

The reserve for future expenses was determined for all contracts in the portfolio, with the exception of branch III contracts, in accordance with paragraph 20 of Annex 14 to ISVAP Regulation No 22 of 4 April 2008 and then using the first-class assumptions and then comparing the technical bases used in the calculation of the reserve with the results of direct portfolio experience using the methodology described above.

The Company has determined the reserve for future management expenses for branch III contracts using second-order assumptions as provided for in paragraph 17 of Annex 14 to ISVAP Regulation No. 22 of 4 April 2008.

With particular reference to the determination of the additional reserve for future expenses, the writer analyzed the logics and hypotheses underlying the calculation, not proceeding to autonomous elaborations to verify the calculation procedures that are already provided for as part of the work plan scheduled for the year 2021.

Without prejudice to the foreword and paragraph of the General Comments of this Report, on the basis of the assessments made taking into account the prospective evolution of expenditure and other variables affecting the assessment under consideration in the context of the application of the methodology used for the reserve for future management expenditure and the results also in the budget forms of the comparison between theoretical and actual expenditure, it is considered that the assumptions regarding future expenses for the calculation of technical reserves are adequate also taking into account the methodology used by the Company for the determination of any additional reserve to be set aside for this purpose.

### **d. Other technical bases**

No other technical bases have been applied.

#### e. Calculation procedures

Without prejudice to the work plan planned by the writer for the year 2021, the correctness of the procedures for calculating the LIFE and PASS management IT systems, the main management systems, and the external applications used by the Company for the determination of certain types of reserves, has been verified by the writer with the following methods.

As already mentioned in paragraph 1 of this report, checks have been carried out on the individual items of technical reserves as at 31 December 2020, with particular reference to mathematical reserves and reserves for future management expenditure developed by the LIFE and PASS management systems.

In particular, for these types of reserves, at 31 December 2020, an adequate number of contracts in surplus of the main existing tariffs were selected, and the amount of the reserve analysed was recalculated, on the basis of all the useful information on the individual head, with autonomous procedures. This amount was compared with the amount charged for this purpose by the Company drawn up by the management authorities (LIFE and PASS) and the differences found were irrelevant.

The writer independently carried out on all contracts the verification of the calculation methodologies also of the technical reserves of supplementary insurance, on the basis of the information regarding the premiums related to this coverage received by the Company.

The checks carried out revealed no critical issues.

Specific autonomous recalculations, on all policies with both an annual premium and a single premium and both for collective and individual tariffs, were also carried out with reference to the superprime reserve; again, no critical issues have emerged from the checks carried out. For the independent checks carried out by the writer on the additional reserves not elaborated by the LIFE and PASS management systems, please refer to what was previously reported in this report. The aforementioned checks, with possible implementations also related to types of technical reserves not yet subject to independent verification elaborations, will be systematically carried out in the future on a continuous basis, also with

reference to the rates and types of reserves already tested, with the aim, provided for by the more general verification plan from me, to reach 100% as well as to test policies also referring to states other than the active state.

The following table shows the results of the sample checks on the most representative tariffs representing about 76% of the portfolio in place at the balance sheet date in terms of mathematical reserve.

<b>Tariffa</b>	<b>Forma</b>	<b>Ris Mat</b>	<b>Peso %</b>	<b>Peso % Cum</b>	<b>Scarto %</b>
V203	<i>Vita Intera PUR</i>	1.137.937.823	17%	17%	0,00%
V370	<i>Mista PUR</i>	815.062.993	12%	29%	0,00%
V202	<i>Vita Intera PUR</i>	473.775.109	7%	37%	0,00%
V204	<i>Vita Intera PUR</i>	458.724.266	7%	43%	0,00%
V200	<i>Vita Intera PUR</i>	419.950.199	6%	50%	0,00%
V188	<i>Vita Intera PUR</i>	362.603.560	5%	55%	0,00%
V201	<i>Vita Intera PU</i>	324.715.270	5%	60%	0,00%
V368	<i>Mista PU</i>	247.527.448	4%	64%	0,00%
V187	<i>Vita Intera PU</i>	236.956.887	4%	67%	0,00%
V175	<i>Vita Intera PU</i>	221.261.865	3%	71%	0,00%
V186	<i>Vita Intera PU</i>	186.290.859	3%	74%	0,00%
V726	<i>Unit Linked PU</i>	97.959.691	1%	75%	0,00%
V367	<i>Mista PU</i>	71.921.867	1%	76%	0,00%

The Actuarial Function has independently carried out on all contracts the verification of the calculation methodologies also of the technical reserves of supplementary insurance, on the basis of the information regarding the premiums related to this coverage received by the Company. The checks carried out revealed no critical issues.

Specific autonomous recalculations, on all policies with both an annual premium and a single premium and both for collective and individual tariffs, were also carried out with regard to the superpumping reserve. Here, too, no critical issues have emerged from the checks carried out.

For the autonomous checks carried out by the Actuarial Function on the additional reserves not elaborated by the Life and Pass management systems, please refer to the above in this report. The

aforementioned checks, with possible implementations also related to types of technical reserves not yet subject to independent verification elaborations, will be systematically carried out in the future on a continuous basis, also with reference to the rates and types of reserves already tested, with the aim, provided for by the more general verification plan from me, to reach 100% as well as to test policies also referring to states other than the active state.

### **3. Values**

Annex (d) shows the Company's technical reserves distributed by type of reserve and by ministerial branch.

### **4. Observations**

#### *a) General observations*

The writer has assumed the specific task of verifying the technical reservations of direct work for the purpose of drawing up the financial statements referred to in Chapter II and III of Title VIII of Legislative Decree No. 209 of 7 September 2005 as an extension of the actuarial function activity following the enactment of IVASS Measure n. 53 of 6 December 2016. In the course of 2021, however, further refinements and in-depth studies are planned where and if deemed necessary. All the considerations, analyses, observations and findings of this Report should be read on the basis of the documentation made available to the writer by the Company at the date of drafting of this Report.

In particular, these checks will cover checks on the assessment and squaring of the portfolio, as well as in general all methodologies for calculating technical reserves, including additional reserves.

However, on the basis of the activities already carried out by the Company and verified by the writer as reported in this report as well as taking into account all the analyses, audits and considerations carried out and reported in this report, it is considered that the sufficiency of all technical reserves as at 31 December 2020 is not affected by the residual activities that the Company will have to carry out in this regard.



**b) Critical**

No critical remark.

## **5. Findings**

Reasons that do not allow or make it impossible to express a judgment of sufficiency of the Company's technical reservations are excluded.

## **6. Opinion on the Technical Provisions**

On the basis of the above, I certify the correctness of the procedures followed by the company in calculating the technical reserves of the Italian direct portfolio that compagnia Amissima Vita S.p.A. intends to enter in the financial statements for the financial year 2020, for an amount of € 6,718,675,429.31 considered, in my opinion, to be sufficient overall to meet the costs and obligations assumed towards insured persons, in accordance with the current legal and regulatory provisions.

**Milan, 15 February 2021**

Actuarial function

prof. Nino Savelli

## ANNEX A

**CARRIERS OF THE CURRENT AND FORESEEABLE YIELD RATES USED IN THE  
ASSESSMENT OF THE ADDITIONAL TECHNICAL PROVISIONS FOR GUARANTEED  
INTEREST RATE RISK**

### Gestione Separata C.Vitanuova

<b>Anno n</b>	<b>Tassi prevedibili</b>	<b>Anno n+1</b>	<b>Tassi prevedibili</b>	<b>Anno n+2</b>	<b>Tassi prevedibili</b>	<b>Anno n+3</b>	<b>Tassi prevedibili</b>
GE'21	2,41%	GE'22	2,31%	GE'23	2,01%	GE'24	2,07%
FE'21	2,42%	FE'22	2,29%	FE'23	2,05%	FE'24	2,05%
MR'21	2,36%	MR'22	2,29%	MR'23	2,09%	MR'24	2,04%
AP'21	2,36%	AP'22	2,29%	AP'23	2,10%	AP'24	2,08%
MG'21	2,30%	MG'22	2,31%	MG'23	2,11%	MG'24	2,09%
GI'21	2,26%	GI'22	2,15%	GI'23	2,08%	GI'24	2,06%
LU'21	2,27%	LU'22	2,14%	LU'23	2,12%	LU'24	2,02%
AG'21	2,22%	AG'22	2,13%	AG'23	2,10%	AG'24	2,07%
SE'21	2,21%	SE'22	2,16%	SE'23	2,04%	SE'24	1,99%
OT'21	2,21%	OT'22	2,12%	OT'23	2,05%	OT'24	2,00%
NO'21	2,25%	NO'22	2,09%	NO'23	2,05%	NO'24	2,00%
DI'21	2,25%	DI'22	2,04%	DI'23	2,07%	DI'24	1,99%

### Gestione Separata Norvita

<b>Anno</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
<b>Tasso</b>	2,11%	2,13%	2,23%	2,52%	2,79%

**Media ponderata dei rendimenti attuali e prevedibili relativi alle due Gestioni Separate**

Media ponderata dei rendimenti delle due gestioni, con pesi pari alle riserve associate alle due gestioni	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
	<b>Tasso anno</b>	<b>Tasso anno</b>	<b>Tasso anno</b>	<b>Tasso anno</b>	<b>Tasso anno</b>
	<b>n</b>	<b>n+1</b>	<b>n+2</b>	<b>n+3</b>	<b>n+4</b>
	2,37%	2,20%	2,10%	2,10%	2,12%

## **ANNEX B**

### **EVIDENCE OF THE MATHEMATICAL RESERVE AMOUNTS DISTINGUISHED BY GUARANTEED RATE AND BY STRUCTURE OF THE GUARANTEES OFFERED**

Denominazione Gestione/Altro	Linee di garanzia	Struttura delle Garanzie	Riserva matematica importi in €
<b>NORVITA</b>	<b>5,0%</b>	Consolidamento annuale	1.114.172
	<b>4,0%</b>	Consolidamento annuale	217.324.970
	<b>3,0%</b>	Consolidamento annuale	49.115.420
	<b>2,5%</b>	Garantito a scadenza	99.213
	<b>2,0%</b>	Consolidamento annuale	214.283.309
	<b>2,0%</b>	Garantito a scadenza	0
	<b>1,0%</b>	Consolidamento annuale	536.319.494
	<b>0,0%</b>	Consolidamento annuale	483.459.085
<b>Totale Gestione NORVITA</b>			<b>1.501.715.664</b>
<b>C.VITANUOVA</b>	<b>3,0%</b>	Consolidamento annuale	44.150
	<b>2,5%</b>	Consolidamento annuale	1.728.298
	<b>2,0%</b>	Consolidamento annuale	309.098.270
	<b>2,0%</b>	Garantito a scadenza	0
	<b>1,0%</b>	Consolidamento annuale	14.694.885
	<b>1,0%</b>	Garantito a scadenza	18.221.978
	<b>0,0%</b>	Consolidamento annuale	4.234.213.176
<b>Totale Gestione C.VITANUOVA</b>			<b>4.578.000.757</b>
<b>AMISSIMA MULTICREDIT</b>	<b>0,0%</b>	Garantito a scadenza	52.851.190
<b>Totale Gestione AMISSIMA MULTICREDIT</b>			<b>52.851.190</b>
<b>Altro*</b>	<b>4,0%</b>	Consolidamento annuale	64.748
	<b>3,0%</b>	Consolidamento annuale	0
<b>Totale Altro</b>			<b>64.748</b>

\* contracts with interest rate guarantee although not linked to separate Managers: Indexed, adjustable and other.

## ANNEX C

### TABLE OF THE TECHNICAL BASES OF THE MAIN RATES AND RESERVES

## Individual

Tariffa	Descrizione	Base demografica di 1° ordine		Base finanziaria di 1° ordine
		Durante il differimento	Dopo il differimento	
I389	Capit.diff. P.U.I.	SIM71M		2,00%
V181	Capit.diff. P.A.	SIM71M		3,00%
V191	Capit.diff. P.A.	SIM71M		4,00%
V199	Capit.diff. P.U.	SIM71M		4,00%
V281	Capit.diff. P.A.	SIM71M		3,00%
V291	Capit.diff. P.A.	SIM71M		4,00%
V381	Capit.diff. P.A.	SIM71M		2,00%
V389	Capit.diff. P.U.	SIM71M		2,00%
V481	Capit.diff. P.A.	SIM71M		2,00%
V581	Capit.diff. P.A.	SIM71M		2,00%
V681	Capit.diff. P.A.	SIM71M		2,00%
V689	Capit.diff. P.U.	SIM71M		2,00%
S400	Capitalizzazione Riv P.U.			0,00%
V404	Capitalizzazione Riv P.U.			4,00%
V405	Capitalizzazione Riv P.U.			3,00%
V415	Capitalizzazione Riv P.U.			0,00%
V416	Capitalizzazione Riv P.U.			0,00%
V418	Capitalizzazione Riv P.U.			0,00%
V430	Capitalizzazione Riv P.U.			0,00%
V431	Capitalizzazione Riv P.U.			0,00%
V432	Capitalizzazione Riv P.U.			0,00%
V790	FIP LINEA 1	SIM92M		0,00%
I266	Mista Rivalutabile P.U.I.	SIM81M		3,00%
I267	Mista Rivalutabile P.U.I.	SIM81M		0,00%
V250	Mista Rivalutabile P.A.	SIM51M		4,00%
V255	Mista Rivalutabile P.A.	SIM81M		4,00%
V256	Mista Rivalutabile P.A.	SIM81M		3,00%
V257	Mista Rivalutabile P.A.	SIM81M		0,00%
V258	Mista Rivalutabile P.A.	SIM81M		0,00%
V265	Mista Rivalutabile P.U.	SIM81M		4,00%
V266	Mista Rivalutabile P.U.	SIM81M		3,00%



V268	Mista Rivalutabile P.U.	SIM81M		0,00%
V349	Mista Rivalutabile P.U.	SIM92M		0,00%
V350	Mista Rivalutabile P.U.	SIM92M		0,00%
V351	Mista Rivalutabile P.A.	SIM51M		4,00%
V353	Mista Rivalutabile P.U.	SIM92M		0,00%
V354	Mista Rivalutabile P.U.	SIM92M		0,00%
V355	Mista Rivalutabile P.A.	SIM81M		4,00%
V356	Mista Rivalutabile P.A.	SIM81M		3,00%
V357	Mista Rivalutabile P.A.	SIM81M		0,00%
V358	Mista Rivalutabile P.A.	SIM81M		0,00%
V364	Mista Rivalutabile P.U.	SIM92M		0,00%
V365	Mista Rivalutabile P.U.	SIM92M		0,00%
V366	Mista Rivalutabile P.U.	SIM92M		0,00%
V367	Mista Rivalutabile P.U.	SIM92		0,00%
V368	Mista Rivalutabile P.U.	SIM92		0,00%
V369	Mista Rivalutabile P.U.	SI2010 Unisex		0,00%
V370	Mista Rivalutabile P.U.	SIM92		0,00%
T197	Rendita diff Riv P.U.	SIM71M	SIM71PS	4,00%
V192	Rendita Vit. Imm P.U.	SIM71PS	SIM71PS	4,00%
V193	Rendita Vit. Imm P.U. su 2 T	SIM71PS	SIM71PS	4,00%
V194	Rendita Vit. Imm P.U. su 2 T	SIM92	SIM92	3,00%
V195	Rendita diff Riv P.A.	SIM71M	SIM71PS	4,00%
V197	Rendita diff Riv P.U.	SIM71M	SIM71PS	4,00%
V290	Rendita diff Riv P.A.	SIM31	SIM51	4,00%
V292	Rendita diff Riv P.U.	SIM31	SIM51	4,00%
V295	Rendita diff Riv P.A.	SIM71M	SIM71PS	4,00%
V395	Rendita diff Riv P.A.	SIM31	SIM51	4,00%
V582	Rendita diff Riv P.A.	IPS55 U 50% Maschi/50% Femmine		2,00%
V583	Rendita diff Riv P.U.	IPS55 U 50% Maschi/50% Femmine		2,00%
V584	Rendita diff Riv P.U.	IPS55 U 50% Maschi/50% Femmine		2,00%
V585	Rendita diff Riv P.A.	RG48M	RG48M	2,50%
V586	Rendita diff Riv P.A.	RG48F	RG48F	2,50%
V587	Rendita diff Riv P.U.	RG48M	RG48M	2,50%
V595	Rendita diff Riv P.A.	RG48M	RG48M	2,50%
V596	Rendita diff Riv P.A.	RG48F	RG48F	2,50%
V597	Rendita diff Riv P.A.	IPS55 M F	IPS55 M F	2,00%
V598	Rendita diff Riv P.A.	IPS55 M F	IPS55 M F	2,00%
V685	Rendita diff Riv P.A.	RG48M	RG48M	2,50%

V686	Rendita diff Riv P.A.	RG48F	RG48F	2,50%
V695	Rendita Vit. Imm P.U.	RG48MF	RG48MF	2,00%
V697	Rendita diff Riv P.A.	RG48M	RG48M	2,50%
V698	Rendita diff Riv P.A.	RG48F	RG48F	2,50%
B003	Temp. Caso Morte abbinata	SIM81M		4,00%
B005	Temp. Caso Morte abbinata	SIM81M		4,00%
TL20	Temp. Caso Morte PA	SIM81M		4,00%
V216	Temp. Caso Morte PA	SIM81M		4,00%
V217	Temp. Caso Morte PU	SIM81M		4,00%
V218	Temp. Caso Morte PU	SIM81M		4,00%
V220	Temp. Caso Morte PA	SIM81M		4,00%
V226	Temp. Caso Morte PA	SIM81M		4,00%
V227	Temp. Caso Morte PA	SIM92MF		4,00%
V240	Temp. Caso Morte PA	SIM92M		3,00%
V310	Temp. Caso Morte PU	SIM92MF		4,00%
V311	Temp. Caso Morte PA	SIM92MF		4,00%
V314	Temp. Caso Morte PA	Base unisex 80% SIM 2004/20% SIF 2004		2,50%
V420	Temp. Caso Morte PA	SIM92M		4,00%
V422	Temp. Caso Morte PU	SIM92M		4,00%
V531	Temp. Caso Morte PU fum	92MFUM		4,00%
V532	Temp. Caso Morte PU fum	92FFUM		4,00%
V540	Temp. Caso Morte PA	SIM92M		2,00%
V541	Temp. Caso Morte PU non fum	92MNFUM		4,00%
V542	Temp. Caso Morte PU non fum	92FNFUM		4,00%
V551	Temp. Caso Morte PA fum	92MFUM		4,00%
V552	Temp. Caso Morte PA fum	92FFUM		4,00%
V561	Temp. Caso Morte PA non fum	92MNFUM		4,00%
V562	Temp. Caso Morte PA non fum	92FNFUM		4,00%
V571	Temp. Caso Morte PA fum	92MFUM		4,00%
V572	Temp. Caso Morte PA fum	92FFUM		4,00%
V591	Temp. Caso Morte PA non fum	92MNFUM		4,00%
V592	Temp. Caso Morte PA non fum	92FNFUM		4,00%
V593	Temp. Caso Morte PA	SIMF2004		4,00%
V594	Temp. Caso Morte PU	SIMF2004		4,00%
V602	Temp. Caso Morte PA	Base unisex 80% SIM 2004/20% SIF 2004		3,00%
V603	Temp. Caso Morte PU	Base unisex 80% SIM 2004/20% SIF 2004		3,00%
V604	Temp. Caso morte PA 3 anni durata	Maschi femmine 80/20 di SIM/SIF 2004.		2,00%
V605	Temp. Caso Morte PA non fum	SIM/SIF 2004 (con mix 80%/20%)sc 26,60%		1,50%

V606	Temp. Caso Morte PA fum	SIM/SIF 2004 (con mix 80%/20%) incrementata 12,10%		1,50%
V360	Tipo misto Termine Fisso PA	SIM92M		0,00%
V811	Tipo misto PA	SIM81M		4,00%
V720	Unit linked a P.U.R.	*SIM92 sc10%		0,00%
V761	Unit linked a P.U.	*SIM92 sc10%		0,00%
V762	Unit linked a P.U.	*SIM92 sc10%		0,00%
V763	Unit linked a P.U.	*SIM92 sc10%		0,00%
V725	Unit linked a P.U.	*SIM2004		0,00%
V726	Unit linked a P.U.	*SIM2004		0,00%
V727	Unit linked a P.U.	*SIM2004		0,00%
V751	Unit linked a P.U.R.	*SIM92 sc10%		0,00%
V752	Unit linked a P.U.R.	*SIM92 sc10%		0,00%
V753	Unit linked a P.U.R.	*SIM92 sc10%		0,00%
V773	Unit linked a P.U.R.	*SIM92 sc10%		0,00%
V783	Unit linked a P.U.R.	*SIM92 sc10%		0,00%
V740	Multiramo 80_20	2004 M		0,00%
V741	Multiramo 70_30	2004 M		0,00%
V742	Multiramo 50_50	2004 M		0,00%
V743	Multiramo 30_70	2004M		0,00%
V744	Multiramo 80_20	2004M		0,00%
V745	Multiramo 70_30	2004M		0,00%
V746	Multiramo 50_50	2004M		0,00%
V747	Multiramo 30_70	2004M		0,00%
V748	Multiramo (ramo 1)	SI2010 Unisex		0,00%
V749	Multiramo (ramo 1)	SI2010 Unisex		0,00%
U748	Multiramo (ramo 3)	SI2010 Unisex		0,00%
U749	Multiramo (ramo 3)	SI2010 Unisex		0,00%
V800	Multiramo (ramo 1)	2004 M		0,00%
V801	Multiramo (ramo 1)	2004 M		0,00%
V802	Multiramo (ramo 1)	SI2010 Unisex		0,00%
U800	Multiramo (ramo 3)	2004 M		0,00%
U801	Multiramo (ramo 3)	2004 M		0,00%
U802	Multiramo (ramo 3)	SI2010 Unisex		0,00%
B002	Vita intera a P.U.R.	SIM81M		0,00%
B004	Vita intera a P.U.R.	SIM81M		0,00%
T164	Vita intera a P.U.	SIM81M		4,00%
V123	Vita intera a P.U.	SIM92M		0,00%
V124	Vita intera a P.U.	SIM92M		0,00%

V125	Vita intera a P.U.	SIM92M		0,00%
V126	Vita intera a P.U.	SIM92M		0,00%
V128	Vita intera a P.U.	SI2010 Unisex		0,00%
V129	Vita intera a P.U.	SI2010 Unisex		0,00%
V161	Vita intera a P.A.T	SIM81M		3,00%
V162	Vita intera a P.U.	SIM81M		0,00%
V163	Vita intera a P.U.	SIM81M		3,00%
V164	Vita intera a P.U.	SIM81M		4,00%
V165	Vita intera a P.A.T	SIM81M		0,00%
V166	Vita intera a P.A.T	SIM81M		3,00%
V167	Vita intera a P.A.T	SIM81M		4,00%
V168	Vita intera a P.A.T	SIM81M		0,00%
V169	Vita intera a P.A.T	SIM81M		3,00%
V170	Vita intera a P.A.T	SIM81M		4,00%
V172	Vita intera a P.A.T	SIM81M		3,00%
V175	Vita intera a P.U.R.	SIM81M		0,00%
V176	Vita intera a P.U.R.	SIM81M		0,00%
V177	Vita intera a P.U.R.	SIM81M		0,00%
V178	Vita intera a P.A.T	SIM81M		0,00%
V179	Vita intera a P.A.T	SIM81M		0,00%
V180	Vita intera a P.U.	SIM81M		0,00%
V183	Vita intera a P.U.	SIM92		0,00%
V184	Vita intera a P.U.R.	SIM92		0,00%
V185	Vita intera a P.U.R.	SIM81M		0,00%
V186	Vita intera a P.U.R.	SIM92		0,00%
V187	Vita intera a P.U.R.	SIM92		0,00%
V188	Vita intera a P.U. cedola	SIM92		0,00%
V200	Vita intera a P.U.R.	SIM92		0,00%
V201	Vita intera a P.U. cedola	SIM92		0,00%
V202	Vita intera a P.U.R.	SIM92		0,00%
V203	Vita intera a P.U. cedola	SIM92		0,00%
V204	Vita intera a P.U.R.	SIM92		0,00%
V205	Vita intera P.U.	SI2020 Unisex		0,00%
V206	Vita intera P.U.R.	SI2020 Unisex		0,00%
W177	Vita intera a P.U.R.	SIM81M		0,00%

## Collective

Tariffa	Descrizione	Base demografica di 1° ordine		Base finanziaria di 1° ordine
		Durante il differimento	Dopo il differimento	
V044	Capitalizzazione Riv P.U.			3,00%
V400	Capitalizzazione Riv P.U.			0,00%
V404	Capitalizzazione Riv P.U.			4,00%
V410	Capitalizzazione Riv P.U.			0,00%
V415	Capitalizzazione Riv P.U.			0,00%
V416	Capitalizzazione Riv P.U.			0,00%
V417	Capitalizzazione Riv P.U.			0,00%
V418	Capitalizzazione Riv P.U.			0,00%
V197	Rendita diff riv P.U.	SIM71	SIM71PS	4,00%
V219	TCM a cap. decrescente P.U.	SIM2000		0,00%
V221	TCM a cap. decrescente P.U.	SIM 2004		0,00%
V310	TCM debito residuo P.U.	SI 2004		4,00%
V312	TCM debito residuo P.U.			4,00%
V716	Temp. Caso Morte di Gruppo	80%SIM 20%SIF 2004		0,00%

*The technical bases of the premiums and reserves are different:*

- *in the rates of immediate annuity or in receipt where the Reserve is calculated with A62 (ANIA) for immediate commitments and generations and 2% financial basis.*
- *V218 collective rates where the premium is average in terms of duration, age and sex and the reserve is punctual in terms of age and duration.*

*\* For the Unit and Index Linked, the demographic and financial base refer to the guarantee in the event of death.*

## ANNEX D

### **EVIDENCE OF THE AMOUNTS OF THE INDIVIDUAL TECHNICAL PROVISIO ITEMS RELATING TO EACH SINGLE BRANCH**

TIPOLOGIA DI RISERVA	RAMO I	RAMO II	RAMO III	RAMO IV	RAMO V	RAMO VI	TOTALE
<b>LAVORO DIRETTO</b>							
Riserve matematiche per premi puri	5.990.600.072,34				161.169.537,89		<b>6.151.769.610,23</b>
Riserva soprapremi sanitari e professionali	757.545,48						<b>757.545,48</b>
Riserva aggiuntiva per rischio di tasso di interesse	1.632.900,05						<b>1.632.900,05</b>
Riserva aggiuntiva per sfasamento temporale							<b>0</b>
Riserva aggiuntiva per rischio demografico	703.634,38						<b>703.634,38</b>
Altre riserve aggiuntive							<b>0</b>
Riserva Fondo Utili	42.973,00						<b>42.973,00</b>
Riserve aggiuntive art 41. Co.4. del d.lgs. 209/2005			44.155,43				<b>44.155,43</b>
<b>Totale riserva matematica classe C.II.1</b>	<b>5.993.737.125,25</b>		<b>44.155,43</b>		<b>161.169.537,89</b>		<b>6.154.950.818,57</b>
Riserva per spese future (classe C.II.5)	26.938.325,5154		89.657,3062		842.526,1900		<b>27.870.509,01</b>
Riserve suppl per rischi generali (classe C.II.5)							
Altre riserve tecniche (classe C.II.5)							
Riserva per partecipaz utili e ristorni (classe C.II.4)							
Riserva per somme da pagare (classe C.II.3)	46.863.942,86		636.281,30		1.606.713,96		<b>49.106.938,12</b>
Riserva premi delle ass.ni compl. (classe C.II.2)	28.597,48						<b>28.597,48</b>
<b>Totale riserve tecniche classe C</b>	<b>6.067.567.991,11</b>		<b>770.094,04</b>		<b>163.618.778,04</b>		<b>6.231.956.863,18</b>
Riserve classe D.I contratti di cui all'articolo 41. comma 1. del d.lgs. 209/2005			486.718.566,13				<b>486.718.566,13</b>
Riserve classe D.I contratti di cui all'articolo 41. comma 2. del d.lgs. 209/2005							
<b>Totale riserve di classe D.I</b>			486.718.566,13				<b>486.718.566,13</b>
<b>Totale riserve di classe D.II</b>							
<b>TOTALE RISERVE TECNICHE LAVORO DIRETTO</b>	<b>6.067.567.991,11</b>		<b>487.488.660,17</b>		<b>163.618.778,04</b>		<b>6.718.675.429,31</b>
<b>TOTALE RISERVE TECNICHE LAVORO INDIRETTO</b>							
<b>TOTALE RISERVE TECNICHE</b>	<b>6.067.567.991,11</b>		<b>487.488.660,17</b>	-	<b>163.618.778,04</b>		<b>6.718.675.429,31</b>







## EXTERNAL AUDITORS' REPORT



Independent auditor's report pursuant to article 14 of Legislative Decree n. 39, dated 27 January 2010, to article 10 of EU Regulation n. 537/2014 and to article 102 of Legislative Decree n. 209, dated 7 September 2005

*(Translation from the original Italian text)*

To the shareholder of  
Amissima Vita S.p.A.

## Report on the Audit of the Financial Statements

### Opinion

We have audited the financial statements of Amissima Vita S.p.A. (the Company), which comprise the balance sheet as at December 31, 2020, the income statement for the year then ended, and the explanatory notes.

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at December 31, 2020, and of its financial performance for the year then ended, in accordance with Italian regulations governing financial statements.

### 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 *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

We are independent of the Company in accordance with the regulations and standards on ethics and independence applicable to audits of financial statements under Italian Laws. 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 judgment, were of most significance in our audit of the financial statements of the current period. 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.

We identified the following key audit matters:

Key Audit Matters	Audit Responses
<p><b>Evaluation of illiquid or complex financial investments</b></p> <p>The financial statements at 31 December 2020 include unlisted bonds for an amount equal to Eur 85,169 thousand and investments in units for an amount equal to Eur 756,091 thousand, mainly referring to the units owned in sub-funds of Amissima Diversified Income ICAV (Irish Collective Asset-management Vehicle), a legal entity supervised by the Central Bank Irish definable as an investment fund organized according to a sub-fund structure. This ICAV was created to manage assets aimed to achieve the strategic pillars of the Amissima Group, for this reason, the ICAV sectors are at complete and exclusive service of Amissima Vita and the associated company Amissima Assicurazioni, which are therefore the only investors. Most of unlisted bonds and the underlying investments of the ICAV are receivables and loans characterized by low liquidity and, at least some out of them, by significant complexity. There is no active market for these investments, therefore a mark-to-model approach was adopted to estimate their recoverable value, applying the Discount Cash Flow methodology which consists in the determination of future cash flows and their discounting at the valuation date using a discount rate that reflects the credit risk of each borrower. These instruments are generally represented by bilateral operations, characterized by a complex contractual structure, in which the probability of default and loss given default parameters are not directly deducible from indications or market prices; therefore, this aspect was considered by us a key aspect for the purposes of the audit.</p> <p>The financial statement information relating to illiquid or complex financial investments is disclosed in the explanatory notes in "Part A - Valuation criteria" and in "Part B - Information on the balance sheet and income statement" in Section 2.3 - "Other financial investments" (item C.III).</p>	<p>The audit response included several procedures, the most relevant of which are outlined below:</p> <ul style="list-style-type: none"> <li>• An understanding of the process related to the estimation of the recoverable value of the unlisted bonds and investments in the ICAV;</li> <li>• Analysis of the report produced by the independent expert provided by the Management, containing the determination of the fair value of some unlisted bonds;</li> <li>• Sending audit instructions to the auditor of the financial statements of the ICAV and analysis of related results;</li> <li>• The evaluation of the appropriateness of the methodologies and the reasonableness of the assumptions applied by the Management to determine the recoverable amounts of the investments held by the ICAV in its portfolio and the analysis of related results;</li> <li>• Performance of independent repricing, for a sample of unlisted bonds and investments, in order to verify the reasonableness of the fair value at year end.</li> </ul> <p>We also involved valuation specialists to assist us in performing our audit procedures. Further, we assessed the adequacy of the disclosures provided in the explanatory notes.</p>

#### **Life technical provisions estimation**

The technical provisions of the life segment are recorded at 31 December 2020 for an amount equal to Eur 6,718,675 thousand.

The valuation of the life technical provisions is a well-structured estimation process that requires the use of complex statistical and actuarial methodologies and calculation models, characterised by a high level of subjectivity when choosing the assumptions used to develop the estimate. Furthermore, determining the technical provisions of the life segment requires the use of consistent databases whose completeness and accuracy are essential to determine the result.

For these reasons, we considered this aspect a key matter for our audit.

The financial statement information relating to life insurance provisions is disclosed in the explanatory notes in "Part A - Evaluation criteria" and in "Part B - Information on the balance sheet and income statement" in Section 10 - Technical provisions (item C.II) and Section 11 - Technical provisions when the investment risk is doubled by policyholders and deriving from the management of pension funds (item D).

The audit response included several procedures, the most relevant of which are outlined below:

- An understanding of estimation process of life technical provisions designed by the Company and of the related key controls, as well as the testing of these controls; these procedures were carried out with reference to the controls over completeness, accuracy and appropriateness of data related to the insurance portfolio used to calculate the life technical provisions, taking into consideration also the control activities performed by the actuarial function of the Company and the related results;
- The evaluation of the appropriateness of the methodologies and the reasonableness of the assumptions used to estimate the life technical provisions, including the additional technical provisions;
- Comparative analyses through the calculation of appropriate indicators observed historically and their correlation with other significant financial statements indicators, as well as the consistency with other financial statements information, the expected values and the results determined in previous financial years;
- Recalculation of the mathematical provision for pure premiums, for a representative sample of policies;
- The development, of an independent range of acceptable values, also through sensitivity analyses, representative of the level of uncertainty in setting the assumptions underlying the estimation of life technical provisions and verifying that these were included in that range.

We also involved an actuarial specialist to assist us in performing our audit procedures.

Further, we assessed the adequacy of the disclosures provided in the explanatory notes.

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## **Responsibilities of Directors and Those Charged with Governance for the Financial Statements**

The Directors are responsible for the preparation and presentation of the financial statements, that give a true and fair view in accordance with Italian regulations governing financial statements, and, within the terms provided by the 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.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The statutory audit committee ("Collegio Sindacale") is responsible, within the terms provided by the law, for overseeing the Company's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 International Standards on Auditing (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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with International Standards on Auditing (ISA Italia), we have exercised professional judgment and maintained professional skepticism throughout the audit. In addition:

- we have identified and assessed the risks of material misstatement of the financial statements, whether due to fraud or error, designed and performed audit procedures responsive to those risks, and obtained 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;
- we have obtained 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;
- we have evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors;
- we have concluded on the appropriateness of 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 auditor's report to the related disclosures in the 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 auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
- we have evaluated the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We have communicated with those charged with governance, identified at an appropriate level as required by the International Standards on Auditing (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 have provided those charged with governance with a statement that we have complied with the ethical and independence requirements applicable in Italy, and we have communicated with them all 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 have determined those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We have described these matters in our auditor's report.

#### **Additional information pursuant to article 10 of EU Regulation n. 537/14**

The shareholders of Amissima Vita S.p.A., in the general meeting held on April 24, 2018, engaged us to perform the audits of the financial statements of each year ending December 31, 2018 to December 31, 2026.

We declare that we have not provided prohibited non-audit services, referred to article 5, par. 1, of EU Regulation n. 537/2014, and that we have remained independent of the Company in conducting the audit.

We confirm that the opinion on the financial statements included in this report is consistent with the content of the additional report to the audit committee ("Collegio Sindacale") in their capacity as audit committee, prepared in accordance with article 11 of the EU Regulation n. 537/2014.

### **Report on compliance with other legal and regulatory requirements**

#### **Opinion pursuant to article 14, paragraph 2, subparagraph e), of Legislative Decree n. 39 dated 27 January 2010**

The Directors of Amissima Vita S.p.A. are responsible for the preparation of the Report on Operations of Amissima Vita S.p.A. as at December 31, 2020, including their consistency with the related financial statements and its compliance with the applicable laws and regulations.

We have performed the procedures required under audit standard SA Italia n. 720B, in order to express an opinion on the consistency of the Report on Operations with the financial statements of Amissima Vita S.p.A. as at December 31, 2020 and on its compliance with the applicable laws and regulations, and in order to assess whether it contain material misstatements.

In our opinion, the Report on Operations is consistent with the financial statements of Amissima Vita S.p.A. as at December 31, 2020 and comply with the applicable laws and regulations.

With reference to the statement required by art. 14, paragraph 2, subparagraph e), of Legislative Decree n. 39, dated 27 January 2010, based on our knowledge and understanding of the entity and its environment obtained through our audit, we have no matters to report.

#### **Opinion pursuant to the article 102, paragraph 2 of Legislative Decree n. 209, dated 7 September 2005 of the life segment**

In performing the engagement assigned by Amissima Vita S.p.A., we tested, in accordance with article 102, paragraph 2 of Legislative Decree n. 209, dated 7 September 2005, the accounts related to the life technical provisions recorded as liabilities in the financial statements of Amissima Vita S.p.A. as at December 31, 2020. The Directors are responsible for establishing sufficient technical provisions in respect of commitments arising from insurance and reinsurance contracts. Based on the procedures performed in accordance with article 102, paragraph 2 of Legislative Decree n. 209, dated 7 September 2005, ISVAP Regulation n. 22, dated 4 April 2008, and the related application guidance included in the explanatory guidance published on the IVASS website on 31 January 2017, the above-mentioned technical provisions, recorded as liabilities in the financial statements of Amissima Vita S.p.A. as at December 31, 2020, are sufficient in conformity with the applicable laws and regulations and generally accepted actuarial principles and practices, which comply with the application rules as per ISVAP Regulation n. 22, dated 4 April 2008.

**Other aspects**

The determination of the technical provisions is a complex estimation process that involves many subjective variables for which any change thereof may have an effect on the results. For this reason, we developed a range of reasonably possible outcomes in order to take into consideration the uncertainty of these subjective variables. In assessing the sufficiency of the above-mentioned technical provisions, we tested that those provisions fall within such ranges.

Milan, 17 March 2021

**EY S.p.A.**

Signed by: Matteo Brusatori, auditor

*This report has been translated into the English language so/e/y far the convenience of international readers.*





## STATUTORY AUDITORS' REPORT



## **AMISSIMA VITA SpA**

**Sole Shareholder company**

**Registered Office in Genoa, Mura di Santa Chiara, 1**

**Share capital equal to Euro 50,431,778 totally paid up.**

**Registered in the Genoa Business Register with registration nr.  
01739640157**

### **REPORT OF THE BOARD OF STATUTORY AUDITORS TO THE SHAREHOLDERS' MEETING ON THE FINANCIAL STATEMENTS AT 31 DECEMBER 2020**

#### **PURSUANT TO ART. 2429, PARAGRAPH 2, ITALIAN CIVIL CODE**

Dear Shareholder,

during the financial year ended on 31 December 2020, the Board of Statutory Auditors carried out the supervisory activity required by law, concerning the principles of conduct recommended by the National Council of graduated Accountants and Accounting Experts.

The Company's financial statements, consisting of the Balance Sheet, the Income Statement and the Explanatory Note, with the related attachments, were drafted by the Directors in accordance with the law and were regularly delivered to us on 24 February 2021, together with the Report on the Management and Cash Flow Statement.

The financial statements for the year ended on 31 December 2020 have been prepared

in compliance with the current civil regulations and those specific to the insurance sector.

In particular, it was drafted in accordance with the provisions of ISVAP Regulation (now IVASS) no. 22 of 4 April 2008 and subsequent amendments and it is compliant with the civil law provisions and the Legislative Decree May 26, 1997 n. 173, integrated and amended by article 8 of Legislative Decree 139/2015, where the OIC accounting principles have been implemented and integrated if needed.

### **Group's Framework**

The Group's Framework to which your company belongs has not changed with respect to the previous year: Amissima Holdings Srl, Sole Shareholder and Insurance Parent Company, duly registered in the Register with no. 050 for this purpose, Amissima Vita SpA and Amissima Assicurazioni SpA as insurance companies and the instrumental companies, wholly owned by the aforementioned companies, Dafne Immobiliare Srl, IH Roma Srl and Assi 90 Srl (in liquidation since 11 March 2020)<sup>1</sup> still belongs to this framework.

Amissima Vita SpA is subject to the management and coordination of the Insurance Parent Company and Sole Shareholder Amissima Holdings Srl

In February 2020, the Chief Executive Officer announced that, in the current phase of transformation of the insurance industry, where the market is asking companies to

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<sup>1</sup>It should be noted the disposal to Amissima Assicurazioni SpA of the share of the capital held in IH Roma Srl, equal to 21.665%.

improve in terms of presence and volumes, the Apollo Fund, the last owner of the Amissima Insurance Group, decided to sell its share in the non-life branch of the Group and on 21 October 2020 Amissima Holdings Srl signed a purchase agreement with HDI Assicurazioni SpA concerning the sale of the Group's overall non-life assets. In this context, the plan leading to the operative separation at logical and functional level of the Group's Insurance Companies has started and it is aimed at ensuring that they are able to be independent right after the *closing* of the sale process of Amissima Assicurazioni SpA.

#### **Functions of the Board of Statutory Auditors as Internal Control and Audit Committee**

##### **(Article 19 of Legislative Decree no. 39, 27 January 2010)**

During the year, we carried out the supervisory activity required by current regulations. In particular, pursuant to and for the purposes of art. 19 of Legislative Decree 27 January 2010 n. 39, as Internal Control and Audit Committee we supervised the following areas:

- Financial reporting process, maintaining proper relationships and acquiring information from *Chief Financial Officer* (hereinafter the "CFO") and from the Internal Audit Function;
- Effectiveness of the Company's internal quality control and risk management systems;
- Statutory audit and independence of the statutory auditing company, in particular as regards the adequacy of the provision of non-auditing services.

**Preliminary evidence of the significant events that occurred in the financial year 2020**

The Board of Statutory Auditors focused on the following main events:

- the monitoring all over the year of the effectiveness and efficiency of the corporate governance system adopted by the Group. In this regard, the Board of Directors carried out, with the support of the Control and Risk endo-advising Committee, the review of the corporate governance system, as outlined in 2019, evaluating it according to the nature, extent and complexity of the risks of the Group's business, as "mainly adequate", with evidence of certain improvement aspects which were acknowledged through the changes made to the organizational structure during 2020 described below.
- Due to the country's economic and financial scenario, heavily impacted by the health emergency resulting from the spread of the Covid-19 virus, the Company factored in the Business Plan, approved at the end of 2019, the effects deriving from said health emergency, proceeding with the review of the 2020-2023 projections; on the basis of these new projections, the Company finalized the ORSA 2020 assessments, whose analyses and results were formalized in the Group's ORSA 2020 report, whose approval, in line with the extension granted by the Supervisory Authority, took place during the Board meeting of July 8, 2020.
- The Board of Directors continued to constantly monitor the Company's solvency level, also due to the market scenarios deriving from this emergency characterized by a sharply decreasing trend in interest rates. In this regard, the Board of Directors, found at the end of June a breach in the threshold of the coverage level of the so-

called solvency requirement Soft which Risk Appetite Framework (so-called RAF), promptly assessed and activated a contingency plan which led, already at the end of September 2020, to the restoration of this threshold. This contingency plan also envisages in 2021 a new issue by the Company of new instruments in accordance with the criteria set forth in Delegated Regulation (EU) 2015/35 for the purposes of classification in Tier 2 Basic Own Funds for an amount of € 80 million, the net proceeds of which will be used to repurchase in full the loan already issued by said Life Company during 2020, the latter transaction being subject to the authorization of the Supervisory Authority. In this regard, the related authorization procedure is currently underway. Moreover, in order to further stabilize and strengthen the solvency situation of Amissima Vita S.p.A., at the end of 2020, Amissima Holdings S.r.l., upon request of the Administrative Body of the Company, proceeded with a capital contribution to the latter for an amount of € 15 million made available by the sole reference shareholder Primavera Intermediate Holdings S.r.l.

- During 2020, the Board of Directors continued to monitor the implementation of the action plan submitted to IVASS, by registering, on the one hand, the effective implementation of the measures adopted and the consolidation of the indications formulated last year by the Supervisory Authority in terms of strengthening the governance system and, on the other hand, the implementation of the planned capital strengthening of the Insurance Companies, through the issue by the latter of two bond loans of 45 million Euro subscribed by Primavera Intermediate Holdings S.r.l. The Board of Directors of the Company has also constantly monitored the

execution of the plan to dispose of the investment positions subject to significant by IVASS and has continued to strengthen both the overall ORSA and strategic planning, both of the monitoring and control systems of first and second level of the investment sector. The Board of Directors also reviewed and updated the Policies on Investments, Liquidity Risk Management, Asset and Liabilities Management (ALM), Valuation of assets and liabilities other than technical provisions, Capital Management, Management of conflicts of interest, Risk Management and Risk Assessment and Solvency (ORSA). Therefore, having ascertained the effective implementation of the corrective measures adopted by the Group and, therefore, the conclusion of the overall process of strengthening the *governance*, the Insurance Parent Company, on 6 November 2020, requested the Supervisory Authority to remove the restrictive measures ordered at the time; it should be noted that on 28 January 2021 the Supervisory Authority, taking into account the interventions adopted by the Group, with letter Prot. N. 1974/21, ordered the revocation of said restrictive measures.

- in 2020, the Administrative Body of the Company carried out the self-assessment activity, which confirmed that the Administrative Body operates in a manner that is adequate and consistent with its mandate.
- In acknowledgment of the regulatory evolution and of the suggestions formulated from time to time by the Internal Audit and Compliance Function, as well as in the process of adapting to the organizational changes occurred, the Board of Directors has updated the Policy on intragroup operations, Management of Risks, Investment



Policies, Liquidity Risk, Asset and Liabilities Management (ALM), Valuation of Assets and Liabilities Other than Technical Provisions, Capital Management, Risk and Solvency Assessment (ORSA), Non-Life Reservation, Damage reinsurance, *Data Governance* , Corporate Governance System, Internal Audit, Compliance, Actuarial Function, Outsourcing, Reporting to Ivass, Risk Management, Operational Risks, Anti-Money Laundering and Compliance with Sanctions, Underwriting, Governance and Control of Distribution Networks, Network Incentives, Complaints, Privacy, Anti-corruption, SFCR, RSR and QRT, Deferred Taxes, Requirements of integrity, Professionalism and Independence, data and information for statistical purposes.

Among other activities, the Board of Directors also has:

- i) approved the audit plans of the Fundamental Functions, assigning them an independent expenditure budget;
- ii) approved the 2021 Budget;
- iii) update the Regulations governing the self-assessment process of the Board of Directors;
- iv) received periodic information from the Supervisory Body pursuant to Legislative Decree 231/01, regarding the monitoring activity carried out on the adequacy of the Company's Organization and Management Model;
- v) approved the structure of *Management by Objective* 2020 (so-called MBO) to be assigned to Top Management and, with the support of the Remuneration Committee, defined certain remuneration instruments (so-called *Retention*

*Payment* and of the *cd Transaction Bonus* ) aimed at guaranteeing and retaining the business of the *management* ;

vi) approved the updated *Business Continuity Plan*;

vii) approved the *Regular Supervisory Report* (so-called RSR), to be submitted to the Supervisory Authority pursuant to IVASS Regulation no. 33/2016;

viii) intervened to strengthen and make the organizational structure and governance of corporate operations more efficient by proceeding, in particular, (i) rationalizing the organizational structure of the internal Committees and of the related reporting systems towards the Corporate Bodies, as noted following the review of the corporate governance system and (ii) with the assignment “*ad interim*” of the IT Department and the Central Personnel Manager, with the consequent reorganization of the IT department;

ix) approved the Strategic Plan on information and communication technology (ICT) pursuant to Regulation 38/2018, in its updated version.

x) approved the update of the Organizational, Management and Control Model pursuant to Legislative Decree 231/2001;

xi) continued to monitor the overall project for the disposal of the investee company Assi 90 Srl and the subsidiary IH Roma Srl with reference to the latter, the Board of Directors intervened to rationalize the relative shareholding held by the Insurance Companies and define the divestment transaction of the last property Hotel located in Milan (Hotel Conca del Naviglio) owned by IH Roma Srl, for which the deed is expected between the month of May and June 2021. Both transactions

are in line with the investment and risk management strategy of the Insurance Group, which provides the liquidation of IH, once the property owned by said instrumental company will be divested.

## **1. Company's financial results;**

The financial statements closed at 31 December 2020 show a profit of € 27,856,656, an improvement compared to the previous year (at the end of which a loss of € 11,888,060 was recorded), mainly as a result of the improvement in the technical balance.

The Directors highlight that premium income recorded a decrease of 11.0% equal to € - 100.2 million, bringing total premium income to approximately € 809.0 million.

The agency channel shows lower levels of production with a decrease of 40.1%, which reaches 61% if we consider the production of the distributor Azimut.

Charges relating to claims they are decreasing and also reflect the situation caused by the pandemic emergency, in particular with reference to redemptions which recorded a decrease of 30% (€ -110.2 million). On the other hand, claims settlements increased (+ 6.7% equal to € 9.9 million) while accrued policies recorded a slight decrease compared to the previous year (-4.3% equal to - € 7.4 million).

Management costs increase by approximately 5.9 percentage points due to the increased production of products with higher loads, while the other administration costs benefit from the action of constant monitoring in order to reduce management costs.

Net equity and financial income contribute positively to the operating result with a

strong increase of 71.9% compared to 2019. In particular, ordinary income decreased as a result of the lower rates of return on investments deriving from the exchange rate of *Asset Allocation* and lower dividends from the ICAV investment vehicle. These are offset by sales transactions that have led to capital gains of over € 57 million. It is useful to point out that the value adjustments on financial investments (- € 11,546 thousand) are mainly attributable to the write-downs of Elios securities (for approximately € 9.6 million).

## **2 - The activity of the Board of Statutory Auditors.**

As a preliminary point, it should be noted that, as a consequence of the epidemiological emergency Covid-19, which began in the first months of 2019 and is still ongoing today, the activity of the Board was carried out remotely, without impacting on efficiency and functionality of its activities. The audit meetings of the Board of Statutory Auditors, albeit held remotely, continued to ensure the identification of the participants in the meetings, the sharing of the documents subject to analysis and in-depth analysis and discussion, also prior to the audit meetings.

The meetings of the Board of Directors, the Executive Committee and the internal Board Committees, in which the Board has constantly participated, were also held via teleconference without any impact on the functionality and efficiency of the work of the Corporate Bodies.

With regard to the implementation of our institutional activity we formulate the following considerations.

**2.1 Considerations on the most significant economic, financial and equity transactions carried out by the Company and on their compliance with the law and the Articles of Association.**

By means of news and data reported during the meetings of the Board of Directors, the Executive Committee and the Control and Risks Committee, to which the Board has always attended, the Directors have constantly informed us, according to the statutory procedures and at least quarterly, on the activity carried out as well as on the most significant economic, financial and equity transactions implemented by the Company.

The information thus acquired allowed us to ascertain compliance with the law and the Articles of Association and compliance with the corporate interest; we believe that these transactions, fully described in the Report on Operations, do not require specific comments on our part.

The information acquired allowed us to ascertain the compliance with the law and to the Statue and to the Company social interest. Wee deem that these actions, described in the Management Report are not subject to further explanations.

We did not detect the existence of manifestly imprudent or risky operations, in potential conflict of interest, in contrast with the resolutions passed by the Shareholders' Meeting or such as to compromise the integrity of the company assets.

**2.2 Indication of the possible existence of atypical and / or unusual transactions, including intra-group transactions or those with related parties.**

We have ensured that transactions with related parties, including intra-group

transactions, met criteria of substantial and procedural correctness and that they were not in conflict with the interest of the Company. In the Report on Operations, the relationships of an equity, economic and financial nature with the companies of the Group and the other related parties are promptly illustrated.

With regard to the overall scope of the aforementioned transactions, the absence of atypical or unusual transactions that could raise doubts as to the correctness and completeness of the information was ascertained.

Pursuant to IVASS Regulation no. 30/2016 concerning supervisory provisions on intragroup transactions and risk concentrations, the Board of Directors of the Company implemented in 2020 the Policy on intragroup operations previously adopted, in acknowledgment of the indications of the Parent Company. The new updated Policy provides, like the previous one, that transactions with Intra-Group Counterparties require a prior authorization process by the Internal Control and Risk endo-advising Committee and ultimately by the Board of Directors of the Company and by the Parent company, if necessary, in case they are significant or atypical or unusual. In this regard, the Board of Statutory Auditors registered the finalization, already begun at the beginning of 2020, of a further strengthening of the organizational controls as part of the process relevant to the implementation of the suggestions made by the Internal Audit Function following the related follow up.

**2.3 Report of the Independent Statutory Auditor Company pursuant to Article 14 of Italian Legislative Decree no. 27/1/2010 n. 39, of the art. 10 of Regulation (EU) no.**

**537/2014 and art. 102 of Legislative Decree 7/9/2005 n. 209.**

The Independent Auditors - Ernst & Young SpA - reported about the statutory audit of the accounts and on the absence of situations of uncertainty or any limitations in the verifications carried out.

According to the Report of the Independent Auditors Ernst & Young SpA in charge of the statutory audit received today, among other arguments better illustrated in this report, *“We carried out the audit of the financial statements of Amissima Vita SpA, consisting of the balance sheet as at 31 December 2020, the income statement for the year ended on that date and the explanatory notes.*

*In our opinion, the financial statements provide a true and fair view of the balance sheet and the financial position of the company on 31 December 2020, for the income statement for the financial year ended on that date, in compliance with Italian regulations governing preparation principles.*

And also, in the opinion of the Independent Auditors *“The report on operations is consistent with the financial statements of Amissima Vita SpA as at 31 December 2020 and has been prepared in compliance with the law”.*

The Auditing Company also declares *“With reference to the declaration in art. 14, paragraph 2, letter e), of Legislative Decree, released upon the knowledges and the understanding of the Company and its relevant framework acquired during the audit, nothing is deemed to be reported”*

As conclusion of its report, Ernst & Young SpA highlights the following also with regard

to the Opinion pursuant to art. 102, paragraph 2, of Legislative Decree 7/9/2005 n. 209 of the life classes: *“ Based on the procedures carried out pursuant to art. 102, paragraph 2, of Legislative Decree 7 September 2005, n. 209, of the ISVAP Regulation of 4 April 2008, n. 22 and the relative implementation methods indicated in the operative clarification published by IVASS on its website on 31 January 2017, the aforementioned technical reserves, recorded in the liabilities of the balance sheet as of 31 December 2020 of Amissima Vita SpA, are sufficient in compliance with the current provisions of law and regulations and correct actuarial techniques, in compliance with the principles set out in the ISVAP Regulation of 4 April 2008, no. 22.”*

In its report, the Auditing Company declares that no services other than auditing or other services prohibited pursuant to art. 5, par. 1 of Regulation (EU) 537/2014 have been performed and that the Auditing Company remained independent from the Company during the Statutory Audit.

On the basis of the information acquired, additional assignments have been conferred on subjects linked to the appointed Auditing Company, authorised by the Board of Statutory Auditors, as far as it is concerned.

In particular, it concerns the proposal for the audit services of some elements of the Report on the solvency and financial condition of the Company pursuant to IVASS Regulation no. 42 of 2 August 2018, for which the related fees amount to € 241,000.00 (plus expenses and VAT) for 2020, of which € 50,000.00 relating to the limited audit at 30 September 2020, € 35,500.00 to the Full Audit SCR MCR 2020 review, € 4,000.00



referring to the benchmarking analysis on the data Solvency and € 20,000.00 relating to the certifications of the Separate Management and Unit Funds.

The Board examined the report addressed to the Internal Control and the Audit Report foreseen by Article 11 of Regulation (EU) 537/2014 of the Audit Company. It specifies that the issues dealt with in the aforementioned report have already been presented and illustrated to the Internal Control and Audit Committee during the meetings held with the Board of Statutory Auditors. The Board highlights that the report in question shows:

- the annual confirmation by the Audit Company of its independence pursuant to Article 6 paragraph 2 of Regulation (EU) 537/2014;
- the absence of factors of uncertainty on the assumption of business continuity;
- the failure to identify significant "shortcomings" in the internal control system for financial reporting and / or in the accounting system;
- the failure to identify significant issues regarding cases of actual or presumed non-compliance with laws and regulations or statutory provisions.

**2.4 Acknowledge of possible presentation of complaints pursuant to former art. 2408 of the Italian Civil Code, of any initiatives undertaken and their outcomes.**

We acknowledge that during the year no complaints were submitted to the Board of Statutory Auditors pursuant to art. 2408 of the Italian Civil Code

**2.5 Acknowledge of possible presentation of complaints, of any initiatives undertaken and the relative outcomes.**

We acknowledge that during the year no complaints were presented to the Board of Statutory Auditors.

**2.6 - Acknowledge of opinions issued by the Board of Statutory Auditors during the year, in accordance with the law.**

During the year, the Board:

- has expressed a favourable opinion on the proposal related to the plan of activities scheduled for the financial year 2020 by the Internal Audit Function;
- expressed a favourable opinion on the co-option of Dr. Mrs. Gloria Francesca Marino, as a member of the Board of Directors following the resignation of Dr. Mrs. Paola Tagliavini. This co-option was subject to ratification during the Shareholders' Meeting dated 1 December 2020.

**2.7 Regularity and number of meetings of the Board of Directors, the Executive Committee and the Board of Statutory Auditors.**

The Board of Statutory Auditors has planned its activities being suitable with the overall system of controls to which it is responsible and carrying out the supervisory activity through no. 12 meetings and maintaining a constant and adequate connection with the Internal functions Audit, Risk Management, Compliance, Anti-Terrorism / Anti-Money Laundering and Actuarial.

We gathered with the management of the main corporate functions of the Company and maintained the connection with the Audit Company.

The Board of Statutory Auditors also duly attended to the all 11 meetings of the Board of Directors, at all n. 9 meetings of the Control and Risks Committee, to n. 1 meeting of the Remuneration Committee and to all the no. 3 meetings of the Executive Committee, obtaining in compliance with the provisions of art. 2381 5th paragraph of the Italian Civil Code, the IVASS Regulations and the Articles of Association, timely and appropriate information on the general performance of the management and its foreseeable evolution, as well as on the most important transactions, due to their size or characteristics, carried out by the Company.

In particular, the decision-making process of the Board of Directors appeared to us to be correctly inspired to the respect of the principle of informed action.

In this regard, we highlight that we acknowledged the process aimed at “assessment of the size, composition and functioning of the Administrative Body as a whole, as well as its committees”. The implemented self-assessment process has shown, as mentioned above, that the Board of Directors operates in an adequate and consistent manner with its mandate, also noting the adequacy of the interventions adopted during the year and those ongoing following the outlined areas for improvement. Among the interventions adopted in this regard, we highlight the continuation, during the year 2020, of the training plan addressed to the members of the Board of Directors and, in particular, the training session on the new international accounting standard IFRS 17.

We attended the shareholders’ meetings held during the year.

## **2.8 Remarks about the compliance with the principles of correct administration.**

We have acquired knowledge and supervised, as far as we are concerned, on compliance with the fundamental criterion of the sound and prudent management of the Company and the more general principle of diligence, all on the basis of participation in the meetings of the Board of Directors, of the internal-board committees and the Executive Committee, of the documentation and timely information received directly from the various management bodies as well as through the meetings held with the Top Management, relating to the operations carried out by the Company.

The information acquired allowed us to verify the compliance with the law and the Articles of Association of the actions approved and implemented and that they were not manifestly imprudent or risky.

We have found that the Company has adopted an appropriate risk management policy, which is clearly highlighted in the management report.

For further clarification, during the year the Company was subject to the management and coordination of the Parent Company Insurance Amissima Holdings Srl and, in this regard, we ascertained the compliance with art. 2497 ter of the Italian Civil Code

## **2.9 Remarks on the adequacy of the organizational structure.**

We monitored the adequacy of the Company's organizational structure, carefully monitoring the proposed changes to the organizational structure and brought to the attention of the Board of Directors from time to time.

During the year 2020 the Board of Directors continued, due to the evolution of the governance structure and the business model of the Company, in the adjustment process of the organizational structure, intervening from time to time if any reinforcements were deemed necessary.

We verified the existence of suitable Company actions aimed at providing the necessary training in favour of employees and the agency network where, implemented for the year 2020 in three main steps: i) methods *webinar* ; ii) product and regulatory *E-Learning* training; iii) advanced training courses e *masters degree* .

The reorganization activities aimed at improving production processes, requalification and / or enhancement of resources with qualifications and specific sectorial technical knowledge continued also for the year 2020; the 2020 training plan, in addition to consolidating technical skills and guaranteeing continuous regulatory updating, had the main objective of developing a solid wealth of skills to better manage oneself and one's business role, concretely facilitating the innovation processes in the company. The training plan took into consideration the indications reported by the various company functions, the needs coming from organizational changes and regulatory scenario, with particular reference to the updating on Privacy, the IDD legislation and the process of designing and manufacturing insurance products (so-called POG process).

#### **2.10 Remarks on the adequacy of the internal control and anti-money laundering and anti-terrorism systems.**

We supervised the internal control system. We believe that this system, which is

constantly improving, is overall adequate with respect to the management characteristics of the Company and meets the requirements of efficiency and effectiveness in managing risks and in compliance with internal and external procedures and provisions.

In particular, we supervised the system of first, second and third level internal controls and in compliance with the provisions of the regulations of the Supervisory Authority.

We believe that the Internal Audit, Risk Management, Compliance and Anti-terrorism / Anti-Money Laundering Functions meet the requirements of competence, autonomy and independence and that, together with the other Bodies and Organizational Units to which a control function is assigned, collaborate with each other by exchanging useful information for the performance of their respective tasks.

With specific reference to the Internal Audit Function, we assessed, in a specific verification meeting, the proposals concerning the planning of the activities scheduled for 2020 approved by the Board of Directors on January 27, 2020.

The activity of the Internal Audit Function is carried out in the context of the Group Policy on Internal Audit, adopted by the Insurance Parent Company, and approved in the latest version by the Board of Directors on 19 June 2020; the operating methodologies are based on the use of an approach based on the control assessment and oriented on the risks inherent in company processes, which allow the formulation of an opinion on the adequacy of the internal control system.

We ascertained, by attending to appropriate meetings with the Anti-Money Laundering

/ Anti-Terrorism Function, the compliance of the Company's actions with the Legislative Decree 21 November 2007 no. 231, concerning the "prevention of the use of the financial system for the purpose of laundering the proceeds of criminal activities and financing of terrorism".

### **2.11 Actuarial Function.**

This function has the purpose of ensuring the adequacy of the methods and assumptions used in calculating the reserves with respect to the specificity of the different business lines.

In 2020, the intra-group agreement relating to the centralization of the Actuarial Function at the Parent Company was maintained, by keeping the outsourcing of the same Function by Amissima Holdings Srl to the De Angelis-Savelli & Associati Actuarial Firm; in this regard, the Supervisory Authority accepted the extension request to the terms established by IVASS Regulation no. 38/2018 for the re-internalization of the Function, which was implemented from 1 January 2021 on the basis of a re-internalization plan approved by the Board of Directors during the meeting of 24 October 2019.

The Board of Statutory Auditors constantly monitored the activities carried out by the Actuarial Function by assessing its periodic reports submitted to the Administrative Body on a quarterly basis.

The Board of Statutory Auditors also verified, also through the organizational units in charge, that the Administrative Body acknowledged the suggestions made over time by

the Actuarial Function.

**2.12 Remarks on administrative liability of legal persons pursuant to Legislative Decree 8 June 2001 n. 231.**

The Company adopted the organizational, management and control model pursuant to Legislative Decree No. 231/01, including the Code of Ethics, approved in the latest updated version by the Administrative Body on 30 July 2020.

For the three-year period 2018-2020, the Administrative Body has assigned the role of Supervisory Body to the Board of Statutory Auditors of the Company, pursuant to Legislative Decree 231/01 and confirming to its members the broadest faculties and powers to carry out the activities envisaged in the implemented Organizational Model, including the right to be supported by the Internal Audit Functions and by an external lawyer for the purely criminal profiles.

**2.13 Remarks on the adequacy of the administrative-accounting system and on its reliability to correctly represent management events.**

We have assessed, within the scope of our competences, the reliability of the administrative and accounting system to correctly acknowledge and represent management events, both through obtaining information from the heads of the various Functions, and through contacts with the Audit Company and analysing the results of its work.



#### **2.14 Remarks on the activity of the Audit Company and any relevant aspects.**

During the meeting between the Board of Statutory Auditors and the Audit Company no aspects were deemed significant to be included in this in this report, not even with reference to the periodic checks carried out by the Audit Company, pursuant to and for the purposes of art. 14 first paragraph letter b) of Legislative Decree 39 of 27/01/2010.

We have acknowledged the adequacy of the financial statements audit plan and its compliance with an approach based on the risk of significant errors or reprehensible conduct; we also noted the auditors' independence.

#### **2.15 Exchange of information with supervisory bodies of investee / subsidiary companies.**

It is highlighted that during the year the Chairman of the Board of Statutory Auditors contacted the Chairman of the Board of Statutory Auditors of the subsidiary Assi 90 Srl, as well as the sole auditor of the companies Dafne Immobiliare Srl and IH Roma Srl, for a mutual exchange of information.

#### **2.16 Relations with the Supervisory Authority.**

As regards the implementation of the action plan adopted by the Company and communicated to IVASS following the findings made by the latter after the inspections carried out in 2019, please refer to what is detailed in the introduction of this report

The Board of Statutory Auditors carefully monitored and constantly monitors the implementation, within the foreseen timelines, of the regulatory provisions and recommendations formulated by the Supervisory Body.

In addition to the above activity, during the year the Board was informed about the requests made by the Supervisory Authority towards the Company; in this regard, we highlight:

- the note dated March 17, 2020, through which the insurance companies have been requested by the Authority to provide a periodic update on their solvency data in order to monitor the impacts of the spread of the epidemiological emergency from Covid-19 on their solvency position;
- the IVASS report dated 29 July 2020, through which the Authority, with respect to the growing spread of the epidemiological emergency from Covid-19 and considering its incidence in terms of side effects on the national economy in perspective, recommended to all companies in the insurance market extreme prudence in evaluations concerning the distribution of dividends and other assets as well as the payment of the variable component of remuneration to corporate officers. In this regard, the Board of Statutory Auditors was informed about the note sent to IVASS by the Company explaining the definition, in the first months of 2020, of an incentive treatment in the form *transaction bonus* intended for selected *managers* and *middle managers* particularly engaged in the implementation of the aforementioned sales process of the Company.

**2.17 Final assessments regarding the supervisory activity as well as regarding any omissions, reprehensible facts or irregularities occurred during the implementation of the activity.**

We acknowledge that our supervisory activity was nominally carried out during the year and that no significant facts occurred that need to be reported.

**2.18 Covid-19 health emergency**

The Board of Statutory Auditors, in the frame of its activities, has focused on the risks affecting the Company deriving from the epidemiological emergency Covid-19, monitoring the adoption by the Company of interventions aimed at facing the emergency situation and complying with the regulations of the Decrees of the President of the Council of Ministers relevant to the health emergency due to the spread of the Covid-19 virus.

**3 - Fulfilments and activities carried out by the Board in compliance with the provisions of the ISVAP Regulations, now IVASS.**

In addition to the verifications described above, the Board of Statutory Auditors carried out, where applicable, further specific checks, in compliance with the implementing or regulatory provisions of the Supervisory Authority. In this regard, we believe we need to detail the following.

*Framework resolution on investments and assets covering technical reserves.*

With reference to the provisions of IVASS regulation no. 24 of June 6, 2016 regarding

investments and assets covering technical reserves, we carried out the controls foreseen by article 12, verifying:

- that the general policies were compatible with the current and future conditions of the company's economic and financial balance; with reference to the financial statements in question, we also verified the compliance of the management deeds with the policies indicated in the relative resolution;
- the consistency of all the transactions carried out in the various financial instruments, loans, occasional assets, as well as other complex assets with the guidelines set out in the investment policy.

We have verified the administrative procedures adopted by the Company for the handling, custody and accounting of financial instruments, by ascertaining the instructions given to the depositary entities regarding the periodic issue of account statements with the appropriate evidence of any constraints.

On the occasion of the periodic assessments, we verified the freedom from constraints and the full availability of the assets intended to cover the technical reserves, resorting, also with sample methods, to the acquisition of suitable declarations by the depositary.

We have recently completed our verifications on the securities by making the necessary check with the register of assets covering the technical reserves.

With regard to the investment management process, as already reported, the *Service Agreement* between the Company and the companies AAME and AMI, through which the aforementioned companies (related parties) provide consultancy services on *asset*

*allocation strategy of financial assets.*

*Transactions in derivative financial instruments.*

During the year, the Company did not directly carry out transactions in derivative financial instruments and, as at 31/12/2020, there are derivatives in the portfolio for “sell with delivery at deadline” of Italian government securities (BTPs). These derivatives, traded in 2018 and expiring in 2021 and 2022, are held directly by the Company.

Within the ICAV, on the other hand, there are hedging derivatives, in particular of exchange rate risk.

The details of transactions on financial instruments are described in a specific chapter of the Explanatory Notes.

*Complaints.*

Pursuant to paragraph 4 of art. 9 of the ISVAP (now IVASS) Regulation of 19 May 2008, the Board of Statutory Auditors checked the periodic reports prepared by the Internal Audit function regarding the management of complaints.

In particular, the Board monitored the effectiveness and efficiency and the constant further updating of the internal control system and the correctness of the procedures to manage complaints, monitoring the timing, the number and composition by branch.

*Remuneration policies*

The Board of Statutory Auditors, taking into account the provisions of the “Remuneration policies in favour of the Corporate Bodies and personnel” duly approved by the

Shareholders' Meeting, in relation to the provisions pro tempore of art. 23 of the ISVAP Regulation (now IVASS) no. 39 of 9 June 2011, supervised the results of the controls carried out by the Internal Audit, Compliance and Risk Management Functions on the application of these Policies during 2019 and did not find any critical issues to be reported to this Shareholders' Meeting with regard to compliance policies in force.

It should be noted that, on the proposal of the Board of Directors, the Shareholders' Meeting of 29 April 2020 approved an updated version of the Remuneration Policies.

#### **4 - Reserves.**

We have acquired the *"Actuarial report on technical reserves pursuant to art. 23 bis, paragraph 3, of Regulation no. 22 of 4 April 2008, for the 2020 financial statements of the Company Amissima Vita SpA"* issued by Prof. Nino Savelli on February 24, 2021, with the following conclusions *"With regard of what mentioned above, I certify the correctness of the procedures followed by the company in calculating the technical provisions of the Italian direct portfolio that Compagnia Amissima Vita SpA intends to record in the financial statements for the year 2020, for an amount equal to € 6,718,675,429.31 considered, in my opinion, on the whole sufficient to meet the costs and obligations assumed towards the policyholders, in compliance with current legal and regulatory provisions"*.

#### **5- Remarks and proposals on the financial statements and its approval.**

As regards the control of the regular bookkeeping and the correct recording of management facts in the accounting records, as well as the verification of

correspondence between the financial statement information and the results of the accounting records and compliance of the individual financial statements with the law and implementing regulations, we remind you that these tasks are entrusted to the Audit Company. From our side, we monitored the general preparation of the financial statements.

In particular, having previously ascertained, through meetings with the heads of the relevant Functions and with the Audit Company, the adequacy of the administrative and accounting system to correctly acknowledge and represent management facts and translate them into reliable data systems for the implementation of the external information:

- we assessed the compliance with the laws and regulations aimed at preparing and setting up the Company's financial statements;
- we acknowledge that the Explanatory Note contains the indication of compliance with the applicable accounting principles and indicates the main assessment criteria adopted, as well as the supporting information for the Balance Sheet and Income Statement items, and is integrated by the relevant "Attachments";
- we acknowledge that the "Cash Flow Statement" has also been drafted;
- we ascertained that the financial statements correspond to the facts and information acknowledged during the meetings of the Corporate Bodies, allowing to acquire adequate information on the most significant economic, financial and equity transactions carried out by the Company;

- we have ascertained that the Management Report is compliant with the laws in force, as well as consistent with the resolutions adopted by the Board of Directors and with the information available to the Board of Statutory Auditors; we believe that the submitted disclosure complies with the relevant provisions and contains a faithful, balanced and exhaustive analysis of the Company's situation, performance and operating results.

As for the solvency capital requirement, it should be noted that in the face of a *Solvency Capital Requirement* of 142,259 thousand Euro there are funds eligible to cover 268,823 thousand Euro with a surplus of 126,563 thousand Euro, which determines coverage of the qualifications required equal to 189% without application of the *Volatility Adjustment* and 163% with application of the *Volatility Adjustment*, fully compliant with the coverage thresholds of the solvency requirement set out in the *Risk Appetite Framework* of the group.

As requested by the Supervisory Authority, the Company has also activated mechanisms on a monthly base to monitor the solvency position in order to promptly analyse the evolution of the situation and the implementation of consequent actions, where needed.

Dear Shareholder,

in conclusion, with reference to the Financial Statements submitted for your approval, taking into account the share capital and the equity reserves, we express, in terms of



our competence, a favourable opinion on the approval of this financial statements and on the acceptance of the proposal made by the Board of Directors in relation to the bring-forward of the profit for the year equal to Euro 27,856,656

Milan 17 March 2021

**The Board of Statutory Auditors**

Avv. Francesco Illuzzi (President)

Dr. Paolo Delpino

Dr. Guido Marchese