

2021

ANNUAL REPORT AND FINANCIAL STATEMENT



CATTOLICA
ASSICURAZIONI
DAL 1896

Please note that this PDF document is made available for distribution purposes only. For the version that complies with the guidelines provided by the ESEF Regulation (Delegated Regulation 2019/815), please refer to that published on the institutional website www.cattolica.it.

Please note that original Report is in Italian.
In case of doubt the Italian version prevails.

LETTER FROM THE CHAIRMAN



Dear shareholders,

2021 was a very significant year in Cattolica Assicurazioni's growth path.

Since last May, the newly formed Board of Directors, which I have the honour of chairing, has been entrusted with the task of guiding the corporate and industrial evolution of one of the most important insurance companies in Italy in terms of history and size. As Directors, we are aware that we have a great past behind us and it is on this solid foundation that we have configured the future of the Company. The strategic governance and control activity of the Board of Directors was therefore developed with the aim of preserving the strengths and distinctive features of Cattolica and its subsidiaries and of increasing their value, by leveraging the professional and human qualities of management, employees, Agents and collaborators. You will see numerous positive examples of this by consulting these Financial Statements.

During the course of the year, the drive to develop *governance* and the industrial initiatives provided mutual impetus, propelling Cattolica towards an important new dimension. Looking back, the first step of this path was the definition in June 2020 of the strategic partnership agreement signed with Assicurazioni Generali, by virtue of which Cattolica was transformed into a joint-stock company with effect from April 1st, 2021. The second, decisive step was Assicurazioni Generali's subsequent Public Tender Offer for all Cattolica's shares, which took place at a price of € 6.75 per share. In the best interest of all shareholders, the Board of Directors - after having taken note of the Offer and having taken into account the fairness opinions expressed by the financial advisors - deemed the Offer to be congruous from a financial point of view and tendered all the own shares held by Cattolica.

The benefits of the transaction, aimed at creating value, have been highlighted by several parties. For example, as a direct consequence of the result of the PTO, Standard & Poor's raised Cattolica Assicurazioni's rating to A- with a positive outlook and raised the rating of its bond issues to BBB, while AM Best assigned it a Financial Strength Rating of A (Excellent) and a Long-Term Issuer Credit Rating of "a+" (Excellent), with a stable outlook. At the same time, the improvement in Cattolica's solvency margin led us to submit, for the assessment of IVASS, the elimination of the need to proceed with the execution of the second tranche of the share capital increase. Following the successful conclusion of the PTO, Cattolica is now a stronger and more solid company within a leading international insurance Group that is Generali.

In parallel with corporate events, Cattolica and its people have been able to meet customers' expectations, working arduously and dependably to protect the well-being of the communities in which we operate, while contributing to the achievement of excellent financial performances. In fact, never before, on the margins of a complex crisis such as that triggered by the pandemic and in light of the serious events linked to the war in Ukraine, has it been evident how much economy and society are interconnected and how important it is to operate in a way that reconciles ethics and business. They all deserve my heartfelt thanks.

The path briefly outlined here and the results achieved allow me to declare that, in all respects, we are making Cattolica a stronger company than it was when we found it, in the best interest of shareholders and all stakeholders. In light of this, at the end of the financial year the Board of Directors decided to propose to the Shareholders' Meeting to return to distributing a dividend to shareholders, for the amount of € 0.15 per share.

Davide Croff
Chairman

LETTER FROM THE MANAGING DIRECTOR

Dear shareholders,

The Financial Statements you are about to read come at the end of a year marked by the relaunch of the country's economic and social activities, with a GDP that is growing strongly and a broad and widespread distribution of the Covid-19 vaccine. These initial signs of recovery, encouraged and supported by EU and government measures, are now threatened by an extremely tense and complicated context due to inflationary market pressures. The geopolitical tensions on the borders of Europe in recent years have resulted in a terrible conflict in Ukraine with serious human and social consequences. The war seriously threatens our freedom and the world's balance, as well as generating strong pressure on the cost of energy and raw materials.

In spite of the complex and articulated situation in which we operated, Cattolica achieved very positive results, throwing away the guidance in relation to operating income, which stood at € 300 million. This figure summarises the great work carried out by Cattolica's management team and people - employees and distribution networks - and confirms the validity of the choices we have made.

Total premiums written recorded significant growth of 9.8% to € 5.2 billion, up in both business classes and particularly in Life, which posted a remarkable +16.6% thanks to strong growth in Unit Linked. At the same time, we maintained a high level of technical excellence, with a combined ratio still below 90%, only a modest increase compared to the previous year, which as you know had recorded a sharp drop in claims frequency due to the pandemic restrictions.

The Group's net profit, despite discounting write-downs of € 164 million, improved significantly to € 96 million, while adjusted profit, including the capital gain on the sale of Lombarda Vita, came to € 253 million compared with € 192 million in the previous year. Cattolica Assicurazioni's equity solidity profile was also excellent, with a Solvency II ratio of 203% after the distribution of the planned dividend.

As you may recall, in June 2020, at the launch of the partnership with Generali, we activated a number of business initiatives in 4 strategic business areas: Asset Management, Reinsurance, IoT and Health. The project streams developed in line with the planned schedule, generating value for customers, distribution networks and stakeholders. Following the successful conclusion of the PTO, the partnership has now evolved into a closer operational integration, aimed at simplifying processes and developing synergies between the two entities. The principles guiding our integration into the Generali Group are growth, the creation of value and the well-being of the communities in which we operate, and this is even more true today, in light of these results, which confirm that we are one of the leading players in the sector.

Finally, let me say a few words about the sustainability initiatives undertaken by Cattolica and its subsidiaries, of which I am very proud. In recent years we paid increasing attention to the various aspects of sustainability, updating our approach to environmental, social and governance issues. An independent and authoritative operator such as *Standard Ethics* judged our strategy to be consistent with the voluntary guidelines of the *UN*, *OECD* and European Union, raising Cattolica Assicurazioni's rating to "EE-" from the previous "E+" and reconfirming its assessment at the beginning of this year.

As the figures in this Financial Statements show, Cattolica is already a virtuous and profitable company, capable of doing business in a sustainable manner. Nevertheless, there is still a lot of potential that we are capable of expressing and I am sure that, thanks to the new corporate structure and the commitment of our people, the Cattolica of the future will continue to exceed the expectations of all our stakeholders.

Carlo Ferraresi
Managing Director



CONTENTS

Sub-Group Structure	13	Complaints management	116
Calling of the Shareholders' Meeting and Corporate Bodies	17	Information systems	117
Significant events in 2021	29	Significant events during the first few months of 2022	118
Reference Scenario	33	Atypical or unusual transactions and non-recurrent significant operations and events	118
Macroeconomic scenario	34	Transactions with related parties	118
Insurance industry	37	Management and coordination according to Arts. 2497 et seq. of the Italian Civil Code	119
Sector regulations	39	Tax consolidation	119
Tax measures	43	Major shareholders	119
Management Report	47	Own shares	119
The Company in 2021	49	Newly issued shares	120
Highlights	50	Outlook for business activities	120
Covid-19 Emergency Management	57	Information on the investee companies	123
Strategic Lines	60	Investments in subsidiaries	124
Share capital increase	62	Investments in associated companies	126
Generali Public Tender Offer	62	Other significant investments	126
Significant events during the year	63	Indirect investments in subsidiaries	127
Insurance business	73	Indirect investments in associated companies	128
Premiums by sector of acquisition	74	Proposal for the allocation of the profit for the year	129
Non-life business	74		
Religious Bodies and Third Sector Business Unit	81	Statement of Financial Position and Income Statement	131
Claims settlement	82	Notes to the accounts	159
Life business	85	Foreword	161
Claims paid	87	Part A - Accounting standards	163
Research and development activities - new products	88	Part B - Information on the Statement of financial position and Income statement	175
Reinsurance	91	Statement of financial position - Assets	176
Freedom of providing services	92	Statement of financial position - Liabilities and Shareholders' equity	194
Financial and asset management	95	Income Statement	211
Investment property	96	Part C - Other Information	223
Securities investments	97	Cash flow statement	233
Unrealised capital gains and losses	97	Attachments to the Notes to the accounts	237
Equity and financial income	98	Declaration of the Manager in charge of preparing the company's financial reports	307
Solvency II Ratio	99	Management Control Committee's Report	309
Analysis of the financial risks	99	Independent Auditors' Report	315
Headcount and sales network	103		
Human resources	104		
Sales network	110		
Other information	115		
Corporate governance and internal control system	116		
Prevention and fighting of fraud	116		

TABLES

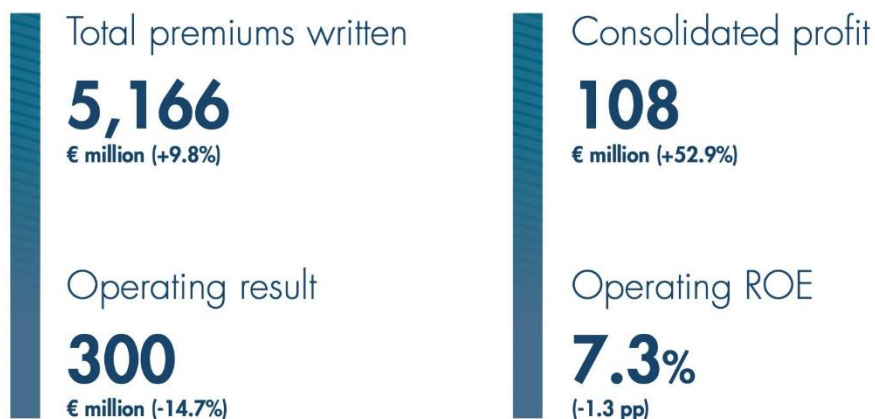
Table 1 - Summary of the premiums for the year	52	Table 28 - Intangible assets - accumulated amortisation	177
Table 2 - Reclassified income statement	53	Table 29 - Land and buildings	178
Table 3 - Key life and non-life efficiency and profitability indicators	54	Table 30 - Land and buildings - gross depreciation amounts	179
Table 4 Reclassified statement of financial position	55	Table 31 - Land and buildings - accumulated depreciation	179
Table 5 - Headcount and sales network	56	Table 32 - Investments - summary of values	180
Table 6 - Premiums for the year	74	Table 33 - Summary data of subsidiaries	182
Table 7 - Accident and injury class - direct business	76	Table 34 - Summary data of associates	182
Table 8 - Health class - direct business	76	Table 35 - Summary data of the other investments	183
Table 9 - Land vehicle hulls class - direct business	77	Table 36 - Other financial investments - breakdown	184
Table 10 - Sea and inland water vessels class - direct business	77	Table 37 - Exposure in government debt securities issued or guaranteed by PIGS countries (Portugal, Ireland, Greece and Spain)	185
Table 11 - Goods in transit class - direct business	77	Table 38 - C.III.3 class bonds - main issuer Groups	185
Table 12 - Fire & natural forces class - direct business	78	Table 39 - Investments for benefits of life assurance policyholders who bear the investment risk and deriving from the management of pension funds - breakdown	186
Table 13 - Other damage to assets class - direct business	78	Table 40 - Reinsurance amounts of technical provisions	187
Table 14 - TPL motor class - direct business	79	Table 41 - Receivables	188
Table 15 - TPL - General class - direct business	79	Table 42 - Other receivables - breakdown	189
Table 16 - Suretyship class - direct business	79	Table 43 - Tangible assets and inventories	190
Table 17 - Sundry financial losses class - direct business	80	Table 44 - Tangible assets and inventories - gross depreciation amounts	190
Table 18 - Legal protection class - direct business	80	Table 45 - Tangible assets and inventories - accumulated depreciation	190
Table 19 - Assistance class - direct business	80	Table 46 - Accruals and deferrals	191
Table 20 - Claims' settlement velocity	84	Table 47 - Pro-forma statement of financial position - Liabilities and shareholders' equity	194
Table 21 - Breakdown of claims paid by class and type	87	Table 48 - Shareholders' equity	195
Table 22 - Investments - breakdown	96	Table 49- Shareholders' equity - origin, possibility of use and distribution, as well as use in previous years	197
Table 23 - Net financial income and expenses	98	Table 50 - Shareholders' equity - changes during the year	197
Table 24 - Solvency II Ratio	99	Table 51 - Breakdown of technical provisions	198
Table 25 - Pro-forma statement of financial position - Assets	176	Table 52 - Provisions for unearned premium - direct business	199
Table 26 - Intangible assets	177		
Table 27 - Intangible assets - gross amortisation amounts	177		

Table 53 - Provisions for unearned premium - indirect business	200	Table 70 - Income taxes for the year	219
Table 54- Provision for outstanding claims - direct business	201	Table 71 - Recognition of prepaid taxes and consequent effects	219
Table 55 - Provision for outstanding claims - indirect business	201	Table 72 - Recognition of deferred taxes and consequent effects	220
Table 56 - Cattolica Gestione Previdenza open-end pension fund - net asset value by segment	203	Table 73 - Income taxes for the year - reconciliation between the ordinary rate and the effective rate	220
Table 57 - Risparmio & Previdenza open-end pension fund - net asset value by segment	204	Table 74 - Change in shareholders' equity after the end of the year	224
Table 58 - Open-end pension funds of the Company- Investments, provisions and gross premiums written	204	Table 75 - Independent Auditors' fees	225
Table 59 - Provisions for risks and charges	204	Table 76 - Equity position and economic transactions with related parties	228
Table 60 - Payables deriving from insurance and reinsurance transactions	206	Table 77 - Highlights of the latest financial statements approved by Assicurazioni Generali S.p.A.	229
Table 61 - Employee severance indemnities	207		
Table 62 - Other payables - breakdown	207		
Table 63 - Other liabilities - breakdown	208		
Table 64 - Guarantees, commitments and other memorandum accounts	210		
Table 65 - Pro-forma Income Statement	211		
Table 66 - Reclassified non-life technical account - Italy and foreign portfolio	213		
Table 67 - Claims settled - direct and indirect business	213		
Table 68 - Other income - breakdown	217		
Table 69 - Other charges - breakdown	218		

STATEMENTS

Statement 1 - Subordinated assets	192
Statement 2 - Operations on derivatives - C and D classes	221
Statement 3 - Derivatives valued at fair value - C and D classes	221

HIGHLIGHTS OF CATTOLICA AND ITS SUBSIDIARIES



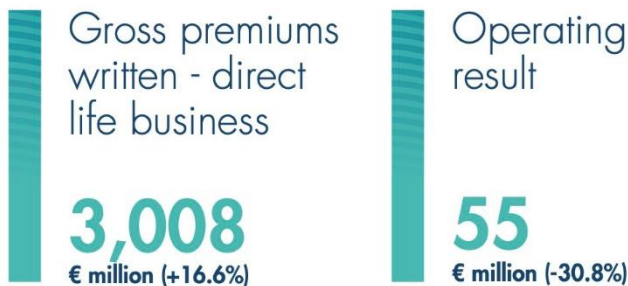
¹ The number of customers does not include Vera brand companies.



NON-LIFE SEGMENT



LIFE SEGMENT





Life / Non-life
insurance companies

9

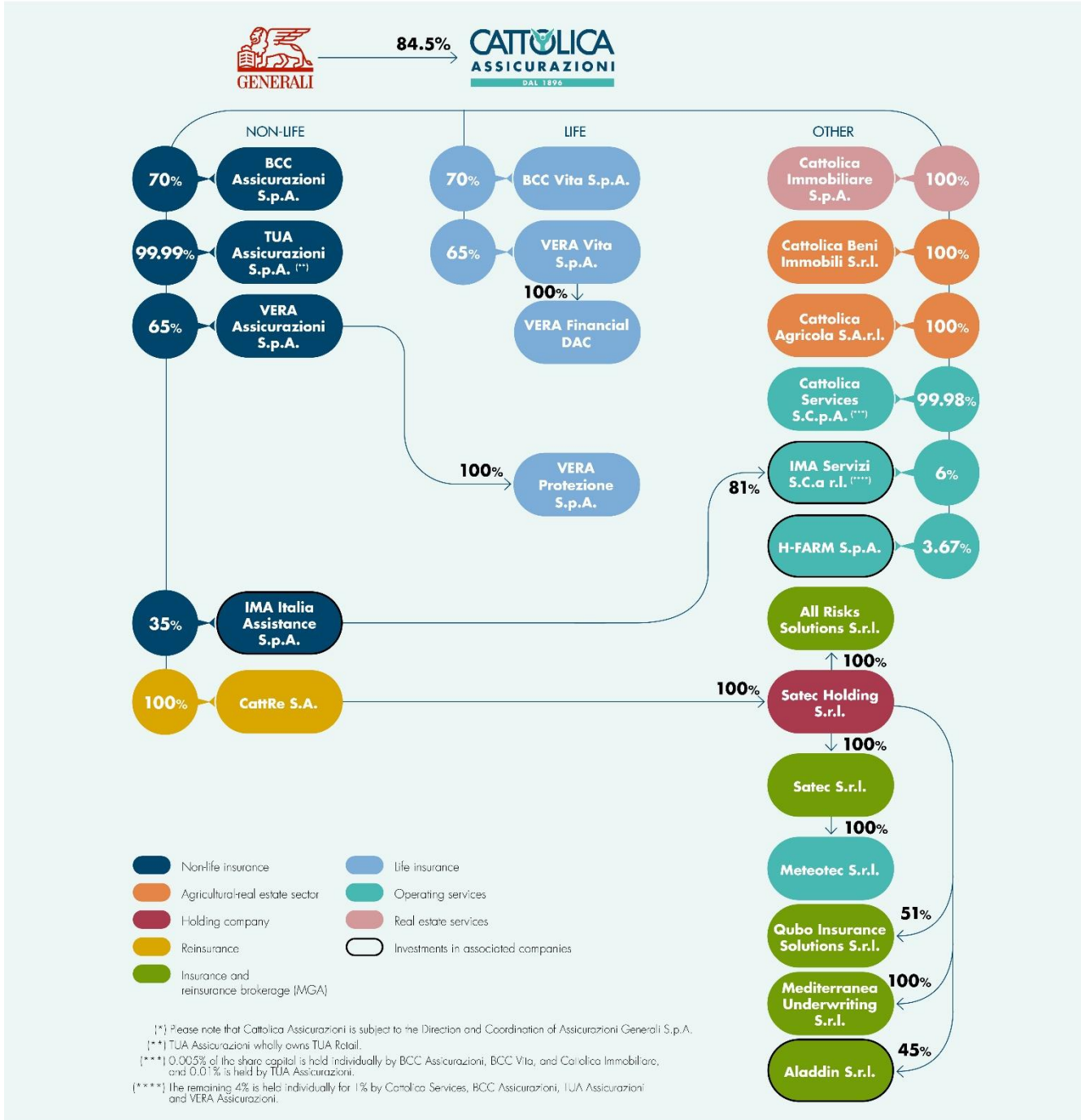
Non-insurance
companies

10

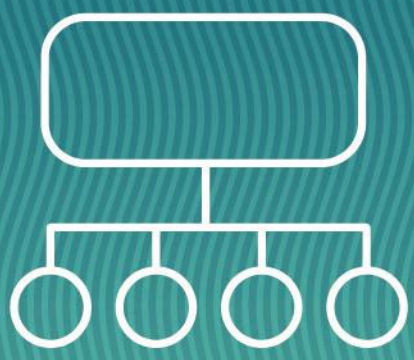
SUB-GROUP STRUCTURE



SUB-GROUP STRUCTURE



As at December 31st, 2021⁽¹⁾



General
Management

5

Board
of Directors

14

CALLING OF THE SHAREHOLDERS' MEETING AND CORPORATE BODIES

CALLING OF THE ORDINARY SHAREHOLDERS' MEETING

The Ordinary Shareholders' Meeting is convened in a single call at 10.00 a.m. on Tuesday, April 26th, 2022, exclusively via telecommunication mean - as allowed by the current regulatory framework - to discuss and resolve on the agenda reported below.

Pursuant to Article 106, paragraph 4, of Italian Decree Law No. 18 of March 17th, 2020, converted into Italian Law No. 27 of April 24th, 2020, as amended, the participation and the exercise of the vote of those entitled to attend the Shareholders' Meeting will be allowed exclusively through the Designated Representative pursuant to Article 135-undecies of Italian Legislative Decree 58/1998, according to the instructions provided in the specific section of this notice. The Designated Representative may also be granted proxies and/or sub-proxies pursuant to Article 135-novies of the Consolidated Finance Law, as an exception to Article 135-undecies, paragraph 4 of the Consolidated Finance Law.

AGENDA:

1. Approval of the 2021 financial statements and the accompanying reports, with consequent and correlated resolutions.
2. Appointment of new independent auditors for the 2022-2030 financial years and determination of the related fee after early consensual termination of the appointment of the current independent auditors.
3. Appointment, pursuant to Article 2386 of the Italian Civil Code and Article 24.4 of the Articles of Association, of 3 (three) members of the Board of Directors, including 1 (one) member of the Management Control Committee.
4. Report on the Remuneration Policy and on compensation paid:
 - a. Approval of the first section of the Report on the remuneration policy and on compensation paid, pursuant to Article 123 ter, paragraph 3 of Italian Legislative Decree 58/1998 and Articles 41, 59 and 93 of IVASS Regulation 38/2018.
 - b. Resolution on the second section of the Report on the remuneration policy and on compensation paid, pursuant to Article 123 ter, paragraph 6, of Italian Legislative Decree 58/1998.

ADDITIONS TO THE AGENDA AND PRESENTATION OF NEW PROPOSALS FOR RESOLUTIONS

In accordance with the procedures and within the limits established by the regulations in force, Shareholders who, also jointly, represent at least 2.5% of the share capital, may request, within 10 days of the publication of this notice of calling (and therefore by Saturday, March 26th, 2022), the integration of the list of items to be discussed, indicating in the request the additional items proposed, or submit proposals for resolutions on items already on the agenda.

Additions to the items on the agenda are not permitted for matters on which the Shareholders' Meeting resolves, in accordance with the law, on the proposal of the Directors or on the basis of a project or report prepared by them, other than those referred to in Article 125-ter, paragraph 1, of Italian Legislative Decree No. 58 of February 24th, 1998 (the Consolidated Finance Law).

The request shall be received in writing by the Company within 10 days of the publication of this notice of calling (and therefore by Saturday, March 26th, 2022) by certified e-mail at assemblea@pec.gruppocattolica.it, or by sending an e-mail to AdempimentiSocietari@cattolicaassicurazioni.it, or by hand delivery to the Company's registered office in Verona, Lungadige Cangrande 16, for the attention of the Head of Corporate Compliance; in the latter case, also in light of the health emergency period, and in order to better organise the appropriate safety measures connected with access to company premises, it is requested that notification of the intention to access Company's premises be provided at least 24 hours in advance by e-mail to AdempimentiSocietari@cattolicaassicurazioni.it, specifying that hand delivery of documents to the registered office may only be made during office hours (Mon-Fri 8:30 a.m. - 5:00 p.m.). On Saturday, March 26th, requests may therefore only be sent by e-mail to AdempimentiSocietari@cattolicaassicurazioni.it or by certified e-mail to assemblea@pec.gruppocattolica.it. Within the aforementioned deadline, Shareholders requesting an addition to the agenda must also prepare and submit a report, which discloses the reason for the resolution proposals in relation to the new matters on which discussion they propose or the reason relating to

the additional resolution proposals presented in relation to the matters already on the agenda.

Said request shall be accompanied by a specific communication produced by the custodian intermediary, effective as at the date of the request, addressed to the Company according to the procedure and at the addresses indicated above, attesting to the ownership of shares by the requesting Shareholders, as well as the necessary shareholding to request the addition to the agenda.

Any additions to the agenda will be announced, within the terms of the law, in the same manner as the publication of this notice of calling.

Similarly, reports prepared by those requesting additions to the agenda, accompanied by any evaluations by the Board of Directors, will be made available to the public in the same form and manner as the documentation for the Shareholders' Meeting.

Proposals for resolutions on the items already on the agenda - subject to verification of their relevance to the items on the agenda of the Shareholders' Meeting - will be published on the Company's website within the terms of the law, in order to allow Shareholders entitled to vote to express themselves in an informed manner also in relation to such new proposals and to allow the Designated Representative to collect voting instructions, if necessary, on the same.

*

APPOINTMENT, PURSUANT TO ARTICLE 2386 OF THE ITALIAN CIVIL CODE AND ARTICLE 24.4 OF THE ARTICLES OF ASSOCIATION, OF 3 (THREE) MEMBERS OF THE BOARD OF DIRECTORS, INCLUDING 1 (ONE) MEMBER OF THE MANAGEMENT CONTROL COMMITTEE

In relation to the appointment of 3 (three) members of the Board of Directors, including one member of the Management Control Committee, which will take place on the basis of lists of candidates, reference should be made to the provisions of the Articles of Association in force. However, the following should be noted.

The Board of Directors and each Shareholder may submit only one list and each candidate may appear on only one list.

Lists may be submitted by Shareholders who, alone or together with other Shareholders, hold shares representing in total at least 1% of the share capital, as set out in CONSOB Decision No. 60 of January 28th, 2022.

The lists must be filed at the Company's registered office or by certified e-mail at assemblea@pec.gruppocattolica.it by the 25th calendar day prior to the date set for the Shareholders' Meeting on first call, and therefore by Friday, April 1st, 2022. Pursuant to Article 22.7 of the Articles of

Association, in the event that only one list has been submitted by the aforementioned deadline, the term for filing the lists is extended until the third calendar day following the aforementioned deadline (Monday, April 4th, 2022), by 5:00 p.m., and the threshold set out in the previous section for the legitimacy of presentation is therefore reduced by half. In the event of presentation of lists at the company's registered office, also in view of the health emergency period, and in order to better prepare the appropriate security measures related to the access to the company's premises, please communicate, at least 24 hours in advance, your intention to access, by e-mail at AdempimentiSocietari@cattolicaassicurazioni.it. You are hereby informed that, for the sake of clarity and standardised management and so as to facilitate the exercise of the right to present lists, the Board of Directors has clarified the operating formalities for the implementation of the related fulfilments, which will be filed at the registered office and made available on the "Corporate" website <http://www.cattolica.it/home-corporate>, under the "Governance/Shareholders' Meeting" section, by the deadline set for the publication of this notice of calling. Shareholders are therefore invited to consult the above operating procedures for more complete information.

The election of a minority Director as per Article 23.3 of the Articles of Association is not envisaged, since the Shareholders' Meeting held on May 14th, 2021, took steps to do so.

*

DOCUMENTATION AND FURTHER INFORMATION

The documents containing the proposals for resolutions, the reports of the Board of Directors relating to the items on the agenda and, in particular, the Financial Statements for the year 2021, the Report on Remuneration, the forms to be used for proxy voting, as indicated below, as well as the Annual Report on Corporate Governance and Ownership Structures and information on the amount of share capital will be filed, within the terms of the law, at the Company's registered office, available to Shareholders who wish to examine them, with the right to obtain a copy.

These documents will also be made available on the Company's "Corporate" website at <http://www.cattolica.it/home-corporate> under the "Governance/Shareholders' Meeting" section, and at Borsa Italiana S.p.A., on the storage mechanism authorised by CONSOB called "eMarket-Storage", managed by Spafid Connect S.p.A. and accessible from the website at <http://www.emarketstorage.com>.

If you intend to obtain copies of the aforementioned documents by going to the Company's premises, also in view of the health emergency period, and in order to

better prepare the appropriate security measures related to the access to the company's premises, please communicate, at least 24 hours in advance, your intention to access, by e-mail at AdempimentiSocietari@cattolicaassicurazioni.it, bearing in mind that access may only be granted during office hours (Mon-Fri 8:30 a.m. - 5:00 p.m., excluding Friday, April 15th, and Monday, April 25th, 2022).

*

PARTICIPATION IN THE MEETING

Entitlement to attend the Shareholders' Meeting and exercise voting rights is certified by a communication sent to the Company by an authorised intermediary, in accordance with their accounting records, in favour of the party entitled to vote.

The communication is made by the intermediary on the basis of evidence on the record date, corresponding to the seventh trading day prior to the date of the Shareholders' Meeting (Wednesday, April 13th, 2022).

Those who become holders of the shares after Wednesday, April 13th, 2022 (record date) will not be entitled to attend and vote at the Shareholders' Meeting.

Holders of shares not yet in certificate form will be able to attend the meeting only after their share certificates have been delivered to an authorised intermediary for entry into the certificate system and subsequent communication by the authorised intermediary.

The participation of Shareholders in the Meeting is regulated by the relevant laws and regulations as well as by the provisions contained in the current Articles of Association published on the Company's website.

Those who have the right to vote may be represented at the Shareholders' Meeting in accordance with the law.

To this end, it should also be noted that, in view of the emergency related to the Covid-19 epidemic and for the purposes of maximum protection and safety of Shareholders as permitted by Article 106 of Italian Decree Law No. 18 of March 17th, 2020, "Containing measures to strengthen the national health care and economic support for households, workers and businesses affected by Covid-19" (the so called "Cura Italia" Decree) as reiterated following the enactment of Italian Law No. 15 of February 25th, 2022, converting, with amendments, the so-called "Mille Proroghe" Decree, Shareholders may participate in the Shareholders' Meeting, without access to the location where the meeting is held, exclusively by proxy to the Designated Representative pursuant to Article 135-undecies of the Consolidated Finance Law (the "Designated Representative"), in accordance with the procedures illustrated below.

Please note that the Company identified Computershare S.p.A., with registered office at via Lorenzo Mascheroni 19, 20145 - Milan, as the Designated Representative.

Attendance at Shareholders' Meetings by members of the Company's corporate bodies, the Secretary and the Designated Representative, as well as any other persons authorised to do so by the Chairman of the Board of Directors, in compliance with the measures for the containment of the Covid-19 epidemic provided for by applicable legal provisions, shall take place through the use of remote access systems that guarantee their identification, in accordance with the applicable regulations for such an eventuality.

*

INTERVENTION AND VOTING AT THE SHAREHOLDERS' MEETING THROUGH THE DESIGNATED REPRESENTATIVE PURSUANT TO ARTICLE 135-UNDECIES OF THE CONSOLIDATED FINANCE LAW - PROXY AND SUB-PROXY PURSUANT TO ARTICLE 135-NOVIES OF THE CONSOLIDATED FINANCE LAW

Participation in the Shareholders' Meeting is provided exclusively by proxy to the Designated Representative.

Therefore, Shareholders who wish to attend the Shareholders' Meeting may be represented, free of charge (except for any costs for sending the proxy), by the Designated Representative, conferring a specific proxy containing voting instructions on all or some of the items on the agenda.

The proxy to the Designated Representative shall be received, in the manner indicated below, by the end of the second trading day prior to the date of the Shareholders' Meeting, and therefore by Friday, April 22nd, 2022, using the specific form that will be made available on the Company's "Corporate" website at <http://www.cattolica.it/home-corporate>, under the "Governance/Shareholders' Meeting" section, which will also contain the procedures to be used to grant and transmit the proxy and to revoke, within the same deadline, the proxy and any voting instructions already granted.

The proxy granted to the Designated Representative, made pursuant to Article 135-undecies of the Consolidated Finance Law, containing the voting instructions, together with a copy of a valid identity document - and in the case of a legal person, of a document proving the powers to issue the proxy - shall be sent to Computershare S.p.A., in compliance with the aforementioned deadline, a) to the certified e-mail address cattolica@pecserviziottoli.it, or b) by sending the original of the proxy and a copy of the additional documentation attached by registered letter with return receipt to the address Computershare S.p.A., Via Monte Giberto No. 33 - 00138, Rome; in this second case it is possible to pre-empt the registered letter by forwarding a copy of the documentation reproduced electronically by ordinary e-mail to the email address

cattolica@pecserviziottoli.it (it should be noted that in order to be valid, the registered letter must be received within the aforementioned deadline).

The Designated Representative may also be granted, again in accordance with the above procedures, proxies and/or sub-proxies pursuant to Article 135-novies of the Consolidated Finance Law, as an exception to Article 135-undecies, paragraph 4 of the Consolidated Finance Law, using the form that will be made available on the Company's "Corporate" website <http://www.cattolica.it/home-corporate>, under the "Governance/Shareholders' Meeting" section.

Please note that the proxy to the Designated Representative will only be effective for proposals in relation to which voting instructions are provided.

The Designated Representative will be available for clarification or information at +39 02 124128 810 from 10:00 a.m. to 1:00 p.m. and from 2:00 to 5:00 p.m., Monday to Friday, or at the e-mail address cattolica@pecserviziottoli.it.

Please note that no postal or electronic voting procedures are envisaged for this Meeting.

*

THE RIGHT TO ASK QUESTIONS ON ITEMS ON THE AGENDA

Considering that participation in the Shareholders' Meeting is provided for exclusively through the Designated Representative, Shareholders may submit questions on the items on the agenda prior to the Shareholders' Meeting, by sending them to the Company via certified e-mail to assemblea@pec.gruppocattolica.it, or by sending an e-mail to AdempimentiSocietari@cattolicaassicurazioni.it, or by hand delivery to be made at the registered office in Verona, Lungadige Cangrande 16, for the attention of the Head of Corporate Compliance, taking care to specify the item on the agenda to which the question refers; in the latter case, also in light of the health emergency period, and in order to better organise the appropriate safety measures connected with access to company premises, it is requested that notification of the intention to access company's premises be provided at least 24 hours in advance by e-mail at AdempimentiSocietari@cattolicaassicurazioni.it, specifying that hand delivery of documents to the registered office may only be made during office hours (Mon-Fri 8:30 a.m. - 5:00 p.m.).

Applications must be received by the Company no later than Wednesday, April 13th, 2022.

Only questions that are strictly relevant to the items on the agenda will be considered.

The applicant must provide his/her personal details (surname and first name or company name in the case of

a legal entity, place and date of birth and tax code) as well as proof of ownership of the voting rights by means of a specific communication, issued by the depository intermediary, in accordance with current regulations.

Questions received by the deadline indicated and which are relevant to the agenda and comply with the procedures, terms and conditions indicated above will be answered by Wednesday, April 20th, 2022, by means of publication on the Company's website, with the right for the Company to provide a single response to more than one question with similar content.

*

INFORMATION IN RELATION TO SHARE CAPITAL

At the date of this notice of calling, the Company's subscribed and fully paid-in share capital amounts to € 685,043,940.00, represented by 228,347,980 ordinary shares. Each share provides the right to one vote.

*

Further information on the rights that may be exercised by Shareholders is available on the Company's "Corporate" website at <http://www.cattolica.it/home-corporate>, under the "Governance/Shareholders' Meeting" section, and any requests may be made to assemblea@pec.gruppocattolica.it.

This notice of calling is published today on the Company's website, on Borsa Italiana S.p.A., on the CONSOB-authorized storage mechanism known as "eMarket-Storage" and, in summary, in the daily newspaper "Il Sole 24 Ore".

Verona, March 16th, 2022

The Chairman
Davide Croff

CORPORATE BODIES

BOARD OF DIRECTORS

Chairman	Davide Croff
Vice Deputy Chairman	Camillo Candia
Deputy Chairman	Luigi Migliavacca
Managing Director and General Manager	Carlo Ferraresi
Directors	Silvia Arlanch (*) Laura Ciambellotti Stefano Gentili Roberto Lancellotti Cristiana Procopio Paolo Andrea Rossi Cristina Rustignoli Michele Rutigliano (*) Daniela Saitta Elena Vasco

GENERAL MANAGEMENT

Deputy General Managers	Nazareno Cerni Marco Lamola Samuele Marconcini Atanasio Pantarrotas
--------------------------------	--

(*) The Directors whose names are marked with an asterisk are members of the Management Control Committee

CORPORATE BODIES (Post BoD, March 14th, 2022)

BOARD OF DIRECTORS

Chairman Davide Croff

Vice Deputy Chairman Camillo Candia

Deputy Chairman Stefano Gentili

Managing Director and General

Manager Carlo Ferraresi

Directors Silvia Arlanch (*)
Francesco Bardelli
Laura Ciambellotti
Roberto Lancellotti
Carlo Maria Pinardi (*)
Cristiana Procopio
Paolo Andrea Rossi
Cristina Rustignoli
Michele Rutigliano (*)
Daniela Saitta
Elena Vasco

GENERAL MANAGEMENT

Deputy General Managers Nazareno Cerni
Marco Lamola
Samuele Marconcini
Atanasio Pantarrotas

(*) The Directors whose names are marked with an asterisk are members of the Management Control Committee

SIGNIFICANT EVENTS IN 2021

SIGNIFICANT EVENTS IN 2021

FEBRUARY/MARCH



With reference to the **capital increase** approved by the Shareholders' Meeting of June 27th, 2020, on February 11th, the Board of Directors resolved, after informing the Supervisory Authorities in advance, to **postpone** until July 31st, 2021, the final deadline for execution of the second tranche of the capital increase **for the remaining € 200 million**.

On March 5th, **Banco BPM** and **Cattolica Assicurazioni** announced that they had reached an agreement by which their respective differences were resolved and the terms and methods for adjusting and continuing the partnership in the bancassurance sector and the related exit rights were defined, thus combining their respective interests and taking into account the changed economic context. On April 16th, the parties signed **the final agreements**, in line with what was agreed on March 5th.

APRIL



On April 1st, following the shareholders' resolution of July 31st, 2020, the transformation of Cattolica from a co-operative to a **joint-stock company** and the related adoption of a new text of the Articles of Association became effective.

On April 7th, Cattolica's Board of Directors approved the plan for the **merger by incorporation** of ABC Assicura S.p.A. and Berica Vita S.p.A.. Having obtained the necessary authorisations from the competent Authorities, on August 5th, Cattolica's Board of Directors resolved the merger by incorporation of ABC Assicura S.p.A. and Berica Vita S.p.A. into Cattolica itself, whose merger deeds were formalised on December 3rd and recorded on December 27th with the competent Verona Companies' Register: the aforementioned mergers took effect as from 11:59 p.m. on December 31st, 2021, with accounting and tax effects prior to January 1st, 2021.

On April 12th, implementing the binding agreement entered into, in December 2020, with UBI Banca concerning the early termination, with respect to the deadline of June 30th, 2021, of the life bancassurance agreements between the parties, the **sale of the equity investment** held by Cattolica in **Lombarda Vita** was carried out in favour of Intesa Sanpaolo S.p.A., which succeeded UBI Banca as a result of the merger completed on the same date. As provided for in the agreements, the equity investment was sold for € 299.8 million: the purchaser paid Cattolica € 219.8 million. The remaining balance of € 80 million was paid at the same time as repayment of the loan outstanding at the time in favour of Cattolica for the same amount following receipt of the necessary authorisations from IVASS. Following completion of the transaction, Cattolica achieved a **capital gain from the disposal** of around € 104 million net of tax in the 2021 consolidated financial statements and approximately € 60 million in Cattolica's statutory financial statements.

MAY



On May 14th, the **Ordinary Shareholders' Meeting** of Cattolica Assicurazioni was held, which approved:

- the new Shareholders' Meeting Regulations regarding the transformation of Cattolica into a joint-stock company;
- the 2020 financial statements and the accompanying reports, with consequent and correlated resolutions;
- the determination of the number of members of the Board of Directors at 15 for the financial years 2021 – 2023 pursuant to Article 19 of the Articles of Association;
- the appointment of the members of the Board of Directors, including the members of the Management Control Committee for the financial years 2021-2023;
- the determination of the remuneration of the members of the Board of Directors and of the Management Control Committee as well as the related attendance fee for the financial years 2021-2023;
- the Report on the remuneration policy and on compensation paid;
- fee plans based on financial instruments;
- the authorisation to purchase and sell own shares in accordance with the law.

In May, the Board of Directors of Assicurazioni Generali approved the promotion of a **voluntary Public Tender Offer (PTO)** for cash on all the ordinary shares of Società Cattolica di Assicurazione S.p.A., including own shares, minus the shares already held by Generali.

JUNE/SEPTEMBER



Following the launch of the PTO promoted by Assicurazioni Generali on May 31st, 2021, Cattolica, on June 7th, resolved to **postpone the execution of the second tranche of the capital increase** for the remaining € 200 million to a date subsequent to the closing of the aforementioned offer.

On September 28th, Assicurazioni Generali announced, pursuant to Article 38, paragraph 2, of the Issuers' Regulations, that it had published the **Offer Document**. Pursuant to Article 40 of the Issuers' Regulations, the enrolment period, agreed with Borsa Italiana S.p.A., started at 8:30 a.m. (Italian time) on October 4th, 2021 and ended at 5:30 p.m. (Italian time) on October 29th, 2021 (extremes included).

OCTOBER/NOVEMBER



On October 29th, Generali announced, pursuant to Article 36 of the Issuers' Regulations, the **closure of the so-called enrolment period of the PTO**.

On November 4th, Assicurazioni Generali communicated, pursuant to Article 41, paragraph 6, of the Issuers' Regulations, **the final results of the PTO**: during the enrolment period, 138,842,677 Shares were offered, equal to approximately 79.660% of the Shares subject to the Offer and 60.803% of Cattolica's share capital. Therefore, taking into account the 138,842,677 Shares offered and the 54,054,054 Shares already held by Generali, as a result of the settlement of the Offer, Generali came to hold a total of 192,896,731 Shares, **equal to 84.475%** of Cattolica's share capital.

Consequently, Cattolica formalised, at the Companies' Register, the subjection of the Company to the management and coordination of Assicurazioni Generali S.p.A..

DECEMBER



Cattolica's Board of Directors, which met on December 3rd, 2021, having acknowledged the positive outcome of the PTO launched by Assicurazioni Generali and the simultaneous increase of the value of almost all the own shares previously held by Cattolica, with a consequent further improvement in Cattolica's solvency margins, resolved to submit to IVASS for assessment the fact that it is **no longer** necessary to proceed with the execution of the **second tranche of the increase in share capital** under option of € 200 million.

On December 23rd, Cattolica's Ordinary Shareholders' Meeting, on the basis of the aforementioned opinion and recommendation formulated by the Management Control Committee, resolved the **consensual early termination** of the appointment of **PricewaterhouseCoopers S.p.A.** as **independent auditors** and the simultaneous **appointment** for the 2021-2029 nine-year period of the independent auditors **BDO Italia S.p.A.** Similar resolutions were taken by the subsidiaries by the end of 2021.

On December 27th, the French group Inter Mutuelles Assistance formalised the exercise of its **purchase option on 35%** of the share capital of **IMA Italia Assistance S.p.A.** and a **10% of the capital of Ima Servizi S.c.a.r.l.** This option, provided for by the agreements signed in 2018 for the possibility of change of control of Cattolica, was exercised following the completion of the Generali PTO.



Market share

6.2 Non-life
%

2.7 Life
%

REFERENCE SCENARIO

REFERENCE SCENARIO

MACROECONOMIC SCENARIO

In 2021, the exceptional global recovery, which had been underway since the end of the previous year thanks to the climate of confidence resulting from the roll-out of vaccines for the Covid-19 virus, the gradual reopening of economies and fiscal and monetary stimuli, gradually lost momentum in recent quarters due to the lingering effects of the global pandemic. Indeed, the pandemic has not continued to influence the economy, however, it still be a major source of uncertainty for the prospects of global growth and inflation. Several waves of infections had an affect over the course of the year, due to virus mutations that occurred, first with the Delta variant and, more recently, with Omicron. The response adopted by the authorities in the most advanced countries has been based on an acceleration of vaccinations and the tightening of restrictive measures (albeit relatively mild compared to the lock-downs experienced during 2020 and mainly aimed at the non-vaccinated people), resulting in reduced mobility.

The divergence in economic growth among developed countries, which was particularly pronounced in 2020, narrowed during 2021.

The latter part of the year was characterised by inflation, which turned out to be much higher and more persistent than expected, making the future economic outlook more uncertain and raising significant challenges for governments and central banks. Restrictions due to the pandemic caused severe supply bottlenecks, putting pressure on commodity and intermediate goods prices and causing a slowdown in global trade and manufacturing activity.

In the United States, the commanding measures taken to support households and businesses, in particular the two fiscal stimulus packages approved between late 2020 and early 2021, allowed the economy to recover almost completely by the beginning of the year, bringing GDP back to pre-pandemic levels by mid-2021. After a 3.4% decline in 2020, overall growth in 2021 is expected to be between 5.5% and 6%, according to the latest available estimates. The recovery was driven both by consumption of goods and services, supported by the record accumulation of savings, and by investments. The labour market, despite rapid and substantial improvement, has seen overall employment growth below expectations, with the unemployment rate falling during 2021 from 6.7% to 3.9%. Against this backdrop, wage growth contributed to accelerating inflation, which was already burdened by rising commodity costs. The consumer price index

increased 7% overall, with the core figure coming in at 5.5%. In order to counter inflationary pressures, which are stronger and more persistent than initially anticipated, the Fed in the last quarter has progressively assumed a more aggressive stance, envisaging a more rapid reduction in net purchases of bonds, ending tapering in March and leaving room for an advance of the first official rate increase in the first part of 2022.

In the Eurozone, the recovery had a similar trend, marking a strong upturn in the early months of 2021, but with signs of a slowdown in the last period. The main causes are linked to the deceleration in consumption as a result of higher prices, especially those for energy goods and services, as well as the slowdown in manufacturing production due to difficulties in procuring supplies at a global level. The labour market reports a declining unemployment rate in November 2021 at 7.2% compared to 8.1% at the end of 2020.

GDP, after losing 6.4% during 2020, is expected to grow at around 5% according to the latest estimates, with funds from the Next Generation EU programme having already begun to be disbursed in the second half of 2021, although they are expected to provide benefits mainly in the 2022-2023 two-year period. However, it is the strong increase in inflation that characterises the year, with price growth estimated at 5% per year in December for the overall figure and 2.6% for the core index.

With regard to monetary policy, the ECB confirmed a much more patient approach than the Fed. After increasing its purchases of Pandemic Emergency Purchase Programme (PEPP) securities in the second and third quarters, it reduced them from the fourth quarter onwards, with a plan to phase them out in April 2022, but compensating in part with an increase in the standard APP (Asset Purchase Programme), which will continue next year. Also on the rate front, the ECB remained more cautious and less concerned about inflation than the Fed, suggesting that no rate hike will take place, at least through 2022.

In Italy, the progress of the vaccination campaign and the recovery of mobility had important results on business and consumer confidence and behaviour, with growth strengthening in the second quarter of 2021 and continuing in the third quarter, driven by domestic demand. In particular, there was a strong recovery in households spending, especially in services, while business investments continued to grow. Foreign trade also made a positive contribution to growth. GDP, which, following a

-8.9% in 2020, according to the latest estimates should exceed 6% in 2021, presents several downside risks at the end of the year in line with the trends recorded for the Eurozone. Inflation also rose during the year, registering an annual rate of 4.2% in December 2021, driven by the sharp rise in energy prices.

2021 was another volatile year for the Japanese economy, with alternating expansion and contraction, albeit less markedly than in 2020, due to the pandemic and restrictions imposed to counter it affecting domestic demand, especially for the consumption component. Growth, after a -4.5% in 2020, is expected to be around 2% for 2021, while inflation returned above zero in the fourth quarter, driven by energy. China, after the increase in Covid-19 cases in mid-August, faced two more bouts of infection between late September and mid-November, followed by another at the end of the year: although numbers remain extremely low compared to other countries, the zero-tolerance strategy on Covid-19 will continue to limit the recovery of consumption and services, as well as foreign trade. GDP growth slowed in the second half of the year, from +7.9% in the second quarter to +4.9% in the third quarter, and again registering +4% in the fourth quarter: overall, the 2021 figure is up 8.1%. The slowdown was noticeable in both the services sector, held back by measures to contain infections, and in the industry sector.

Bond markets

2021 was a complex and difficult year for global bond markets, on which the easing of risks related to the spread of the pandemic and the strengthening of growth that marked the first half of the year weighed heavily, in addition to pressures on the prices and the general commencement of the processes for gradual normalisation of monetary policies by the various Central Banks, which dominated the second half of the year.

The general rise in inflation expectations, although in a differentiated manner among the various geographical areas, based on the different speeds of implementation of the vaccination campaigns, led to a rethinking of the volume of fiscal stimuli and the consequent prospects of the economic recovery.

The greatest impact was recorded on the US curve, which, at the end of March, saw the spread between 10- and 2-year rates hit a record high since 2015. The Fed's monetary policy, which is still extremely accommodative, meant that the short-term rate remained anchored at historic lows at 0.1%. In fact, initially, the ten-year rate accelerated the movement begun the previous summer, reaching a high of 1.74% at the end of March, up from 0.91% at the beginning of the year, to then gradually fall back below 1.50% at the end of June.

Already at the end of the first half of the year, following the meeting of the Fed in June, which generated expectations of an earlier rise in rates, the two-year node of the curve increased by around ten basis points, settling at 0.25%, whilst, from September onwards, announcements of a forthcoming and more rapid tightening of monetary policy by the Federal Reserve contributed to pushing it up further, to 0.73% at the end of the year, while the yield on the ten-year, which fell below 1.30% during the summer, closed at 1.51% for the year.

A similar movement, but of lesser extent and more delayed in time, has occurred on the German interest rate curve. The two-year node hovered around late 2020 levels throughout the year, while the 10-year started the year on the upswing, in line with rising inflation expectations, ending the first half at -0.21%. In September, the announcement of a forthcoming monetary tightening by the Federal Reserve and the persistent inflation expectations also pushed up the German ten-year rate, which, after the fall in the summer months, closed the year with an increase to -0.18%.

Italian rates also remained unchanged in short maturities in the first three quarters, before rising to -0.07% at the end of the year. The long term experienced a less linear rise, also influenced by domestic political events. After briefly following the rise in the German rate, the ten-year domestic rate fell in early February, following the appointment of Mario Draghi, reaching an all-time low of 0.45%, before peaking above 1.10% at the height of the "reflation trade" in mid-May and falling back below 0.60% in August. Beginning in September, it experienced a marked rise, ending the year at 1.17%. As a result, the Btp-Bund spread, thanks to the maintenance of favourable financial conditions by the Eurosystem, fluctuated around 110 up to October, to increase to 135 at the end of the year.

For corporate bonds, the Investment Grade segment was characterised by extremely low spread volatility in 2021 due to the combination of sustained economic growth and monetary and fiscal support. Only in the last months of the year the new increase in infections, persistent inflationary pressures and the less accommodative approach of central banks influenced the market, increasing volatility. A similar trend can be observed in the High Yield segment, which generally benefited from improved company fundamentals over the previous year and fiscal and monetary support that supported the asset class, despite increases in production costs and bottlenecks in supply chains.

Stock markets

In the first half of the year the world's stock markets performed well overall, driven by developed countries,

especially the USA and Europe, whilst Japan and emerging countries performed less well.

The American stock exchange, already positive in the first quarter, accelerated in the second, closing the first half of the year with a new all-time record of the S&P500 index at +15.2%, including dividends, while the Nasdaq, after a bumpy start, closed at +12.9%.

European stock exchanges also recorded one of the best first half-years in over twenty years, bolstered by a combination of economic factors (corporate profits, macroeconomic data, monetary and fiscal policies) and contextual factors (reopening of almost all businesses, recovery of confidence, acceleration of vaccination campaigns). Unlike the American and Asian stock exchanges, which already recovered their pre-pandemic levels last year, most European markets, with the exception of Germany, had to wait until the second quarter of this year to recover their losses.

The second half of the year was also positive, thanks to the faster-than-expected economic recovery, with effects on quarterly corporate accounts that often turned out to be better than expected, and the actions of Central Banks that maintained an accommodating monetary policy, keeping bond yields at contained levels. In the United States, the S&P 500 closed at its highest level, registering +30.9%, including dividends, since the beginning of the year, as did the Nasdaq, which registered +21.4%. In the Eurozone, share prices continued to rise in the second half of the year, although the positive effect of the announcement of higher-than-expected earnings was partly offset by fears of possible interest rate increases and the dynamics of energy prices. Among the best indices are the Italian FTSE MIB, which closed at +26.8%, and the French CAC40 at +31.9%. Further back, the German index was more penalised by bottlenecks, especially in the automotive sector, with the DAX up by 15.8%.

Foreign exchange markets

The transition from 2020 to 2021 coincided with a reversal of the euro/dollar exchange rate. After the constant weakening of the greenback in the second half of 2020, mainly caused by the massive monetary policy interventions of the Fed, the exchange rate reached a peak of 1.23 at the turn of the year.

In the first quarter, expectations for a faster and stronger recovery of the US economy than that of the Eurozone led to a reversal, pushing the exchange rate towards 1.17. In the second quarter, the euro returned to strengthen thanks to renewed confidence in the economic recovery and the acceleration of the vaccination campaign, but following the less accommodating than expected tone at

the June meeting of the Fed, the dollar recovered sharply and closed the half-year at 1.185.

In the second half of the year the dollar progressively appreciated, favoured by expectations of faster normalisation of the Fed's monetary policy than previously expected, not only in terms of acceleration of tapering but also with reference to the increase in rates, the commencement of which was further anticipated at the FOMC (Federal Open Market Committee) on December 15th, from 2023 to 2022: the exchange rate at the end of the year was 1.137, after having reached a minimum of 1.119 at the end of November.

The strengthening of the dollar was even more pronounced against the Japanese yen. The exchange rate went from 103 yen per dollar at the end of 2020 to 111 yen per dollar on 30 June 2021, closing the year at 115.

Real estate market

During the first nine months of the year, there were 5.1 billion transactions across Italy, up 6% from the same period in 2020. With transactions closing in the fourth quarter, the volume invested in 2021 is expected to be around the average of the last five years, or slightly below 10 billion.

In terms of asset class, logistics continues to set a new record; for the first time it has become the top asset class in the Italian market, overtaking offices. Interest in this asset class is linked to the expansion of e-commerce. As for other asset classes, offices maintain their interest but only in core operations. Value added products are beginning to be analysed, but have not yet been transacted.

In terms of cities, transaction volume in Milan is in line with what has been observed since 2016. Milan remains the gateway for capital to the Italian market and the city where the best core products are found. These products achieve very low yields, around 3%. The city of Rome, on the other hand, suffers from a lack of core products that investors are interested in, which have not been created over the past few years. Core plus or value added products are currently considered too risky by investors.

In terms of nationality, the market in Italy remains dominated by foreign investors. The pandemic crisis is not only Italian but global, therefore all countries are in the same situation and the approach of investors is similar. The Italian market remains on the radar of foreign investors, both those who have been active for many years and new players entering for the first time and trying to find opportunities in line with their expectations. This is partly

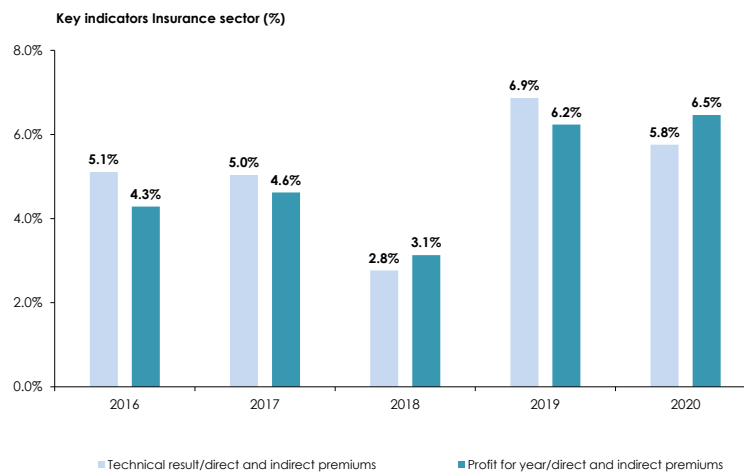
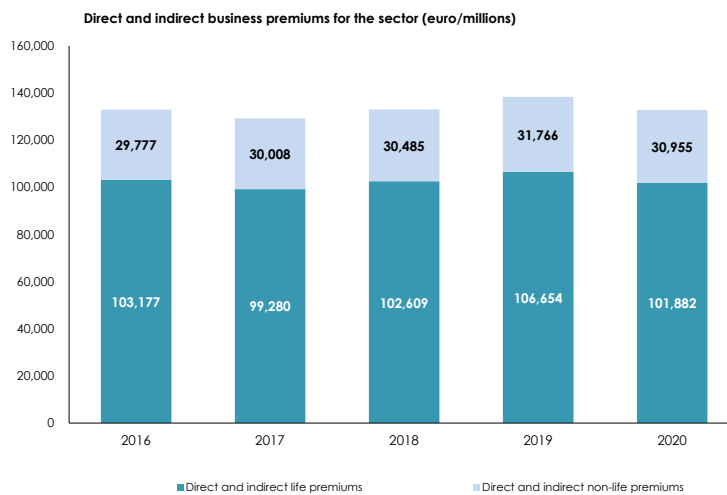
the result of the high liquidity that central banks continue to maintain in the markets.

Therefore, prime yields remain at the low levels reached before the crisis and, in the case of logistics, are falling further, from 7.8% in 2014 to 4.25%. Logistics is the only asset class to have experienced such a significant and continuous reduction in rates over the past few years. Office yields remained around 3% in Milan and 3.75% in Rome, with prime rent levels remaining stable.

The only yields that are increasing are in retail, particularly shopping centres; this is a product that is going through a transition phase that began well before this crisis. On the other hand, luxury street products (i.e. High Street segment) suffered a correction, due to Covid-19, which should be limited to this stage of the economic situation.

INSURANCE INDUSTRY

The graphs below show certain summary figures published by ANIA¹ for the insurance industry for the period 2016-2020.



¹ Source ANIA - L'assicurazione italiana 2020-2021, publication dated July 2021.

In 2021 the Italian insurance market, with reference only to companies with registered offices in Italy, is expected to record growth in premiums written of around 7%, for an overall volume, for the life and non-life businesses, of over € 144 billion (€ 135 billion in 2020). Last year, premiums were down nearly 4% from 2019 due to the negative effects associated with the spread of the Covid-19 pandemic and the economic/financial crisis it generated. Although there are still some elements of uncertainty regarding the evolution of the pandemic (deriving mainly from the spread of variants of the virus), the progress of the vaccination campaign, the lifting of restrictions on mobility at national and international levels and the recovery of GDP should all be driving factors that will contribute in 2021 to a return to growth, both in the life business (+8.5%) and in the non-life business (+2.8%).

Due to a significant recovery in GDP (estimated to be in the range of almost +5% at the end of 2021), the ratio of insurance premiums to GDP would rise slightly from 8.1% in 2020 to 8.3% in 2021.

After the contraction in 2020, attributable to the effects of the Covid-19 pandemic, which implied a decline in the operations of insurance companies (especially in the lock-down phase in the first half of the year) and a drop in the underwriting of contracts in important classes (such as in the motor segment), a return to growth is expected in 2021, reflecting the economic recovery. Premiums written for the Italian direct portfolio of non-life business would grow at the end of 2021 by just under 3% compared to 2020 for € 34.4 billion (€ 33.5 billion in 2020). This would return to an expansionary cycle that was abruptly interrupted in 2020, when premiums in this segment fell by 2.3%. The only class, with a weight on total non-life premiums that is still very significant, even if in progressive decline (35% in 2021 and 37% in 2020), for which a contraction in premiums would continue to be recorded (-4.5%) is the TPL motor class; the decrease in premiums during 2021 would bring the overall volume below € 12 billion, a value that was recorded in 1998. The reduction in premiums in 2021 (equal to almost € 500 million, which would be added to that of € 750 million in 2020) would be the combined effect of a review of tariff policies, which would accept the technical evidence of a reduction in the claims rate, and an intense competitive pressure, which would induce companies to grant further discounts at the time of policy renewal. With this further contraction in premiums written, from 2011 to 2021 the TPL motor class would record an overall drop in premiums written of almost € 6 billion in absolute terms and 33% in percentage terms. However, the negative result of the TPL motor class would be offset by a positive contribution from all other non-life classes. Indeed, premiums in this segment would be positively affected by the impetus of the economic

recovery and the fact that many expiring policies were not renewed during 2020 (during the lock-down and also due to the uncertainties linked to the economic crisis).

It is plausible to imagine that, with a return to more favourable economic conditions, there will be a resumption of insurance cover that had been suspended. Overall, the volume of premiums written would increase by over 7% with positive changes in all classes; among the most important business sectors for which growth would be higher than the market average, the development in the following sectors should be noted:

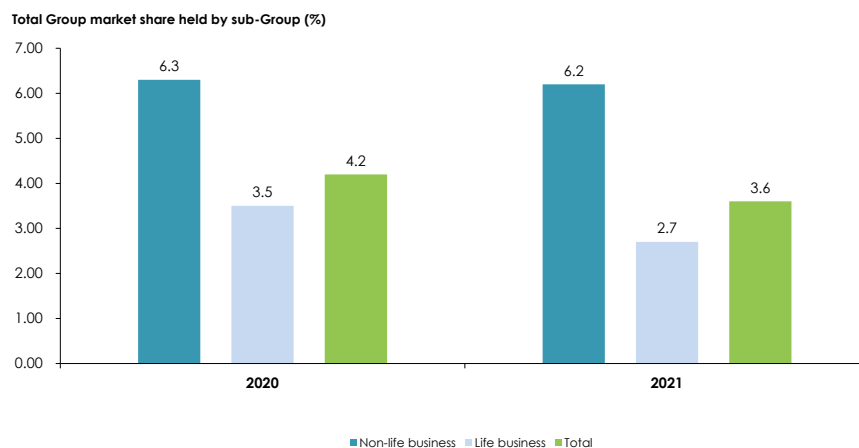
- health (+11%): the Covid-19 pandemic would have triggered an increase in demand for private health coverage, partly as a reflection of the difficulty in accessing public facilities during the health emergency;
- property (fire +8% and other damage to assets +7.5%): after a year of stagnation in the purchase of homes, there should be a boost in the property market (also due to the effect of subsidised mortgages for young people), which would increase the demand for insurance protection;
- land vehicle hulls (i.e. vehicle fire/theft and collision guarantees) should record a marked increase in premiums (+6.5%) due to an increase in the sale of new vehicles (at the end of June new registrations grew by almost 55%) and the purchase of used vehicles (transfers of ownership, again at the end of June, increased by 35%).

In 2021, non-life premiums as a percentage of GDP would, in any case, remain unaltered (2%). Despite the fact that the economic crisis linked to the uncertainties regarding the evolution of the Covid-19 pandemic (especially in the first few months of 2021) has slowed down household consumption, the demand for life insurance products has not diminished: in the current year, premiums in this business should record an increase of 8.5% for a volume that should be close to € 110 billion (they were just over € 100 billion at the end of 2020), thus managing to more than compensate for the loss of premiums written during 2020 (-4.4%). The growth would particularly concern class III (unit-linked), whose premiums would increase by 45% (for a volume of 43 billion), as a result of a general recovery of the financial and stock markets that, at the beginning of June 2021, were well above pre-crisis levels. On the other hand, premiums relating to traditional class I policies would continue to fall (-3.5%) due to the persistence of the scenario of very low or even negative interest rates.

The incidence of the volume of premiums written in the life business with respect to GDP would slightly rise from 6.1% in 2020 to 6.4% in 2021.

On the basis of the market figures for gross premiums written as at September 30th, 2021, of Italian companies and non-EU representative agencies, (Ania Trends, No. 1,

January 2022) total life and non-life premiums were up 8.6%, the non-life business was up 2% and the life business up 10.8%. Non-life business fell 2.5% in the motor classes and rose 6.4% in the non-motor classes.



SECTOR REGULATIONS

In the detailed overview of regulatory measures issued by legislators and sector authorities that characterised the financial year, several innovations affecting the insurance sector and the Group are highlighted.

The following list is not intended to be exhaustive.

Regulations, letters to the market and IVASS provisions

IVASS Provision No. 107 of January 12th, 2021

The regulatory measure amends Article 2, paragraph 1, letter f) of ISVAP regulation No. 14 dated February 18th, 2008, in order to remove the specific prohibition of transferring portfolios consisting solely of claims, which was expressly excluded in its original formulation. As a result of this amendment, the transfer between insurance undertakings of portfolios consisting solely of obligations arising out of insurance or reinsurance contracts is also permitted.

IVASS Provision No. 109 of January 27th, 2021

The provision amends Article 4 of ISVAP Regulation No. 7 of July 13th, 2007, and aligns the terms provided for the extension of the exemption from the application of IFRS 9 to January 1st, 2023.

IVASS letter to the market No. 0040166/21 of February 24th, 2021

In the letter entitled "Supervisory reporting - timing and operating procedures for disclosure", IVASS summarises the main requirements for sending supervisory reports with reference date of 2021, or those to be sent during 2021. The main changes include the following:

- the transitional operational parallel phase for national supervisory and statistical surveys has come to an end, meaning that these surveys must be transmitted exclusively via the INFOSTAT platform;
- for quality checks and queries, in the case of messages containing remarks, the reporting entity is required to send a new flow with the appropriate corrections or to confirm the individual remarks;
- for the RIAD database (ANAG and ANAGQ surveys): following the introduction in March 2020 of the new RIGA (register of insurance group companies) application, which also provides for the collection of the information required to populate the RIAD database, from 2021 the populating of the ANAG and ANAGQ surveys is no longer required;
- the introduction of a new authentication method for the INFOSTAT Data Collection and Flow Diffusion

services, based on a "two-factor" system through the use of a One-Time_Password (OTP).

IVASS letter to the market No. 0083520/21 of April 20th, 2021

IVASS provides guidance on reporting on systematic life communications (CSVI - comunicazioni sistematiche vita) and interest rate risk (RPSI - Rischio dei tassi d'interesse). The new reporting replaces in its entirety the previous reporting methods that will no longer be operational.

IVASS Regulation No. 47 of April 27th, 2021

The regulation, which contains provisions regarding recovery and financing plans pursuant to Title XVI of the CAP (safeguarding, recovery and liquidation measures) and published in the Italian Official Gazette No. 114 of May 14th, 2021, regulates in detail the content and process for preparing and authorising individual and group recovery and financing plans.

In particular, it should be pointed out that, following the implementation of the Solvency II directive, the deadline for the submission of the recovery plan, in the event of non-compliance with the Solvency Capital Requirement (SCR), or the financing plan, in the event of non-compliance with the Minimum Capital Requirement (MCR), is set at two months and one month respectively from the date of recognition.

The company shall restore the Solvency Capital Requirement or the Minimum Capital Requirement, respectively, within six months and within three months from the detection of their non-compliance.

IVASS letter to the market No. 0116684/21 of June 3rd, 2021

With this letter, IVASS, in light of the greater degree of operational detail and the novelty of several provisions contained in the EIOPA guidelines, aimed to recommend to companies a careful reinterpretation of the processes, organisational procedures and the control system, already governed by IVASS Regulation No. 38 of July 3rd, 2018, to ensure the full achievement of the objectives on security and governance of information and communication technology indicated by the Solvency II Directive and Commission Delegated Regulation (EU) 2015/35 of October 10th, 2014.

In this regard, reference is made in particular to:

- attention to the need to integrate the risk management system, also taking into account exposure to ICT and cyber security risks;
- the establishment, in compliance with the principle of proportionality, of a function characterised by independence and objectivity, dedicated to IT

security, whose head reports to the Board of Directors;

- the establishment and implementation, within ICT systems, of a change management process, so that changes introduced are surveyed, assessed, authorised and implemented in a controlled manner.

IVASS Provision No. 111 of July 13th, 2021

The provision, issued in implementation of Articles 7, 15 and 16 of Italian Legislative Decree No. 231 of November 21st, 2017, sets forth the provisions regarding the criteria and methodologies to be used to identify and assess the risk of money laundering and establishes the size and organisational criteria according to which obligated entities - in particular, companies and insurance intermediaries established "without a branch" - set-up anti-money laundering and internal audit functions and appoint the heads of these functions and the individual responsible for reporting suspicious transactions.

IVASS Regulation No. 48 of July 13th, 2021

The regulation lays down provisions on capital add-ons and, in particular, the definition of the criteria and methods for calculating capital add-ons in the event of deviation from the governance standards referred to in Article 47-sexies, paragraph 1, letter c) of the CAP. These measures, which are exceptional and temporary in nature, as they can only be imposed where other supervisory measures are ineffective or inadequate, and can only be maintained until the company has corrected the factors that caused the deviation, are aimed at ensuring that the regulatory capital requirements adequately reflect the overall risk profile of the company or of the relative group to which it belongs.

IVASS letter to the market No. 0143142/21 of July 14th, 2021

In this letter IVASS, following the inspections carried out, draws the attention of the supervised companies to the need to adopt suitable and correct methods of evaluating investments in complex and/or illiquid financial instruments, taking into account the following aspects in particular:

- compliance with the prudent person principle;
- implementation of an effective risk management system, including ongoing verification, in the ORSA process, of the use of the standard formula;
- independent determination of the fair value of illiquid or complex instruments;
- criteria for identifying risk factors, classification and valuation of financial instruments when operating under the standard formula.

IVASS letter to the market No. 0151928/21 of July 28th, 2021

IVASS drew attention to the recommendations addressed to insurance companies by EIOPA on July 19th, 2021, to improve the quality of the ORSA exercise considering the effects that the exceptional situation of the Covid-19 emergency has exerted and/or could exert on their activities, products, risks and organisational structures.

IVASS letter to the market No. 0151929/21 of July 28th, 2021

With this letter, IVASS drew attention to the Opinion issued by EIOPA on July 12th, 2021, for the correct use of risk mitigation techniques, highlighting in particular the importance of maintaining a correct balance between the risk actually transferred to another party and the benefit in terms of reduction of the solvency capital requirement and the need for the interrelation between risks, their mitigation and capital to be adequately highlighted within the ORSA process.

IVASS Regulation No. 49 of November 3rd, 2021

The regulation governs the procedures for the adoption of the measures provided for by Italian Ministerial Decree No. 100 of April 30th, 2021, of the MEF (Italian Ministry of Economy and Finance) establishing the Sandbox.

The regulatory Sandbox is a controlled environment where supervised intermediaries and FinTech players can test, for a limited period of time, technologically innovative products and services in the banking, finance and insurance industries, in constant dialogue with supervisory authorities. The objective of the Sandbox is to support the introduction of innovative models in these sectors while ensuring adequate levels of consumer protection and competition. In the meantime, the Authorities will be able to observe the dynamics of technological development and identify the most appropriate and effective regulatory interventions, containing the spread of potential new risks right from the outset.

Other legislative innovations**Italian Legislative Decree No. 187 of December 30th, 2020**

The decree on supplementary and corrective provisions to Italian Legislative Decree No. 68 of May 21st, 2018, implementing Directive (EU) 2016/97 of the European Parliament and of the Council of January 20th, 2016, on insurance distribution, published in the Italian Official Gazette No. 19 of January 25th, 2021, and entered into force on February 9th, 2021, amends and supplements the CAP, particularly in the area of insurance product distribution.

In particular:

- in Article 106, it supplements and specifies the definition of "reinsurance and insurance distribution";
- it extends professional training requirements to accessory brokers;
- it requires that the individual responsible for the insurance distribution of the intermediary registered under letter D must meet the requirements of respectability and professionalism;
- it requires those engaged in the distribution of bundled insurance products to always provide an adequate description of the various components regardless of whether the policyholder decides to purchase the components of the package offered separately;
- it repeals paragraph 3 of Article 182 contained in Italian Legislative Decree No. 209 of September 7th, 2005, which provided for the possibility for IVASS to request, albeit on a non-systematic basis, the transmission of advertising material used by companies and intermediaries;
- it applies the obligations of conduct incumbent on companies also to the contract bidding stage and not only to the execution stage;
- it provides for the establishment of the insurance arbitrator as an alternative dispute resolution system to mediation and assisted negotiation.

Italian Decree Law No. 183 of December 31st, 2020 (so-called "Milleproroghe" Decree)

The decree, converted by Italian Law No. 21 of February 26th, 2021, and published in the Italian Official Gazette No. 51 of March 1st, 2021, in Article 3, paragraph 11-sexies, provided, for listed companies, the postponement by one year (from January 1st, 2020, to January 1st, 2021) of the obligation to publish financial reports in the European Single Electronic Format (ESEF) pursuant to Delegated Regulation (EU) 2019/815 of December 17th, 2018.

COVIP resolution of December 22nd, 2020, and February 25th, 2021 "Supervisory instructions on transparency and Regulations on the procedures for joining supplementary pension schemes"

With a view to completing the implementation of the provisions of the European Directive on Pension Funds (IORP II), in order to ensure accuracy, timeliness, clarity and ease of retrieval of information by those interested in joining the supplementary pension scheme, COVIP, with its supervisory instructions, reorganised the entire governance, with particular regard to the information note and the provisions regarding communications to members and beneficiaries. On the other hand, with the

regulation, it updated the instructions on how to collect applications.

The subsequent resolution of February 25th, 2021, postponed certain obligations from May 1st to July 31st, 2021, in order to allow operators to adapt their business processes (periodic information to members, provisions relating to the prospectus in the case of settlements other than annuities, etc.).

Italian Ministerial Decree of January 4th, 2021

The decree, which came into force on April 30th, 2021, focuses on the definition of the basic contract for mandatory insurance of third-party liability arising from the use of motor vehicles and carries the approval of the electronic model that constitutes the common information standard on which the offer of the basic contract provided through the websites of the companies, as well as through the "New Public Estimator" service, will be based.

COVIP resolution of January 13th, 2021 "Supervisory instructions for companies that manage open pension funds, adopted pursuant to Article 5-decies, paragraph 1, of Italian Legislative Decree No. 25 of December 5th, 2005"

COVIP issued a series of provisions for open pension fund management companies concerning the Corporate Governance System, the Risk Management Function, the Internal Audit Function (to be set up if non-existing), professionalism and integrity requirements, the causes of ineligibility and incompatibility of the Manager of the Pension Fund and the heads of the Risk and Audit Functions, the obligation to adopt an Outsourcing Policy and a Remuneration Policy, the obligation to periodically carry out an internal risk assessment (the first of which is to be carried out no later than June 30th, 2021).

COVIP resolutions of May 19th, 2021 "Regulation on procedures" and "Draft articles of association for negotiated pension funds, regulations for open pension funds and regulations for individual pension plans"

With its resolution of May 19th, 2021 on the regulation of procedures, COVIP intended to revise the regulatory framework in order to adapt its content to the new regulatory provisions, especially the parts relating to

governance introduced in Italian Legislative Decree No. 252 of December 5th, 2005 by Italian Legislative Decree No. 147 of December 13th, 2018, to regulate the authorisation procedure by COVIP concerning the entrusting of core functions to entities or units of the sponsoring undertaking, to lay down provisions concerning the authorisation procedure relating to cross-border transfers and, finally, to revise the authorisation procedure for the exercise of cross-border activity.

Italian Law No. 238 of December 23rd, 2021

The Italian Law No. 238 of December 23rd, 2021, published in the Italian Official Gazette No. 12 of January 17th, 2022, in Article 25, containing provisions on the marking and European Single Electronic Format (ESEF) of annual financial reports pursuant to Delegated Regulation (EU) No. 815 of December 17th, 2018, provides that the following amendments be made to Article 154-ter of the Consolidated Finance Law, pursuant to Italian Legislative Decree No. 58 of February 24th, 1998:

a) The following shall be inserted after paragraph 1:

1.1. The directors shall ensure the application of the provisions of Commission Delegated Regulation (EU) 2019/815 of December 17th, 2018, to the annual financial reports that listed issuers with Italy as their home Member State publish in accordance with paragraph 1;

1.2. The independent auditor or the statutory auditing firm, in the audit report referred to in Article 14 of Italian Legislative Decree No. 39 of January 27th, 2010, shall also express an opinion on the compliance of the draft financial statements and the consolidated financial statements, included in the annual financial report, with the provisions of the delegated regulation referred to in paragraph 1.1 of this article, on the basis of an auditing standard drawn up, for this purpose, pursuant to Article 11, paragraph 2, of the aforementioned Italian Legislative Decree No. 39 of 2010.

It is reiterated that the Directors are responsible for the care and application of the provisions contained in the aforementioned Delegated Regulation, and it is specified that the opinion expressed in the audit report must include compliance with the provisions of the Delegated Regulation.

TAX MEASURES

The main innovations, which characterised the year are described as follows.

Italian Law No. 178 of December 30th, 2020 (2021 Budget Law)

Below are the main changes introduced by Italian Law No. 178 of December 30th, 2020 (Italian Official Gazette No. 322 of December 30th, 2020) of interest to the Group:

- **110% SUPERBONUS EXTENSION**
Article 1, paragraphs 66-67-74, amended Article 119 of Italian Decree Law No. 34 of May 19th, 2020, extending the deduction due for energy equalisation measures, earthquake-proofing, photovoltaic systems and electric vehicle charging stations, to expenses incurred up to June 30th, 2022. It is also stipulated that for expenses incurred in 2022, the deduction must be divided into 4 equal annual amounts, instead of the previous 5 annual amounts;
 - **TAX CREDIT FOR INVESTMENT IN CAPITAL GOODS**
Article 1, paragraphs 1051-1063, reformulated the credit introduced by Article 1, paragraphs 184-197 of Italian Law No. 160 of December 27th, 2019, (2020 Budget Law), effective as of January 1st, 2021, with respect to investments made on or after November 16th, 2020. Unlike the relief provided by the previous provision, investments in new intangible assets are also included in the scope of the new tax credit. The regulation also modified the extent of the relief, which differs according to the type of assets being invested in;
 - **CHANGES TO THE TAX CREDIT FOR RESEARCH AND DEVELOPMENT AND INNOVATION**
Article 1, paragraph 1064, extended from 2020 to 2022 the tax credit introduced by Article 1 of Italian Law No. 160 of December 27th, 2019, for investments in research and development, ecological transition, technological innovation 4.0 and other innovative activities. The extent of the credit varies according to the type of investment eligible for support: 20% up to a maximum of € 4 million for research and development activities, 10% for technological innovation activities (15% in the case of ecological transition target or digital innovation 4.0) up to a maximum of € 2 million, 10% up to a maximum of € 2 million for design and aesthetic design activities;
 - **TAX CREDIT FOR ADVERTISING INVESTMENTS**
Article 1, paragraph 608 introduced a new paragraph 1-quater to Article 57-bis of Italian Decree Law No. 50 of April 24th, 2017, which provides for an extension to 2022 of the regulation in question. Specifically, for the years 2021 and 2022, the tax credit is available in the single measure of 50% of the value of the advertising investments made, up to a maximum limit of € 50 million for each year;
 - **REALIGNMENT OF GOODWILL AND OTHER INTANGIBLE ASSETS**
Article 1, paragraph 83, introduced paragraph 8-bis to Article 110 of Italian Decree Law No. 104 of August 14th, 2020, extending the scope of the realignment of statutory and tax values to include goodwill and other intangible assets. The realignment is subject to payment of a 3% substitute tax and entails a tax suspension restriction on a portion of the shareholders' equity reserves corresponding to the realigned values net of the substitute tax.
- Italian Decree Law No. 41 of March 22nd, 2021 (so-called "Sostegni" Decree)
- The decree, published in the Italian Official Gazette No. 70 of March 22nd, 2021, concerning "urgent measures to support businesses and economic operators, labour, health and territorial services, related to the Covid-19 emergency" was converted into Italian Law No. 69 of May 21st, 2021, published in the Italian Official Gazette No. 120 of May 21st, 2021, in force as of May 22nd, 2021.
- The main changes introduced of interest to the Group are described below:
- **MEASURE FOR THE INCENTIVISATION OF CORPORATE WELFARE**
Article 6-quinquies amended Article 112 of Italian Decree Law No. 104 of August 14th, 2020, converted into Italian Law No. 126 of October 13th, 2020, extending to 2021 the increase in the amount from € 258.23 to € 516.46 of the value of goods sold and services provided by the company to employees that does not contribute to the formation of income pursuant to Article 51, paragraph 3 of Italian Presidential Decree No. 917 of December 22nd, 1986;
 - **EXTENSION OF THE SUSPENSION PERIOD FOR THE ACTIVITIES OF THE COLLECTION AGENT**
Article 4, paragraph 1, provided for the suspension of payments deriving from payment notices, executive assessments and charge notices whose terms have expired from March 8th, 2020, to April 30th, 2021.

Payments were to be made in a lump sum by May 31st, 2021. Therefore, Article 68 of Italian Decree Law No. 18 of March 17th, 2020, converted into Italian Law No. 27 of April 24th, 2020, which set the final date of the suspension period at February 28th, 2021, has been amended.

Italian Decree Law No. 73 of May 25th, 2021 (so-called "Sostegni-bis" Decree)

The decree, published in the Italian Official Gazette No. 123 of May 25th, 2021, concerning "urgent measures related to the Covid-19 emergency, for businesses, work, young people, health and territorial services" has been converted into Italian Law No. 106 of July 23rd, 2021, published in the Italian Official Gazette No. 176 of July 24th, 2021, in force as of July 25th, 2021.

It should be noted that Article 1 of the conversion law repealed Italian Decree Law No. 89 of June 22nd, 2021, and Italian Decree Law No. 99 of June 30th, 2021, the provisions of which have been included in the body of the converted "Sostegni-bis" Decree.

Below are the measures contained in the decree that are of some interest to the Group:

– **TAX CREDIT FOR INVESTMENT IN CAPITAL GOODS**

Article 20 added paragraph 1059-bis to Article 1 of Italian Law No. 178 of December 2020 (2021 Budget Law), which extends the possibility of using the tax credit in a single annual amount to parties with a volume of revenues or remuneration of no less than € 5 million that make investments in tangible capital goods other than those indicated in Annex A attached to Italian Law No. 232 of December 11th, 2016, carried out from November 16th, 2020, and until December 31st, 2021;

– **ANNUAL LIMIT OF LOANS THAT CAN BE OFFSET USING THE MODEL F24**

Article 22 provided for an increase in the limit for "horizontal" loan offsetting from € 700 thousand to € 2 million;

– **TAX CREDIT FOR SANITATION AND PURCHASE OF PROTECTIVE EQUIPMENT**

Article 32 introduced a new tax credit equal to 30% of the expenses incurred in June, July and August 2021 for the sanitisation of environments and tools used, the purchase of personal protective equipment and other devices designed to ensure the health of workers and users, including expenses for the administration of swabs for Covid-19. The credit is up to a maximum of € 60 thousand for each beneficiary, with a total limit of € 200 million on a national basis for 2021;

– **CHANGES TO THE TAX CREDIT FOR ADVERTISING INVESTMENTS**

Article 67, paragraphs 10-12-13 replaced paragraph 1-quarter of Article 57 of Italian Decree Law No. 50 of April 14th, 2017, introduced by the 2021 Budget Law, providing that for the years 2021 and 2022, the tax credit is due in the single measure of 50% of the value of advertising investments made within the maximum limit of € 90 million, which constitutes an expenditure ceiling for each of the years 2021 and 2022;

– **"INNOVATIVE" ACE**

Article 19, paragraphs 1 to 7, introduced a temporary strengthening of the relief, limited to the 2021 tax period only. The benefit consists of applying a 15% rate only to increases in equity compared to that existing at the end of the 2020 tax year. The increase in equity is recorded for a maximum amount of € 5 million. Pro-rata temporis is also not provided for;

– **FURTHER EXTENSION OF THE SUSPENSION PERIOD FOR THE ACTIVITIES OF THE COLLECTION AGENT**

Article 9, paragraph 1, provided for a further extension of the suspension of payments deriving from payment notices, executive assessments and charge notices whose terms have expired from March 8th, 2020, to August 31st, 2021. Payments were to be made in a lump sum by September 30th, 2021.

Italian Decree Law No. 146 of October 21st, 2021 (so-called "Tax Decree")

The decree, published in the Italian Official Gazette No. 252 of October 21st, 2021, containing "Urgent measures on economic and tax matters, to protect labour and for unavoidable needs" was converted into Italian Law No. 215 of December 17th, 2021, published in the Italian Official Gazette No. 301 of December 20th, 2021, in force as of December 21st, 2021.

Below are the measures contained in the decree that are of interest to the Group:

– **DEFERMENT OF PAYMENT TERMS FOR SERVED NOTICES**

Article 2, paragraph 1, stipulated that payment notices served during the period from September 1st, 2021, to December 31st, 2021, are to be paid within 180 days from the date of service and not within the usual 60 days;

– **AMENDMENTS TO THE RULES GOVERNING VIRTUAL STAMP DUTY**

Article 5, paragraph 14-bis, amended Article 15-bis of Italian Presidential Decree No. 642 of October 26th, 1972, increasing from 70% to 100% the amount of the advance payment to be made by April 16th of each year. In addition, the deadline for submitting the

declaration relating to the deeds and documents issued in the previous year was postponed from January to February of each year.

– **POSTPONEMENT OF NEW FEATURES REGARDING THE "ESTEROMETRO"**

Article 5, paragraph 14-ter, provided for the postponement from January 1st, 2022, to July 1st, 2022, of the changes to the so-called "Esterometro", originally introduced by Article 1, paragraph 1103, of Italian Law No. 178 of December 30th, 2020. The communication of cross-border transactions, as of July 1st, 2022, will have to be made through the Interchange System in electronic invoice format. From the same date the terms of transmission have also been modified: data relating to transactions issued to parties not resident in the State will be transmitted within the terms of issue of the invoices, while data relating to transactions received from non-resident parties will be transmitted by the fifteenth day of the month following that in which the transaction was carried out;

– **REPEAL OF THE PATENT BOX AND INTRODUCTION OF A HIGHER DEDUCTION FOR RESEARCH AND DEVELOPMENT COSTS**

Article 6 has provided for the repeal of the Patent Box and the introduction of a new option for the greater deductibility of research and development costs for intangible assets (the so-called "Super-deduction"). The arrangements provided for by Article 6 have been completely revised by Italian Law No. 234 of December 30th, 2021 (so-called "2022 Budget Law"). Compared with the original version, the effective date of the new provisions is changed, no longer concerning options exercised from October 22nd, 2021, but options relating to the 2021 tax period. At the same time, it is stipulated that the Patent Box options can no longer be exercised with reference to the 2021 and subsequent tax years. In addition, the percentage of the add-on was increased from 90% of research and development costs to 110%. Finally, the exclusion of trademarks and know-how from eligible assets and the elimination of the prohibition to

combine them with the research and development tax credit have been sanctioned. For the purposes of income tax and IRAP, individuals with business income must exercise the option to benefit from the 110% "super-deduction" of research and development costs for intangible assets. The option, which lasts for 5 tax periods, is irrevocable and renewable. The procedures for exercising the option are defined in the implementing measure of February 15th, 2022, of the Italian Revenue Agency.

In addition, a transitional regime is stipulated in which parties who have exercised or who are exercising the Patent box options pursuant to Art. 1, paragraphs 37 to 45, of Italian Law No. 190 of December 23rd, 2014, relating to tax periods prior to that in progress at the date of entry into force of this decree, may choose, as an alternative to the opted regime, to adhere to the new facilitating regime, subject to notification to be sent in accordance with the procedures established by the aforementioned implementing measure.

The new provisions apply to the options exercised with regard to the tax period in progress on the effective date of this decree and subsequent tax periods.

Italian Decree Law No. 157 of November 11th, 2021 (so-called "Anti-Fraud Decree")

The decree, published in the Italian Official Gazette No. 269 of November 11th, 2021, regarding "Urgent measures to combat fraud in the area of tax and economic benefits", provided for the introduction, as of November 12th, 2021, of new measures to combat fraud in order to counter any fraudulent conduct within the scope of the transfer and discount on the invoicing of building deductions and within the scope of the transfer of Covid credits (e.g. sanitation bonus).

In particular, the decree has extended the requirement for compliance and price fairness, and strengthened the preventive checks carried out by the Italian Revenue Agency, specifying their powers for the purposes of subsequent control activities.

MANAGEMENT REPORT



Total premiums written

2,253 € mln

MANAGEMENT REPORT

The Company in 2021

Insurance business

Financial and asset management

Headcount and sales network

Other information

Information on the investee companies

THE COMPANY IN 2021

HIGHLIGHTS

As of November 5th, 2021, Società Cattolica and, with it, all of its subsidiaries became part of the Assicurazioni Generali Group, following the successful Public Tender Offer (PTO) promoted by the same. Therefore, for the sake of clarity, both the terms "Group" and "sub-Group" will be used in the text, in any case indicating the sub-group consisting of Società Cattolica and its subsidiaries.

The Group's industrial capabilities and disciplined management of the business enabled it to present very solid year-end results from a technical and operational standpoint. Premiums written are up in both segments of business, with strong growth in unit-linked and an excellent Non-life profitability ratio. Moreover, the sharp rise in net profit confirms the Group's solid technical and commercial performance. These results are the expression of the Cattolica Group's ability to generate profits, also thanks to a widespread and broad presence throughout Italy and the professionalism of our people and the agency and banking networks.

The partnership with the Generali Group has accelerated our performance and the increasing integration of skills and technologies will allow us, also in light of the new control structure, to become increasingly appreciated by the market and the communities in which we operate.

The performance indicators are positive, confirming the work carried out by the Group and its distribution networks, both agency and banking, thanks to the strategic directions of focus on income quality. Cattolica's fundamentals made it possible to slightly exceed the guidance given to the market, with an operating result of € 300.3 million.

The transformation into a joint-stock company starting from April 1st, 2021, and the strategic guidelines for the future are the challenges that generated value for all stakeholders during 2021.

Thanks to the partnership with the Generali Group, the effects of the industrial and commercial agreements in four strategic areas (asset management, internet of things, health business and reinsurance) have also come to fruition, reinforcing the relevance of this strategic focus in the direction of the social relevance of the offer and digital service innovation.

After the Shareholders' Meeting of May 14th, which renewed the members of the Board of Directors for the financial years 2021-2023, including the members of the

Management Control Committee, at the end of May, Assicurazioni Generali announced its decision to promote a voluntary Public Tender Offer (PTO) on all Cattolica's ordinary shares pursuant to Article 102 of the Consolidated Finance Law and on June 18th, 2021, Assicurazioni Generali filed with CONSOB the document relating to the Offer, pursuant to Articles 102 and 106, paragraph 4, of the Consolidated Finance Law, concerning all the ordinary shares of Cattolica, listed on the MTA (Mercato Telematico Azionario - screen-based stock exchange) organised and managed by Borsa Italiana S.p.A..

On November 4th, Assicurazioni Generali communicated, pursuant to Article 41, paragraph 6, of the Issuers' Regulation, the final results of the PTO, whose enrolment period began on October 4th and ended on October 29th, 2021.

On the basis of the final results communicated by Equita, during the enrolment period, 138,842,677 Shares were offered, equal to approximately 79.660% of the Shares subject to the Offer and 60.803% of Cattolica's share capital. Taking into account the 138,842,677 Shares offered and the 54,054,054 Shares already held by Assicurazioni Generali, as a result of the settlement of the Offer, Generali came to hold a total of 192,896,731 Shares, equal to 84.475% of Cattolica's share capital.

The Cattolica Group closed the year with consolidated operating income² of € 300.3 million, marking a 14.7% drop mainly due to the combined ratio, which fell from 86.8% to 89.1%.

In the non-life business, the operating result was € 248.6 million (-10%), in the life business it amounted to € 55.1 million (-30.8%).

² The operating result excluded more volatile components (realisations, write-downs, other one-offs). In detail, the Non-life operating result is defined as the sum of the re-insurers net technical balance, ordinary financial income, other net non-technical costs (amortisation/depreciation, write-down of insurance receivables, etc.); excluded from the operating result are realised (plus/minus) financial results, valuation and impairment; write-downs of other assets, the cost of financial debt (subordinated), amortisation of the VOBA (Value of Business acquired), exit incentives, the cost of the Solidarity Fund, and other one-offs. The Life operating result is defined in a similar way, with the difference being that all financial income, which contributes to the income of stocks belonging to segregated assets, as well as those belonging to class D, are considered in the operating result.

The consolidated profit came to € 108 million (+52.9%). The adjusted profit³ was € 253 million, up sharply from FY2020 (€ 192 million). This KPI includes the capital gain of € 104 million, net of tax, from the sale of Lombarda Vita to Intesa Sanpaolo.

The Group's net profit⁴, amounting to € 95.9 million (€ 36.4 million as at December 31st, 2020), showed a marked improvement despite € 164 million of write-downs (of which € 145.3 million linked to the goodwill of the companies in joint ventures with the BPM group).

Total premiums written for direct and indirect business - life and non-life - came to € 5,165.8 million (+9.8%).

Premiums written for direct non-life business amounted to € 2,133.7 million (+1.4%). The non-Motor segment contributed to the result for € 1,128.6 million (+5.4%). Premiums in the Motor segment amounted to € 1,005.1 million (-2.7%); this change was influenced by the drop in the average premium due to competitive pressure on the market and the small decline in TPL policies (around 61,500 transactions in 2021).

The combined ratio of retained business at 89.1%, is confirmed at an excellent level, benefiting from the positive performance of both Motor and Non-motor, albeit up by 2.3 pps compared to FY2020, it should be noted that last year had benefited from a sharp drop in claims frequency following the very strict lock-down.

The claims ratio of retained business rose to 57.7% (+2.8 pps) due to the recovery in the frequency of claims in the Motor segment. The expense ratio worsened slightly to 29.9% (+0.8 pps), due to the increase in acquisition costs, whilst the G&A expense ratio fell slightly (-0.3 pps to 7.6%) despite extraordinary expenses linked to the relief plan shared with the supervisory authority and corporate transactions. The component of other technical items on premiums fell from 2.8 to 1.5 pps; it should be noted that last year the effect of the voucher on motor TPL policies had an impact of 0.7 pps.

In the Life business, direct business premiums came to € 3,008.5 million (+16.6%). In the production mix, there was a significant increase in unit-linked products (+152.3%), which accounted for over 50% of new production.

The revaluable component of new Life insurance policy issues with zero guaranteed rates encouraged a progressive further decline in the average guaranteed minimum of the sub-group's reserve stock to 0.57% (-3 bps compared to FY2020). In addition, all new traditional issues

are characterised by low capital absorption due to their low risk profile.

The result of investments⁵, amounted to € 309.8 million (+3.9%), with an increase in the ordinary non-life component (+8%). The components of this result are discussed in the "Financial and asset management" section in the "Business performance for the year" chapter.

As at December 31st, the investments amounted to € 25,388.1 million (+3.8%), including the real estate investments classified as tangible assets and cash and cash equivalents. Gross technical provisions for non-life business amounted to € 3,411.6 million (-2.4%). Provisions for life business, inclusive of financial liabilities, amounted to € 19,579.9 million (+2.4%).

Consolidated shareholders' equity amounted to € 2,840.8 million (+8.7%). Group shareholders' equity amounted to € 2,408.3 million (+12.5%). This increase is also attributable to the result for the year and to the 27,004,484 own shares taken up under the PTO, equal to 11.8% of the share capital, corresponding to almost all the own shares held by Cattolica, after deducting the 1,040,717 own shares assigned to the beneficiaries in execution of the Performance Shares Plans.

The Company ended the year with a profit of € 7 million according to national accounting standards compared to a profit of € 3.6 million as at December 31st, 2020 (+95.1%).

On December 3rd, the merger deeds of Berica Vita S.p.A. and ABC Assicura S.p.A. into the Company were formalised, and were registered on December 27th with the competent Verona Companies' Register; consequently, since registration took place by December 31st, 2021, the aforementioned mergers became effective as from 11:59 p.m. on December 31st, 2021, with accounting and tax effects predated January 1st, 2021, as provided for by the aforementioned deeds.

Total premium written for direct and indirect business - life and non-life - came to € 2,253 million (-2.1%).

Direct premiums of the non-life business amounted to € 1,689.6 million (-0.6%). In the motor segment, premiums written amounted to € 809.4 million (-2.1%). The non-motor classes, with premiums written for € 880.3 million, increased by 0.8%.

³ It is defined as the measure of Group profit less the amortisation of VOBA (value of business acquired, net of related tax effects and for the portion pertaining to the Group) and goodwill impairment, which have an impact on Group profit but do not affect the Solvency position.

⁴ Net of minority interests.

⁵ With the exclusion of investments whose risk is borne by the policyholders and the change in other financial liabilities.

The combined ratio of retained business increased from 89% to 90.6%.

Life premiums written, down 6.1%, reported premiums in the traditional segment for € 360.3 million, unit-linked premiums for € 138.3 million, health insurance for € 1.5 million, capitalisation for € 8.3 million and pension funds for € 12.5 million.

The result of financial management of investments (class C) amounted to € 40.5 million (-55.3%), mainly due to lower income from shares and holdings.

Shareholders' equity amounted to € 2,189.4 million (+9.7%). As already mentioned, the increase is also attributable to the profit (loss) for the year and to the 27,004,484 own shares offered in the PTO, equal to 11.8% of the share capital.

The distribution network of Cattolica and its subsidiaries as at December 31st consists of 1,326 agencies distributed as follows: 49.5% in Northern Italy, 26.4% in Central Italy and 24.1% in Southern Italy and the islands.

The number of branches distributing Pension Planning products are 5,314, and included 1,245 of the former Banco Popolare network (Banco BPM, Banca Aletti & C. S.p.A., Agos Ducato S.p.A.) and the 3,973 branches of Banche di Credito Cooperativo.

The following tables and comments show the reclassified income statement, the key indicators, the reclassified statement of financial position and the balances relating to the sales network and the headcount, compared with those of the previous year.

As already reported, the figures as at December 31st, 2021, include the balances deriving from the merger by incorporation of Berica Vita and ABC Assicura, with recognition for accounting purposes as from January 1st, 2021.

It should be noted that the tables provided below in this Report do not include the 2020 pro-forma figures for the aforementioned mergers.

Table 1 - Summary of the premiums for the year

(€ thousands)	2021	2020	Changes	
			Absolute value	%
Gross premiums written	2,253,013	2,301,020	-48,007	-2.1
Direct business - non-life	1,689,641	1,700,550	-10,909	-0.6
Direct business - life	520,839	554,535	-33,696	-6.1
Indirect business - non-life	41,561	45,653	-4,092	-9.0
Indirect business - life	972	282	690	n.s.

n.s. = not significant

Table 2 - Reclassified income statement

(€ thousands)	2021	2020	Changes	
			Absolute value	%
NON-LIFE BUSINESS				
Premiums for the year	1,493,217	1,492,826	391	0.0
Claims for the year	-884,651	-836,750	-47,901	-5.7
Administrative expenses	-149,608	-148,240	-1,368	-0.9
Acquisition and collection costs	-300,614	-308,215	7,601	2.5
Other technical items	-18,648	-35,804	17,156	47.9
a) Result of non-life insurance business	139,696	163,817	-24,121	-14.7
LIFE BUSINESS				
Premiums for the year	513,161	548,855	-35,694	-6.5
Claims for the year and change in technical provisions	-636,001	-625,809	-10,192	-1.6
Administrative expenses	-28,755	-23,355	-5,400	-23.1
Acquisition and collection costs	-25,686	-26,104	418	1.6
Other technical items	-10,270	-19,751	9,481	48.0
Technical interest ¹	160,873	116,334	44,539	38.3
b) Result of life insurance business	-26,678	-29,830	3,152	10.6
c) = (a+b) Total result of insurance business	113,018	133,987	-20,969	-15.7
d) Net income from investments	101,964	114,627	-12,663	-11.0
e) Technical interest ¹	-160,873	-116,334	-44,539	-38.3
f) Other income net of other charges	-62,020	-71,864	9,844	13.7
g) = (c+d+e+f) Profit (loss) from ordinary operations	-7,911	60,416	-68,327	n.s.
Profit (loss) from extraordinary operations	70,904	-2,598	73,502	n.s.
Profit (loss) before taxation	62,993	57,818	5,175	9.0
Income taxes for the year	56,002	54,235	1,767	3.3
PROFIT (LOSS) FOR THE YEAR	6,991	3,583	3,408	95.1

n.s. = not significant

¹ This item comprises the technical interest payable to policyholders, the result of class D investments and the change in the capital gain fund reserve and it does not include adjustments on investments.

Table 3 - Key life and non-life efficiency and profitability indicators

	2021	2020
Non-life ratios for direct business		
Claims ratio (Claims for the year / Premiums for the year)	58.0%	56.8%
G&A ratio (Other administrative expenses / Premiums for the year)	8.8%	8.8%
Commission ratio (Acquisition costs / Premiums for the year)	20.7%	20.7%
Total expense ratio (Operating expenses / Premiums for the year)	29.5%	29.5%
Combined ratio (1 - (Technical balance (*) / Premiums for the year)	88.7%	88.4%
Non-life ratios for retained business		
Claims ratio (Claims for the year / Premiums for the year)	59.2%	56.1%
G&A ratio (Other administrative expenses / Premiums for the year)	10.0%	9.9%
Commission ratio (Acquisition costs / Premiums for the year)	20.2%	20.6%
Total expense ratio (Operating expenses / Premiums for the year)	30.2%	30.5%
Combined ratio (1 - (Technical balance (*) / Premiums for the year)	90.6%	89.0%
Life ratios		
G&A ratio (Other administrative expenses / Premiums for the year)	5.6%	4.3%
Commission ratio (Acquisition costs / Premiums for the year)	5.0%	4.8%
Total expense ratio (Operating expenses / Premiums for the year)	10.6%	9.1%

(*) Excludes the income attributable to the non-life technical account and the changes in the equalisation reserve

Table 4 Reclassified statement of financial position

(€ thousands)	2021	2020	Changes	
			Absolute value	%
Assets				
Land and buildings	66,075	84,312	-18,237	-21.6
Investments in Group companies and other investee companies	1,288,674	1,767,097	-478,423	-27.1
Shares and units of mutual investment funds	1,600,136	1,478,484	121,652	8.2
Bonds and other fixed-income securities	6,373,448	5,763,259	610,189	10.6
Loans and other class C.III. investments	2,413	2,634	-221	-8.4
Deposits with ceding companies	9,051	9,447	-396	-4.2
Class D investments	724,112	569,540	154,572	27.1
Cash and cash equivalent	81,202	53,285	27,917	52.4
Investments	10,145,111	9,728,058	417,053	4.3
Intangible assets	98,941	111,018	-12,077	-10.9
Technical provisions - reinsurance amount	458,154	437,740	20,414	4.7
Other receivables and other assets	1,210,932	1,264,295	-53,363	-4.2
TOTAL ASSETS	11,913,138	11,541,111	372,027	3.2
Shareholders' equity and liabilities				
Share capital and equity reserves	2,185,029	2,156,930	28,099	1.3
Negative reserve for own shares in portfolio	-2,642	-164,506	161,864	98.4
Profit (loss) for the year	6,991	3,583	3,408	95.1
Shareholders' equity	2,189,378	1,996,007	193,371	9.7
Premium provision	714,483	722,234	-7,751	-1.1
Provision for outstanding claims	2,167,531	2,262,442	-94,911	-4.2
Gross technical provisions - non-life	2,882,014	2,984,676	-102,662	-3.4
Mathematical provisions	4,760,298	4,537,167	223,131	4.9
Class D provisions	724,112	569,540	154,572	27.1
Gross technical provisions - life	5,484,410	5,106,707	377,703	7.4
Other gross non-life technical provisions	16,540	15,781	759	4.8
Other gross life technical provisions	137,321	145,957	-8,636	-5.9
Other payables and other liabilities	1,203,475	1,291,983	-88,508	-6.9
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	11,913,138	11,541,111	372,027	3.2

Table 5 - Headcount and sales network

(number)	2021	2020	Changes	
			Absolute value	%
Headcount	1,029 (*)	998	31	3.1
Full-time equivalent headcount	1,005 (*)	974	31	3.2
Direct network:				
Agencies	789	823	-34	-4.1
Partner networks:				
Bank branches	96	96	0	0

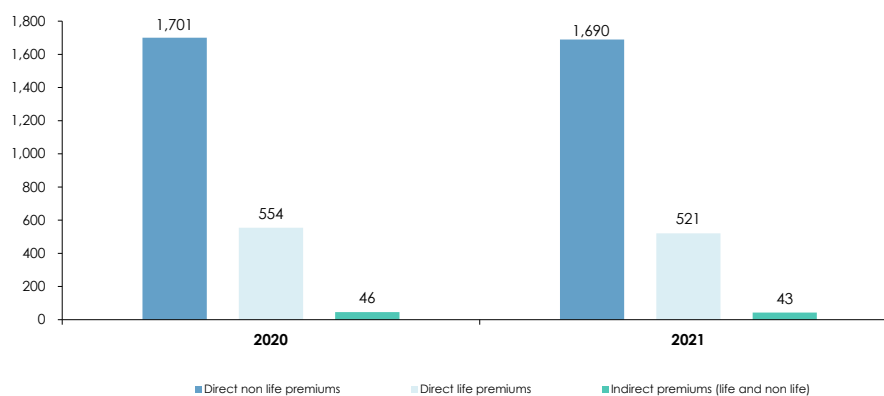
(*) The figure includes the 3 employees of ABC Assicura and the 3 employees of Berica Vita, merged by incorporation into the Company with accounting and tax effects as at January 1st, 2021.

The insurance business

The overall volume of premiums stands at € 2,253 million (-2.1%), € 1,689.6 million in direct non-life business (-0.6%), € 520.8 million in direct life business (-6.1%) and € 42.5 million

in indirect business (-7.4%). Non-life business as a percentage of direct business rose from 75.4% to 76.4% and that of the life business fell from 24.6% to 23.6%.

Direct life and non life premiums, indirect premiums (euro/millions)



Technical provisions relating to direct and indirect non-life business (premiums and claims) amounted to € 2,882 million (-3.4%). Technical provisions relating to life business (mathematical provisions and class D) amounted to € 5,484.4 million (+7.4%), of which € 724.1 million relating to class D technical provisions.

With reference to the non-life business, the direct business indicators presented a ratio of other administration expenses to premiums written for the year of 8.8%, in line

with 2020, and acquisition costs to premiums written of 20.7%, in line with 2020.

With reference to life business, the indicators presented a ratio of other administration expenses to premiums written for the year of 5.6%, compared to 4.3% in 2020, and acquisition costs to premiums written of 5% (4.8% as at December 31st, 2020).

Financial and asset management

Investments amounted to € 10,145.1 million (+4.3%) and were made up as follows: 0.7% from land and buildings, 63% from fixed-income securities, 12.2% from shares and holdings, 7.1% from class D investments and 17% from other investments.

The result from the management of class C investments (non-life and life), as already indicated, amounted to € 40.5 million (-55.3%).

Own equity - Shareholders' equity

Shareholders' equity amounted to € 2,189.4 million (+9.7%). As already mentioned, the increase is also due to the result for the year and the own shares offered in the PTO, amounting to 27,004,484 shares, equal to 11.8% of the share capital.

With regard to details relating to its composition, its possibility of being used and the distributable nature of the reserves, please see the related table in the notes to the accounts.

COVID-19 EMERGENCY MANAGEMENT

Similar to 2020, 2021 was a year in which the world lived with the Covid-19 pandemic. After the early winter months, still characterised by high rates of positive cases, for a short period in the summer season, there were signs that the worst was behind us; but the beginning of autumn and the lowering of temperatures have brought a new wave and the spread of the new Omicron variant. Observation of the infection, hospitalisation and death trends, and the comparison of the same with other countries (even considering differences in populations such as the average age), together with the massive vaccination campaign carried out worldwide, is leading many scientists to hypothesise that 2022 could finally be the year of the downgrade of the pandemic to a purely epidemic status, with the consequent end of the restrictions adopted in different parts of the world to counteract the spread and perniciousness of the virus.

The Covid-19 pandemic brought about a number of paradigm shifts for society as a whole, including in the consequences that embrace individual and collective spheres, within social and economic aspects, with a feeling of uncertainty surrounding forecasts on when the world's population may be considered reasonably safe from the pandemic, as well as the lifestyles of individuals. The economic crisis that affected the sector should not be ignored, especially in terms of production, strongly penalised by the situation, even though the outlook regarding recovery seems very fragmented and anticipates a speed of adaptation and recovery of activities and of the generation of profits very different depending on global location and productive sector.

From the overall picture the conviction that the perception of risk is changing in the population emerges: the insurance sector is called upon to respond to the new balance in society that is being created ("new normal") in order to be ready for the challenges and opportunities that are being generated, evolving and even transforming the consolidated business model where

necessary, redesigning the solutions and offering an increasingly personalised purchasing experience.

The effective impact on the insurance world is still to be assessed in its entirety, although it consists of a mix of contrasting effects, still being defined and stabilised.

In 2020, the effects of contingency on the segment's profitability affected mainly financial performance: the reaction of the markets, consistent with a progressive downward revision of prospective growth, materialised especially in the first months following the start of the pandemic, with a sudden increase in volatility, a reduction in core rates, and a generalised repricing of all riskier assets, from equities to credit, via domestic governments. In the industrial operations, there was also a significant decrease in claims reported, especially in the Motor TPL class. The beneficial effect on margins was partly offset by claims directly related to the pandemic reported by a number of major domestic players, especially in the business interruption and travel segment.

The downward trend in claims reported with respect to the pre-pandemic period, especially in the TPL motor class, was also confirmed in 2021 (about -20% compared to 2019 in the class 10+12).

There is an increasingly clear tendency for companies to embrace an offer, including with the help of the insurtech world, which is increasingly innovative and digital, capable of intercepting the needs of customers that the pandemic is making increasingly explicit, with the aim of reducing the current under-insured level of consumers in relation to non-compulsory businesses. The pandemic also accentuated trends that cannot be overlooked and that, along with the digital acceleration of society as a whole, draw the attention of companies to the need to intercept, on the one hand, the growing health expenditure and, on the other hand, the increased liquidity potentially ready to be transformed into protection. On the distribution front, the new relationship model based on omni channel communication with the customer at the centre of the relationship between the intermediary and company and a plurality of forms of contact seems to be at a point of no

return, just as the life habits of workers are changing with a new balance between home and work, including the adoption of hybrid forms regarding home working, and the increasingly important awareness of the market and consumers towards environmental and sustainability issues in general.

The undoubtedly spontaneous vocation of Cattolica to be close to the territories and all stakeholders, in addition to the growing attention to the new digital logic of interaction with customers and agents but above all a decisive growth in the service component offered in addition to the more "core businesses", in terms of prevention and assistance, can be a strong point in the current context. With the entry into the Generali Group, the effects of industrial and commercial agreements in four strategic areas (asset management, internet of things, health business and reinsurance) have also come to fruition, reinforcing the relevance of this strategic focus in the direction of the social relevance of the offer and digital service innovation.

Safety and proximity continue to be the guidelines through which Cattolica and its subsidiaries have approached the Covid-19 emergency from the very beginning, paying close attention to its employees, customers, agents and the entire community.

In this delicate period, Cattolica has made extensive use of internal communication channels, which in the meantime have been enriched by a new, more involving and immediate tool (corporate television). The sense of community and the sharing of common values and interests are the common thread of a reassuring and "single voice" communication plan, activated both internally and externally, to ensure a clear, updated and continuous flow of information, in order to reassure all stakeholders and widely disseminate the initiatives undertaken.

Employees measures

In order to protect its health and safety, Cattolica adopted, as early as the onset of the first cases of Covid-19 in late February 2020 and in advance of most of the industry, a series of precautionary measures activating remote working for almost all its employees and collaborators. Remote working, a project that Cattolica and its subsidiaries had already started in 2017, guaranteed continuity of processes and activities, without penalising corporate productivity; as early as March 2020, up to 98% of the workforce had worked in this mode, thus guaranteeing business continuity while protecting the well-being and safety of personnel. Partial returns to usual workplaces, assisted both by a structured set of "workforce protection" measures (including sanitisation of work environments, testing and adaptation of equipment,

identification and preparation of social distancing pathways and processes, purchase of PPE and serological tests on voluntary request) and by a mandatory training course in order to ensure a "fully safe" return, have been coordinated in order to always maintain a vigilant and prudent attitude towards the health of employees, and in the periods of greatest escalation of the perniciousness of the virus, the option to use the full smart-working mode has always been favoured.

It is possible to go to the workplace only in exceptional cases and with special authorisations, and with access only to the areas of the company designated for a specific purpose and subject to continuous sanitation. During the most dramatic period of emergency, in order to promote useful initiatives to protect the psycho-physical well-being of employees, a psychological support and listening service was activated. To assist employees in the cultural transformation necessary to better deal with the new remote operating model, training courses were activated on several levels in order to facilitate the transition to the new organisational, managerial and collaborative mindset.

Since April 15th, 2021, the new Wellbeing platform has been operational. Wellbeing is defined by the Group as the state of wellness in which the individual is able to make the most of their cognitive and emotional abilities, establishing satisfactory and mature relationships, participating constructively in changes in their environment. The WE (Wellbeing Experience) platform offers initiatives to take care of one's physical and emotional well-being, as well as two sections dedicated to the theme of sustainability, one specifically dedicated to the work environment and one to the external environment, with initiatives in the area of solidarity and environmental sustainability.

Agents' measures

Great attention was immediately paid to the agency network, in relation to which the Company prepared an additional plan, which began before the summer of 2020, to support the stability of the economics, structured on complementary interventions aimed at protecting the agency network revenues, enriched by a virtuous mechanism that rewarded with additional incentives the ability of the network to better manage the contingency and the use of a new tool that allows the management of collections remotely (pay-by-link), in addition to a procedure for the remote selling of Motor policies. With the start of the second lock-down phase in the fall of 2020, and with even greater vigour in 2021, the focus on these digital tools was then further also strengthened thanks to the constant support of the reference figures (Digital Coach). Since the beginning of 2021, several Web Meetings were also held, individually dedicated to the

relevant topics related to the various departments and business segments (Motor, Non-motor, Life, Claims), focused on agents, but also with a specific edition aimed at agency staff and front offices. Relevant, finally, is the role of the network in the above mentioned internal communication flow. With their stories from the territory (Cattolica Stories) agents recounted their experience during the Covid-19 crisis, as early as 2020, highlighting their fundamental role of social closeness, albeit with contact methods completely adapted to the context. Interaction in the agency network continued also in 2021 through the Agents' Facebook Community and the ViviCattolica App, and the close working with the Cattolica agency network as witnessed by the 2021 Agents Tour, which saw the DGM and Commercial Manager Marco Lamola return to meet the network live during the Route 44 Tour.

Customers measures

In order to meet the most urgent needs of its customers, the Company put in place substantial measures, starting with its mandatory businesses, which have also accompanied the customers through the lock-down phase. Extending the expiry dates of non-life policies and facilitating the suspension of motor TPL policies were among the first measures adopted. In the very first weeks of the emergency, in order to respond to the demand of businesses (shops, bars, services) forced by an emergency order of the Authorities to close down and to comply with the restrictive measures imposed following the threat of an epidemic, Cattolica introduced the "Active Business NonStop" policy dedicated to the protection of commercial activities by indemnifying them should they close down by decree of local or national authorities; the sale of this product was almost immediately blocked following the extension of the restrictive measure throughout Italy.

In order to facilitate remote transactions during the lock-down period, the company has introduced a new digital system for the payment of premiums (the aforementioned pay-by-link) and the settlement of claims, while in the bancassurance channel a distance selling system has been adopted.

During the lock-down period, new discount systems were introduced in addition to the extension of the payment deadlines for due receipts. A relief measure was introduced for customers due to lack of or reduced travel during the closure period: with the land motor vehicles initiative "Con noi un mese ha 30 giorni di più" (With us a month has 30 days more), the so-called "Voucher Auto" was introduced, active for Cattolica agencies since May 25th, 2020, according to which a benefit was granted to customers at the time of renewal of the Motor policy equal to a discount of 1/12 of the policy, and which could

be used for renewal and/or by entering into a new Non-Motor policy, thus increasing the level of protection.

From January 2021, Cattolica also combined measures to support motor policyholders with the Auto Voucher.

Also in 2021, following the Italian Government's extension of the so-called "110% Superbonus", initially part of the incentive measures enacted in May 2020 to encourage economic recovery, Cattolica promoted the initiative dedicated to customers with which the tax credit purchase service is offered, acknowledging to private individuals an amount equal to 102% and to companies 101% of the expense sustained for initial works, and with the possibility of being able to combine the assignment of the credit with a series of insurance covers geared to the type of applicant (construction company, condominium, professional or private individual).

Community measures

In collaboration with the Fondazione Cattolica, Cattolica and its subsidiaries supported the Communities most affected by the pandemic, through the donation in 2020 of over € 2 million to hospitals, Cei, Caritas and other national and local entities that have been working to deal with the Coronavirus emergency.

In December 2020, support was given to the "Proteggiti dal Covid per le feste" (Protect yourself from Covid for the holidays) initiative of the Cultura&Solidarietà Association to allow for an antigenic swab to be taken by those who for whatever reason are unable to access the service.

In 2021, support was provided, in the creation of the communication campaign for the "Metropolisana: prossima fermata, la tua salute" (Healthycity: next stop, your health) initiative, consisting of the opening of "health points" within the Milan subway managed in collaboration with the main specialist outpatient clinics in the area, providing support for Lombardy's public healthcare system and an opportunity for access to Covid-19 prevention services at reduced prices.

Main impacts on the Company's business

In order to manage the economic instability resulting from the spread of the epidemic, continuous monitoring of the impacts of the contingency in the short term and simulations of its effects in the medium to long term were carried out. An analysis of the company's solvency situation is performed periodically, as well as weekly reporting on the main KPIs of the business.

In 2020, the lock-down phase that began before mid-March and also lasted for the entire month of April, resulted in a sharp drop in premiums written from new business in both Non-life and, above all, Life businesses,

with a drop in the number of policies of -45% in Motor, over -61% in Non-motor and -78% in Life. With the reopening, which took place gradually from the first week of May 2020, the new agency channel's production has returned to standard levels (immediately as regards Motor and Retail, with a progressive trend in the other Non-motor LoBs and Life business). The return to pre-Covid standards in the bancassurance field has been more gradual in Life business, while in Non-life business new premiums have consistently remained lower than in the first few weeks of 2020. With the second wave of infection that began in autumn, and the new restrictive measures imposed by the Italian Prime Ministerial Decrees that followed, especially from the beginning of November 2020 (lock-down 2), the effect on new production was to determine a new contraction in the Motor sector, about -21%, i.e. of a much lower intensity than lock-down 1, while in the other business segments no new discontinuity was seen with respect to the recovery trends that began in the recovery period (between May and October). The 2021 trend was in continuity with that of the last few months of 2020 of partial lock-down, i.e. without substantial impact on new production, while the measures taken to counteract the contingency in 2020 (motor vouchers, policy renewals without policy increases) had significant consequences in terms of TPL motor premium decreases due to the drop in the average premium.

If alongside the aforementioned contraction in new business in 2020, the Life business was simultaneously characterised by a reduction in redemptions (over -75% in the lock-down phase 1 compared to the first 8 weeks of the year), the year 2021 did not record further discontinuities in this regard, thus confirming figures in line with the second half of 2020.

Cattolica's TPL motor retention substantially followed the movements of the market curve, and the dynamics of the curves of previous years, with higher values, and with the drop in the third quarter more marked than in 2020 and 2019, this is also the result of the peak generated in the spring months, largely due to the mix of receipts renewed in March and April, with the incidence of policies at first renewal on the total of receipts lower than the standard (2020 lock-down effect), with a positive effect on retention. On the one hand, the intense activity of the sales structure in the area and the use by the agencies of a new digital platform (ARENA Project, active from April 2020 and then from July throughout the network), which facilitated agencies in their customer loyalty activities and in the monitoring of their own secondary network, and on the other hand the car voucher initiative, supported the positive performance of the indicator.

The decline in total claims in the Non-life business for 2020 was more than 20%, in particular in some key sectors such as the Motor one; compared to the first half of 2019, taken

as the equal period unaffected by the pandemic, the trend is currently being confirmed in 2021 as well, although with less intensity than last year, and more limited to the Motor class rather than generalised across all Non-life business.

In the area of Human Resources, in 2020, lower contingency-related expenses were already recorded due to both a decrease in training activities and meetings, and a reduction in travel costs (an item reduced by almost -80% compared to 2019). As a result of the continuation of company operations for a large part of the year under generalised remote working, the trend (also in this case compared to 2019) also continues in 2021.

With regard to the investment portfolio, net value adjustments of € 201 million were observed as at December 31st. At present, it is difficult to make predictions about the bond and other asset classes if the pandemic continues for an extended period of time.

Despite the extreme volatility of the financial markets, the solvency ratio was always above the regulatory limits and as at December 31st, it stood at 203%. The interventions decided by the ECB seem to have eased the tension on the spread of Italian government bonds, which is one of the most important risk factors for the solvency position of Cattolica and its subsidiaries.

STRATEGIC LINES

The strategy is based on the consolidation of the strengths acquired in the previous three-year period of the business plan, and the continuation of the projects undertaken that still have room for improvement in the coming years. With the changed economic and financial market context, it will also be necessary to focus on the relaunch of life profitability and the efficiency and simplification of operations. The strategic partnership with Generali, which began in 2020 and then resulted in the PTO at the end of 2021, with which Cattolica became a subsidiary of the Generali Group, makes it possible to develop important synergies in terms of services offered, asset management efficiency and reinsurance. Finally, the strengthening of the ESG strategy is recognised as a fundamental objective for a business transformation, which is increasingly oriented towards sustainability.

Consolidation, focus and sustainability are therefore the strategic guidelines for the three-year period 2021-2023.

Consolidation actions focus in particular on strengthening the value of the agency network and on monitoring Non-life profitability. With regard to the first point, in 2021, the

rationalisation of Cattolica's agency network continued as at the end of 2020; recruiting activities led to the recruitment of more than 320 new employees including sub-agents and newcomers. TPL motor profitability is better than expected, with the dynamics of the average TPL motor premium declining, as in general in the insurance market, and with a change in TPL motor frequency, which, although positive compared to 2020 characterised by the travel restrictions in March and April, still significantly decreases compared to 2019. In general, the rebalancing of the non-life mix towards an increase in the incidence of Non-motor, +2 pps compared to 2020, continues, preserving the positive performance of technical profitability.

With a view to an increasingly digital and technological approach to business development, it is worth mentioning at least two tools that during the year were made available to agents and, consequently, to customers in the underwriting phase, namely the advanced quotation tool (a project that was already being implemented at the end of the previous business plan) and remote risk analysis. The first allows for improvements in risk assessment and the consequent pricing activity thanks to a platform that cross-checks customer information already available with other information from third-party sources (such as the economic-financial situation of the company, possible prejudices, etc.); on the other hand, the possibility to carry out remote analysis consists of the option to undertake remote inspections in live 360° streaming through a 360° video camera and a virtual reality viewer. Furthermore, to support agents, these innovations are accompanied by the increasingly widespread use by the network of the ARENA commercial platform, supplied to all agencies from June 2020, a tool that acts as a single touchpoint for access to all relevant information from a commercial point of view, including that relating to the management of the settlement in all its phases (planning, processing and monitoring).

Finally, again with regard to the strategy of consolidation and in particular, sustainable development, following the Italian Government's extension of the so-called "110% Superbonus", the initiative, already described in the previous section "Covid-19 emergency management", was promoted in favour of customers, thanks to which a tax credit purchase service is offered to customers, assigning to individuals an amount equal to 102% and to companies 101% of the expense incurred for the initial works.

With regard to the initiatives undertaken by virtue of the partnership with Generali, since April, the new motor on-line product "Active Live" has been available throughout the Cattolica agency network, with two different types ("Active Live Voice" and "Active Live Protect", depending

on whether the classic assistance component is also associated with the anti-theft alarm system), the result of the combination of the specific skills of the two companies in the motor sector and the technological innovation skills of Generali Jeniot. As evidence of its excellent reception by customers, the penetration of the new product on total new Motor production reached the highest levels in Cattolica's history, with a rate of approximately 34%, calculated in relation to Cattolica agencies and relating only to new issues of individual Motor products.

With regard to the Health segment, the "Active Benessere" product ("Più Salute" is the name adopted in the banking distribution channels), developed in collaboration with Generali Welion, was finalised and made available to all non-life companies. This innovative product gives access to a widespread health network throughout Italy with dedicated tariffs, video medical consultations, a wellness coach and personalised prevention courses. The paradigms of prevention and protection are thus united in the offer. The new product is also active in the event of epidemics or pandemics.

Thanks to the expertise gained in the sector, Welion will enable savings to be made in the process of settling claims, an activity that in relation to the accident component has already been transferred to Welion since April, ahead of the timeframe envisaged in the initial agreement between the parties.

New production premiums linked to the product reached € 3.5 million, despite the fact that placement began at the end of the first half-year for Cattolica, TUA and BCC Assicurazioni, and only in the last two months of the year for Vera Assicurazioni.

The transfer of part of the Investment portfolio to GIAM (Generali Asset Management), aimed at increasing efficiency, was also completed. Furthermore, the proportion of Cattolica's investment portfolio to so-called alternative securities was increased, whose incidence on the total compared to the end of 2020 grew by almost 2 pps in 2021.

Finally, the reinsurance of a portion of premiums to Generali in line with the terms of the partnership agreement is proceeding as planned.

With regard to the areas identified according to the strategic focus, in addition to the projects regarding synergies with Generali outlined above, it is essential to underline the new agreement reached at the beginning of the year between Banco BPM and Cattolica on exit rights and the commercial partnership. The agreement provided for, among other things, a revision of the production targets to which under-performance penalties and over-performance premiums are linked, at the expense/in favour of Banco BPM, as distributor. At the same time, Cattolica is guaranteed greater control over the product mix.

The fundamental profitability KPIs of the Life business have improved considerably, and in particular on new production there has been a progressive change in the business mix with a significant increase in the incidence of class III (+29 pps in relation to new production).

Finally, returning to the theme of technological innovation, a new digital solution was established between Cattolica and Munich Re, with the task of managing the underwriting process for protection policies, to enable agencies to simplify and speed up the underwriting process. On the one hand, the aim is to shorten the sales process and, on the other, to provide customers with an innovative customer journey that is more in line with their needs. The solution, implemented on the accelerated underwriting tool of Munich Re Automation Solutions (a subsidiary of the Bavarian reinsurance company that has the task of developing digital offers for life companies) has been used since July, as part of the new protection product being placed "Active Vita", which realised approximately 2.5 million in new production premiums in the second half of the year alone.

As for the strategic direction related to sustainability, both at corporate and financial product level, the deadline on disclosure of March 10th according to EU Regulations 2019/2088 and 2020/852 was met.

As already reported, WE, the new on/line platform dedicated to Wellbeing, has been active since April.

As part of the enhancement of the Cattolica estates, all legal activities were carried out to make the "Energia Verde" (Green Energy) initiative operational, which will see the construction of a plant for the production of biomethane.

SHARE CAPITAL INCREASE

With reference to the capital increase approved by the Shareholders' Meeting of June 27th, 2020, on February 11th, the Board of Directors resolved, after informing the Supervisory Authorities in advance, to postpone until July 31st, 2021, the final deadline for execution of the second tranche of the capital increase for the remaining € 200 million.

Subsequently, following the launch of the PTO promoted by Assicurazioni Generali, the Company, on June 7th, 2021, resolved to postpone the execution of the second tranche of the capital increase for the remaining € 200 million to a date subsequent to the closing of the aforementioned Offer.

On July 21st, CONSOB authorised the publication of the prospectus relating to the admission to trading on the Mercato Telematico Azionario organised and managed

by Borsa Italiana S.p.A. ("MTA") of Cattolica's ordinary shares arising from the reserved capital increase resolved by the Board of Directors on August 4th, 2020, in execution of the proxy granted by the Shareholders' Meeting of June 27th, 2020, subscribed and executed by Assicurazioni Generali S.p.A. on October 23rd, 2020.

In particular, the Reserved Capital Increase was carried out against payment for a total value of

€ 299,999,999.70, for a nominal value of € 162,162,162.00, indivisible, by means of the issue of 54,054,054 Cattolica ordinary shares, with no nominal value, at an issue price of € 5.55 per share, of which € 2.55 as share premium (the "Reserved Shares"). The Reserved Shares were issued with coupon No. 30 and temporarily assigned ISIN code IT0005424897. At the same time as admission to trading on the MTA, following publication of the Prospectus, the Reserved Shares acquired ISIN code IT0000784154, i.e. the same ISIN code attributed to Cattolica's ordinary shares in circulation to date.

The Reserved Shares have regular dividend entitlement and, following admission to trading on the MTA, will be fungible with the other ordinary shares of Cattolica. The Reserved Shares have not been subject to any public offering, since they have already been fully subscribed by Assicurazioni Generali S.p.A.

Cattolica's Board of Directors, which met on December 3rd, 2021, having acknowledged the positive outcome of the Public Tender Offer launched by Assicurazioni Generali and the simultaneous increase of the value of almost all the own shares previously held by Cattolica, with a consequent further improvement in Cattolica's solvency margins, resolved to submit to IVASS for assessment the fact that it is no longer necessary to proceed with the execution of the second tranche of the increase in share capital under option of € 200 million.

On January 18th, 2022, Cattolica received notification from IVASS that the Institute did not see any obstacles to the decision taken by the Board of Directors that the second tranche of the € 200 million capital increase was no longer necessary.

GENERALI PUBLIC TENDER OFFER

In May, the Board of Directors of Assicurazioni Generali approved the promotion of a voluntary Public Tender Offer (PTO) for cash on all the ordinary shares of Società Cattolica di Assicurazione S.p.A., including own shares, minus the shares already held by Generali. Assicurazioni Generali, after having filed the document relating to the PTO with CONSOB in June, and after having received all the necessary authorisations between September and

October, concluded the transaction in November with the acquisition of an equity investment equal to 84.475% of Cattolica's share capital.

For details of the transactions relating to the PTO, reference should be made to the section "Significant events during the year".

SIGNIFICANT EVENTS DURING THE YEAR

The significant events that occurred during the year as part of managing the equity investments in Group companies, the corporate reorganisation and the consequent rationalisation of activities are set out below, in addition to other significant events during the year.

You are hereby reminded that the Company's Board of Directors resolved to comply, with effect as from December 13th, 2012, with the opt-out regime as per Articles 70, paragraph 8 and 71, paragraph 1-bis, of the Issuers' Regulation, therefore availing itself of the faculty to depart from the obligations to publish the disclosure documents laid down at the time of significant merger, spin-off, share capital increase via conferral of assets in kind transactions, acquisitions and transfers.

It should be noted, as already reported, that the term "Group" is to be understood as referring to the "Cattolica Group", in its formal meaning, until November 5th, 2021, and as "Cattolica and related subsidiaries", as from that date.

Cattolica

On April 1st, following the shareholders' resolution of July 31st, 2020, the transformation of Cattolica from a co-operative to a joint-stock company and the related adoption of a new text of the Articles of Association became effective.

On April 15th, the Board of Directors of Cattolica Assicurazioni concluded the process, started on February 4th, aimed at presenting a list, in view of the renewal of the Board itself for the 2021-2023 three-year period and in compliance with the Shareholders' Meeting rules following the transformation into a joint-stock company.

In line with the guideline on the optimal qualitative and quantitative composition of the Company's Board of Directors, the Appointments Committee, supported by the advisor Spencer Stuart, after having examined a significant number of potential candidates, has submitted a proposal for a list of 15 candidates for the Board of Directors for the appointment of 15 Board members. The Board of Directors discussed the proposal and approved unanimously the aforementioned list of candidates, which was submitted to the Shareholders' Meeting on May 13th/14th, respectively, on first and second call.

On April 19th, it was announced that, in relation to the appointment of the members of the Board of Directors and of the Management Control Committee on the agenda of the Ordinary Shareholders' Meeting of Cattolica Assicurazioni convened for May 13th/14th, 2021, only one list had been submitted by the deadline, April 18th.

Therefore, pursuant to Article 22.7 of the Articles of Association as well as in compliance with point 3 of the Operating Procedures for the submission of the list published on April 3rd, said deadline for the submission of the list was extended to April 21st, 2021, by 5:00 p.m. The thresholds set out for the legitimacy of the presentation were therefore reduced by half, or equal to 1.25% of the share capital.

On May 14th, the Ordinary Shareholders' Meeting of Cattolica Assicurazioni was held and considering the emergency related to the Covid-19 epidemic and the purposes of maximum protection and safety, it was held exclusively through the Designated Representative (Computershare S.p.A.), pursuant to Italian Legislative Decree No. 58 of February 24th, 1998, to which the shareholders had granted a proxy containing the voting instructions on the items on the agenda. A total of 109,652,358 ordinary shares, representing approximately 48.02% of the share capital, were represented at the Shareholders' Meeting through the Designated Representative. The Shareholders' Meeting has approved the following items on the agenda:

- Approval of the new Shareholders' Meeting Regulations: with regard to the transformation of Cattolica into a joint-stock company, it was necessary to proceed with the approval of the new Shareholders' Meeting Regulations, so as to update the rules for holding the shareholders' meeting in compliance with the changed conditions and the different business name;
- Approval of the 2020 financial statements and the accompanying reports, with consequent and correlated resolutions;
- Determination of the number of members of the Board of Directors (15) for the financial years 2021 – 2023 pursuant to Article 19 of the Articles of Association;

- Appointment of the members of the Board of Directors, including the members of the Management Control Committee for the years 2021–2023: the Shareholders' Meeting appointed the following members of the Board of Directors: Davide Croff, Camillo Candia, Luigi Migliavacca, Carlo Ferraresi, Stefano Gentili, Roberto Lancellotti, Cristiana Procopio, Daniela Saitta, Giulia Staderini, Elena Vasco, Silvia Arlanch and Laura Santori all from the list submitted by the Board of Directors and the one that obtained the highest number of votes ("Majority List"). The directors Paolo Andrea Rossi, Laura Ciambellotti and Michele Rutigliano were also elected from the list that obtained the second highest number of votes (List No. 2). Directors Michele Rutigliano, Silvia Arlanch and Laura Santori are also members of the Management Control Committee for the 2021-2023 three-year period, of which Michele Rutigliano is Chairperson. Carlo Ferraresi was also appointed as Managing Director, as a candidate included in the Majority List pursuant to Article 22.5 of the Articles of Association;
- Determination of the remuneration of the members of the Board of Directors and the Management Control Committee, as well as the related attendance allowance for the years 2021-2023: the Shareholders' Meeting resolved to set the total gross annual remuneration at € 1,770,000 for the members of the Board of Directors other than the members of the Management Control Committee, for the attendance in the Board Committees as well as for the special offices resolved on by the Board of Directors. It also set at € 110,000 the specific fee for each member of the Board of Directors who is also a member of the Management Control Committee and at € 165,000 the fee for the Chairman of the Management Control Committee;
- Report on the remuneration policy and on compensations paid;
- Fee plans based on financial instruments;
- Authorisation to purchase and sell own shares in accordance with the law.

The Board of Directors of Cattolica, which met at the end of the Shareholders' Meeting, verified the independence requirements set forth by current legislation and the Articles of Association applicable to the directors appointed. Therefore, the Board qualified all the directors as independent pursuant to Article 148, paragraph 3, of Italian Legislative Decree No. 58 of February 24th, 1998, except for the Managing Director, Carlo Ferraresi, and the director, Giulia Staderini. In addition, all directors, with the exception of the Managing Director and the director Giulia Staderini, declared that they meet the

independence requirements set forth in the Corporate Governance Code of Borsa Italiana S.p.A., to which the Company has adhered. Therefore, the provisions of Article 20.2 of the Articles of Association, according to which at least 10 Directors shall meet the independence requirements established by Article 148, paragraph 3, of Italian Legislative Decree No. 58 of February 24th, 1998, were complied with, in addition to the provisions of the Corporate Governance Code. Furthermore, the Board of Directors assigned additional corporate offices to the Directors appointed by the Shareholders' Meeting itself. Davide Croff was appointed Chairman, Carlo Ferraresi was confirmed as Managing Director, Camillo Candia was appointed Acting Deputy Chairman, Luigi Migliavacca was appointed Deputy Chairman; Roberto Lancellotti (Chairman), Paolo Andrea Rossi and Cristiana Procopio were appointed as members of the newly established Appointments and Remuneration Committee. Camillo Candia (Chairman), Luigi Migliavacca, Laura Santori, Roberto Lancellotti and Daniela Saitta were appointed as members of the Control and Risk Committee. Laura Ciambellotti (Chairperson), Luigi Migliavacca and Elena Vasco were appointed as members of the Related Parties Committee. Giulia Staderini (Chairperson), Stefano Gentili and Camillo Candia were appointed as members of the Corporate Governance and Sustainability Committee.

On May 18th, the Board of Directors of Cattolica, on the basis of the prior opinion of the Appointments and Remuneration Committee, appointed Stefano Gentili as a member of the Control and Risk Committee. Stefano Gentili takes over from Ms Laura Santori, who resigned from said Committee in line with the approach, promoted by the Chairman of the Management Control Committee and subject to extensive discussion by the Board, of avoiding overlapping with the office of member of the Management Control Committee.

On May 26th, following the press release issued by Cattolica on August 1st, 2020, it was announced that the Judge for Preliminary Investigations of the Court of Verona, accepting the motion submitted by the Public Prosecutor, dismissed for unfoundedness of the crime the proceedings initiated against several corporate representatives who had been notified on July 31st, 2020 of a notice of investigation on the alleged violation of Article 2636 of the Italian Civil Code (unlawful influence on the Shareholders' Meeting), relating to the meetings of April 13th, 2019, June 27th, 2020 and July 31st, 2020.

Pursuant to the terms of the preliminary purchase agreement of July 11th, 2019, between ICCREA Banca and the Company, a price adjustment was defined, which, as at June 30th, 2021, totalled € 68,001, consisting

of a positive adjustment of € 129,387.1 with respect to BCC Vita and a negative adjustment of € 61,386.1 with respect to BCC Assicurazioni.

On November 11th, Standard & Poor's raised Cattolica Assicurazioni's rating from BBB to A- with a positive outlook. It also raised the rating of Cattolica's bond issues from BB+ to BBB. The rating upgrade is a direct consequence of the result of the PTO launched by Assicurazioni Generali, which led the latter to hold 84.475% of Cattolica Assicurazioni's share capital. S&P believes that Cattolica has become of highly strategic importance to Generali and that the two groups together would be resilient even in a hypothetical Italian government bond default scenario. The agency believes that over the next 24 months it could raise the rating to A in the event of news of a rapid integration of Cattolica within the Generali Group.

On November 23rd, Cattolica, having acknowledged (i) the opinion prepared by the Management Control Committee, pursuant to Article 7 of Italian Ministerial Decree No. 262/2012, for the consensual termination of the auditing engagement currently being carried out by PricewaterhouseCoopers S.p.A. and (ii) the recommendation, prepared by the same Committee, pursuant to Article 16 EU Regulation 537/2014, for the consequent appointment of the new independent auditor of the Company (the "Recommendation") resolved to call, for the following December 23rd, 2021, the Ordinary Shareholders' Meeting for the adoption of the consequent decisions. The termination, by mutual consent, of the audit engagement and the appointment of a new independent auditor became necessary after the Company became a legal subsidiary of Generali on November 5th, 2021, and following the PTO launched by Generali. In fact, the acquisition of control by Generali created a situation of incompatibility in relation to PricewaterhouseCoopers S.p.A., in view of the services rendered by the auditing firm and entities belonging to its network in favour of Generali and its Group. The activity of the Management Control Committee to prepare the Recommendation, which was promptly initiated, had to take into account, for its own assessments, many elements, including those that had already occurred, and was actually concluded, albeit in a very short time, on November 18th.

On December 23rd, Cattolica's Ordinary Shareholders' Meeting, on the basis of the aforementioned opinion and recommendation formulated by the Management Control Committee, resolved the consensual early termination of the appointment of PricewaterhouseCoopers S.p.A. as independent auditors and the simultaneous appointment for the 2021-2029 nine-

year period of the independent auditors BDO Italia S.p.A. Similar resolutions were taken by the subsidiaries by the end of 2021.

On December 7th, the AM Best rating for Cattolica Assicurazioni, TUA Assicurazioni and CattRe was made public. The AM Best agency announced that it has assigned Cattolica Assicurazioni and TUA Assicurazioni a Financial Strength Rating of A (Excellent) and a Long-Term Issuer Credit Rating of "a+" (Excellent). The relative outlook for these credit ratings is stable. According to AM Best, the ratings reflect Cattolica's capital strength, which is rated as strong, as well as its adequate operating performance, in-line business profile and appropriate enterprise risk management. The ratings also take into account, as a strengthening element, AM Best's expectation that Assicurazioni Generali will fully integrate Cattolica within its group. AM Best also assigned CattRe with a Financial Strength Rating of A- (Excellent) and a Long-Term Issuer Credit Rating of "a-" (Excellent). The outlook for these credit ratings is stable. The ratings reflect CattRe's capital strength, which AM Best rates as very strong, as well as its adequate operating performance, limited business profile and appropriate business risk management. For CattRe, the ratings also take into account, as a strengthening element, the entry of the company into the Generali Group.

On December 27th, the French group Inter Mutuelles Assistance formalised the exercise of its purchase option on 35% of the share capital of IMA Italia Assistance S.p.A. and a 10% of the share capital of Ima Servizi S.c.a.r.l. This option, provided for by the agreements signed in 2018 for the possibility of change of control of Cattolica, was exercised following the completion of the Generali PTO.

Generali PTO

Cattolica's Board of Directors, which met on June 7th, in acknowledging Assicurazioni Generali's decision of May 31st to promote a voluntary Public Tender Offer for all Cattolica's ordinary shares pursuant to Article 102 of the Consolidated Finance Law (the "Offer"), resolved, informing the Supervisory Authorities, to defer implementation of the € 200 million Option Increase to a date subsequent to closure of the Offer.

The reason for the postponement follows Generali's decision to make the effectiveness of the Offer conditional, among other things, on the circumstance that "between the date of this Communication and the date of payment of the Consideration, Cattolica does not execute the second tranche of the capital increase for a total of € 200 million resolved by the Board of Directors on August 4th and February 11th, in execution of the proxy granted pursuant to Article 2443 of the Italian Civil Code

by the Extraordinary Shareholders' Meeting of June 27th, 2020".

On June 18th, 2021, Assicurazioni Generali filed the relative document (the "Offer Document") with CONSOB, pursuant to Articles 102 and 106, paragraph 4, of the Consolidated Finance Law, concerning all the ordinary shares of Cattolica, listed on the MTA organised and managed by Borsa Italiana S.p.A.

On June 30th, Cattolica's Board of Directors, with regard to the voluntary Public Tender Offer for all Cattolica shares promoted by Assicurazioni Generali, appointed Citigroup Global Markets Europe and KPMG Corporate Finance as financial Advisors and Chiomenti Studio Legale as legal Advisor.

On September 17th, Assicurazioni Generali announced that it had received authorisation from IVASS to acquire, as a result of the Offer, a controlling interest in Cattolica, pursuant to Articles 68 et seq. of Italian Legislative Decree No. 209 of September 7th, 2005, as subsequently amended and supplemented, and, accordingly, in the insurance companies it controls or in which it holds a qualifying equity investment. Generali also received prior authorisation from the Commissariat aux Assurances to acquire indirect control of CattRe S.A. and prior authorisation from Central Bank of Ireland to acquire indirect control of Vera Financial DAC.

On September 22nd, Generali announced that, with reference to the Offer Document, filed on June 18th, 2021, with CONSOB and following the press releases of June 18th, 2021, and September 17th, 2021, CONSOB, by resolution No. 22006 of September 22nd, 2021, approved, pursuant to Article 102, paragraph 4, of the Consolidated Finance Law, the Offer Document.

On September 28th, Generali announced, pursuant to Article 38, paragraph 2, of the Issuers' Regulations, that it had published the Offer Document. Attached to the Offer Document is the "issuer's statement", drafted pursuant to Article 103, paragraph 3, of the Consolidated Finance Law and Article 39 of the Issuers' Regulations, approved by Cattolica's Board of Directors at the Board meeting held on September 28th, 2021, and related attachments. Pursuant to Article 40 of the Issuers' Regulations, the enrolment period, agreed with Borsa Italiana S.p.A., started at 8:30 a.m. (Italian time) on October 4th, 2021, and ended at 5:30 p.m. (Italian time) on October 29th, 2021 (extremes included). Therefore, October 29th, 2021, represented the closing date of the enrolment period for the Offer and the payment date for the Shares offered was the fifth trading day following the closing of the enrolment period, therefore November 5th, 2021.

On October 5th, Cattolica's Board of Directors, in consideration of the fact that on September 30th, 2021, the suspension period for the disbursement of variable remuneration expired as previously requested by IVASS, agreed to proceed as per the Regulations of the 2018-2020 LTI Performance Share Plan (the "2018-2020 Plan"), thus assigning to the beneficiaries the up-front portion (equal to 341,549 shares) and maintaining a deferral portion of said 2018-2020 Plan (equal to 246,414 shares), which will be assigned to the beneficiaries within one month of the end of the total deferral period of 5 years, scheduled to expire on 12/31/2022. In the same meeting, the Board of Directors, in compliance with the provisions of the related Regulation of the 2021-2023 Performance Share Plan (the "2021-2023 Plan"), also resolved, subject to the successful outcome of the Offer, the early assignment of one year (12 months out of a total of 36 months) of the 2021-2023 Plan, through an up-front portion (equal to 248,771 shares) and a deferred portion (equal to 203,983 shares) that will be assigned to the beneficiaries at the end of the total deferral period of 5 years envisaged with expiry on 12/31/2025, with consequent closure of the Plan.

In light of the above, the number of own shares offered, in execution of the resolution passed by the Board of Directors on September 28th, 2021, after obtaining the favourable opinion of the Related Parties Committee, amounted to 27,004,484 shares, equal to 11.8% of the share capital, corresponding to all the own shares held by Cattolica less 1,040,717 own shares assigned to the beneficiaries in execution of the Performance Shares Plans.

On October 29th, pursuant to Article 36 of the Issuers' Regulations, Generali announced that, as a result of the shares offered on that date, Generali held more than 66.67% of Cattolica's share capital with voting rights. Therefore, the so-called Minimum Threshold Condition had to be considered fulfilled.

On October 29th, Generali announced, pursuant to Article 36 of the Issuers' Regulations, the closure of the so-called enrolment period of the Offer.

On the basis of the provisional results communicated by Equita, advisor and Intermediary responsible for coordinating the collection of acceptances to the offer, during the enrolment period, 138,842,677 Shares were offered, equal to approximately 79.660% of the Shares subject to the Offer and 60.803% of Cattolica's share capital. Generali has not purchased Cattolica Shares outside of the Offer during the period between the date of the Offer Document and the closing date of the enrolment period.

Therefore, taking into account the 138,842,677 Shares offered and the 54,054,054 Shares already held by Generali, the latter would have come to hold, as a result of the settlement of the Offer, if the aforementioned provisional results had been confirmed, a total of 192,896,731 Shares, equal to 84.475% of Cattolica's share capital. Generali also announced that the so-called Own Shares Condition had been fulfilled, as Cattolica had offered all own shares held, with the exception of those granted in execution of compensation plans based on financial instruments, and that the so-called Antitrust Condition had been fulfilled, as announced by Generali on October 21st, 2021, as well as the so-called Minimum Threshold Condition.

On November 4th, Generali announced, pursuant to Article 41, paragraph 6, of the Issuers' Regulations, the final results of the Offer. On the basis of the final results communicated by Equita, during the enrolment period, 138,842,677 Shares were offered, equal to approximately 79.660% of the Shares subject to the Offer and 60.803% of Cattolica's share capital. Generali did not purchase Cattolica Shares outside of the Offer during the period between the date of the Offer Document and the date of communication of the final results. Therefore, taking into account the 138,842,677 Shares offered and the 54,054,054 Shares already held by Generali, as a result of the settlement of the Offer, Generali came to hold a total of 192,896,731 Shares, equal to 84.475% of Cattolica's share capital. Consequently, Cattolica formalised, at the Companies' Register, the subjection of the Company to the management and coordination of Assicurazioni Generali S.p.A.

On December 16th, Cattolica's Board of Directors resolved to amend the Articles of Association to incorporate, pursuant to IVASS Regulation No. 22 dated June 1st, 2016, Cattolica's entry into the Generali Group, subsequently proceeding with the start of the envisaged authorisation process before the Supervisory Authority.

Merger of ABC Assicura and Berica Vita into Cattolica

On April 7th, Cattolica's Board of Directors approved the plan for the merger by incorporation of the wholly-owned companies ABC Assicura S.p.A. and Berica Vita S.p.A. On April 16th, these subsidiaries also approved their plans to merge into their parent company. On July 21st, Cattolica, having obtained the necessary authorisations from the competent Authorities, made the plans for the merger by incorporation of the companies available to the public. On August 5th, Cattolica's Board of Directors resolved the merger by incorporation of ABC Assicura S.p.A. and Berica Vita S.p.A. into Cattolica itself.

On August 9th, the aforementioned board resolutions were registered in the competent Verona Companies' Register and were made available to the public on August 11th.

On December 3rd, the merger deeds were formalised, and were registered on December 27th with the competent Verona Companies' Register; consequently, since registration took place by December 31st, 2021, the aforementioned mergers became effective as from 11:59 p.m. on December 31st, 2021, with accounting and tax effects predated January 1st, 2021, as provided for by the aforementioned deeds.

Sale of Lombarda Vita to Intesa Sanpaolo

On April 12th, implementing the binding agreement entered into, in December 2020, with UBI Banca concerning the early termination, with respect to the deadline of June 30th, 2021, of the life bancassurance agreements between the parties, the sale of the equity investment held by Cattolica in Lombarda Vita was carried out in favour of Intesa Sanpaolo S.p.A., which succeeded UBI Banca as a result of the merger completed on the same date.

As provided for in the agreements, the equity investment was sold for € 299.8 million: the purchaser paid Cattolica € 219.8 million. The remaining balance of € 80 million was paid at the same time as repayment of the loan outstanding at the time in favour of Cattolica for the same amount following receipt of the necessary authorisations from IVASS. Following completion of the transaction, Cattolica realised a capital gain from the sale of around € 60 million, net of taxes.

As part of the same transaction, Lombarda Vita sold the equity investment held in Cattolica Services to Cattolica, for a consideration of € 1,710.40. Lastly, Cattolica and Cattolica Services, on the one hand, and Lombarda Vita, on the other hand, signed two contracts on April 12th, 2021, for the outsourcing of some temporary services connected with the dissolution of the partnership. These agreements were to run until December 31st, 2021.

Partnership with Banco BPM

On March 5th, Banco BPM and Cattolica Assicurazioni announced that they had reached an agreement by which their respective differences were resolved and the terms and methods for adjusting and continuing the partnership in the bancassurance sector and the related exit rights were defined, thus combining their respective interests and taking into account the changed economic context. The agreement reached between Banco BPM and Cattolica envisaged, in exchange for Banco BPM's waiver of the call already exercised, recognition for

Banco BPM of an early exit right from the partnership, the original duration of which was fixed until 2033, which can be exercised in the period between 1.1.23 and 6.30.23, possibly postponed by the Bank from six months to six months for three times up to 12.31.24. In particular, the parties have agreed, in favour of Banco BPM, a non-conditional option to purchase the 65% held by the Company in the capital of the Vera Vita and Vera Assicurazioni JVs; the exercise price of the purchase option was set at the so-called "own funds", excluding subordinated liabilities, to be calculated for the six months prior to the exercise of the option. To this value, will be added (i) a fixed component of € 60 million, of which € 26 million against Cattolica's waiver of the right to extend the distribution agreement to the Branches currently served by another insurance partner, and (ii) a possible component of € 50 million to be paid on a deferred basis, exclusively in the case that for a period of 4 years no events have occurred, which would have an effect on the control of Cattolica by Generali or other parties, including jointly, and the profits up to the date of transfer of the equity investments. The agreement provided for protection mechanisms for both parties linked to the exercise price of the call (cap and floor on the value of the own funds as calculated on the reference date) and price adjustments deriving from any undistributed profits, distribution of extraordinary reserves/dividends or any capital increases or capital contributions by the joint ventures.

If Banco BPM decides not to exercise the purchase option within the aforementioned term, the Bank will pay Cattolica the same € 26 million against Cattolica's waiver to extend the distribution agreement to the Branches currently served by another insurance partner and the partnership between Banco BPM and Cattolica will continue until December 31st 2030 (without prejudice to subsequent annual renewals), at the expiry of which Banco BPM may once again exercise its option to purchase 65% of the capital of the joint ventures or, in the event that the Bank fails to exercise said option, Cattolica may exercise an option to sell the aforementioned shares. In this case, the exercise price of the purchase and sales options will remain anchored to the own funds (as defined above) as at December 31st, 2030, without any additional components and without the application of protection mechanisms.

The agreement between Banco BPM and Cattolica also envisaged a revision of the production targets to which under-performance penalties and over-performance premiums are correlated, charged to/favoured by Banco BPM, as distributor. Cattolica Assicurazioni was granted more favourable conditions in servicing contracts rendered to investee companies and greater control over the product mix. The understandings reached by the

parties in the agreement resulted in a review of the various contracts currently governing the partnership.

On April 16th, the parties signed the final agreements, in line with what was agreed on March 5th.

Recapitalisations and share capital increases

With a value date of March 3rd, the Company resolved a capitalisation intervention for Cattolica Services, in the form of a capital contribution, for € 2.03 million, to promptly cover the loss for FY2020.

On May 26th, Cattolica participated in the share capital increase of Veronafi S.p.A. by subscribing a portion equal to 50% of the share capital increase, reserved to the latter, paying the total amount of € 1,061,250, including the related share premium.

In order to support a high rating level in 2021, as already envisaged in the Group Plan approved by the Board of Directors of Cattolica on January 28th, 2021, on March 15th CattRe benefited from a share capital increase of € 15 million, fully subscribed by Cattolica as sole shareholder.

Italian Revenue Agency

Cattolica Assicurazioni was admitted to the Collaborative Compliance (Adempimento Collaborativo) regime pursuant to Italian Legislative Decree 128/2015. The measure of admission was notified by the Italian Revenue Agency on December 23rd, 2021, at the conclusion of a proceeding to verify the formal and substantive eligibility requirements.

The Company will be entered in the register of taxpayers who operate in full transparency and collaboration with the Italian Tax Authority, published on the institutional website of the Italian Revenue Agency.

Admission to this regime, effective as of the 2020 tax year, implements a closer relationship of trust and collaboration between the Company and the Tax Authorities, which makes it possible to increase the level of certainty on relevant tax issues in full transparency.

The development of an effective tax risk management model, adoption of the Tax Strategy and admission to the Collaborative Compliance regime will enable the Company to effectively mitigate and guard against tax risk. With the admission to this regime, the Company confirms the values, principles and objectives for the correct management of the tax variable already provided for in its Tax Strategy.

Supervisory Authority

On January 8th, IVASS notified Cattolica of the results of the inspection activity commenced in December 2019,

and delivered the related inspection report, with unfavourable findings and the commencement of sanctioning proceedings against Cattolica.

Following the inspections carried out, the Supervisory Authority reported shortcomings referring to situations related to the years 2018 and 2019 and to the first months of 2020, concerning the corporate governance, risk management and internal control system, since the Issuer's Board of Directors did not base its actions on principles of sound and prudent management, thus putting the Group's solvency at risk, with the consequent necessary strengthening of equity and the overcoming of the cooperative form thus significantly exposing the Issuer to legal and reputational risks. IVASS therefore requested Cattolica to adopt a recovery plan aimed at eliminating the critical points detected and also initiated a sanctioning procedure against Cattolica in relation to the legal violations contested.

By order of February 11th, CONSOB, also on the basis of certain inspection evidence, made certain objections to the Company in relation to alleged violations of the protection against market abuse regulations (MAR), with reference to the management of information relating to the withdrawal of the proxies from the former Managing Director on October 31st, 2019. These violations are punishable by fines of an amount not indicated in the order, but only at the conclusion of the administrative procedure. Cattolica submitted its response on the remarks made by the Commission on March 18th.

On March 5th, the Board of Directors approved the findings communication, including the Recovery Plan, to the note from IVASS of January 8th, 2021, in which the latter formulated requests and provided indications to Cattolica regarding the adoption of certain measures and a recovery plan to overcome the elements of sensitivity found in the context of the aforementioned inspections. The content of the communication was broken down into the following areas of intervention:

- Replacement of members of the administrative body;
- Revision of the remuneration policy;
- Limitation on cash contributions to non-insurance subsidiaries and to the "Fondo H-Campus" (H-Campus Fund);
- Sale of own shares;
- Completion of capital strengthening;
- Strengthening of corporate governance and other measures envisaged by the Plan. Strengthening measures have been divided into three macro-areas of intervention:
 - a) Corporate governance and control system.

Board of Directors and Committees: the Board of Directors approved a number of amendments to

the regulations of the Board of Directors itself and of the Board Committees, aimed, among other things, at ensuring a more effective internal debate between the various bodies as well as incorporating the recommendations of the new Corporate Governance Code for listed companies, as approved by the Corporate Governance Committee in January 2020.

Strengthening of the strategic planning process: with regard to the strategic planning process, the Plan provides for it to be strengthened in order to ensure that it is responsive to changes in the scenarios hypothesised in the business plan and to allow for a more effective risk assessment process, including on a prospective basis, in order to adequately define overall solvency requirements.

Activities to verify the functionality of the administrative body and of the board committees: the Management Control Committee (MCC) has defined a plan of activities to verify the functionality of the administrative body and of the board committees that will have to be conducted, with the support of the corporate units of Compliance and Internal Audit, in 2021. The MCC also approved amendments to its own regulations.

Strengthening of the internal audit and risk management units: the Board of Directors adopted measures aimed at strengthening the quality and quantity of the Company's internal audit and risk management units.

In this context, the Company has also reserved the right to integrate the audit plan for 2021, taking into account the broader measures contemplated in the Plan, with a view to progressively advancing the system of internal controls.

Strengthening of the ORSA process: the ORSA process will be strengthened in order to allow the Board of Directors to fully assess the risk profile of the group and its various subsidiaries and to define the overall solvency requirements.

Information and communication technology (ICT) strategic plan: adoption of a strategic plan on information and communication technology (ICT), which included measures on corporate cyber security, in order to ensure the existence and maintenance of an integrated and secure overall system architecture from an infrastructural and application point of view, adequate for the Company's needs, in line with the applicable regulations.

- b) Management of real estate investments: the Plan also envisages actions aimed at strengthening (i) control over investments in the real estate and agricultural sectors and (ii) the process of assessing real estate investments to be allocated to segregated assets.
- c) Management of the agency network and the agreements with Coldiretti: the Plan defines interventions on the management of the agency network and the agreements with Coldiretti based on the following guidelines: (i) remuneration and incentive system of the agency network, (ii) initiatives aimed at restructuring of loss-making agency portfolios, (iii and iv) control processes on the agency network and the agreements with Coldiretti.

On March 16th, the officials of the Italian Ministry for Economic Development, as the Authority with supervisory powers over co-operative companies, completed an extraordinary inspection of the Company, started on November 19th, 2020 following a report received at the beginning of September from 5 shareholders, in relation to the alleged breach of Article 2527 of the Italian Civil Code that would have resulted if the Board of Directors of Cattolica allowed the entry of Assicurazioni Generali among the shareholders of the Issuer and of directors appointed by Assicurazioni Generali among the members of the Board of Directors itself.

During its course, the inspection extended to various profiles and was concluded favourably for Cattolica, without the proposal of adopting any measure, in particular, since the officials had no objections to make, and nothing to object to, with regard to the means and methods of calling and holding Cattolica's Shareholders' Meeting of June 2020 and considering Article 2527, paragraph 2, of the Italian Civil Code to be inapplicable to the Issuer.

With a provision dated September 23rd, CONSOB raised certain objections against the Company and a number of corporate officers in office at the time of the events, regarding the alleged breach of Article 123-bis, paragraph 2, letter a) of the Consolidated Finance Law, with reference to the lack of transparency in the representation of the Company's actual corporate governance structure, provided in Cattolica's Reports on Corporate Governance and Ownership Structure with reference to the 2019 and 2020 financial years. These violations are punishable by fines of an amount not indicated in the order, but only at the conclusion of the administrative procedure.

Cattolica submitted its response on the remarks made by the Commission on December 10th.



Total non-life premiums

1,731
€ mln



Total life premiums

522
€ mln

MANAGEMENT REPORT

The Company in 2021

Insurance business

Financial and asset management

Headcount and sales network

Other information

Information on the investee companies

INSURANCE BUSINESS

PREMIUMS BY SECTOR OF ACQUISITION

Gross premiums written, broken down by sector of acquisition, are shown with the percentage changes compared with the previous year in the following table.

Table 6 - Premiums for the year

Classes (€ thousands)	2021	% of total	2020	% of total	Changes	
					Absolute value	%
01 - Accident and injury	155,278	7.0	163,472	7.2	-8,194	-5.0
02 - Health	52,827	2.4	65,663	2.9	-12,836	-19.5
03 - Land vehicle hulls	130,437	5.9	119,173	5.3	11,264	9.5
06 - Sea and inland water vessels	30,198	1.3	23,077	1.0	7,121	30.9
07 - Goods in transit	6,085	0.3	6,669	0.3	-584	-8.8
08 - Fire & natural forces	136,809	6.2	139,070	6.2	-2,261	-1.6
09 - Other damage to assets	201,763	9.1	199,615	8.8	2,148	1.1
10 - TPL - Land motor vehicles	678,951	30.7	707,845	31.4	-28,894	-4.1
13 - TPL - General	193,882	8.8	184,771	8.2	9,111	4.9
15 - Suretyship	15,210	0.7	13,420	0.6	1,790	13.3
16 - Sundry financial losses	19,244	0.9	17,313	0.8	1,931	11.2
17 - Legal protection	17,268	0.8	15,057	0.7	2,211	14.7
18 - Assistance	47,327	2.1	42,417	1.9	4,910	11.6
Other classes ⁽¹⁾	4,362	0.2	2,988	0.1	1,374	46.0
Total non-life business	1,689,641	76.4	1,700,550	75.4	-10,909	-0.6
Insurance on the duration of human life - class I	360,271	16.3	388,734	17.2	-28,463	-7.3
Insurance on the duration of human life linked to investment funds - class III	138,319	6.2	113,016	5.0	25,303	22.4
Health insurance - class IV	1,499	0.1	1,275	0.1	224	17.6
Capitalisation transactions - class V	8,264	0.4	11,210	0.5	-2,946	-26.3
Pension funds - class VI	12,486	0.6	40,300	1.8	-27,814	-69.0
Total life business	520,839	23.6	554,535	24.6	-33,696	-6.1
Total direct business	2,210,480	100.0	2,255,085	100.0	-44,605	-2.0
Total indirect business	42,533		45,935		-3,402	-7.4
GRAND TOTAL	2,253,013		2,301,020		-48,007	-2.1

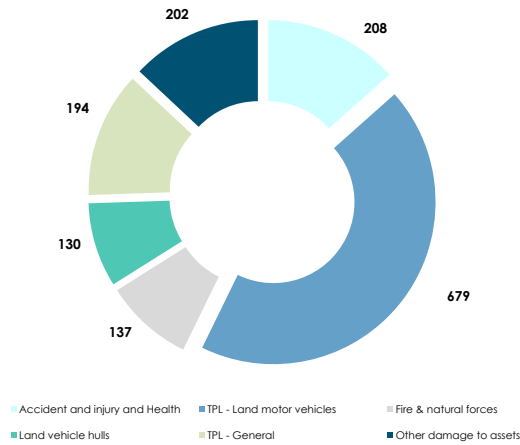
⁽¹⁾ includes railway rolling stock, aircraft, TPL aircraft, sea and inland water vessels and credit classes

NON-LIFE BUSINESS

Total non-life premiums amounted to € 1,731.2 million (-0.9%). Direct non-life premiums amounted to € 1,689.6 million (-0.6%); the non-motor classes increased by 0.8%, while motor classes decreased by 2.1%.

Indirect non-life premiums totalled € 41.6 million (-9%).

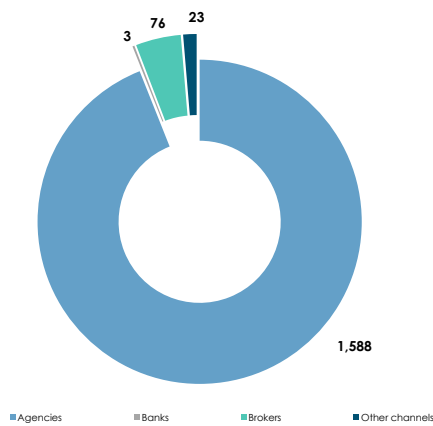
Main non life classes, direct premiums (euro/millions)



Direct premiums written are divided up as follows by sales channel: agencies € 1,587.6 million, banking network € 3.3

million, brokers € 76.1 million and other channels € 22.6 million.

Premiums by channel, non life direct premiums (euro/millions)



The technical results of the individual non-life class and the overall technical result are represented in concise form in Attachments 25 and 26 to the notes to the accounts.

The figures presented below with reference to the main non-life classes relate to direct business.

Accident and injury

The total of the premiums amounted to € 155.3 million (-5%).

The claims-to-premium ratio worsened, though remains optimal, from 23.4% to 39.9%, due to a pick-up in frequency following the easing of restrictive measures as a

result of the Covid-19 health emergency. The percentage of current generation claims increased from 33.7% in 2020 to 44% in 2021. The run off of prior year reserves was positive, impacting 4.6% in 2021 and 10.4% in 2020.

Table 7 - Accident and injury class - direct business

(€ thousands)	2021	2020	Changes	
			Absolute value	%
Gross premiums written	155,278	163,472	-8,194	-5.0
Premiums for the year	155,535	163,960	-8,425	-5.1
Net charges relating to claims / Premiums for the year	39.9%	23.4%		

Health

Premiums written totalled € 52.8 million (-19.5%). The decline was attributable to the loss of a major collective policy.

The claims-to-premium ratio deteriorated from 77.1% to 98% due to certain policies, which have already been

identified for possible reform. As a result of this deterioration, an ongoing risk reserve of € 3.3 million has been set aside. The run-off of reserves was positive (2.8% of premiums for the year, 4.2% last year).

Table 8 - Health class - direct business

(€ thousands)	2021	2020	Changes	
			Absolute value	%
Gross premiums written	52,827	65,663	-12,836	-19.5
Premiums for the year	62,069	66,992	-4,923	-7.3
Net charges relating to claims / Premiums for the year	98.0%	77.1%		

Land vehicle hulls

The total of the premiums amounted to € 130.4 million (+9.5%). The growth is due to both increased penetration of miscellaneous risk motor cover in individual policies and growth in collective policies.

The claims-to-premium ratio was 66.3%, up from 59.1% in the prior year, due to a recovery in movements due to the easing of restrictive measures resulting from the Covid-19 health emergency. The reserve run-off was negative 2.6% on premiums for the year (1.1% last year).

Table 9 - Land vehicle hulls class - direct business

(€ thousands)	2021	2020	Changes	
			Absolute value	%
Gross premiums written	130,437	119,173	11,264	9.5
Premiums for the year	126,206	117,476	8,730	7.4
Net charges relating to claims / Premiums for the year	66.3%	59.1%		

Sea and inland water vessels

Premiums written amounted to € 30.2 million (+30.9%). The increase is due to the employment of significant policies in the Specialty Lines sector.

was a positive 1% of premiums for the year (it was a positive 10.4% last year). The current year claims rate was improving from 71.3% to 60.4% in 2021.

The claims-to-premiums ratio showed a slight improvement from 61% to 59.4% in 2021. Reserve run-off

Table 10 - Sea and inland water vessels class - direct business

(€ thousands)	2021	2020	Changes	
			Absolute value	%
Gross premiums written	30,198	23,077	7,121	30.9
Premiums for the year	29,802	20,133	9,669	48.0
Net charges relating to claims / Premiums for the year	59.4%	61.0%		

Goods in transit

Premiums written amounted to € 6.1 million (-8.8%).

for the year (it was a negative 14.5% last year). The current year claims rate deteriorated from 33.8% to 42.2% in 2021.

The claims-to-premiums ratio improved slightly from 48.5% to 45.8%. Reserve run-off was a negative 3.4% of premiums

Table 11 - Goods in transit class - direct business

(€ thousands)	2021	2020	Changes	
			Absolute value	%
Gross premiums written	6,085	6,669	-584	-8.8
Premiums for the year	5,911	6,642	-731	-11.0
Net charges relating to claims / Premiums for the year	45.8%	48.5%		

Fire & natural forces

Gross premiums written amounted to € 136.8 million (-1.6%). The decrease was due to the scheduled expiration of a significant policy in the Religious Bodies segment, partially offset by growth in the Speciality Lines segment.

The claims-to-premium ratio declined from 125.8% to 68.4% in 2021 due to the non-recurrence of certain serious claims that were detrimental to last year. The run-off of reserves was positive (7.5% to premiums), slightly lower than last year (8.8% to premiums).

Table 12 - Fire & natural forces class - direct business

(€ thousands)	2021	2020	Changes	
			Absolute value	%
Gross premiums written	136,809	139,070	-2,261	-1.6
Premiums for the year	147,039	117,053	29,986	25.6
Net charges relating to claims / Premiums for the year	68.4%	125.8%		

Other damage to assets

Premiums amounted to € 201.8 million (+1.1%): the higher premiums written in the Speciality Lines segment was partially offset by the drop in production in the Agricultural Crop Hail segment.

The claims-to-premium ratio remained essentially stable (71.8% in 2021).

The reserves run-off was almost zero (it was a positive 0.8% last year).

Table 13 - Other damage to assets class - direct business

(€ thousands)	2021	2020	Changes	
			Absolute value	%
Gross premiums written	201,763	199,615	2,148	1.1
Premiums for the year	197,992	203,754	-5,762	-2.8
Net charges relating to claims / Premiums for the year	71.8%	71.4%		

TPL - Land motor vehicles

Premiums written for the year amounted to € 679 million (-4.1%). The decline in premiums is attributable to both a decline in the number of policies and a decline in the average premium.

it was a positive 0.5%). The current year claims rate increased from 64.4% to 74.5% in 2021 due to an increase in travel resulting from the easing of restrictive measures following the Covid-19 health emergency as well as the aforementioned decrease in average premium.

The claims-to-premiums ratio increased from 63.9% to 70.2%. The run-off of reserves was a positive 4.3% (last year

Table 14 - TPL motor class - direct business

(€ thousands)	2021	2020	Changes	
			Absolute value	%
Gross premiums written	678,951	707,845	-28,894	-4.1
Premiums for the year	685,703	716,820	-31,117	-4.3
Net charges relating to claims / Premiums for the year	70.2%	63.9%		

General TPL

Gross premiums written amounted to € 193.9 million (+4.9%). The increase is due to the development of the Specialty Lines segment.

The claims-to-premiums ratio is confirmed at levels close to zero (2.6% in 2021, -3.3% in 2020), benefiting from a moderate claims rate in the current year (55.6% in 2021 against 53.4% in 2020) and the positive run-off of reserves (53% in 2021 against 56.7% in 2020).

Table 15 - TPL - General class - direct business

(€ thousands)	2021	2020	Changes	
			Absolute value	%
Gross premiums written	193,882	184,771	9,111	4.9
Premiums for the year	188,146	173,495	14,651	8.4
Net charges relating to claims / Premiums for the year	2.6%	-3.3%		

Suretyship

Premiums written amounted to € 15.2 million (+13.3%).

The claims-to-premiums ratio of direct business improved from 60.3% to 39% due to the run-off of prior years'

reserves, which was a positive 28.3% in 2021 (it was a negative 7.3% in 2020), while the current year claims rate increased from 53% to 67.3% in 2021.

Table 16 - Suretyship class - direct business

(€ thousands)	2021	2020	Changes	
			Absolute value	%
Gross premiums written	15,210	13,420	1,790	13.3
Premiums for the year	13,776	16,824	-3,048	-18.1
Net charges relating to claims / Premiums for the year	39.0%	60.3%		

Sundry financial losses

The volume of the premiums amounted to € 19.2 million (+11.2%). The increase is due to the development of the Specialty Lines segment.

The claims-to-premiums ratio of direct business improved from 82.2% to 54.2% in 2021, due to positive and higher run-off of reserves than last year (11.4% in

2021 vs. 6.3% in 2020) and a lower current year claims rate (65.6% in 2021 vs. 88.6% in 2020), due to the non-recurrence of certain medical emergency-related claims occurring in 2020.

Table 17 - Sundry financial losses class - direct business

(€ thousands)	2021	2020	Changes	
			Absolute value	%
Gross premiums written	19,244	17,313	1,931	11.2
Premiums for the year	20,435	16,377	4,058	24.8
Net charges relating to claims / Premiums for the year	54.2%	82.2%		

Legal protection

The total of the premiums amounted to € 17.3 million (+14.7%). Premiums growth is present in both the motor and retail segments.

The claims-to-premiums ratio of direct business increased from 8.1% to 13.8%, but remained at an optimal level.

Table 18 - Legal protection class - direct business

(€ thousands)	2021	2020	Changes	
			Absolute value	%
Gross premiums written	17,268	15,057	2,211	14.7
Premiums for the year	16,600	14,224	2,376	16.7
Net charges relating to claims / Premiums for the year	13.8%	8.1%		

Assistance

Premiums amounted to € 47.3 million, an increase of 11.6%, affecting both the motor and retail segments.

Profitability remains at the optimal levels already achieved in 2020 (18.1% in 2021 vs. 17.1% in 2020).

Table 19 - Assistance class - direct business

(€ thousands)	2021	2020	Changes	
			Absolute value	%
Gross premiums written	47,327	42,417	4,910	11.6
Premiums for the year	46,084	39,735	6,349	16.0
Net charges relating to claims / Premiums for the year	18.1%	17.1%		

Other non-life business

The item includes premiums relating to the railway rolling stock, aircraft, TPL aircraft and sea and inland water vessels and credit classes.

Premiums amounted to approximately € 4.3 million (+46%). The increase is due to the development of the Specialty Lines segment.

RELIGIOUS BODIES AND THIRD SECTOR BUSINESS UNIT

Cattolica has always had close links with the Church, Ecclesiastic Associations and Non-Profit Bodies. It strongly believes in the values expressed by these important institutions and is committed daily to offering a highly qualified and distinctive service, proposing comprehensive insurance solutions, innovative and truly responsive to the needs of protection.

In particular, with the intention of building an ongoing, shared and professional dialogue with these institutions, the Company avails of an internal Division called the Religious Bodies and Third Sector Business Unit (Business Unit Enti Religiosi e Terzo Settore - BUERTS), completely dedicated to strengthening relations with these institutions, which are so particular, in terms of insurance needs and relational complexity. In February 2021, BUERTS completed the reorganisation process, obtaining a major expansion of the scope of relational and technical responsibilities, as well as placement under direct reporting to the Managing Director.

The reorganisation rationalises and clarifies the roles and responsibilities of the Division, which is a single centre of competence, focused on the unified management of the strategy of the entire business cycle related to Religious and Non-Profit Bodies. The creation of the Technical and Commercial BUERTS function, the internal management of Claims relating to contracts within the perimeter and the new Distinctive Skills and Observatory function fall within this context.

This synergy of skills led to, in December 2021, the development of "*Cattolica&Non Profit*", a new product dedicated to Non-Profit Organisations, Associations and Social Enterprises. This is an insurance solution that, in addition to protecting the operators and volunteers of the non-profit world and the users of the organisations' services through specific guarantees, aims to promote activities that pursue sustainability and to strengthen the organisations in carrying out their work, including through the enhancement of particularly virtuous projects.

BUERTS is directly addressed to the territory and the communities, including through the agency network, to which the Division offers ongoing support and specific and updated training on the evolution of Non-Profit regulations and on the peculiar characteristics of the world of Religious Bodies. The Agencies play a highly proactive and participatory role in the BUERTS system of relations, as they operate as receptors and vehicles for the requests expressed by the Ecclesiastical and Non-Profit world; they engage in constant dialogue with the Division to ensure a deep understanding of the reference markets and promptly identify the emergence of new needs, as well as contribute to developing solutions and strategies that meet the daily needs of those who work for the Common Good.

Training and knowledge are key resources within the BUERTS strategy. In order to guarantee a deep understanding of its interlocutors, the regulatory framework and the specificities of the Church and Non-Profit world, the Division avails itself of a Scientific Committee composed of highly experienced and authoritative academic and institutional figures. With this collaboration of experts, it organises high-level training projects and initiatives, such as the Executive Agent Masters (Master Executive Agenti - MEA) and the "Ready To RUN-TS" Webinar. It supported Pontificia Università Lateranense and Vicariato di Roma in organising and carrying out the various editions of the Advanced Training Courses in Administration of Ecclesiastical and Religious Bodies, together with Padova Capitale Europea del Volontariato it proposed two webinars entitled "How Italian volunteering is changing - Stories and experiences between reforms and perspectives" and "Italian Volunteering responds to new poverty, between international cooperation and territorial fragilities": it collaborated with CESVOL (Centro Volontariato Umbria) on the webinar "The Third Sector Reform: state of the art" and organised a Round Table on the topics of stability, effectiveness and risk management for Religious Bodies in the context of the Festival of the Social Doctrine of the Church. It also carried out numerous technical, regulatory and relational training courses in support of the Agencies and the banking network of BCC Assicurazioni.

In addition to in-depth and professional skills on a technical and regulatory level, BUERTS has an ongoing presence in the spaces and events of the Religious and Non-Profit world - a presence that makes its relationship with these Entities vital, strong and proactive.

The Division participated as main sponsor in the Padova Capitale Europea del Volontariato (Padua European Volunteer Capital) event, organised by the Diocese, the Municipality and the Centro di Servizi per il Volontariato (Volunteer Service Centre) of Padua; it was also part of

the jury that selected the European Volunteer Capital for 2023.

BUERTS has been present, as a sponsor, at many significant events organised by important institutes of the Church and the Third Sector, such as the study and research course "Ecologia e Ambiente. Cura della nostra Casa Comune e Tutela del Creato" (Ecology and Environment. Care for our Common Home and Protection of Creation) of Pontificia Università Lateranense, Earth Day Italy, the Lunga Notte delle Chiese, the Franciscan Festival, the Festival della Dottrina Sociale della Chiesa.

To complete this rich plan of activities and projects, the Management has several editorial agreements with leading newspapers such as Vita Magazine, IRIS Network and Rivista Impresa Sociale, Avvenire and L'economia civile, L'Osservatore Romano, publishing articles and in-depth analysis on issues related to the world of the Third Sector, Religious and Non-Profit Bodies.

The BUERTS proposal is gathered within the Osservatorio Enti Religiosi e Non Profit: a web platform created to promote the knowledge of these institutions, encourage

the development of awareness through the sharing of professionalism, experiences and skills, and at the same time maximising the relational and communicative skills of the Division. The contents and activities proposed within the Osservatorio follow the thread of the following theme: Stability, Effectiveness and Risk Management in the governance and administration of Ecclesiastical and Non-Profit Bodies.

In May, the three-year agreement between the Italian Episcopal Conference (Conferenza Episcopale Italiana - CEI) and Cattolica, known as "Sant'Emidio", for the protection of Italian parishes from catastrophic risks, was concluded. The CEI's decision not to renew national agreements, leaving the individual dioceses to cover the risks in their territories, had already been identified in the 2021 rolling plan and its economic impact had been estimated. It should also be noted that as at December 31st, 2021, coverage of the health policy of the Istituto Centrale per il Sostentamento del Clero (Central Institute for the Support of the Clergy) with Cattolica ceased.

CLAIMS SETTLEMENT

Cattolica Services is the company, which concentrates the claims management and settlement activities within the Claims Division.

During the year, the Claims Division focused both on the target of the Business Plan and on the ordinary activities required to maintain service levels and achieve business objectives.

Activities continued to refine and revise the processes necessary to maintain positive industrial performance.

With a view to rationalising and improving the efficiency of the structure, the following restructuring activities were carried out:

- creation of the Claims Excellence unit, which includes Settlement Policies, Technical Verification, SARC and Trustees, Agency Support and Claims Projects;
- creation of the autonomous Planning and Control unit with a particular focus on data management and analysis;
- reorganisation, merging and renaming of territorial settlement centres;
- introduction of a new settlement centre for Complex Motor Claims in Milan, in addition to the existing ones in Rome and Verona;
- aggregation of the Bancassurance settlement centre and the Health and Religious Bodies Hub into the new

settlement centre for Bancassurance and the Health and Financial Losses Hub.

The organisational structure of the Claims Division involves five units: Motor Claims, Non-Motor Claims, Anti-Fraud Unit - Special Claims Areas, Claims Excellence, Planning and Control.

Motor Claims

As at December 31st, there were three settlement areas in the territory: North, Central and South - and they include 10 Settlement Centres. The Motor Claims unit also includes the Motor Division Hub, Complex Motor Claims and Foreign Claims, and Welion Interface.

Non-Motor Claims

As at December 31st, there were four Non-Motor Claims specialised settlement units: Settlement Centre for Bancassurance and the Health and Financial Losses Hub, Broker Claims, Central Property and Transportation Settlement, General TPL Settlement.

Anti-Fraud Unit - Special Claims Areas

As at December 31st, the specialised settlement unit, Anti-Fraud Unit - Special Claims Areas, had carried out the following activities:

- it managed the company's anti-fraud organisational process and claims transferred from the Settlement

Centres to the office for suspected or ascertained frauds, coordinated the collection of anti-fraud data by the Settlement Centres, produced reports, carried out coaching and training activities, managed claims complaints within the office's competence and prepared the annual report pursuant to ISVAP regulation No. 44 of August 9th, 2012;

- it examined reports from a criminal point of view aimed at initiating complaints, preparing criminal acts and managed the various stages of criminal proceedings, managed relations with the judicial and public safety authorities and with the Special Areas Service of the ANIA, it provided evidence in criminal proceedings.

In compliance with the matters established by Article 30 of Italian Law No. 27 of March 24th, 2012, and the IVASS Protocol No. 47-14-000982 of March 11th, 2014, the estimate of the reduction of the charges for TPL motor claims deriving from the assessment of fraud at the end of 2021, consequent to control and fraud suppression activities, was quantified at € 21.8 million, in line with 2020.

Claims Excellence

As at December 31st, there were four specialised units within the Claims Excellence structure:

- **Settlement Policies:** it defines the new settlement policies, updating and maintaining the existing ones and drafting the necessary new operational notes; it analyses the reference regulations and identifies the organisational interventions necessary to be compliant; it plans, manages and provides the necessary training for the liquidation units in agreement with the Group Training - Academy function;
- **Technical Verification:** it provides for the technical settlement and regulatory control of the claims business units (Closed File Review, Open File Review), proceeding to the drafting of detailed reports containing leakages and proposals for intervention. The unit carries out the relative follow-ups, deals with the qualitative verification of outsources and trustees, monitors the recommendations of the corporate control units (Audit and Compliance) and manages IVASS issues for the Claims Division in coordination with Compliance; it prepares and assesses defence briefs for IVASS disputes in coordination with the RAV office; it carries out second level checks in the area of anti-fraud for compliance with ISVAP regulation No. 44 of August 9th, 2012 and in the management of requests from agencies; it verifies and prepares reports on the results of administrative inspections of agencies;
- **Agency Support and Claims Projects:** it presides over relations with the agency and commercial network, addressing and monitoring reports relating to critical aspects of claims management; it monitors and manages critical aspects of claims projects, acts as an interface with other Divisions, in particular it presides over relations with IT for the upgrading of management systems, carries out continuous analyses aimed at improving claims management processes, deals with the profiling of users in claims management and external databases; on the instructions of the managers, it formally informs the adjusters of changes in settlement autonomy; is responsible for outsourced services (business accounts for suppliers) and coordinates their control and monitoring, verifies compliance with the planned schedules, soliciting internal references in the event of anomalies; it interfaces with other Divisions for the assessment of new outsourcing relating to claims management (new products, conventions, etc.); it identifies management procedures, assessing their impact and directing them on the IT side; it supports the supplier selection process, acts as an interface and manages relations with the Guarantee fund for victims of road accidents; it is the contact point for the Claims Division for the activities followed by the 262 Function and focal point for tenders and preliminary activities to calls for tenders; it supports divisional offices in administrative activities;
- **SARC and Trustees:** the unit and the offices deal with CARD management (arbitration, verification of ANIA flows, etc.), management of relations with CONSAP, ANIA and other member companies, CTT management, they provide technical support to the settlement structures for the correct application of regulations and develop actions to strengthen CARD processes; they manage recoveries on claims and the "Auto Ritrovate" (found cars) process, identify actions aimed at reducing tariffs and improving damage estimation processes, define policies for all the trustees, select, manage and monitor the operational performance of the trustees, supporting them from a procedural and technical point of view, monitor payment requests in the area of Prompt Settlement and the relative claims. As of December 31st, the panel of trustees is composed of: 192 motor experts, 1,897 body repair shops, 253 doctors (of which 93 specialists), 49 asset damage experts, 283 legal experts, 119 assessors, 13 mechanical re-constructors, 42 general trustees. Within CARD management, the balance of CONSAP Clearing houses in the last survey shows a negative balance of € 5.2 million. With regard to the management of Recoveries, ordinary activities continued, thanks to

which, as at December 31st, approximately € 10.6 million had been recovered and collected.

Planning and Control

During the year, the office analysed the performance of the main settlement KPIs, carried out in-depth analysis of negative management trends, analysed and monitored the performance of the Claims Business Plan, managed the Claims Division budget, defined the Claims Division's objectives in conjunction with the other claims units and produced ad-hoc reports.

Settlement velocity and claims reported

The following table shows, for the main non-life classes, the settlement velocity for the claims, which emerges from the ratio between the number of claims paid in full and the total number of claims handled, net of those eliminated without follow up.

The 2021 and 2020 figures also include figures from ABC Assicura.

Table 20 - Claims' settlement velocity

(% values)	Claims reported in the current year		Claims reported in previous years	
	2021	2020	2021	2020
Classes:				
01 - Accident and injury	32.9	47.9	68.3	70.5
02 - Health	89.2	92.7	33.5	29.5
03 - Land vehicle hulls	86.6	88.1	93.0	92.4
08 - Fire & natural forces	76.6	72.4	78.7	75.4
09 - Other damage to assets	78.5	79.6	81.2	88.4
10 - TPL - Land motor vehicles				
CARD Gestionaria	81.5	83.2	70.2	74.7
CARD Debitrice	71.7	74.6	52.0	59.8
NO CARD	60.5	60.8	44.0	45.6
13 - TPL - General	50.5	52.6	33.4	33.0
15 - Suretyship	55.7	89.5	20.2	13.6
16 - Sundry financial losses	71.0	63.4	52.3	50.2
17 - Legal protection	11.3	13.6	18.1	15.9
18 - Assistance	87.9	82.2	49.0	65.8

The figures also include figures from ABC Assicura.

During the current year, 568,779 claims were reported, of which 425,699 (74.8%) were fully settled.

With regard to the motor TPL class, 73,700 CARD Gestionaria claims were reported, of which 55,911 settled in full and 5,126 closed without follow up, with a settlement velocity of 81.5%.

With regard to CARD Debitrice claims, the Company received 69,740 claim reports from the clearing house managed by CONSAP, of which 47,295 paid and 3,763 closed without follow up, with a settlement velocity of 71.7%.

LIFE BUSINESS

Direct life premiums of life business amounted to € 520.8 million (-6.1%).

The Company's premiums written decreased mainly due to a contraction in volumes in class I, V and VI products.

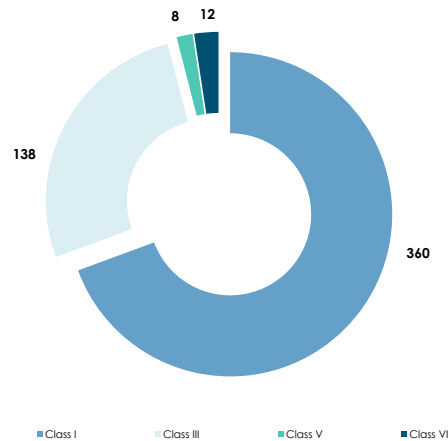
The change recorded is consistent with the company's objective to reduce exposure to revaluable products linked to Segregated Management and increase volumes

in relation to class III products, which are characterised by lower capital absorption.

The technical results of the individual life classes and the overall technical result are represented in concise form in Attachments 27 and 28 to the Notes to the accounts.

Comments follow on the development of the insurance portfolio as regards of the main life business.

Main life classes, direct premiums (euro/millions)



Insurance on the duration of human life

Class I premiums written, traditional class, amounted to € 360.3 million (-7.3%).

Revaluable premiums written from new subscriptions take place almost only with products with a so-called "non cliquet" revaluation method that allows capital absorption to be reduced.

Insurance on the duration of human life linked with investment funds

Class III premiums amounted to € 138.3 million (+22.4%). Premiums are mainly composed of class III policies within multi-class policies.

Insurance covering non-self sufficiency

The Company continues to operate in class IV with coverage combined with pension and welfare investment funds. Premiums amounted to € 1.5 million (+17.6%).

Capitalisation transactions

Premiums amounted to € 8.3 million (-26.3%).

Class VI business

Total class VI premiums written in the year amounted to € 12.5 million (-69%); the overall assets under management at the end of the year came to € 147.4 million (-4.3% compared to December 31st, 2020). Details for each of the two open-ended pension funds managed by the Company are provided below.

Open-end pension funds of the Company

During the year gross premiums (net of the contributions allocated to the funding of the accessory insurance benefits) for a total of € 9.9 million converged in the Cattolica Gestione Previdenza Open-end Pension Fund, which is structured into six segments.

The net assets allocated to the six segments of the Fund amounted to € 106.1 million.

As at December 31st, the Fund had 7,318 active members (7,533 at the end of 2020).

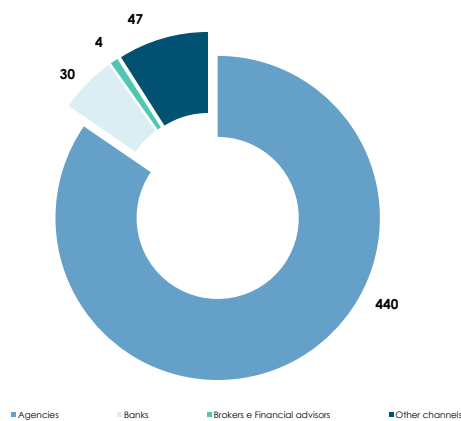
During the year gross premiums (net of the contributions allocated to the funding of the accessory insurance benefits) for a total of € 2.6 million converged in the Risparmio & Previdenza Open-end Pension Fund, which is structured into four segments.

The net assets allocated to the four segments of the Fund amounted to € 41.3 million.

As at December 31st, the Fund had 2,634 active members (2,958 at the end of 2020).

Life premiums written via the agency channel amounted to € 440.4 million, those pertaining to the banking channel totalled € 29.5 million, those pertaining to the brokers totalled € 172 thousand, those pertaining to financial advisors amounted to € 3.8 million and those pertaining to other channels totalled € 46.9 million, of which € 674 thousand relating to pension funds.

Premiums by channel, direct life premiums (euro/millions)



CLAIMS PAID

Claims paid, excluding settlement costs, amounted to € 721.9 million (-46.7%).

Table 21 - Breakdown of claims paid by class and type

(€ thousands)	2021	% of total	2020	% of total	Changes	
					Absolute value	%
Class I	598,070	82.9	494,370	36.5	103,700	21.0
Claims	64,887	9.0	51,259	3.8	13,628	26.6
Redemptions	276,367	38.3	238,071	17.6	38,296	16.1
Maturing	256,816	35.6	205,040	15.1	51,776	25.3
Class III	33,346	4.6	22,164	1.6	11,182	50.5
Claims	2,738	0.4	2,611	0.2	127	4.9
Redemptions	29,294	4.0	19,187	1.4	10,107	52.7
Maturing	1,314	0.2	366	n.s.	948	n.s.
Class V	70,162	9.7	133,953	9.9	-63,791	-47.6
Redemptions	19,371	2.7	63,081	4.7	-43,710	-69.3
Maturing	50,791	7.0	70,872	5.2	-20,081	-28.3
Class VI	20,299	2.8	704,632	52.0	-684,333	-97.1
Redemptions	20,299	2.8	27,306	2.0	-7,007	-25.7
Maturing	0	0	677,326	50.0	-677,326	-100.0
Total claims paid (*)	721,877	100.0	1,355,119	100.0	-633,242	-46.7

(*) The item does not include settlement costs

n.s. = not significant

With reference to class I, the amount of the claims paid increased by 21%, mainly due to the increase in the settlements by maturity (+51.8 million).

With reference to class III, the increase in the amounts paid (+50.5%) is almost exclusively due to the increase in redemptions (+10.1 million).

With reference to class V, the amount paid decreased by 47.6%, due to the decrease in settlements by redemptions (-69.3%) and maturity (-28.3%).

With reference to class VI, the strong overall decrease in the claims paid (-684.3 million) is mainly due to the fact that two agreements matured last year.

RESEARCH AND DEVELOPMENT ACTIVITIES - NEW PRODUCTS

During the year, the Company adjusted the contractual documentation of marketed products in accordance with IVASS Regulation No. 41 of August 2nd, 2018, and in accordance with the provisions of IVASS Regulation No. 45 of August 4th, 2020, on Product Oversight Governance (POG).

The Company also revised its offer, to make it increasingly meet the competitive dynamics of the market, sustainable

Non-life business

The path taken by Cattolica since May 2018, aimed at innovation in the Motor area, continued in 2021 with the new digital solutions dedicated to the "Active Auto" and "Active Veicoli Commerciali" products. Thanks to the partnership with Assicurazioni Generali, in April, Cattolica released the new connected solution "Active Live", with the dual "Voice" and "Protect" configuration, to extend the protection of those who get behind the wheel.

In the event of an accident, both solutions guarantee an automatic call from the Assistance Centre for impacts above certain thresholds, as well as the collection and processing of data for the reconstruction of the dynamics of the accident and its management. The two solutions differ from each other in the technologies used and the services offered: "Active Live Voice" involves the installation on the vehicle windscreen of a box equipped with a speakerphone and an emergency button to be pressed to be contacted by the Assistance Centre; "Active Live Protect" involves the "Protect Box" black box, installed in a hidden point of the vehicle, which in the event of movement of the car with the engine off automatically triggers the anti-theft alarm, activating the satellite tracking of the vehicle.



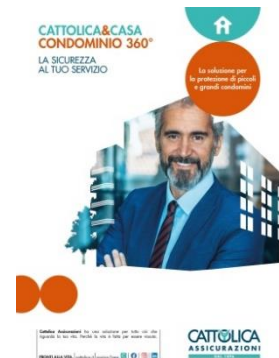
With regard to the Motor segment, during the year a new edition of the CVT tariff was also released, which primarily concerned the restyling of the CVT Truck product, in order to increase its commercial appeal by revising the tariff and content; several of the new features introduced were extended across the Motor Vehicles and Moped/Motorcycle segments.

from a financial viewpoint and consistent with the goals set by the Business Plan, paying particular attention to collaboration with the distribution network and marketing in defining products. The aim is to offer increasingly attractive and profitable products, both in terms of return and innovation.

"Cattolica&Agricoltura - Rischi Zootecnici" was updated in January for the 2021 campaign: the product was improved, concerning the part relating to supplementary non-facilitated coverage, with the guarantee relating to the death and slaughter of cattle and buffalo as a result of neuro-toxin toxicity produced by Clostridium botulinum.

The "Cattolica&Agricoltura - Avversità Atmosferiche" product was also revised and updated for the 2021 campaign, in compliance with the regulatory adjustments resulting from the issue of the new Risk Management Plan (PGRA). The new version of the product will be made available starting in February.

With the restyling of "Cattolica&Casa - Condominio 360°", in place since May, a number of interventions were carried out aimed at: improving the competitiveness of the product on the market, rationalising certain aspects of the issue of the policy proposal and refining certain aspects of the pricing of the individual guarantees.



"Active Benessere", the new Health product, developed with the services of Generali Welion and released in June, is a broad and modular solution, thanks to the different formulas dedicated to individuals, families and employees of companies. In addition to traditional insurance coverage, customers can actively contribute to protecting their health through innovative services dedicated to improving lifestyle and physical well-being, as well as through solutions and tools for the phases of prevention, diagnosis, care and convalescence:

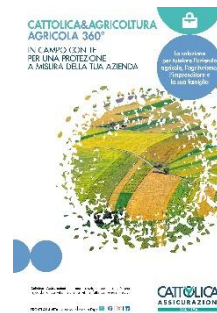
- **Prevention:** by accessing the dedicated web portal, it is possible to build one's own prevention path and interact with the Wellness Coach, a qualified figure who works alongside the customer explaining and further personalising the pathway; it is also possible to open a claim, consult one's own medical record and calendar of health appointments, activate the service for home delivery of medicines, take advantage of a tele-consultation or video-consultation 24 hours a day without the need for booking through the Welion App, thanks to a third-party provider partner of Generali Welion and access affiliated facilities, specialist visits and diagnostic examinations at reduced rates through the Welion Card;
- **Diagnosis:** the product provides for the payment or reimbursement of specialist visits, examinations and diagnostic tests carried out in affiliated professional studios or conventional analysis laboratories;
- **Care:** the offer provides for a daily allowance in the event of hospitalisation and direct payment of healthcare expenses at affiliated facilities or reimbursement following hospitalisation with or without surgery, or surgery including outpatient surgery;
- **Convalescence:** thanks to the specific allowance and the reimbursement of expenses for therapeutic and rehabilitative treatments incurred, the convalescence period becomes a time to recover health and well-being with the completion of services through nurses and physiotherapists at home, the provision of medical equipment, the organisation of the transfer from home and the return from the nursing home with the most appropriate means of transport, a personal trainer and telephone consultation with a nutritionist.

"Active Benessere", which is also active in the event of epidemics or pandemics (including Covid-19), also provides a series of special solutions and guarantees designed ad hoc, for example, the range dedicated to future parents and their children with services that cover psychological support for a new mother, telephone information on maternity, nurseries and administrative practices, the organisation of paediatric home visits, any surgical interventions for the newborn as well. Furthermore, among the guarantees, there is protection from cases of



malpractice: a coverage that helps the insured to defend their rights, covering any legal expenses.

"Cattolica&Agricoltura - Agricola 360°" has undergone a restyling, with a new version of the product on sale from September, which pursues the objectives of simplification in the risk assumption phase (e.g. simplification of the choice of supply chains and guarantees that may be purchased to protect the secondary activity) and updating of the product to better meet the specific needs of the owner and the farm, through the introduction of new coverage and revision of specific guarantees.



The "Cattolica&Professioni" product, available in the two independent modules, Offices and Activities, was supplemented with the new derivations to cover the risks relating to the performance of the following activities: administrator of condominiums, legal activities, technical activities and technical activities in agriculture (in the September release) and healthcare activities, property agents and IT and data processing centres (in the November release).



In December, the new "Cattolica&NonProfit" product was released, aimed at Entities, Associations and Social Enterprises operating in the non-profit world, which pursues specific objectives related to the protection of the Entity and the parties who work within it or who benefit from its services; the product provides various covers to protect both the assets of the organisation from events such as fire, theft and robbery, damage to electrical and electronic equipment, cyber risk, and the assets of the entity, protecting it from possible claims for damages made by third parties; it also aims to protect the physical integrity of individuals from the risks of injury or illness during the performance of their activities as volunteers or associates, helping them also in the event that they are financially exposed.



Life business

In addition to that reported in the introduction to non-life products, with respect to life products, EU Regulation 2019/2088 on sustainable investment transparency came into force on March 10th, 2021, with the intention of expanding and standardising the disclosures that financial market participants are required to make to investors.

The disclosure to be provided relates to the way in which ESG (Environmental, Social and Governance) factors are integrated at company level (disclosure on website) and at the level of products being placed (pre-contractual disclosure).

Following the entry into force of the aforementioned regulation, while also awaiting a fully definitive regulatory framework, the Company's investment insurance products (IBIPs) have been classified as pursuant to Article 6, i.e. products that supplement environmental, social and governance (identified by the acronym ESG) sustainability factors in investment choices, but which do not promote ESG characteristics (Article 8) or which do not have specific sustainability objectives (Article 9). For further information on the supplementation of sustainability risks in investment decision-making processes, please refer to the specific "Sustainability" section of the Company's website.

Cattolica's attention remained focused on growth, profitability and the sustainability of the offer, always in compliance with the strategic lines provided for in the Business Plan, by means of the promotion on the market of products, which meet the new customer requirements and are beneficial in terms of profitability.

In the savings/investment business area, the development of "Capital Light" type solutions was pursued with the aim of combining a traditional offer of products linked to separate management assets with sustainability with respect to current market contexts.

At the same time, the objective was to achieve an optimal overall mix of premiums written, seeking growth in the class III component, in particular through the ongoing development of multi-class solutions. In fact, these are the most suitable solutions to offer a balance between the need to protect one's own savings on the part of the investment in segregated assets and the need to grow one's own capital, exploiting through internal funds the various opportunities for returns on the financial market.

During the second half-year, with a view to maintaining customer interest in its products, meeting current market requirements and increasing competitiveness, the Company updated its range of investment products.

On this occasion, the main multi-class "Active Investimento" product was revised, intervening in

particular on the term of the contract, on the underlying investment options, also making available two internal funds already active in the previous multi-class products, in relation to the advantages provided for in the event of reinvestment and extending, finally, also to protection life products, the incentive dedicated to investors susceptible to increasing/supplementing the insurance protection of assets with personal protection or protection of their loved ones.



The intervention made the product more sustainable from an income point of view and allowed for a strong rationalisation of the multi-class investment offer in the catalogue.

On the "Protection" side, in order to bring the offer dedicated to protection products ever closer to the needs of customers, the Company launched "Active Vita" on the market through the agent channel, the new modular insurance product (also with the option of insuring two people at the same time for several covers), aimed at protecting individuals, their family, children and the most fragile persons from the serious unexpected events of life.



The guarantees are numerous and allow for the Insured to personalise the policy according to their needs, activating one or more of the guarantees present and the corresponding optional guarantees, a single insurance contract designed to offer, depending on the customer's needs, the following help:

- a lump sum in the event of premature death, aimed at maintaining the economic stability of the household or loved ones;
- a lump sum in the event of serious illness, for expenses incurred in the event of the onset of a specific illness;
- an immediate monthly annuity, for the first three years, in the event of loss of self-sufficiency, which allows the Insured to sustain the first necessary expenses arising from the new health condition;
- specific Assistance services (Class 18) dedicated to offering help in the immediate aftermath of the event, to the client or beneficiaries.

REINSURANCE

Non-life business Reinsurance - Direct Business: transfers

The Company's reinsurance programme maintained a structure consistent with that of last year, making reference to a programme of proportional transfers with the complementarity of optional transfers.

The residual retained portion of each class was further protected by claim excess coverage against the occurrence of both individual insured events of a significant amount as well as catastrophic events.

The proportional transfer is represented by a multi-class bouquet (fire, theft, accident and injury, land vehicle hulls, leasing, sundry financial losses, agricultural-livestock risks, transport, suretyship and credit) and by specific proportional transfers for the technological classes (construction, assembly risks, ten-year indemnity, machine breakdowns, electronic risks, supply guarantees), assistance, legal defence and sundry financial losses.

Based on the actuarial analyses carried out to determine the efficient reinsurance programme according to a value-based methodology, there was no need to make changes to the proportional coverages falling due.

With regard to non-proportional coverage, the changes carried out involved:

- increase in the agreement priority from € 250 thousand to € 350 thousand for the accident, injury and health classes;
- increase in the Property agreement priority for risk from € 3 to € 5 million;
- increase in Group Catastrophic agreement priority from € 15 to € 20 million.

For the year 2021, with regard to D&O (Directors & Officers) policies, the proportional coverage, which is due to expire, has been renewed with a 60% transfer percentage and an increase in capacity from € 10 to € 12 million (maximum up to € 15 million for a limited number of risks/year). The retention is covered by the main TPL general claim excess agreements.

With reference to the hail class, the proportional coverage was renewed with a reduction of the expiring transfer portion from 20% to 11.5%. This coverage acts on the retention of a stop loss agreement with unchanged structure compared to that expiring (70% vs 110%).

In 2021, the underwriting of the "Active Benessere" - Critical Illness product began, for the protection of which

a quota share agreement was signed with a specialised reinsurer (transfer percentage 50%).

In order to improve Cattolica's risk profile and guarantee a higher level of solvency in the 2020 - 2022 period, in 2020, a quota share reinsurance coverage was underwritten to protect the net retention of the TPL Motor and TPL General classes.

This coverage provides the possibility to modulate the percentage of transfer of claims reserves and future obligations in accordance with the actual needs of each company, limiting the transfer of results to the minimum necessary.

In 2021, the assignment percentages are 1% for the TPL motor class and 5% for the general TPL class.

Non-life business Reinsurance - Indirect Business: acceptances

The underwriting concerned exchange business with direct insurance companies with similar characteristics to those of the Company (the largest contribution is represented by business originating from the CIAR system), a small and very diversified portfolio, relating to the underwriting of catastrophe programmes on an excess of loss basis, with particular focus on the top layers (amount of marginal business compared to the overall portfolio and transferred entirely to a Group company, which in turn transfers it to the reinsurance market), as well as reinsurance coverage for subsidiaries (ABC Assicura, BCC Assicurazioni, TUA Assicurazioni, Vera Assicurazioni and CattRe). On the other hand, the Company retrocedes risks accepted by subsidiaries to the reinsurance market, via its reinsurance programmes (therefore, there is an intercompany acceptance by the same as reinsurer and subsequent transfer of risks to reinsurers in the capacity of transferor).

For the purpose of further diversifying the risk, the proportional and non-proportional agreements of subsidiaries indicated above are placed partially with the Company and for the remaining portion directly with the reinsurance market. Moreover, in compliance with the arm's length principle, the economic conditions of these hedges are defined with counterparties outside the Group (professional re-insurers).

In particular, 45% of the non-proportional agreements of BCC Assicurazioni, TUA Assicurazioni and Vera Assicurazioni are placed with the Company and the remaining 55% with the reinsurance market. The proportional coverages of BCC Assicurazioni and TUA Assicurazioni, on the other hand, have a 35% and 30%

transfer rate to the Company, respectively, while the remaining part is placed with the reinsurance market.

With regard to ABC Assicura (merged by incorporation into the Company at the end of December, with accounting and tax effects from January 1st, 2021), as the placement was closed in November 2017, to protect the run-off and the small volume of new production, proportional covers with 99% assignment for the fire and TPL motor classes were placed entirely with the Company.

Life business Reinsurance - Direct Business: transfers

With regard to the portfolios of the individual and collective policies, steps were taken to renew the proportional and non-proportional agreements by risk and by event, as per maturity terms.

On the other hand, the proportional agreement relating to the transfer of one-fifth of the salary for employees was not renewed.

In 2021 the underwriting of the "Active Vita" product by means of tele-underwriting commenced, for the protection of which a quota share agreement was signed with a Specialised Reinsurer (transfer percentage 50%).

Life business Reinsurance - Indirect Business: acceptances

No indirect business acceptance activities have been carried out, except for a residual, insignificant part, relating to business underwritten in previous years.

Dealings with reinsurance companies, which present the best prospects of continuity over the long-term, have been preferred. When selecting partners, particular attention was paid to the solidity and reliability of the same, directing the choice towards those with the best rating or those less exposed, in the composition of the portfolio, to risk categories liable to technical-economic imbalances.

When defining the reinsurance programme, the Company adhered to the internal guidelines contained in the reinsurance policy and to the provisions of IVASS Regulation No. 38 of July 3rd, 2018.

In November 2020, the Board of Directors approved the changes provided in the plan of reinsurance transfers for the year 2021.

FREEDOM OF PROVIDING SERVICES

The Company is authorised to carry out insurance and reinsurance business under the freedom to provide services in all countries of the European union and European Economic Area, in various life and non-life business classes.

With the aim of coordinating and supervising the Company's foreign activities, with specific reference to the legal and regulatory aspects in force in the various foreign countries and to the related information flows

from/to other internal structures of the sub-group, an International Affairs Management office has been set up within the Non-life Non-Motor Technical Division.

The regulations of other non-EU countries in which the Company may be interested in starting up its business are currently being examined and analysed, with a view to activating the required authorisation procedures with the local authorities.



Solvency II Ratio

203%

MANAGEMENT REPORT

The Company in 2021

Insurance business

Financial and asset management

Headcount and sales network

Other information

Information on the investee companies

FINANCIAL AND ASSET MANAGEMENT

Investments amounted to € 10,145.1 million (+4.3%).

The table below summarises the most significant asset items.

Table 22 - Investments - breakdown

(€ thousands)	2021	% of total	2020	% of total	Changes	
					Absolute value	%
Land and buildings ⁽¹⁾	66,075	0.7	84,312	0.9	-18,237	-21.6
Group companies and investee companies	1,288,674	12.7	1,767,097	18.2	-478,423	-27.1
Shares and holdings	1,205,196	11.9	1,684,419	17.3	-479,223	-28.5
Bonds	18,478	0.2	17,678	0.2	800	4.5
Loans	65,000	0.6	65,000	0.7	0	0
Other financial investments	7,975,997	78.6	7,244,377	74.4	731,620	10.1
Shares and holdings	29,940	0.3	34,946	0.4	-5,006	-14.3
Units of mutual investment funds	1,570,196	15.5	1,443,538	14.8	126,658	8.8
Bonds and other fixed-income securities	6,373,448	62.8	5,763,259	59.2	610,189	10.6
Loans	2,413	n.s.	2,634	n.s.	-221	-8.4
Deposits with ceding companies	9,051	0.1	9,447	0.1	-396	-4.2
Class D investments ⁽²⁾	724,112	7.1	569,540	5.9	154,572	27.1
Investment funds and indices ⁽³⁾	576,710	5.7	415,593	4.3	161,117	38.8
Pension funds	147,402	1.4	153,947	1.6	-6,545	-4.3
Other	81,202	0.8	53,285	0.5	27,917	52.4
Cash and cash equivalent	81,202	0.8	53,285	0.5	27,917	52.4
Total investments	10,145,111	100.0	9,728,058	100.0	417,053	4.3

n.s. = not significant

⁽¹⁾ net of accumulated depreciation and including properties for direct business use

⁽²⁾ investments for benefit of policyholders of the life business who bear the risk and deriving from the management of pension funds

⁽³⁾ assets invested in units of investment funds and assets linked to stock market indices

INVESTMENT PROPERTY

During the year, several property transactions were finalised. In particular, the following are pointed out:

- the purchase, by Fondo Mercury Nuovo Tirreno, as a continuation of the Fund's investment activities: 1) in January, of two supermarkets in Sardinia, in Olbia and Oristano, for an amount of € 18.6 million plus taxes and purchase costs; 2) in December, of a supermarket in Liguria, in Arma di Taggia, for an amount of € 35 million plus taxes and purchase costs;
- the signing of a preliminary purchase agreement for a building for management purposes in Milan by Fondo Andromaca, with payment of € 12.5 million into the fund as a down payment;
- Cattolica's investment, in June, in the "Hines European Core Fund" pan-European foreign real estate fund, managed by Hines Luxembourg Investment Management S.à r.l., for € 6.5 million;
- a further tranche of investment by Cattolica in the "Encore+" pan-European foreign real estate fund, managed by LaSalle AIFM Europe Sarl, for € 4.2 million (for a total exposure to the Fund of € 6.5 million, the first tranche of € 2.3 million was invested in 2020).

SECURITIES INVESTMENTS

During the year, the diversification of portfolios continued, with further acceleration, thanks to the reduction in terms of volumes of the domestic component with an overall decrease in duration. These operations were carried out above all in the first quarter, when a reduction in Italian government securities was carried out, including through forward sales, in conjunction with the narrowing of the spread of Italian government securities with German securities. Moreover, in June, in order to further diversify the portfolio and contribute to the stabilisation of the Solvency Ratio, the Company subscribed to a flexible bond fund whose objective is the physical replication of the EIOPA portfolio.

The corporate component increased overall during the year. The increase was achieved more than proportionally on issuers with an investment grade rating where, for almost all of 2021, spread volatility was at extremely low levels due to economic growth and central bank purchases. At a sector level, the preference was primarily toward the financial and non-cyclical consumer sectors.

The share segment saw a slight increase in exposure with the aim of improving the sector diversification of the portfolio by focusing exposure mainly on foreign companies denominated in euro, representative of cyclical and defensive sectors.

The gradual increase in alternative investments continued with subscriptions to private debt, private equity and infrastructure funds, mainly positioned on the European market, thus contributing to the strategy of overall portfolio diversification and maintaining adequate levels

of profitability. Calls from funds already in the portfolio continued.

During the year, the real estate component was increased thanks to the subscription of new funds and the calls on several funds already in the portfolio.

The portfolio is denominated principally in Euro, with marginal exposures in US dollars and GBP. Issuers place products primarily in Europe, and to a lesser extent in the United States.

UNREALISED CAPITAL GAINS AND LOSSES

At year end, the balance of unrealised capital gains and losses, gross of taxation, on the bond portfolio, on shares and units in class CIII mutual funds, disclosed a profit of € 678.4 million and was made up as follows:

- fixed-income securities and bond portfolio: the net unrealised capital gains amounted to € 468.6 million;
- share portfolio: the net unrealised capital gains amounted to € 5.5 million;
- units of mutual investment funds: the net unrealised capital gains amounted to € 204.3 million.

The properties have an overall current value of € 66.9 million, with an unrealised capital gain of less than one million.

EQUITY AND FINANCIAL INCOME

The following table summarises the most significant part of ordinary equity and financial income.

Table 23 - Net financial income and expenses

(€ thousands)	2021	2020	Changes	
			Absolute value	%
Net income from investments and interest expense	221,109	271,155	-50,046	-18.5
of which income from shares and holdings	18,060	68,794	-50,734	-73.7
Net value adjustments	-200,699	-200,141	-558	-0.3
Profits net of losses on realisation of investments	20,100	19,545	555	2.8
Total class C net financial income and expenses	40,510	90,559	-50,049	-55.3
Income net of class D charges	61,454	24,068	37,386	n.s.
Total net financial income and expenses ¹	101,964	114,627	-12,663	-11.0

¹ Excluding the changes for exchange differences on technical components

n.s. = not significant

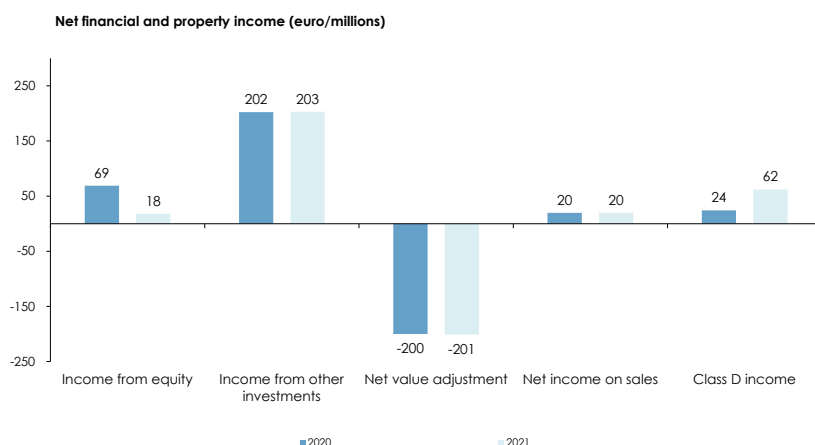
Total net financial income and expenses amounted to € 102 million compared to € 114.6 million as at December 31st, 2020 (-11%).

Total net financial income and expenses from class C assets was € 40.5 million compared to € 90.6 million as at December 31st, 2020 (-55.3%) due primarily to lower investment income, particularly from stocks and shares (-73.7%). Net value adjustments, amounting to € 200.7 million, are mainly attributable to the write-downs of subsidiaries and in particular € 87.208 million relating to

Vera Vita, € 65.091 million to Vera Assicurazioni and € 9.221 million to Cattolica Beni Immobili.

Gains on the realisation of investments grew by 2.8% to € 20.1 million.

Net income from investments and interest expense amounted to € 221.1 million (-18.5%), of which income from shares and holdings amounted to € 18.1 million, of which € 14.3 million came from subsidiaries and other investee companies (€ 67.2 million in 2020).



SOLVENCY II RATIO

Pursuant to Article 4, paragraph 7, of ISVAP Regulation No. 22 of April 4th, 2008, the table with indication of the amount of the solvency capital requirement, as per Article 45-bis of the Insurance Code is presented below, along with the minimum capital requirement, as per Article 47-bis of the same, and the amount, classified by levels, of the eligible own funds to cover the solvency capital requirements. The own funds admissible amounted to 2.03 times the Solvency II capital requirement, after the proposed distribution of the dividend, which will be subject to approval by the Shareholders' Meeting of April 26th, 2022.

Table 24 - Solvency II Ratio

(€ thousands)		2021	2020
Solvency Capital Requirement (SCR)	A	1,278,148	1,173,710
TOTAL ELIGIBLE OWN FUNDS TO COVER THE SOLVENCY CAPITAL REQUIREMENT	B	2,597,164	2,206,531
of which TIER 1 unrestricted		1,958,091	1,619,676
of which TIER 1 restricted		0	0
of which TIER 2		627,326	586,855
of which TIER 3		11,747	0
SOLVENCY II RATIO	B/A	203%	188%
Minimum Capital Requirement (MCR)	C	536,901	528,170
TOTAL ELIGIBLE OWN FUNDS TO COVER THE MINIMUM SOLVENCY CAPITAL REQUIREMENT	D	2,065,471	1,725,310
of which TIER 1 unrestricted		1,958,091	1,619,676
of which TIER 1 restricted		0	0
of which TIER 2		107,380	105,634
of which TIER 3		0	0
Ratio of Eligible Own Funds to MCR	D/C	385%	327%

The figures relating to 2021 have not yet been subject to the checks envisaged by Regulation No. 42 of August 2nd, 2018; the figures will be communicated to the Supervisory Body and to the market in accordance with the schedules provided for by current regulations.

ANALYSIS OF THE FINANCIAL RISKS

MARKET AND CREDIT RISKS

Market risks

As at December 31st, 2021, market risks represent approximately 55% of the total SCR (bearing in mind the effect of the differentiations between risk modules and the contribution of the capacity to absorb losses tied to technical provisions and deferred taxes).

The main risks of this type which the Company is exposed to are equity, real estate and credit spread variation risks. The concentration, interest rate, and currency rate risks follow.

Exposure to equity risk is also linked to exposure in equity investments. The real estate risk is the direct consequence of the overall exposure to real estate assets, which is

associated with a percentage-wise significant capital absorption at present. Finally, on the other hand, exposure to the spread risk follows the relevant share of bonds in which the total portfolio is invested, including a portion of corporate issuer stocks.

In applying the requisites of the "prudent person principle", the portfolio of assets as a whole is invested into assets and instruments whose risks can be adequately identified, measured, monitored, managed, controlled, represented in periodic reports and reported while duly taking them into account in assessing the overall solvency requirement. This principle is applied in both the preliminary and final investment analysis process, supplemented by the limits system. Target exposure and limits, in terms of minimum and maximum exposure, are then defined for each relevant asset class.

All assets, in particular those covering the minimum capital requirement and the solvency capital requirement, are invested in such a way as to ensure the security, quality, liquidity and profitability of the portfolio as a whole. The limits are calibrated jointly for all risk areas and form a well-structured system of conditions whose observance protects the adequacy of the portfolio as regards the desired level of these characteristics, in line with the definitions of the Risk Appetite framework and therefore with the risk propensity of the Company.

The assets held to cover the technical provisions are also invested in a way that is adequate for the nature and lifetime of the liabilities held.

The concentration level is specifically monitored for both the thresholds set by the limits system and the thresholds established by the standard formula in order to detect the presence of a concentration risk such as to deserve a capital allocation.

In regards to market risks, the Company determines its risk positioning with respect to its propensity by defining the Strategic Asset Allocation.

The process of defining is closely connected with the significant ORSA processes, forming the basis for a conscious and properly managed risk assumption.

The assessment of market risks is conducted with the standard formula, today considered appropriate given the Company's investment profile. In applying the standard formula, special attention is paid to proper application of the look-through approach to real estate funds, whose level of risk duly considers any leverage present.

Monitoring and risk management processes in effect with reference to market risks are divided based on various policies, with an overall consistent system constituting supervision of the investment activities and risks emerging from exogenous factors defined.

A process of prior analysis of investments is underway, applying the provisions of IVASS Regulation No. 24 of June 6th, 2016, with particular reference to the so-called complex assets identified in the same Regulation and further developed in the Investment Policies of the Company.

The monitoring of market risks is also carried out within the framework of ALM activities, which through the operational implementation of the process envisaged by the Investment Policies, in the specific section relating to the asset and liability management policy, periodically monitors the main reference quantities in the investment area, first of all comparing the asset allocation with the relative strategic forecast. The analysis is then further deepened and detailed concerning all the most important variables in the monitoring of investment

activity. In fact, market risk management plays an important role in a process that aims to strengthen strategic planning, with the objective of guaranteeing a timely response to the evolution of the scenarios hypothesised in the business plan.

Through an accurate management process and an effective assessment of this risk, also on a prospective basis, the Company is able to define an adequate overall solvency requirement.

Finally, in relation to investment, the Investment Policies and the operating limits provide declination to the Risk Propensity System, defining specific aggregated and detailed parameters on which the investment activity is directed. The limits system is applied with first level control under the responsibility of the operating units and with independent second level control carried out by the Risk Management Unit. For this purpose, the Risk Management Unit has independent access to all data important for controlling the risk, and it makes its independent assessments based on the substance of the most significant records. Third level control is, as anticipated, the responsibility of the Audit Unit.

A broad set of limits is defined in the market risks area, which sets out to cover parameters typically complementary to those monitored for Strategic Asset Allocation and fully consistent with them. Consequently, parameters indicative of the exposure to interest rate risk (duration mismatch between assets and liabilities), to the risk of the credit spread changing (spread duration) and a number of indicators aimed at measuring exposure in specific asset categories are measured.

As regards assessment of the market risks, the trend of the regulatory capital requirement is also monitored. This specific monitoring activity is conducted with computer tools used directly by the Investment & ALM Division as well, and is continually compared with the first and second level control and business functions as part of the ongoing and precise assessment of the risk exposure.

In addition, the Company's solvency position is monitored at least once a month, in order to capture the effects of changes in market conditions.

The Company carries out also sensitivity analyses both within the ORSA process and separately.

The process and methodologies that the Company adopts for analysing market risks can be summarised as follows:

- Analyses of sensitivity to the most significant risk factors conducted at least quarterly on the solvency position. During the year, exposure to the risk of increases in credit spreads was measured with the aforementioned frequency, and a sensitivity analysis

on the downward change in interest rates was carried out.

As at December 31st, 2021, six sensitivity analyses were carried out, the impact of which on the solvency position are indicated below:

1. Change in the interest rates lacking risk of 50bps: +12 percentage points;
 2. Increase in the credit spreads (government and corporate) of 50 bps: -11 percentage points;
 3. Credit spreads on Italian government securities increased by 50 bps: -15 percentage points;
 4. Reduction of 25% of the share values: -5 percentage points;
 5. Reduction of 25% of the real estate values: -19 percentage points;
 6. Decrease in the risk-free interest rates of 50 bps: -16 percentage points.
- Stress tests, both final and prospective, identified on the basis of the portfolio losses they would cause and calibrated on the basis of historically observed scenarios over a defined time horizon. The stressed factors mainly concern the spreads on Italian government bonds, the risk free curve and the value of real estate and shares.

The data coming out of the analyses carried out allows us to confirm compliance with the regulatory solvency threshold even in the face of the stress scenarios identified.

Credit risks

As at December 31st, 2021, credit risks, considered risks of the counterparty defaulting and therefore not including the risk of spread on bonds, represent approximately 4% of the total SCR (bearing in mind the effect of the differentiations between risk modules and the contribution of the capacity to absorb losses tied to technical provisions and deferred taxes).

The main types of exposure to which the Company is exposed under this category relate to exposure in current accounts, to re-insurers and for receivables from brokers and policyholders.

The assessment of these risks is conducted with the standard formula, considered appropriate since the profile of assets in question, held by the Company, in line with the market.

As part of the assessments made using these metrics, particular attention was paid to the details of the risk by type of exposure and by the single most important counterparties, by monitoring their trend over time and assessing, case by case, the expediency of taking management measures to lower the risk.

The credit risk management process is, first and foremost, focused on the adequate selection of counterparties. A system of limits aimed at appropriately managing the most significant exposures is also defined by assigning limits to the operating units, expressed as capital requirement calculated with the standard formula and applied according to the single type.

Specifically, limits referring to the capital requirement for current account and re-insurer exposures are assigned. These values make it possible to summarise various risk dimensions, including the riskiness of individual counterparties, overall exposure and any concentrations present.

The most critical exposures are focused on re-insurer counterparties whose associated risk is moderate thanks to their high credit rating. The actual adequacy of the counterparty risk taken as a result of making recourse to reinsurance is also assessed within the re-insurers selection process, defined in the relevant policy.

No particular credit risk mitigation techniques are applied. The consistency of the undertaken risk with the risk propensity defined by the Company is maintained by selecting counterparties and managing the related exposure.



Agencies

789



Branches

96

MANAGEMENT REPORT

The Company in 2021

Insurance business

Financial and asset management

Headcount and sales network

Other information

Information on the investee companies

HEADCOUNT AND SALES NETWORK

HUMAN RESOURCES

Human Resources Management

In line with the principles consistently promoted by Cattolica and its subsidiaries, the utmost attention continues to be paid to the management of human resources.

2021 was marked by the Covid-19 pandemic, which saw the extension of the emergency status and which involved the Human Resources (HR) Division in supporting the protection and safety of its corporate population, in close collaboration with the Prevention and Protection Service.

The HR Division invested in the digital transformation journey to ensure the development of tools that support remote working and the training of its staff to develop a digital mindset.

New ways of working and new ways of interpreting corporate spaces were at the heart of HR's 2021 plans.

The HR 4.0 project continued, with the activation of the new Payroll platform and the launch of the new HR management software called "My HR Space", which made it possible to develop a new way of communicating between the company and its employees, involving the latter as the main protagonists. Each employee, in fact, has the ability to view and update their personal and career data, consult the corporate structure in terms of positions associated with each employee, and has a tool at their disposal, created with a view to simplifying the user experience.

Digitisation also entered the personnel selection processes where innovative methods have been implemented, increasing activities on on-line platforms and setting up digital recruiting initiatives mainly oriented towards junior targets and the Z generation.

During the year, 34 people were placed at Cattolica and 19 training projects were activated.

As at December 31st, the Company had a total of 1,029 employees (+31 compared to 2020), broken down as follows: 55 executives (-1 with respect to 2020), 291 officials (+22 with respect to 2020) and 683 office workers (+10 with

respect to 2020). The number of employees expressed as full-time equivalents were 1,005 compared with 974 in 2020.

Academy & People Development

In response to the demands of the economic and social context and the changing competitive dynamics, Cattolica has rapidly repositioned its Academy and People Development initiatives, orienting them towards three strategic directions:

- developing people's engagement and empowerment;
- ensuring the dissemination of know-how and continuous learning;
- increasing people's level of accountability for their own professional development and learning processes.

These goals were pursued through:

- the increase of the value of data (analytics) for the definition of development and training plans;
- the development of a new mindset to enable people to be active and aware protagonists of change, capable of directing their own performance and professional development;
- the structuring of a knowledge management system that enhances the value of internal experts to nurture professional communities and the creation of a training ecosystem capable of making internal and external training resources available;
- the intensification of well-being and caring initiatives.

PEOPLE DEVELOPMENT

Putting people and their professional development at the centre is the strategy that enabled Cattolica to grow even in times of profound change and on which the Company continued to focus in order to make people increasingly active and aware protagonists of their own professional growth.

The "WITH-We Improve Together" system has been confirmed as the main element of performance enhancement that addresses and recognises the contribution of people to the achievement of corporate objectives.

During the year, "PresentAction" was launched, an initiative which was extended to more than 800

employees, offering all employees of Cattolica and its subsidiaries the opportunity to have a third-party perspective on their skills, develop awareness and understand how to direct their professional growth.

The data collected by "WITH" and "PresentAction" will make it possible to update the "Talent Matrix" that relates the skills possessed by staff with the performance expressed, allowing for a detailed mapping of resources, the definition of targeted training and development pathways and the identification of talents and their characteristics.

The M-UP! project is close to completing the first cycle of mapping the professional profiles present and surveying the level of knowledge possessed by people. In 2021, the project, launched in July 2020, further expanded the mapping of profiles to include areas such as non-life and life underwriting, settlements, control, actuarial, finance, IT, data analytics, administrative, HR and organisational, and bancassurance.

The model made it possible to identify more than 350 knowledge assets divided into 14 macro-areas and 82 professional profiles aggregated into 11 families, involving 1,300 colleagues.

The results of the M-UP surveys, together with performance data and the "Talent matrix", have been used in dialogue with managers to map out development pathways, both role-related and professional, on which to base training.

KNOWLEDGE MANAGEMENT: FACULTIES AND KNOWLEDGE SHARERS

With the aim of enhancing, maintaining and developing technical-professional knowledge, the process of implementing the knowledge management system has been initiated through the establishment of internal faculties of professional families.

The faculties will be the point of reference for all colleagues, recognised for their specialised technical knowledge, committed to sharing their know-how inside and outside of the company.

Through M-UP, an initial census of "expert" colleagues with the highest levels of knowledge to be involved in faculties was initiated. A dedicated training and development course for the role, the "Knowledge Sharer Training Program", lasting 28 hours, was created to develop skills in training design, communication and storytelling, with particular attention to new digital tools useful for effective knowledge sharing. Participants had the opportunity for one-to-one meetings with specialist trainers to reflect on the role and associated skills on which to implement an individual development plan.

In 2021, the first 4 Knowledge Sharer groups were formed with a total of 56 expert colleagues from 8 professional families.

TRAINING

Cattolica maintained ongoing investments in training, directing them on the basis of an in-depth analysis of company needs, market developments and the regulatory context, with respect to the various professional profiles present.

The digital acceleration, the growth of digital culture and skills, made it possible to create a learning ecosystem strongly oriented to "continuous learning" with the adoption of a teaching model based on more effective learning methods and tools and renewed ways for the integration of different knowledge.

ROLE TRAINING: PROGRAMMES FOR MANAGERS AND PROFESSIONALS

2021 saw the consolidation of the training architecture designed last year to accompany and support our people, managers and professionals, in facing the new remote working methods and developing the mindset and skills necessary to be effective in the new working context.

Starting from an analysis of the current socio-economic and work context at a global level, managers were involved in sessions of reflection and discussion on the skills and behaviours effective in the "new ways of working".

The "InspirEvolution" course, dedicated to Executives and which saw them engaged in three two-hour appointments, was inspiring and created discussion on the current work environment, best practices and the profile of the manager in the new and next normal.

Training was offered on the same themes, lasting a total of 30 hours, for middle managers, with the "New leadership for best performance" pathway with courses on "The 3 hats of the manager", "Tools and methods for agile working", "Diversity manager" and "Digital leadership journey".

For newly appointed managers, the "Learning Path Neo Manager" has been developed, an on-line open-learning pathway consisting of 19 modules, lasting a total of 7 hours, aimed at developing the skills of leadership in the digital era, team coordination and performance management.

The approach and the most effective methodologies to be adopted in the new working environment were also the focus of the training aimed at professionals, offered in the 7-hour "Tools and methods for agile working" learning pathway.

For all employees, we have also renewed our open learning Training Offer to increase self-efficacy by developing organisational, time management, communication and digital tools skills at our disposal, consisting of 42 titles.

Much attention has been paid to the process of adopting digital tools to foster digital collaboration, in particular

"Adoption of Teams", with the launch of a pathway of dedicated video lessons and Labs, available to all business functions.

Between April and December there were 15 editions of Labs, workshops with a focus on the Teams application and the OneDrive and SharePoint tools, which reached all business functions.

The remote working and digital acceleration also imposed a reflection on the regulatory aspects related to smart-working and the Right to disconnection, topics covered in an on-line course proposed to the entire corporate population with the aim of increasing knowledge of recent regulations and developing awareness on technostress and work-life balance in the era of remote working.

As part of the initiatives to support the performance of our people in a global and interconnected context characterised by increasing multiculturalism and internalisation, language training courses were offered, particularly in English, differentiated by role and according to the impact that language skills have on activities.

For Executives and positions strongly impacted by language skills, "English One to One" has been proposed, a personalised offer realised through individual meetings with certified teachers.

"English4All" has been activated for all employees, a diversified programme based on the level of knowledge, created through an on-line platform and participation in conversation groups.

In the current environment, communication and sharing skills are becoming increasingly important. The "Presentation Bootcamp", the 15-hour virtual course that provides methodologies to build persuasive presentations and be increasingly effective in conveying messages to the audience, continued with four editions between May and December. The methodology used is that of learning by doing, which alternates up-front lessons with practical activities and reflects the new way of digital working and thinking: open, flexible, organised and fast.

"Innovation Plus" is the open learning space on innovation and digital that aims to provide colleagues with an up-to-date and well-rounded view on the evolution inside and outside the company.

Opened in late 2020, "Innovation Plus" was promoted in 2021 and enhanced with a bi-weekly newsletter. The portal currently offers 54 courses, each month new content is released in the areas of Society, Technology, Marketing, Human skills, Business, Design and Future of work, separated by Basic and Advanced level of knowledge.

SPECIALISED TECHNICAL TRAINING

Specific training has been developed to meet functional needs that emerge within Divisions as a result of regulatory changes, the adoption of new tools, the introduction of new operating methods or organisational and process changes.

Collaborations with major universities, associations and research centres were consolidated in 2021, including: Università Cattolica del Sacro Cuore di Milano (CETIF), Università Bocconi di Milano (School of Business Management), Università degli Studi di Verona, Cineas, Politecnico di Milano, Università La Sapienza - Roma 3, MIB Trieste School of Manager, TAG Talent Garden, H-Farm.

Of particular importance are the training and updating plans being implemented to consolidate and develop the technical skills of colleagues working in Cattolica's control and staff functions: Audit, Compliance, Risk Management, Distribution oversight, Privacy, Corporate affairs.

The training plans are designed and implemented in collaboration with professional associations and with the Cattolica di Milano (CeTIF) university and the Università degli Studi di Verona, and propose pathways of integration and homogenisation of technical-specialist skills, insights and specialisation through participation in masters and advanced courses; membership in professional associations also allows access to resources for updating and continuing education.

To support the evolution of the organisational structure, which has led people with different professional backgrounds to interact with each other with respect to common areas of action, the "Life Fundamentals" course has been created for the employees of the Life Operations Division, aimed at updating and reinforcing the technical and regulatory skills for all the roles involved in Life processes.

Regarding the Fondo Unico di Giustizia, a webinar was held in June, in two editions of 2 hours each, dedicated to the staff of the Settlements Office, which involved 6 participants.

On the subject of "customer centricity", an intervention dedicated to the CRM 2.0 (Customer Relationship Management) application was proposed, with a session of a technical nature and a session of in-depth, practical nature.

The development of role skills continued for colleagues in the Claims Division, to whom a course was dedicated, involving around 30 people for a total of 418 hours of training, aimed at developing and consolidating those soft skills identified as critical success factors for the role.

For the Administration and Budget Division, the "Be Great" pathway was concluded with the identification of three project streams aimed at improving communication, feedback and the shared vision, developing internal know-how and co-creating solutions to facilitate collaboration and development within the Division.

For the benefit of colleagues in the Non-life System function of the IT Division, the Mia Platform Dev Fundamentals webinar training course was created, a proven system for empowerment of professional culture, with the aim of developing knowledge and tools for Agile methods.

In support of the changes generated by the introduction of the new IFRS 9 and IFRS 17 accounting standards, the project activities relating to the specialist technical training and education pathway for the organisational units impacted continued for the entire 2021. In the first half of the year, further general and horizontal training sessions were held, with the aim of training the company areas affected by the new standards and providing information on the strategic choices made, thus involving colleagues who had not previously been able to participate. In the second half of the year, specialist and vertical training was carried out at the same time as the development of the standard compliance workshops, with different variations depending on the role, with the aim of deepening knowledge of the standards, understanding of the impacts and implementation methods of Cattolica.

Two interventions were carried out for the HR Division: The first, "HR goes Agile", enabled the entire Division to get to know and develop a mindset oriented towards experimentation and project management through the Agile methodology; the second, "Assessor Training", dedicated to people in Talent Acquisition and Talent Management, enabled them to develop knowledge and skills in managing selection and development interviews and the main tools for assessing skills.

REGULATORY TRAINING AND RISK PREVENTION

Particular attention is given to training related to regulatory implementation and risk prevention. Attendance is mandatory and is governed by internal procedure.

Specific interventions were carried out dedicated to the implementation of the Market Abuse Regulation - MAR procedure and the resumption and updating of Italian Legislative Decree No. 231 of June 8th, 2001 - Administrative responsibility of companies and new types of offences.

For all employees, the course aimed at developing awareness and knowledge of the risks linked to Cyber security continued: an on-line course on the subject was created, while at the same time the project aimed at raising awareness of cyber-attacks through training videos linked to simulated phishing and spear phishing continued.

On the subject of Safety in the Workplace, the Group continued to provide on-line and webinar training in accordance with Italian Legislative Decree No. 81 of April 9th, 2008.

Worth mentioning is the mandatory information pathway, "Are You Ready", aimed at both raising awareness of the general measures of prevention and protection in the workplace, and in-depth examination of Cattolica's specific policy on the issue of returning to work safety. Attendance at the course has been made compulsory and preparatory for returning to work in the company.

In 2021, Cattolica's Safety Management System was updated according to the recent international standard ISO 45001 and, in order to inform the population, in May a mandatory information course was launched in on-line mode.

For those functions and roles most impacted by regulations and related compliance risks, an in-depth module on anti-money laundering has been created, again in on-line mode.

During 2021, 3,454 training man/days were held for the Company.

Training for the Board of Directors

In compliance with IVASS regulation No. 38 of July 3rd, 2018, and IVASS regulation No. 44 of February 12th, 2019, a collection of training needs is periodically carried out with the involvement of the supervisory bodies and functions and Cattolica's Senior Management.

On the basis of the multi-year training plans addressed to the members of the Administrative Bodies of Cattolica and its subsidiaries, for 2021, the theme of "Twenty years of Italian Legislative Decree No. 231/2001: experiences, cases and guidelines of case-law" was identified. The intervention, organised in collaboration with the Università Cattolica del Sacro Cuore di Milano and by Professors Centonze and Lionzo, was addressed to the members of the Boards of Directors of Cattolica and its subsidiaries and to all Executives.

CATTOLICA WELL-BEING, MENS SANA IN CORPORE SANO: the "Prenditi cura di te" initiative

The "Prenditi cura di te" (Take care of yourself) project, an integrated programme of initiatives for the well-being of individuals now in its fourth year, continued for 2021 and includes a wide range of activities aimed at improving the working environment and cohesion between colleagues, as well as promoting a healthier and more active lifestyle in psycho-physical terms.

Well-being at Cattolica taken on increasing consideration to the point of creating, in March 2020, an organisational function called Well-being, whose activities focus on the following areas: physical sphere, emotional sphere, work environment and solidarity&sustainability.

In order to better respond to the Well-being needs of the corporate population, in April 2021 WE - the Wellbeing Experience platform was created: a single point of access to all Well-being activities, integrated with SSO (single sign-on) to the corporate Intranet. This is a virtual square where you can find all the initiatives organised into "boxes" of relevance: IN SHAPE-physical sphere; IN BALANCE-emotional sphere; TOGETHER-work environment; IMPACT-sustainability&solidarity. Added to the four areas was IN LISTENING, a section dedicated to podcasts featuring the voices of our colleagues. WE is not only a complete repository of initiatives but allows for feedback and targeting of initiatives towards the needs identified.

At the end of November 2021, the platform had approximately 820 enrolers. In relation to the 4 spheres of reference, there have been many ongoing initiatives and new features introduced.

With reference to the physical sphere, a partnership with a new sports provider started in February 2021, which not only provides access, where possible, to a network of affiliated structures throughout the country, with a subscription cost reduced by 70%, but also freely provides all employees with the possibility of a home workout full of live and on-demand lessons. There is also the possibility of availing of a nutritionist to create a personalised food plan.

With regard to the emotional sphere, in 2021, Cattolica organised training masters dedicated to caregivers and parents, expanding the range offer related to the latter target with the launch of the "genitori che nascono, genitori che crescono" (parents who are born, parents who grow) training proposed to parents of 0-3 and 4-18 year-old children and officially launched on May 18th, 2021. Webinars aimed at employees with topics related to soft skills also continued.

The figures are positive, approximately 733 webinar attendees, and 60 enrollees in the various masters training programmes.

New for 2021, related to the emotional sphere, is the course on Mindfulness.

In the area of sustainability and solidarity, there was continued support for Giusy Versace's non-profit organisation Disabili No Limits and a new partnership with Plasticfree, with which a series of 3 webinars entitled "CONOSCIAMO LA PLASTICA" (LET'S GET TO KNOW PLASTICS) on the correct use and disposal of plastic was organised.

As for the work environment, a number of agreements and conventions persist. In addition, the Business Agreements Portal was launched in December 2020, which complements, manages and enriches the range of pre-existing agreements.

Another novelty in the "AMBIENTE DI LAVORO" (WORK ENVIRONMENT) area is the pilot phase of the BeTogether project, created thanks to Cattolica's participation in the Open Italy 2021 programme. The aim of this project is to measure the well-being of teams, whether hierarchical or project-based, by processing smart data from specific pulse surveys.

Industrial relations and disputes

Meetings with trade unions on important personnel issues continued throughout 2021. The Company and the Trade Unions have been in constant contact, through the continuation of the health emergency that still finds all workers in smart-working mode, and organised frequent round tables that have enabled important agreements to be defined on issues of major interest to the Company and the Workers.

Since February, the Parties engaged in intense discussions regarding renewal of the Corporate Collective Agreement (CCA), the Holiday Agreement and the Agreement on employment protection, which led to the signing of agreements in May.

In particular, in the renewal of the CCA that came into force on January 1st, 2022, with a five-year maturity, a number of important facilities were introduced and renewed: consolidation of individual remuneration through the transformation of the results bonus into an ad personam bonus, introduction of a new variable bonus tied partly to company results and partly to individual parameters.

Also in this renewal, emphasis was placed on corporate welfare, with an increase in the Welfare package made available to all employees.

In the Holiday agreement, the Parties aimed to promote organic planning of holidays, providing for the elimination

of the backlog over the three-year period and the use of holidays due within the year in which they accrue.

Finally, the Company and the Trade unions confirmed the contents of the July 2020 agreement on employment protection, extending its validity and effectiveness to December 31st, 2023, thereby guaranteeing the overall stability of employment levels and favouring, as a priority, recourse to forms of incentive-based exit or recourse to the extraordinary section of the Solidarity Fund, already in use for years in Cattolica and its subsidiaries.

In February, as provided for in the agreement signed between the Parties in December 2020, 34 employees who will accrue pension requirements by February 28th, 2026, terminated their employment, bringing forward their retirement by up to 5 years.

In May, the Company opened the procedure for negotiations with the trade unions, pursuant to Article 15 of the National Collective Labour Agreement, regarding the reorganisation of certain areas of the Claims Division, which became necessary, both with a view to the evolution of the Division itself, and as a result of new requirements deriving from the changed organisational context.

In particular, the reorganisation, which involved a total of 88 people, aimed at rationalising the organisational structure of the Claims Division, focusing several new organisational units on "core" activities for the Division itself, providing for a progressively better articulation of the settlement network in the territory, managing the impact deriving from the agreements signed with the Generali Group in terms of accident and, subsequently, health claims.

After lengthy discussions, the procedure was concluded with the signing of a trade union agreement.

Finally, in October, the Company initiated the trade union procedure pursuant to Article 15 of the National Collective Labour Agreement and Article 2012 of the Italian Civil Code, following the merger of ABC Assicura

and Berica Vita into Cattolica, as part of the strategy to simplify and rationalise the sub-Group.

The procedure was concluded with the signing of an agreement between the Parties in which all the workers involved (7 of ABC Assicura and 3 of Berica Vita) were guaranteed to retain their place of employment, unchanged regulatory and economic treatment and performance of the same tasks.

In October, trade union discussions regarding renewal of the smart-working agreement were concluded, with a view to a return to Company offices in accordance with new rules, which had to take into account the need for efficiency, health protection and work-life balance.

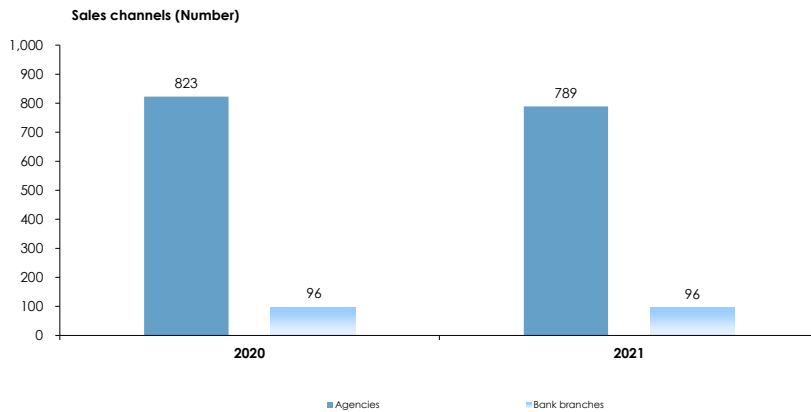
The undersigned agreement guarantees all workers who wish to adhere to it, the option of carrying out their work, with tools and internet connection made available by the Company, up to 4 days a week outside company premises. In this way, in accordance with company requirements, ample flexibility is guaranteed in managing the organisation of work performance.

The provisions, already confirmed in the 2018 agreement, in relation to the right to disconnect, were confirmed as a further guarantee of Cattolica's attention to the well-being of its employees.

In October, an agreement was also signed with the Trade Unions providing for a further tender for access to the Intersectorial Solidarity Fund. By adhering to this tender, employees who will accrue the pension requirements by January 31st, 2027, will have the opportunity to terminate their employment on January 31st, 2022, bringing retirement forward by up to 5 years. All 21 applications meeting the requirements for access to the Fund were accepted.

A number of legal disputes are ongoing, the estimated liability for which was prudently provided for.

SALES NETWORK



Agency distribution

The Company closed the period with a total of 789 agencies (823 as at December 31st, 2020), distributed as follows: 50.3% in northern Italy, 25.9% in central Italy and 23.8% in the south and islands.

Agent network training

Also in 2021, training activities continued with a preference for distance learning methods. Attention to the training of the agency network took the form of quality training, carried out through a wide-ranging programme of activities aimed at developing both technical and relational skills, with a view to creating a relationship of trust and transparency with the customer to be preserved over time. Cattolica and its subsidiaries continued to make investments aimed at enhancing the professionalism of distributors and the activation of training courses dedicated to agency and secondary networks, which involved employees and agency collaborators.

As part of the training certified for the purposes of professional development required by IVASS, almost 200,000 hours of training were provided through the 180 on-line courses available on the ForMaMentis training platform, while the 186 editions of webinars made it possible to certify over 10,000 hours of training for over 1400 intermediaries.

All training offerings, since the beginning of the Covid-19 emergency, have been redesigned to be delivered and enjoyed on-line, through eLearning and virtual classrooms. The creation in April last year of the single learning

management platform, called ForMaMentis, has made it possible to use distance learning in a more convenient manner, available from any device. The benefits were appreciated by the network, which was able to continue its growth even though the pandemic caused a halt for in-person classroom attendance.

The new platform provides reporting, which allows the responsible functions to carry out continuous monitoring of the progress of training activities. In addition, reports dedicated to Cattolica staff working alongside the agencies in the area were implemented, in order to allow for precise monitoring and targeted support, aimed at promoting the development of specific skills.

The structure dedicated to the development of skills and training of the agency network continued to invest in the two main areas of activity, functional to the transformation underway and the achievement of the objectives set out in the Business Plan: the development of the skills of its networks (mandatory and non-mandatory training) and the digital transformation of the same.

Training on product, project and regulations

In line with IVASS indications regarding the mandatory nature of product training, implementation of the control between ForMaMentis and the issuing applications "PASS" and "ALLin" was completed, which does not allow the policy to be issued in the absence of specific training; the control was made operative on all pre-existing catalogue products; furthermore, each intermediary has the possibility of downloading an individual report from

ForMaMentis with their own training situation for a prior check on this obligation.

Training was provided in line with the product plan. On-line courses have been published on the main insurance solutions and webinar training has been delivered. The main initiatives included:

- “Active Live”: to support the release of the new Motor solutions, courses and webinars have been set up dedicated to the pilot Agencies and subsequently to all Agencies in the roll-out phase. The courses dedicated to the motor sector “Cattolica&Motori V.03/21” and “Cattolica&Motori CVT V.07/21” have been updated;
- “Active Benessere”: to support the roll out of the new health coverage, a course was released and virtual classrooms were provided especially for pilot agencies and all agencies in the roll-out phase;
- “Active Vita”: to support the release of the new product, the schedule included a launch event dedicated to the best performing agencies in the life business, a course and 29 virtual classrooms dedicated to all Agencies. The training concluded with sessions devoted entirely to the issuing process;
- “Cattolica&Professionisti” in conjunction with the two new releases, the related on-line training modules have been published;
- “Agricola 360”, as a result of the product restyling, an updated course has been released to which 6 classrooms have been added, reserved for those agencies most active in the Agricultural sector;
- “Cattolica&NonProfit”: this is a new training course aimed at illustrating the commercial potential inherent in the Third Sector, as well as transferring the technical notions of the new policy and is designed to identify the needs of an area with specific requirements and peculiarities for which Cattolica is the market leader;
- “Cattolica&Agricoltura Rischi Zootecnici”: four meetings were organised aimed at raising Agents’ awareness of the opportunities offered by Zootechnical Risk policies, an area of business in which the Company is a key player;
- “Active Business” and “Active Casa&Persona”: attention was also paid to products already in the catalogue, supporting their distribution with 8 training classrooms.

Training related to life business was completed with the updating of 7 courses in line with the changes made to the KIDs of the relevant products, with a final on-line module that incorporates the new features introduced in the new Life Consistency Questionnaire.

The provision of virtual classrooms dedicated to intermediaries is always preceded by a session aimed at company personnel who interface with agencies, in order to facilitate the activity carried out on the territory directly by Area Managers and Business Managers aimed at strengthening the technical and commercial preparation of intermediaries.

In addition to activities related to the product plan, training was provided to accompany the implementation of specific projects such as:

- Preventivatore Evoluto (advanced quotation tool): for 110 selected Agencies, 6 webinars were held in February to present the new tool made available by the Company to simplify Agency operations;
- 110 Bonus: in February three virtual classrooms dedicated to all Agents were held, during which the design and the operational aspects of the dedicated platform were illustrated. In May, the regulatory aspect was examined in depth, involving the 131 best-performing agencies. On-line courses were released in June for all intermediaries, in support of the training webinars. Additional training was held on December 1st for the 30 or so agencies most affected by the project;
- Commercial and Technical Reform: 8 webinar training sessions were provided, dedicated to all Agencies, aimed at illustrating the main characteristics and advantages of the commercial and technical reform of contracts in the portfolio;
- “Top Life”, after the classroom in June dedicated to the “Active Vita” product, the technical training reserved for Top Performer Vita Agencies continued, aimed at supporting the distribution of multi-class policies. In September, the event focused on the new features of the “Active Investimento” product and on the awareness of ETFs (Exchange traded funds), while in December the classroom focused on volatility management.

A special focus was placed on cyber risk. In line with the IVASS recommendations concerning preparation for cyber risks, 6 new courses were made available on the on-line training platform dealing with specific content on these topics and 3 specialist webinars were provided for the entire Network, concerning the “Cattolica&Cyber risk” product, with a focus also on the guarantees covering the cyber risk present in the “Active Casa” and “Active Business” products.

The training programme also involved the Agencies in a course dedicated to claims in the context of Cattolica, with particular attention to the 3 objectives of the claims division in relation to the agencies: channelling towards

the body repair shops, CONSAP redemptions under the CARD Debitrice regime and the reduction of legal interventions in claims, with a focus on regulations and dedicated digital solutions.

With reference to the new regulations introduced by IVASS with provision No. 97 of August 4th, 2020, and Regulation No. 45 of August 4th, 2020, in force as from March 31st, 2021, an integrated training course of professional development has been launched with the aim of enabling the intermediary to adapt their behaviour towards the customer to the new regulatory provisions, which provide for:

- a basic training course available to all intermediaries entitled "Corso base Prov. 97 e Reg. 45 IVASS" (Prov. 97 and Reg. 25 IVASS basic course) lasting 1 hour and 30 minutes;
- 3 different in-depth seminars in webinar mode, aimed at Agents and Employees, for a total of 30 editions.

The "Prima Formazione 60 ore" (60 hour induction training course) reserved for newcomers, provided for by IVASS Regulation No. 40 of August 2nd, 2018, has also been updated, which aims at registration in Section E of the Single Register of Intermediaries and provides access to the activity of intermediation. The pathway has been embedded and supplemented with new courses, to enrich the skills of individuals who have decided to undertake the role of intermediary with Cattolica. 296 people signed up for the course and 210 completed it.

Lastly, a "Benvenuto in Cattolica" (Welcome to Cattolica) training course was set up for all new employees, which includes a welcome plenary session and presentation of the Sales Division structure and a subsequent training course on the main Non-life and Life&Welfare products as well as digital applications.

Higher Education Programmes

For years, Cattolica has been promoting and delivering two important high-level training programmes dedicated to the agency network, with the aim of developing the business, commercial, managerial, technical and digital skills of intermediaries. During the year, courses were provided in the area of:

- **Master Professione Agente - MPA (Agent Profession Masters):** the programme dedicated to young agency talent - children of agents or young employees. In January, the 5th edition of the Masters commenced, which provided a landmark shift in collaboration thanks to the partnership initiated with the Politecnico di Milano university. New content and a refresh of the teaching staff are the characteristics of the training

cycle that involves 23 participants. The Master, based on 7 specific Challenges, was delivered, for the first time, entirely in webinar mode. At the end of the course, the master students developed project works in relation to specific business areas, under the supervision of academic tutors and Company managers.

- **Master Executive Agenti - MEA (Executive Agents Masters):** the advanced training course reserved for Cattolica Agents, which aims to consolidate the fundamental skills of the "Agent profession" and create increasingly professional and highly competitive networks. During the course of the year, the delivery methods were redesigned for 100% on-line use. The need to always stay abreast of the market environment and in line with new training requirements has led to a progressive updating of the contents and the design of new modules. During the second half of the year, two new modules were released, the first dedicated to the world of Non-profit, Third Sector and Religious Bodies, the second aimed at deepening the themes of Health with particular reference to welfare systems and the needs of families, in a perspective of care and well-being planning.

Digital transformation and adoption

The Digital Coach structure continued to work alongside the agencies to increase the use of the digital tools made available by the Company to the network, with a particular focus on:

- SFV (Sistema Forza Vendite, Sales Force System) - with the aim of spreading the culture in relation to the correct configuration of systems and the relative authorisations to use them;
- ARENA (commercial platform) - with the aim of disseminating the new commercial approach during the important stage of settlement in order to improve the relationship with the customer;
- FEA (firma elettronica, electronic signature) - with the goal of leading the network to the dematerialisation of policies;
- multi-channel access tools for the customer (narw - Nuova Area Riservata WEB and app) and remote payment (pay-by-link).

Between February and June, training and support activities were carried out for the pilot Agencies of the "Vendita a distanza" (Remote Selling) project, in order to activate a remote sales and consulting process with existing customers, but above all with prospects, all perfectly in line with regulatory requirements.

Training was also provided (8 editions) on "Vendere in Digitale" (Digital Selling) to strengthen the Agency's Front Office structure in the area of customer approach using digital communication tools.

Bank coverage

There are 96 branches distributing products in the bancassurance area, unchanged from December 31st, 2020.

Bancassurance partner training

In compliance with the provisions of IVASS Regulation No. 40 of August 2nd, 2018, brokers, who the Company uses, are called upon to take refresher and training courses with the intention of strengthening the professional requirements of the network according to specific organisational, technological and professional standards with reference to products, requirements of trainers and training methods.

In the context of the health emergency that also continued into 2021, the Company has supported intermediaries, who requested assistance, through an e-learning platform that ensures traceability, interactivity and multimedia content.

Training and refresher courses have been prepared in a fully e-learning format, including the test related to the professional training course provided in accordance with regulations.

Among the topics dealt with, the anti-money laundering regulations and the perspectives related to the implementation of the VI Directive and the risks related to the Covid-19 pandemic have been developed in-depth, and space has been given to the theme of the culture of information security and cyber security in the business context and in everyday life.



Assicurazioni Generali's
public tender offer



Covid-19 emergency

MANAGEMENT REPORT

The Company in 2021

Insurance business

Financial and asset management

Headcount and sales network

Other information

Information on the investee companies

OTHER INFORMATION

CORPORATE GOVERNANCE AND INTERNAL CONTROL SYSTEM

The corporate governance system is proportionate to the nature, capacity complexity of the activities of the company, as illustrated in greater detail in the Report on Corporate Governance and the Ownership Structures for 2021, pursuant to Article 123-bis of the Consolidated Finance Law available in the Company's website at www.cattolica.it, under the Governance section. The Company's Internal Control System is also illustrated within the same.

This information is supplemented - especially with regard to the risk management system and capital management - with that reported in the 2021 Report on the solvency and the financial condition of the company, which will be approved by the Board of Directors and published on the Company's website within the legal deadline.

PREVENTION AND FIGHTING OF FRAUD

The Company, whilst also implementing legislative provisions concerning the fight against fraud in the motor liability sector, has adopted a prevention and countering fraud policy, in implementation of the policy prepared at Group level, in which objectives, responsibilities and guidelines of the specific organisational model are defined.

The policy is aimed at limiting exposure to the risk of fraud, understood as the possibility of suffering economic losses due to the undue conduct of employees or third parties, with possible consequences also in terms of reputation.

The organisational model for preventing and combating fraud is integrated into the internal control system and is

similarly structured along three lines of defence as follows: the operational units, which are required to implement processes to combat fraud in their area of competence, the key second-level units (Risk Management and Compliance) and the Audit unit. Responsibility is pervasive and widespread throughout the corporate organisation.

The organisation of the anti-fraud system in the claims area is described in the paragraph on Claims settlement, which also reports the estimated reduction in the cost of TPL motor claims pursuant to Article 30 of Italian Law No. 27 of March 24th, 2012, and IVASS Protocol No. 47-14-000982 of March 11th, 2014.

COMPLAINTS MANAGEMENT

The handling of complaints is entrusted to a specific unit, the Complaints Group Service, appointed as per ISVAP Regulation No. 24 dated May 19th, 2008; it handles complaints made by those who avail of the insurance activities (customers, injured parties, legal advisors, consumer associations).

The unit contributes also towards monitoring the service levels and the company areas in view of possible improvements.

Following the entry into force, as of March 31st, 2021, of IVASS measure No. 97 of August 4th, 2020, complaints are

counted by also taking into account the number of complaints relating to the conduct of intermediaries registered in section D of the RUI (Consolidated Register of Insurance Brokers).

During the year, with reference to the Company, a total of 2,757 written complaints were registered, of which 478 were upheld. Complaints were dealt with, on average, within 16 days (17 days in 2020).

INFORMATION SYSTEMS

The most important action taken by the IT Division of Cattolica Services is presented below.

Applicative measures

On the path towards the Data Driven Company model, the technological infrastructure implemented allowed for a faster and more effective management of projects requiring the analysis of large amounts of data, favouring the implementation of a series of initiatives aimed at increasing internal efficiency and improving sales processes.

During the year, the first releases were carried out to integrate the "Anti-Fraud Predictive Model" on the new technological platform and the completion of a new "extended CAR" (Customer Analytical Record), to enable further sophistication of motor pricing.

The various project initiatives created to improve the quality of the tools used by employees to carry out their work (such as the option to work remotely by accessing all the computer applications necessary to carry out their tasks and personal information, files and mailboxes from any device, the integration of fixed telephony into their laptop, the provision of personal video-conferencing for each employee with the possibility of sharing documents) have made it possible, right from the start of the Covid-19 emergency, to extend promptly and effectively the use of the smart-working mode to all staff.

Work continued on upgrading the software to support the placement of life and non-life products as part of the partnership with Banco BPM. At the same time, initiatives to develop the partnership with ICCREA were continued.

Initiatives aimed at optimising the operations of the distribution networks or the service offered to customers were completed, such as the Arena project (Cattolica Agencies), Vendita a Distanza (Remote Selling) (Cattolica Agencies), Fly 2 Quality (Cattolica Agencies), Smart settlement and E-underwriting in support of new products.

In 2021, corporate reorganisation initiatives were varied. In the first half of the year, following the transformation of Cattolica into a joint-stock company, the systems were adapted to the new business name.

Following the sale of Lombarda Vita to the Intesa San Paolo Group, services were provided for the management of information systems and the migration of IT data.

Infrastructures and security

With reference to the project to create a unique digital identity in order to facilitate current and prospect customers in their digital interaction with companies through the definition of a common, simple and integrated process, the release of functions for the Nuova Area Riservata Web (New Web Reserved Area) was completed.

Development of the new risk management system was completed, as well as work on the integration of derivatives operations within the current application architecture of the Finance area.

Following the launch of the strategic partnership with the Generali Group, the initiatives underway, which fall within the four industrial areas covered by the agreement relating to Asset Management, Internet of Things, Health and Reinsurance, have been brought under the scope of a specific project dedicated to them. The objectives set were achieved as per the Plan.

With regard to adaptation to regulatory developments, IT has been particularly involved in interventions in the area of IDD (Insurance Distribution Directive), GDPR (General Data Protection Regulation), IVASS Regulation No. 38 of July 3rd, 2018, IVASS Regulation No. 41 of August 2nd, 2018, IVASS Regulation No. 44 of February 12th, 2019 and the adaptation of systems to the impacts arising from the adoption of the new IFRS (International Financial Reporting Standards) accounting standards, in the adaptation to the new CONSOB regulation on related-party transactions and in the regulatory update of the IVASS Claims Database.

IT security initiatives were completed in line with the guidelines contained in the Security Masterplan. In this context, measures were implemented to evolve the SIEM (Sistema di gestione delle informazioni e degli eventi di sicurezza or Information and Security Event Management System), the database monitoring tools, technological solutions to control the security status of all devices with access to the company network and to protect company mobile devices, and a series of other initiatives aimed at further reducing Cyber Risk.

During the year, the necessary adjustments were made with a view to continuous improvement.

SIGNIFICANT EVENTS DURING THE FIRST FEW MONTHS OF 2022

On January 18th, 2022, Cattolica received notification from IVASS that the Institute does not see any obstacles to the decision taken by the Board of Directors that the second tranche of the € 200 million capital increase was no longer necessary.

On the same date, IVASS authorised the amendments to the Articles of Association resolved by the Board of Directors on December 16th, 2021, which were subsequently registered with the competent Verona Companies' Register and are now fully effective.

On February 14th, 2022, Giulia Staderini, non-executive and non-independent director, resigned from her position as Director of Cattolica on account of unexpected professional commitments that do not allow her to dedicate the necessary time to the role, and, at the same

time, as Chairperson of the Corporate Governance, Sustainability and Value Generation Committee.

On February 23rd, 2022, the Board of Directors of Cattolica Assicurazioni co-opted Cristina Rustignoli among its members as a non-independent, non-executive director, taking over from Giulia Staderini, who resigned. The Board of Directors also appointed Cristina Rustignoli as Chairperson of the Corporate Governance, Sustainability and Value Generation Committee.

Moreover, on the same date, Laura Santori, non-executive and independent director, resigned, due to professional commitments that do not allow her to dedicate the necessary time to the role, from her position as Director of Cattolica and, at the same time, as member of the Management Control Committee.

ATYPICAL OR UNUSUAL TRANSACTIONS AND NON-RECURRENT SIGNIFICANT OPERATIONS AND EVENTS

Pursuant to CONSOB DEM/6064293 dated July 28th, 2006, it is noted that no atypical and/or unusual transactions were carried out during the year.

With reference to significant non-recurring events and operations with significant effects on the Company's accounts, on April 12th, the sale of the equity investment held by Cattolica in Lombarda Vita to Intesa Sanpaolo

S.p.A. was completed, for an amount of € 299.8 million. Following completion of the transaction, Cattolica realised capital gains from the sale during the year of around € 60 million, net of taxes.

Moreover, it should be noted that 27,004,484 own shares were offered, equal to 11.8% of the share capital, for a value of approximately € 182 million.

TRANSACTIONS WITH RELATED PARTIES

Pursuant to CONSOB Regulation No. 17221 of March 12th, 2010, and subsequent amendments and additions, as from January 1st, 2011, the "Procedure for the management of transactions with related parties" approved by the Board of Directors and updated by resolution of December 19th, 2019, up to June 30, 2021, was applied to the situations envisaged by regulations. On April 30th, the Company's Board of Directors, after receiving a favourable opinion issued by the Related Parties Committee, resolved to adapt, effective as of July

1st, 2021, the "Procedure for the management of transactions with related parties" to the amendments to CONSOB Regulation No. 17221/2010, most recently made by resolution No. 21624 of December 10th, 2020.

The document relating to this procedure - which should be referred to for details - is published on the website of the Company at www.cattolica.it, under the "Governance" section. With reference to disclosure on transactions with related parties, please see Part C - Other information in the notes to the accounts.

MANAGEMENT AND COORDINATION ACCORDING TO ARTS. 2497 ET SEQ. OF THE ITALIAN CIVIL CODE

Cattolica Assicurazioni S.p.A. and its subsidiaries are subject to management and coordination by Assicurazioni Generali S.p.A. – Trieste.

TAX CONSOLIDATION

The subsidiaries participating in the national tax consolidation scheme are: BCC Assicurazioni, BCC Vita, TUA Assicurazioni, Vera Assicurazioni, Vera Protezione, Vera Vita, Cattolica Agricola, Cattolica Beni Immobili, Cattolica Immobiliare, Cattolica Services and TUA Retail.

The reasons for exercising the option, which has a duration of three financial years and is subject to automatic renewal unless expressly revoked, lie in the appropriateness of offsetting the tax positions with an

opposite sign between Cattolica and its subsidiaries, thus optimising the financial aspects.

With reference to the allocations of the economic effects associated with the exercise of the option, the subsidiaries transfer the amounts corresponding to the taxes and advances deriving from their taxable position to the Company; by contrast, they receive from the Company the amount corresponding to lower tax paid by the same due to the effects of the use of tax losses transferred by subsidiaries.

MAJOR SHAREHOLDERS

On the basis of the notifications received in accordance with the law, the only shareholder holding more than 3% of the Company's share capital (the initial threshold for the notification of significant shareholdings provided for in

Article 120, paragraph 2, of the Consolidated Finance Law) is Assicurazioni Generali S.p.A., which, at the closing of the PTO, held 84.475% of the Company's share capital.

OWN SHARES

The Shareholders' Meeting of May 14th, 2021 approved the authorisation to purchase and sell own shares in accordance with the law. The proposed authorisation concerns the purchase, once or multiple times, of own shares up to the maximum number allowed by current legislative provisions, therefore up to 20% of the pro tempore share capital of Cattolica, for a period of 18 months from the date of the shareholders' meeting resolution. The minimum purchase price of the shares may not be more than 20% lower, and the maximum purchase price may not be more than 20% higher than the official price of Cattolica shares recorded by Borsa Italiana S.p.A. in the stock exchange session prior to each individual transaction.

On March 5th, 2021, the Board of Directors approved the findings communication, including the Plan, to the note from IVASS of January 8th, 2021, in which the latter formulated requests and provided indications to the Company regarding the adoption of certain measures and a remedial plan to overcome the elements of sensitivity found in the context of the aforementioned inspections.

Amongst these, it was confirmed that Cattolica would proceed to dispose of the package of own shares acquired upon redemption to the withdrawing shareholders within the maximum term set forth by IVASS, in compliance with the applicable legal and regulatory provisions.

As already reported, Cattolica's Board of Directors, which met on October 5th, in consideration of the fact that on September 30th, 2021 the suspension period for the disbursement of variable remuneration had expired as previously requested by IVASS, agreed to proceed as per the Regulations of the 2018-2020 LTI Performance Share Plan (the "2018-2020 Plan"), thus assigning to the beneficiaries the up-front portion (equal to 341,549 shares) and maintaining a deferral portion of said 2018-2020 Plan (equal to 246,414 shares), which will be assigned to the beneficiaries within one month of the end of the total deferment period of 5 years, scheduled to expire on 12/31/2022. In the same meeting, the Board of Directors, in compliance with the provisions of the related Regulation of the 2021-2023 Performance Share Plan (the "2021-2023 Plan"), also resolved, subject to the successful outcome of the PTO, the early assignment of one year (12 months out

of a total of 36 months) of the 2021-2023 Plan, through an up-front portion (equal to 248,771 shares) and a deferred portion (equal to 203,983 shares) that will be assigned to the beneficiaries at the end of the total deferment period of 5 years envisaged with expiry on 12/31/2025, with consequent closure of the Plan.

In light of the foregoing, the number of own shares that were tendered to the PTO promoted by Assicurazioni Generali in relation to Cattolica's ordinary shares, in execution of the resolution passed by the Board of Directors on September 28th, 2021 subject to the favourable opinion of the Related Parties Committee, was equal to 27,004,484 shares, or 11.8% of the share capital, corresponding to all the own shares held by Cattolica

minus the 1,040,717 own shares assigned to the beneficiaries in execution of the Performance Shares Plans.

At the closing of the PTO, Assicurazioni Generali also announced that the own shares condition had been fulfilled, since the Issuer offered all the own shares held, with the exception of those assigned in execution of compensation plans based on financial instruments.

With reference to the latter, as at December 31st, Cattolica held 450,397 own shares, equal to 0.197% of the share capital, recognised in the reserve for own shares in portfolio, for a value of € 2.64 million.

NEWLY ISSUED SHARES

No new shares were issued during the year.

OUTLOOK FOR BUSINESS ACTIVITIES

In 2022, Cattolica is engaged in the first phase of operational integration with the companies of its parent company Assicurazioni Generali. The integration could lead to the emergence of the first synergies, as well as one-off costs for its implementation.

In terms of business, and net of the effects mentioned above, it is expected that the development of the economic scenario, also following the expected slowdown of the Covid-19 emergency, may lead to a recovery in the claims frequency, particularly in the motor sector. Combined with competitiveness on motor tariffs, this phenomenon should lead to a material decline in the operating result of the Non-life sector. This decrease is expected to be partly offset by the strengthening of the Life operating result, due to the growth in volumes and the

improved business mix achieved in recent years, and the absence of several negative items recorded in 2021.

With regard to the effects of the war currently underway in Ukraine, it should be noted that Cattolica has a completely insignificant exposure in terms of assets and liabilities in the two countries involved in the conflict, and at present no material consequences on the 2022 economic performance are expected from the ongoing events. In any case, Cattolica will continue to carefully monitor further developments and the impact on the macroeconomic variables such as, for example, the possible acceleration in the growth of the inflation rate, which currently does not show trends that deviate from the level at the end of 2021, as far as the non-life insurance business is concerned.



Investments in subsidiaries

4 Non-life
insurance
companies

4 Life
insurance
companies

11 Non-
insurance
companies

MANAGEMENT REPORT

The Company in 2021

Insurance business

Financial and asset management

Headcount and sales network

Other information

Information on the investee companies

INFORMATION ON THE INVESTEE COMPANIES

Information on the investee companies is provided below.

INVESTMENTS IN SUBSIDIARIES

Non-life insurance companies



The company operates in the non-life bancassurance sector and offers the co-operative lending banks (Banche di Credito Cooperativo) and rural banks (Casse Rurali), their shareholders and customers, innovative products and services for households and businesses.

Business continues to be developed on products sold combined with the disbursement of credit, with heavy concentration on CPI (credit protection insurance) products.

The company, 70% owned by Cattolica, wrote premiums for € 49.5 million (+25.7%) and closed the year with a profit of € 968 thousand (+39.9%).



CattRe is the sub-Group's reinsurance company, 100% owned by Cattolica, with registered office in Luxembourg, acquired in October 2018 by the French group Credit Mutuel.

It is dedicated to the development of non-traditional risk lines ("Specialty Lines") and reinsures premiums written by the various Managing General Agencies (MGAs) with strong technical and specialist expertise in new business lines for the sub-Group such as: space, aviation, catastrophe reinsurance, property and casualty for large companies, sport risks, marine, events and contingency as well as weather risks.

The development plan saw the start-up in 2019 of the environment, suretyship, cyber TPL lines and, shortly, the expansion of reinsurance acceptances in the mobility & travel sector, and others.

MGAs are controlled by the financial holding company Satec Holding S.r.l., 100% owned by CattRe, and will further develop the underwriting of risks on behalf of insurance companies, including those not belonging to the sub-Group.

It wrote premiums for € 111.3 million (€ 84.2 million in 2020) and closed with a positive result⁶ of € 645 thousand (-80.2%).



The company operates in the non-life business, offering the market a specialist range of insurance and financial products/services able to fully and accurately meet the needs of households, professionals and small- and medium-sized Italian businesses.

The company places its products using an innovative distribution model characterised by a streamlined and flexible organisational structure and a wide and integrated offer capacity.

It is 99.99% owned by Cattolica. The company had 537 agencies as at December 31st.

It wrote premiums for € 281.2 million (+1.1%) and closed with a profit of € 12.9 million (-12.4%).



The company is 65% owned by Cattolica and offers insurance solutions for people, property, home, motor vehicles and business.

The company is committed to providing Banco BPM's customers with the insurance solutions best suited to their needs through an adequate consulting and assistance service.

The year ended with premiums written of € 114.8 million (+31.9%) and a positive result of € 23.1 million(+95.1%).

⁶ According to international accounting standards (IAS/IFRS).

Life insurance companies



It is an insurance company established within the sphere of the co-operative lending system that offers a wide range of policies to meet the needs of security and protection aimed at ensuring the capital and a guaranteed minimum return as well as solutions aimed at protecting the individual.

It operates exclusively via the network of branches of the co-operative lending banks of the ICCREA Banking Group. The company, 70% owned by Cattolica, closed the year with premiums written of € 675.3 million (+47.6%) and a positive result of € 944 thousand (-82%).



The company, 65% owned by Cattolica, offers life insurance products, aimed at creating investment, savings and supplementary pension solutions for Banco BPM's customers.

The company wrote premiums for € 1,377.1 million (+6.7%) and closed with a loss of € 12 million (+38.3 million as at December 31st, 2020).

Agricultural-real estate companies

Cattolica Agricola S.a.r.l.

Established in 2012 within the sphere of the purchase of the Tenuta Ca' Tron real estate complex, the Company is a single-member company, which has the exclusive purpose of carrying out agricultural activities pursuant to Art. 2135 of the Italian Civil Code.

The company ended the year with a profit of € 103 thousand (€ - 401 thousand as at December 31st, 2020).

Cattolica Beni Immobili S.r.l.

Established in 2012 within the sphere of the purchase of the Tenuta Ca' Tron real estate complex, the company is a single-member company, which manages the properties not used for agricultural activities existing on said land as well as other properties including the "Cattolica Center" real estate complex, located at Via Germana, in Verona.

The company ended the year with a loss of € 9.4 million mainly due to capital losses and write-downs of certain

real estates for € 9.6 million before tax (€ - 8.8 million as at December 31st, 2020).

Real estate service companies

Cattolica Immobiliare S.p.A.

It carries out activities concerning development and enhancement of real estate assets and those typical of real estate services. In particular, it deals, on behalf of the Company and its subsidiaries, with the process of research, selection and analysis of property investments, also managing the acquisition process and the subsequent phase of monitoring and management of the same. It carries out Asset and Property Management activities for a number of Real Estate Funds in which the sub-Group companies have a stake.

The company closed the year with a profit of € 763 thousand (-42.8%).

Operating service companies

Cattolica Services S.C.p.A.

The company provides services for Cattolica and its subsidiaries, such as: planning, implementation and management of IT applications and operating processes, along with the services relating to telecommunications systems; supervision of the digital innovation with regard to IT and organisational aspects; handling of the settlement of claims with the exception of the suretyship, crop hail and transport areas; teaching and training services for resources; Business operations; accounting and financial statements of sub-Group companies.

The company ended the year with a profit of € 526 thousand (€ -2 million as at December 31st, 2020).

INVESTMENTS IN ASSOCIATED COMPANIES

H-Farm S.p.A.

H-Farm S.p.A. is the holding company of the H-FARM Group, which is a "Venture Incubator", whose typical activity consists in offering growth strategies, with respect to new transformation plans based on digital technologies, the implementation of new business plans, the design of e-commerce initiatives, and the use of new technologies for the simplification and automation of processes or products. It is listed on the AIM Italian market.

The Company held an investment of 3.67% as at December 31st, in addition to participative financial instruments.

IMA Italia Assistance S.p.A.

The company with its registered office in Sesto San Giovanni (MI), exercises non-life insurance and reinsurance activities. It has served as the sole supplier of the assistance services offered by the sub-Group's networks. Cattolica has a 35% stake in it.

In December, the IMA Group exercised its call to repurchase the equity investment from Cattolica.

OTHER SIGNIFICANT INVESTMENTS

Banking companies

Emil Banca Credito Cooperativo S.C.p.A.

The banking institute, which has over 52 thousand shareholders and establishes its roots in the centuries-old experience of Casse Rurali ed Artigiane, uses 97 branches located throughout the area and extends between the provinces of Bologna, Ferrara, Modena, Parma, Reggio Emilia and Mantua.

It is a local bank, heedful of the promotion and the growth of the territory where it operates, reinvesting the funds gathered in situ so as to offer new development opportunities for the local reference communities.

The Company held an investment of 0.10% as at December 31st.

Credito Popolare S.C.p.A.

Founded in 1888, with a network of branches distributed throughout the region, today Banca di Credito Popolare represents the only expression of autonomy, of a certain size, in the Campania lending system. The growth in size was pursued by means of the extension of the network of branches and the incorporation of four banks. The bank has been the parent company of the Banca di Credito Popolare Banking Group since 2002.

The Company held an investment of 1.01% as at December 31st.

Other

IMA Servizi S.C.a r.l.

Ima Servizi, with registered office in Sesto San Giovanni (MI), provides claims management services for IMA Italia Assistance, which controls it with an 81% interest. The Company held an investment of 6% as at December 31st. In December, the IMA Group exercised its call to repurchase the equity investment from Cattolica.

Veronafiere S.p.A.

Veronafiere has its origins in trade fair activities linked to the agricultural sector launched in 1898 by the Municipality of Verona. The purpose of the entity is to carry out and support any direct and indirect activity aimed at the organisation of trade fairs, as well as the organisation of congress activities and ventures, which promote the exchange of goods and services and their marketing at national and international levels.

The Company held an investment of 6.01% as at December 31st.

INDIRECT INVESTMENTS IN SUBSIDIARIES

Life insurance companies

VERA Financial

The company, 100% owned by Vera Vita, is an Irish company specialising in the development of class III life products, offered under the freedom to provide services in several European Community countries.

It closed the year with premiums written of € 330 million (+63%) and a positive result⁷ of € 1.9 million(+64.6%).

VERA Protezione

The company, 100% owned by Vera Assicurazioni, offers insurance solutions for individuals, businesses, assets, home and motor vehicles.

It is authorised to operate in the life business and specialises in temporary life insurance policies.

The company wrote premiums for € 106.5 million (+42%) and closed with a profit of € 4 million (-74%).

Holding company

SATEC HOLDING

The company, acquired in October 2018 and based in Venice, is a holding company that controls and coordinates the activities of the MGAs (Managing General Agencies), subsidiaries Satec S.r.l., All Risks Solutions S.r.l., Qubo Insurance Solutions S.r.l., Mediterranea Underwriting S.r.l. and the associated company Aladdin S.r.l.

Satec Holding S.r.l. is 100% owned by CattRe and closed the year with a positive result of € 182 thousand (€ -228 thousand in 2020).

Insurance and/or reinsurance brokerage companies (Managing General Agencies, MGA)

ALLRS UNDERWRITING AGENCY

This is an MGA, based in Milan, focused on underwriting special risks in the Financial Lines area to enable the sub-Group's agency networks to also provide their customers with insurance coverage for risks not normally assumed by sub-Group companies.

It is 100% owned by Satec Holding S.r.l. and closed the year with a negative result of € 6 thousand (€ -81 thousand in 2020).

MIJW Mediterranea Underwriting

This is an MGA dedicated to Marine insurance and reinsurance underwriting, established in June 2020 from the spin-off of Satec's marine business line and based in Genoa. It provides insurance solutions with strong specialist skills for all types of risks in the Hull, Yard, Cargo and Yacht business lines.

Mediterranea Underwriting S.r.l. is 100% owned by Satec Holding S.r.l. and closed the year with a profit of € 185 thousand (€ -21 thousand in 2020).

qubo insurance solutions

It is an MGA based in Milan and Arco (TN), whose purpose is the intermediation of exclusive insurance solutions dedicated to the special needs of its customers, with particular focus on the world of transport, logistics and MOD (Motor Own Damage).

It is 51% owned by Satec Holding S.r.l. and closed the year with a positive result of € 189 thousand in line with 2020.

SATEC UNDERWRITING

This is an MGA focused on insurance and reinsurance underwriting in eleven different Specialty Lines, with offices in Milan, Venice, Rome and London. It operates with strong specialist skills in the Space, Aviation, Property & Construction, Casualty, Sport & Leisure, Weather & Contingency, Environmental, Cyber, Global RE (Natural Catastrophe Reinsurance), Surety Bond and Financial Lines business lines.

Satec S.r.l. is 100% owned by Satec Holding S.r.l. and closed the year with a positive result of € 1.3 million (€ 671 thousand in 2020).

⁷ According to international accounting standards (IAS/IFRS).

Operating service companies



This company, with offices in Venice and Rome, deals with environmental research and operates in the weather analysis and monitoring businesses.

It is 100% owned by Satec and closed the year with a negative result of € 55 thousand (€ -54 thousand in 2020).



The company, fully controlled by TUA Assicurazioni, carries out general agency activities.

It closed the year with a profit of € 7 thousand.

INDIRECT INVESTMENTS IN ASSOCIATED COMPANIES

Aladdin S.r.l.

This is an MGA, based in Milan and established in December 2020, which carries out insurance and reinsurance brokerage activities and specialises in taking on the risks inherent in the Travel&Mobility sector.

It is 45% owned by Satec Holding S.r.l.

PROPOSAL FOR THE ALLOCATION OF THE PROFIT FOR THE YEAR

Dear Shareholders,

We submit the financial statements for the year 2021 to your approval with regard to all its components.

We therefore propose the following allocation of the profit for 2021, amounting to € 6,990,780 deriving from a profit of € 42,758,818 of the non-life business and a loss of € 35,768,038 of the life business, it being understood that the dividend pertaining to the own shares held as at the ex-dividend date indicated below, for the purposes of Article 2357-ter of the Italian Civil Code, will be booked to the dividend reserve:

to the entitled shares (so as to be able to assign a dividend to the extent of € 0.03061 per share, gross of any taxes due by law)	€ 6,989,732
--	-------------

to the extraordinary reserve	€ 1,048
------------------------------	---------

We therefore propose that the above extraordinary reserve be allocated to the non-life business and that the surplus of non-life operating income over the above allocations, amounting to € 35,768,038, be allocated to the extraordinary reserve within the sphere of this business.

Furthermore, the Board of Directors proposes to allocate a total of € 29,262,465 from the extraordinary reserve of the non-life business, of which:

to Fondazione Cattolica Assicurazioni in compliance with the limits set out in Article 43.2 of the current Articles of Association	€ 2,000,000
--	-------------

to the entitled shares (so as to be able to assign a dividend to the extent of € 0.11939 per share, gross of any taxes due by law)	€ 27,262,465
--	--------------

With reference to the loss for the year of the life business equal to € 35,768,038, the Board of Directors proposes to cover it by using the share premium reserve of the life business for the same amount.

The exchange gain deriving from the foreign currency assets as per Article 2446, paragraph 8-bis of the Italian Civil Code, amounted at year-end to € 406, attributable fully to the life business. With reference to this, it is hereby proposed that the amount of € 406 be set aside to the restricted exchange gains reserve of the life business and for such purposes to make the extraordinary reserve unavailable for the same amount within the sphere of said business.

If the proposals indicated above are approved by yourselves, the total dividend of € 0.15 (€ 0.03061 ordinary and € 0.11939 extraordinary) per share gross of any legal withholdings, may be distributed, due to current legislation, as from May 25th, 2022, with ex-dividend date on the 23rd of said month and record date on May 24th, 2022, in compliance with Borsa Italiana's calendar.

THE BOARD OF DIRECTORS

Verona, March 14th, 2022



Total assets

11,913 € mln

Total shareholders' equity

2,189 € mln

**STATEMENT OF
FINANCIAL
POSITION AND
INCOME
STATEMENT**

Attachment 1Company **CATTOLICA ASSICURAZIONI S.P.A.**

Subscribed share capital € 685,043,940 Paid in € 685,043,940

Registered
offices in Verona

Court in Verona

**Statement of financial
position**.....
2021
.....

(amounts in €)

STATEMENT OF FINANCIAL POSITION

ASSETS

Balances for the year

A.	AMOUNTS DUE FROM SHAREHOLDERS PER SUBSCRIBED SHARE CAPITAL NOT PAID IN									1	0
	of which called capital		2	0							
B.	INTANGIBLE ASSETS										
	1. Acquisition commission to be amortised										
	a) life business	3	11,416,714								
	b) non-life business	4	0	5	11,416,714						
	2. Other acquisition costs			6	0						
	3. Start-up and expansion costs			7	3,171,157						
	4. Goodwill			8	82,189,001						
	5. Other long-term costs			9	2,163,940				10		98,940,812
C.	INVESTMENTS										
	I - Land and buildings										
	1. Property used for business activities			11	39,400,000						
	2. Property used by third parties			12	26,675,287						
	3. Other property			13	0						
	4. Other realty rights			14	0						
	5. Property under construction and advance payments			15	0	16	66,075,287				
	II - Investments in Group companies and other investee companies										
	1. Company shares and holdings:										
	a) parent companies	17	2,193,971								
	b) subsidiaries	18	1,189,307,264								
	c) affiliated companies	19	0								
	d) associated companies	20	8,792,842								
	e) other companies	21	4,901,788	22	1,205,195,865						
	2. Bonds issued by:										
	a) parent companies	23	800,000								
	b) subsidiaries	24	17,500,000								
	c) affiliated companies	25	0								
	d) associated companies	26	178,000								
	e) other companies	27	0	28	18,478,000						
	3. Loans to:										
	a) parent companies	29	0								
	b) subsidiaries	30	65,000,000								
	c) affiliated companies	31	0								
	d) associated companies	32	0								
	e) other companies	33	0	34	65,000,000	35	1,288,673,865				
					to be carried forward						98,940,812



Balances for the previous year

			181	0
	182	0		
183	11,531,406			
184	0	185	11,531,406	
		186	0	
		187	0	
		188	92,990,951	
		189	6,495,884	190
				111,018,241
		191	55,696,922	
		192	28,615,561	
		193	0	
		194	0	
		195	0	196
				84,312,483
197	0			
198	1,671,528,794			
199	0			
200	9,050,494			
201	3,839,202	202	1,684,418,490	
203	0			
204	17,500,000			
205	0			
206	178,000			
207	0	208	17,678,000	
209	0			
210	65,000,000			
211	0			
212	0			
213	0	214	65,000,000	215
				1,767,096,490
		to be carried forward		111,018,241

STATEMENT OF FINANCIAL POSITION

ASSETS

				Balances for the year	
			carry forward		98,940,812
C.	INVESTMENTS (continued)				
III	- Other financial investments				
	1. Shares and holdings				
	a) Listed shares	36 14,286,825			
	b) Unlisted shares	37 15,653,328			
	c) Holdings	38 0	39 29,940,153		
	2. Units of mutual investment funds		40 1,570,195,891		
	3. Bonds and other fixed-income securities				
	a) listed	41 6,373,048,010			
	b) unlisted	42 199,586			
	c) convertible bonds	43 199,784	44 6,373,447,380		
	4. Loans				
	a) loans with secured guarantee	45 1,883,474			
	b) loans on policies	46 439,568			
	c) other loans	47 90,000	48 2,413,042		
	5. Units in mutual investments		49 0		
	6. Deposits with credit institutions		50 0		
	7. Sundry financial investments		51 0	52 7,975,996,466	
IV	- Deposits with ceding companies			53 9,051,220	54 9,339,796,838
D.	INVESTMENTS FOR BENEFITS OF LIFE ASSURANCE POLICYHOLDERS WHO BEAR THE RISK AND DERIVING FROM THE MANAGEMENT OF PENSION FUNDS				
I	- Investments relating to benefits associated with investment funds and stock market indices			55 576,710,196	
II	- Investments deriving from the management of pension funds			56 147,402,066	57 724,112,262
D bis.	TECHNICAL PROVISIONS - REINSURANCE AMOUNT				
	I - NON-LIFE BUSINESS				
	1. Premium provision	58 91,683,067			
	2. Provision for outstanding claims	59 342,486,705			
	3. Provision for profit-sharing and repayments	60 0			
	4. Other technical provisions	61 0	62 434,169,772		
	II - LIFE BUSINESS				
	1. Mathematical provisions	63 23,588,302			
	2. Premium provision of supplementary insurance	64 0			
	3. Provision for outstanding claims	65 395,567			
	4. Provision for profit-sharing and repayments	66 0			
	5. Other technical provisions	67 0			
	6. Technical provisions related to contracts where the investment risk is borne by policyholders and deriving from the management of pension funds	68 0	69 23,983,869	70 458,153,641	
			to be carried forward		10,621,003,553



Balances for the previous year

	carry forward		111,018,241
216	13,275,017		
217	21,670,796		
218	0	219	34,945,813
		220	1,443,538,266
221	5,762,532,552		
222	667,907		
223	57,909	224	5,763,258,368
225	1,840,948		
226	703,451		
227	90,000	228	2,634,399
		229	0
		230	0
		231	0
		232	7,244,376,846
		233	9,447,066
		234	9,105,232,885
		235	415,592,430
		236	153,947,329
		237	569,539,759
		238	85,658,459
		239	337,610,169
		240	0
		241	0
		242	423,268,628
		243	14,350,918
		244	0
		245	120,230
		246	0
		247	0
		248	0
		249	14,471,148
		250	437,739,776
	to be carried forward		10,223,530,661

STATEMENT OF FINANCIAL POSITION

ASSETS

		carry forward	Balances for the year	
				10,621,003,553
E.	RECEIVABLES			
I	- Receivables, deriving from direct insurance transactions, due from:			
	1. Policyholders			
	a) for premiums for the year	71 150,697,759		
	b) for premiums for previous years	72 5,237,855		
	2. Insurance brokers	73 155,935,614		
	3. Insurance companies - current accounts	74 168,142,481		
	4. Policyholders and third parties for sums to be recovered	75 35,036,938		
		76 24,549,726	77 383,664,759	
II	- Receivables deriving from reinsurance transactions, due from:			
	1. Insurance and reinsurance companies	78 46,451,711		
	2. Reinsurance brokers	79 0	80 46,451,711	
III	- Other receivables		81 562,015,956	82 992,132,426
F.	OTHER ASSET ITEMS			
I	- Tangible assets and inventories:			
	1. Furniture, office machines and internal means of transport	83 1,034,137		
	2. Movable assets recorded in public registers	84 26,250		
	3. Plant and equipment	85 955,120		
	4. Inventories and miscellaneous assets	86 0	87 2,015,507	
II	- Cash and cash equivalent			
	1. Bank and postal account deposits	88 81,185,026		
	2. Cheques and cash amounts	89 17,340	90 81,202,366	
IV	- Other assets			
	1. Transitory reinsurance accounts - receivable	92 0		
	2. Sundry assets	93 164,610,384	94 164,610,384	95 247,828,257
G.	ACCRUALS AND DEFERRALS			
	1. For interest		96 51,124,974	
	2. For rental fees		97 0	
	3. Other accruals and deferrals		98 1,048,315	99 52,173,289
	TOTAL ASSETS			100 11,913,137,525



		Balances for the previous year	
	carry forward		10,223,530,661
²⁵¹	170,375,261		
²⁵²	9,713,581		
	²⁵³ style="text-align: right;">180,088,842		
	²⁵⁴ style="text-align: right;">206,578,901		
	²⁵⁵ style="text-align: right;">22,587,212		
	²⁵⁶ style="text-align: right;">31,946,670	²⁵⁷ style="text-align: right;">441,201,625	
	²⁵⁸ style="text-align: right;">54,765,398		
	²⁵⁹ style="text-align: right;">0	²⁶⁰ style="text-align: right;">54,765,398	
		²⁶¹ style="text-align: right;">618,995,677	²⁶² style="text-align: right;">1,114,962,700
	²⁶³ style="text-align: right;">1,333,207		
	²⁶⁴ style="text-align: right;">122,076		
	²⁶⁵ style="text-align: right;">754,298		
	²⁶⁶ style="text-align: right;">0	²⁶⁷ style="text-align: right;">2,209,581	
	²⁶⁸ style="text-align: right;">53,272,239		
	²⁶⁹ style="text-align: right;">12,638	²⁷⁰ style="text-align: right;">53,284,877	
	²⁷² style="text-align: right;">0		
	²⁷³ style="text-align: right;">93,242,154	²⁷⁴ style="text-align: right;">93,242,154	²⁷⁵ style="text-align: right;">148,736,612
		²⁷⁶ style="text-align: right;">52,323,135	
		²⁷⁷ style="text-align: right;">0	
		²⁷⁸ style="text-align: right;">1,557,489	²⁷⁹ style="text-align: right;">53,880,624
TOTAL ASSETS			²⁸⁰ style="text-align: right;">11,541,110,597

STATEMENT OF FINANCIAL POSITION
 LIABILITIES AND SHAREHOLDERS' EQUITY

Balances for the year

A. SHAREHOLDERS' EQUITY				
I	- Subscribed share capital or equivalent fund	101	685,043,940	
II	- Share premium reserve	102	829,546,669	
III	- Revaluation reserves	103	62,498,794	
IV	- Legal reserve	104	137,008,788	
V	- Statutory reserves	105	0	
VI	- Reserves for shares of the parent company	400	2,193,971	
VII	- Other reserves	107	468,736,594	
VIII	- Retained profits (accumulated losses)	108	0	
IX	- Profit (loss) for the year	109	6,990,780	
X	- Negative reserve for own shares in portfolio	401	-2,641,916	110 2,189,377,620
B. SUBORDINATED LIABILITIES				111 600,000,000
C. TECHNICAL PROVISIONS				
I - NON-LIFE BUSINESS				
1.	Premium provision	112	714,483,139	
2.	Provision for outstanding claims	113	2,167,530,845	
3.	Provision for profit-sharing and repayments	114	759,000	
4.	Other technical provisions	115	317,542	
5.	Equalisation provisions	116	15,463,958	117 2,898,554,484
II - LIFE BUSINESS				
1.	Mathematical provisions	118	4,760,297,629	
2.	Premium provision of supplementary insurance	119	503,821	
3.	Provision for outstanding claims	120	109,094,117	
4.	Provision for profit-sharing and repayments	121	12,127	
5.	Other technical provisions	122	27,711,226	123 4,897,618,920 124 7,796,173,404
D. TECHNICAL PROVISION FOR CONTRACTS WHERE THE INVESTMENT RISK IS BORNE BY THE POLICYHOLDERS AND DERIVING FROM THE MANAGEMENT OF PENSION FUNDS				
I	- Provisions relating to contracts whose benefits are linked to investment funds and stock market indices	125	576,710,196	
II	- Provisions deriving from the management of pension funds	126	147,402,066	127 724,112,262
	to be carried forward			11,309,663,286



Balances for the previous year

	281	685,043,940		
	282	863,344,241		
	283	62,498,794		
	284	307,278,079		
	285	0		
	500	0		
	287	238,765,401		
	288	0		
	289	3,582,754		
	501	-164,506,162	290	1,996,007,047
			291	680,000,000
	292	722,233,488		
	293	2,262,442,104		
	294	759,000		
	295	111,299		
	296	14,911,074	297	3,000,456,965
	298	4,537,166,688		
	299	510,784		
	300	119,760,333		
	301	14,977		
	302	25,670,975	303	4,683,123,757
			304	7,683,580,722
	305	415,592,430		
	306	153,947,329	307	569,539,759
	to be carried forward			10,929,127,528

STATEMENT OF FINANCIAL POSITION
 LIABILITIES AND SHAREHOLDERS' EQUITY

				Balances for the year	
	carry forward				11,309,663,286
E.	PROVISIONS FOR RISKS AND CHARGES				
1.	Provision for pensions and similar obligations	128	1,339,776		
2.	Provision for taxation	129	2,188,797		
3.	Other provisions and allowances	130	77,882,910	131	81,411,483
F.	DEPOSITS RECEIVED FROM RE-INSURERS			132	15,189,315
G.	PAYABLES AND OTHER LIABILITIES				
I	- Payables, deriving from direct insurance transactions, due to:				
1.	Insurance brokers	133	34,876,237		
2.	Insurance companies - current accounts	134	209,865		
3.	Policyholders for guarantee deposits and premiums	135	18,609,425		
4.	Guarantee funds in favour of policyholders	136	253,963	137	53,949,490
II	- Payables, deriving from reinsurance transactions, due to:				
1.	Insurance and reinsurance companies	138	65,309,823		
2.	Reinsurance brokers	139	0	140	65,309,823
III	- Bond loans			141	0
IV	- Payables due to banks and financial institutions			142	3,052,941
V	- Payables with secured guarantee			143	0
VI	- Sundry loans and other financial payables			144	0
VII	- Employee severance indemnities			145	5,257,020
VIII	- Other payables				
1.	For taxes payable by policyholders	146	26,042,134		
2.	For sundry tax charges	147	78,911,436		
3.	Amounts due to social security and welfare institutions	148	2,480,149		
4.	Sundry payables	149	110,843,408	150	218,277,127
IX	- Other liabilities				
1.	Transitory reinsurance accounts - payable	151	0		
2.	Commission for premiums being collected	152	31,503,359		
3.	Sundry liabilities	153	125,771,852	154	157,275,211
	to be carried forward			155	503,121,612
					11,909,385,696



		Balances for the previous year	
	carry forward		10,929,127,528
		308	1,624,561
		309	2,799,863
		310	70,373,601
		311	74,798,025
		312	14,473,637
	313	22,767,739	
	314	1,916,878	
	315	21,218,799	
	316	201,474	317
		46,104,890	
	318	49,183,193	
	319	0	320
		49,183,193	
		321	0
		322	8,826,720
		323	0
		324	0
		325	5,564,885
	326	27,930,181	
	327	125,140,128	
	328	2,429,523	
	329	162,037,605	330
		317,537,437	
	331	0	
	332	33,296,181	
	333	58,155,657	334
		91,451,838	335
			518,668,963
	to be carried forward		11,537,068,153

STATEMENT OF FINANCIAL POSITION
LIABILITIES AND SHAREHOLDERS' EQUITY

		Balances for the year	
	carry forward		11,909,385,696
H. ACCRUALS AND DEFERRALS			
1. For interest		156 3,332,367	
2. For rental fees		157 0	
3. Other accruals and deferrals		158 419,462	159 3,751,829
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY			160 11,913,137,525



		Balances for the previous year	
carry forward			11,537,068,153
	336	4,042,444	
	337	0	
	338	0	339 4,042,444
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY			340 11,541,110,597

The undersigned declare that these financial statements are true and consistent with the underlying accounting records.
The legal representatives of the company (*)

The Managing Director CARLO FERRARESI (**)

_____ (**)

_____ (**)

(*) For foreign companies, the signature must be that of the general representative for Italy.
(**) Indicate the office covered by the signer.

Company **CATTOLICA ASSICURAZIONI S.P.A.**
.....
.....

Subscribed share capital € 685,043,940 Paid in € 685,043,940

Registered offices
in Verona

Court in Verona

Income statement.....
2021
.....

(amounts in €)

INCOME STATEMENT

				Balances for the year	
I. TECHNICAL ACCOUNT - NON-LIFE BUSINESS					
1.	PREMIUMS FOR THE YEAR, NET OF TRANSFERS UNDER REINSURANCE				
	a) Gross premiums written	1	1,731,201,516		
	b) (-) Ceded premiums	2	254,374,058		
	c) Change in gross premium provision	3	-12,146,019		
	d) Change in premium provision - reinsurance amount	4	4,243,204	5	1,493,216,681
2.	(+) PORTION OF PROFIT FROM INVESTMENT TRANSFERRED FROM THE NON-TECHNICAL ACCOUNTS (ITEM III. 6)			6	0
3.	OTHER TECHNICAL INCOME, NET OF TRANSFERS UNDER REINSURANCE			7	21,359,855
4.	CLAIMS INCURRED, NET OF RECOVERIES AND TRANSFERS UNDER REINSURANCE				
	a) Claims paid				
	aa) Gross amount	8	1,131,049,473		
	bb) (-) reinsurance amount	9	126,016,753	10	1,005,032,720
	b) Change in recoveries net of reinsurance amount				
	aa) Gross amount	11	18,307,827		
	bb) (-) reinsurance amount	12	0	13	18,307,827
	c) Change in provision for outstanding claims				
	aa) Gross amount	14	-98,388,949		
	bb) (-) reinsurance amount	15	3,684,845	16	-102,073,794
5.	CHANGE IN OTHER TECHNICAL PROVISIONS, NET OF TRANSFERS UNDER REINSURANCE			17	884,651,099
6.	REPAYMENTS AND PROFIT-SHARING, NET OF TRANSFERS UNDER REINSURANCE			18	-100,207
7.	REPAYMENTS AND PROFIT-SHARING, NET OF TRANSFERS UNDER REINSURANCE			19	1,106,578
7.	OPERATING EXPENSES:				
	a) Acquisition commissions	20	285,018,905		
	b) Other acquisition costs	21	66,219,033		
	c) Change in commission and other acquisition costs to be amortised	22	0		
	d) Collection commission	23	10,750,147		
	e) Other administrative expenses	24	149,608,223		
	f) (-) Commission and profit-sharing received from re-insurers	25	61,374,333	26	450,221,975
8.	OTHER TECHNICAL CHARGES, NET OF TRANSFERS UNDER REINSURANCE			27	38,448,374
9.	CHANGE IN EQUALISATION PROVISIONS			28	552,884
10.	RESULT OF TECHNICAL ACCOUNT - NON-LIFE BUSINESS (Item III. 1)			29	139,695,833

Balances for the previous year

		111	1,746,202,555		
		112	232,794,589		
		113	21,553,210		
		114	971,195	115	1,492,825,951
				116	0
				117	4,427,323
	118		1,205,693,664		
	119		172,600,774	120	1,033,092,890
	121		24,847,146		
	122		0	123	24,847,146
	124		-203,937,286		
	125		-32,441,590	126	-171,495,696
				127	836,750,048
				128	-35,102
				129	916,068
		130	287,199,686		
		131	60,399,610		
		132	0		
		133	10,880,652		
		134	148,240,076		
		135	50,265,002	136	456,455,022
				137	38,732,525
				138	617,881
				139	163,816,832

INCOME STATEMENT

Balances for the year

				Balances for the year	
II. TECHNICAL ACCOUNT - LIFE BUSINESS					
1.	PREMIUMS FOR THE YEAR, NET OF TRANSFERS UNDER REINSURANCE:				
	a) Gross premiums written	30	521,811,000		
	b) (-) Ceded premiums	31	8,649,776	32	513,161,224
2.	INCOME FROM INVESTMENTS:				
	a) Income deriving from shares and holdings	33	6,635,656		
	(of which: deriving from Group companies	34	3,025,513)	
	b) Income deriving from other investments:				
	aa) from land and buildings	35	0		
	bb) from other investments	36	134,583,634	37	134,583,634
	(of which: deriving from Group companies	38	1,349,423)	
	c) Reversal of adjustment on investments	39	5,064,123		
	d) Profits on realisation of investments	40	24,583,777		
	(of which: deriving from Group companies	41	0	42	170,867,190
3.	INCOME AND UNREALISED CAPITAL GAINS ON INVESTMENT BENEFITING POLICYHOLDERS WHO BEAR THE RISK AND DERIVING FROM THE MANAGEMENT OF PENSION FUNDS			43	84,371,821
4.	OTHER TECHNICAL INCOME, NET OF TRANSFERS UNDER REINSURANCE			44	2,861,308
5.	CHARGES RELATING TO CLAIMS, NET OF TRANSFERS UNDER REINSURANCE				
	a) Claims paid				
	aa) Gross amount	45	723,328,296		
	bb) (-) Reinsurance amount	46	7,043,721	47	716,284,575
	b) Change in provision for outstanding claims				
	aa) Gross amount	48	-41,046,053		
	bb) (-) Reinsurance amount	49	-70,191	50	-40,975,862
				51	675,308,713
6.	CHANGE IN MATHEMATICAL PROVISIONS AND OTHER TECHNICAL PROVISIONS, NET OF TRANSFERS UNDER REINSURANCE				
	a) Mathematical provisions:				
	aa) Gross amount	52	-194,626,259		
	bb) (-) Reinsurance amount	53	-3,704,020	54	-190,922,239
	b) Premium provision of supplementary insurance:				
	aa) Gross amount	55	-6,963		
	bb) (-) Reinsurance amount	56	0	57	-6,963
	c) Other technical provisions				
	aa) Gross amount	58	-1,877,027		
	bb) (-) Reinsurance amount	59	0	60	-1,877,027
	d) Technical provisions for contracts where the investment risk is borne				
	by the policyholders and deriving from the management of pension funds				
	aa) Gross amount	61	153,498,325		
	bb) (-) Reinsurance amount	62	0	63	153,498,325
				64	-39,307,904

Balances for the previous year

		140	554,816,948		
		141	5,961,745	142	548,855,203
		143	20,348,414		
(of which: deriving from Group companies		144	18,922,039)		
	145		0		
	146	134,081,665	147	134,081,665	
(of which: deriving from Group companies		148	477,448)		
	149		2,804,187		
	150		43,791,382		
(of which: deriving from Group companies		151	290,118)	152	201,025,648
				153	37,762,282
				154	3,433,399
	155		1,357,068,415		
	156		4,241,316	157	1,352,827,099
	158		24,768,206		
	159		-413,167	160	25,181,373
				161	1,378,008,472
	162		-186,688,414		
	163		-1,359,307	164	-185,329,107
	165		-5,948		
	166		0	167	-5,948
	168		-4,057,580		
	169		0	170	-4,057,580
	171		-562,806,573		
	172		0	173	-562,806,573
				174	-752,199,208

INCOME STATEMENT

Balances for the year

7.	REPAYMENTS AND PROFIT-SHARING, NET OF TRANSFERS UNDER REINSURANCE		65	352,307
8.	OPERATING EXPENSES:			
	a) Acquisition commissions	66	11,145,094	
	b) Other acquisition costs	67	12,990,401	
	c) Change in commission and other acquisition costs to be amortised	68	-114,693	
	d) Collection commission	69	2,842,907	
	e) Other administrative expenses	70	28,754,865	
	f) (-) Commission and profit-sharing received from re-insurers	71	1,406,962	72
				54,440,998
9.	EQUITY AND FINANCIAL CHARGES:			
	a) Charges for management of investments and interest expense	73	14,496,729	
	b) Adjustments on investments	74	55,650,749	
	c) Losses on realisation of investments	75	5,537,550	76
				75,685,028
10.	EQUITY AND FINANCIAL CHARGES AND UNREALISED CAPITAL LOSSES ON INVESTMENTS FOR BENEFIT OF POLICYHOLDERS WHO BEAR THE RISK AND DERIVING FROM THE MANAGEMENT OF PENSION FUNDS			77
				22,918,183
11.	OTHER TECHNICAL CHARGES, NET OF TRANSFERS UNDER REINSURANCE			78
				12,779,631
12.	(+) PORTION OF PROFIT FROM INVESTMENT TRANSFERRED TO THE NON-TECHNICAL ACCOUNTS (item III. 4)			79
				0
13.	RESULT OF TECHNICAL ACCOUNT - LIFE BUSINESS (Item III. 2)			80
				-30,915,413
III. NON-TECHNICAL ACCOUNT				
1.	RESULT OF TECHNICAL ACCOUNT - NON-LIFE BUSINESS (Item I. 10)			81
				139,695,833
2.	RESULT OF TECHNICAL ACCOUNT - LIFE BUSINESS (Item II. 13)			82
				-30,915,413
3.	INCOME FROM INVESTMENTS IN THE NON-LIFE BUSINESS:			
	a) Income deriving from shares and holdings	83	11,425,040	
	(of which: deriving from Group companies	84	11,283,750)
	b) Income deriving from other investments:			
	aa) from land and buildings	85	1,734,272	
	bb) from other investments	86	91,924,081	87
	(of which: deriving from Group companies	88	3,339,347)
	c) Reversal of adjustment on investments	89	6,916,250	
	d) Profits on realisation of investments	90	2,355,387	
	(of which: deriving from Group companies	91	0)
				92
				114,355,030

Balances for the previous year

			175	481,091
	176	9,991,768		
	177	13,605,633		
	178	78,988		
	179	2,922,092		
	180	23,355,615		
	181	336,717	182	49,459,403
	183	13,406,996		
	184	65,655,378		
	185	22,998,600	186	102,060,974
			187	13,694,336
			188	22,702,919
			189	6,955,000
			190	-30,086,455
			191	163,816,832
			192	-30,086,455
	193	48,444,653		
(of which: deriving from Group companies	194	48,257,449)		
	195	1,655,821		
	196	87,874,864	197	89,530,685
(of which: deriving from Group companies	198	1,135,864)		
	199	2,355,997		
	200	7,786,303		
(of which: deriving from Group companies	201	290,118)	202	148,117,638

INCOME STATEMENT

		Balances for the year
4.	(+) PORTION OF PROFIT FROM INVESTMENTS TRANSFERRED FROM TECHNICAL ACCOUNT - LIFE BUSINESS (Item II. 12)	93 0
5.	EQUITY AND FINANCIAL CHARGES OF THE NON-LIFE BUSINESS:	
	a) Charges for management of investments and interest expense	94 10,695,795
	b) Adjustments on investments	95 157,028,405
	c) Losses on realisation of investments	96 1,302,800
6.	(-) PORTION OF PROFIT FROM INVESTMENTS TRANSFERRED TO THE TECHNICAL ACCOUNT - NON-LIFE BUSINESS (Item I. 2)	97 169,027,000
7.	OTHER INCOME	98 0
8.	OTHER CHARGES	99 55,954,844
9.	RESULT OF ORDINARY ACTIVITIES	100 117,974,534
10.	EXTRAORDINARY INCOME	101 -7,911,240
11.	EXTRAORDINARY CHARGES	102 84,715,790
12.	RESULT OF EXTRAORDINARY ACTIVITIES	103 13,812,093
13.	PROFIT (LOSS) BEFORE TAXATION	104 70,903,697
14.	INCOME TAXES FOR THE YEAR	105 62,992,457
15.	PROFIT (LOSS) FOR THE YEAR	106 56,001,675
		107 6,990,780

Balances for the previous year

	203	6,955,000
	204	7,845,065
	205	139,645,501
	206	9,033,251
	207	156,523,817
	208	0
	209	50,507,090
	210	122,371,155
	211	60,415,133
	212	9,621,982
	213	12,219,703
	214	-2,597,721
	215	57,817,412
	216	54,234,658
	217	3,582,754

The undersigned declare that these financial statements are true and consistent with the underlying accounting records.
The legal representatives of the company (*)

The Managing Director CARLO FERRARESI (**)

_____ (**)

_____ (**)

(*) For foreign companies, the signature must be that of the general representative for Italy.

(**) Indicate the office covered by the signer.

NOTES TO THE ACCOUNTS

FOREWORD

Format

The financial statements, integrated by the Management Report in its entirety, is composed by the statement of financial position and the income statement, the notes to the accounts and the related attachments, as well as the Cash flow statement, and have been drawn up in compliance with the provisions of Italian Legislative Decree No. 209 of September 7th, 2005, with ISVAP Regulation No. 22 of April 4th, 2008, as amended by IVASS Provision No. 53 dated December 6th, 2016, with Legislative Decree No. 173 of May 26th, 1997, as amended following the transposition of Directive 2009/138/EC, Solvency II and Directive 2013/34/EU, Accounting.

The list of assets as per art. 10 of Law No. 72 dated March 19th, 1983, is part of the notes to the accounts.

Directive 2004/109/EC (the "Transparency Directive") and Delegated Regulation (EU) 2019/815 introduced the requirement for issuers of securities listed on regulated markets in the European Union to prepare their annual financial report in the XHTML language, based on the ESMA-approved European Single Electronic Format (ESEF). For the purposes of these financial statements, there is no obligation to use the ESEF taxonomy, unlike the requirements for the consolidated financial statements, but they must be prepared in XHTML format, as required by the aforementioned directive.

On December 31st, 2021, as already mentioned in the Report, the merger by incorporation of ABC Assicura and Berica Vita became effective, and the accounting and tax effects were booked to the financial statements of the incorporating company as from January 1st, 2021.

Therefore, for the purpose of permitting the comparability on a standard basis, in these Notes to the accounts the income statement and statement of financial position figures of the Company for 2020 have been appropriately stated on a pro forma basis to make the comparisons and the analysis of the effective operating performance for 2021 consistent.

The criteria used for the purpose of adjusting the figures are illustrated below:

- the income statement balances and the statement of financial position figures of the Company and the two merged companies have been aggregated as if the transaction had been effective as from 2020, carrying out the derecognition of the reciprocal income statement and statement of financial position figures. You are hereby informed that it was not necessary to make adjustments to the accounting principles between the companies involved in the extraordinary transaction;
- the book value of the equity investments held in ABC Assicura and Berica Vita were cancelled;
- with reference to Berica Vita, where possible, steps were taken to book the merger deficit to the asset and liability items and the difference to goodwill;
- with reference to ABC Assicura, the merger surplus was allocated to a specific shareholders' equity reserve posted to the "Other reserves" item;
- the shareholders' equity balances at January 1st, 2021 of the Company and the two merged companies have been aggregated, making the adjustments deriving from the merger.

NOTES TO THE ACCOUNTS

Part A - Accounting standards

PART A

ACCOUNTING PRINCIPLES

Accounting standards

The accounting standards adopted are those in force in Italy and established by legal provisions, as updated during the year.

Going concern

In accordance with the provisions of Bank of Italy/CONSOB/ISVAP document No. 2 of February 6th, 2009, it should be noted that, despite the uncertainties in the outlook connected with both the current situation regarding the Covid-19 pandemic and the recent geopolitical and military events that are affecting Ukraine, the solidity of the Company's fundamentals does not generate or leave any doubts as to its ability to continue as a going concern.

The Company reported a Solvency Ratio as at December 31st, 2021, of 206% (compared to 188% as at December 31st, 2020), gross of the dividend distribution.

In this regard, it should be noted that the Board of Directors of the Company, which met on December 3rd, 2021, having acknowledged the positive outcome of the PTO launched by Assicurazioni Generali and the simultaneous increase of the value of almost all the own shares previously held, with a consequent further improvement in the Company's solvency margins, resolved to submit to IVASS, for assessment, the fact that it is no longer necessary to proceed with the execution of the second tranche of the increase in share capital under option of € 200 million.

On January 18th, 2022, the Company received notification from IVASS that the Institute does not foresee any obstacles to the decision taken by the Board of Directors that the second tranche of the € 200 million capital increase was no longer necessary.

In view of the above, it is believed that there are no uncertainties regarding the Company's ability to continue as a going concern.

Reporting currency used in the financial statements

According to the provisions of Article 4 of ISVAP regulation No. 22 dated April 4th, 2008, as amended by the IVASS Provision No. 53 dated December 6th, 2016, and pursuant to Article 2423, paragraph 6, of the Italian Civil Code, the statement of financial position and the income statement have been prepared in Euro units; the notes to the accounts are in thousands of Euro. The rounded off amount of totals and subtotals in the statement of financial position and income statement is the sum of the rounded off amounts of the individual items. According to the provisions of Art. 15, paragraph 3, of the aforementioned regulations, the amounts have been rounded up or down to the closest unit; if the amount presents a half, then it is rounded up.

The rounding of the balances contained in the notes to the accounts are made so as to ensure the consistency of the amounts in the statement of financial position and income statement formats.

Foreign currency items

In accordance with Art. 2426, No. 8-bis, of the Italian Civil Code, the monetary assets and liabilities in foreign currency are recorded using the spot exchange rate ruling as of the year end date; the consequent exchange gains and losses must be recognised to the income statement and any net profit is set aside in a specific restricted reserve until realised. The non-monetary assets and liabilities in foreign currency are recognised at the exchange rate in force at the time of their acquisition.

ILLUSTRATION OF THE ACCOUNTING PRINCIPLES

The most significant criteria used in the preparation of the financial statements are set out below.

INTANGIBLE ASSETS

Acquisition commission to be amortised

Life business

The acquisition commissions of the life business are amortised in accordance with art. 16, paragraph 10, of Legislative Decree No. 173, dated May 26th, 1997.

They are allocated, net of reinsurance amount and in any case within the limits of the premium loading present in the tariff, for a period equal to the duration of the contracts and, only for contracts with a generation year prior to 2013, for a period equal to the duration of the contracts with a maximum limit of ten years.

Start-up and expansion costs

This item consists of the costs incurred for the paid share capital increase reserved for Assicurazioni Generali carried out in 2020.

The amortisation process has a duration of 5 years and depends on the useful life of these costs.

Goodwill

The item includes:

- the goodwill deriving from the acquisition, in 2010, of the business unit from the subsidiary C.I.R.A. relating to the activities achieved via the broker and agent channels. In relation to the economic useful life of the unit in question, it is amortised on a straight-line basis in twenty annual portions;
- the deficit recognised in 2011 following the spin-off transaction for Duomo Uni One in the Company; it is amortised on the basis of an eighteen-year plan, in relation to the average residual duration of the underlying contracts;
- the deficit recognised in 2016 following the merger by incorporation of FATA Assicurazioni Danni within the Company. It is amortised, on a straight-line basis and proportionally over time, over a period of 13 years; the amortisation plan is deemed suitable in relation to the period of use of the intangible elements it is made up of.

- The deficit recognised in 2021 resulting from the merger by incorporation of the subsidiary Berica Vita. Goodwill is amortised over five years based on the duration of the portfolio that was acquired by the subsidiary as a result of the merger.

Other long-term costs

These are represented by costs benefiting the long-term, and are stated net of the amortisation provided.

The amortisation is calculated over a useful life of five years as a rule, or on the basis of the residual useful life.

The item also includes intangible fixed assets in progress, not subject to amortisation.

INVESTMENTS

Land and buildings

These are considered to be assets with long-term use destined to remain among the company assets; they are recognised at purchase cost increased by incremental value costs and the revaluations made over time, net, for buildings, of depreciation and impairment losses. The valuation is consistent with the dictates of art. 16, paragraphs 1, 2 and 3 of Legislative Decree No. 173 dated May 26th, 1997.

In relation to the obligation under Article 16, paragraph 7, of Italian Legislative Decree No. 173 dated May 26th, 1997, the current value of the properties, calculated individually for each property owned by the Company, on a consistent basis with the matters established by Article 18 of the aforementioned legislative decree and ISVAP Regulation No. 22 dated April 4th, 2008, as amended by IVASS Provision No. 53 dated December 6th, 2016, emerges from an estimate report prepared with reference to December 2021, on which the company has made additional internal prudential considerations.

Property used for business activities and by third parties

The properties intended for direct use and third-party use are systematically depreciated each year in relation to the residual possible use according to economic-technical criteria.

The plots of land and the pertinent areas acquired autonomously are recognised at purchase cost and are not depreciated.

During 2008, the faculty to revalue the property assets in the financial statements as of December 31st, 2007, was exercised, as envisaged by Law Decree No. 185, dated November 29th, 2008, converted by means of Law No. 2

dated January 28th, 2009, following the criterion of the comparative method (or market method).

It is confirmed that the revalued amount of the assets, net of the related accounting write-downs, does not exceed the market value attributable to the same as also emerges from the appraisals carried out by the company specialised with regard to real estate appraisal activities.

The Company exercised the right to assign tax-related importance to the revaluation of the properties (even if the effects are deferred over time) by means of the payment of the substitute tax.

Securities investments

In accordance with Art. 8 of IVASS Regulation No. 24 of June 6th, 2016, the Board of Directors adopted a specific framework resolution in relation to investment policies, asset and liability management and liquidity risk management. The investment policies are reviewed annually.

The document contains the financial guidelines, the investment objectives, the characteristics and limits on the basis of which the assets that meet the medium/long-term strategic investment needs are identified, consistent with the company's current and prospective economic, financial and management conditions, with a view to maintaining returns consistent with commitments to policyholders, given the profile of the liabilities and based on estimates of the performance of total reserves, in the asset & liability management business. The system for measuring and controlling the risks associated with the investments, as well as the related analysis methods and reporting content, are also defined.

It should be noted that the Company has decided not to make use of the option provided for by Italian Ministerial Decree of July 17th, 2020, of the MEF by which the provisions of Article 20-quater, paragraph 1, of Italian Law No. 136 of December 17th, 2018, on the valuation of securities included in the not long-term segment were extended to 2021 as well. Therefore, the exemption granted by the aforementioned law to Art. 2426, point 9, of the Italian Civil Code has not been applied.

Investments in Group companies and in other investee companies

These have been identified as fixed assets pursuant to articles 4 and 15 of Legislative Decree No. 173 dated May 26th, 1997, unless otherwise indicated as justified in the notes to the accounts, and are recorded on the basis of the criteria, listed below, determined in accordance with art. 16 of Legislative Decree No. 173 dated May 26th, 1997.

Company shares and holdings

Investments in the parent company and in subsidiaries, associates and other companies, in which a long-term relationship takes place as per Article 4, paragraph 2, of Italian Legislative Decree No. 173 dated May 26th, 1997, are recognised at purchase or subscription cost and are written down in the presence of permanent impairment losses, as per Article 16, paragraph 3 of Italian Legislative Decree No. 173 of May 26th, 1997.

The shares recognised under assets which are not long-term are valued analytically at the lower between the book value and the realisable value, established on the basis of market trends as per art. 16, paragraph 6, of Legislative Decree No. 173 dated May 26th, 1997.

Bonds issued by Group companies and investee companies and other fixed-income securities

Fixed income securities issued by the parent company, as well as by subsidiaries, associates and other companies, in which a long-term relationship takes place as per Article 4, paragraph 2, of Italian Legislative Decree No. 173 dated May 26th, 1997, are recognised at purchase or subscription cost and are written down in the presence of permanent impairment losses, as per Article 16, paragraph 3 of Legislative Decree No. 173 of May 26th, 1997. The amortisation of the additional cost has been adopted as envisaged by paragraph 16 of the same article.

The financial statement item also includes investments in bonds which represent non-permanent assets and therefore are recorded in the financial statements pursuant to art. 16, paragraph 6, of Italian Legislative Decree No. 173 dated May 26th, 1997.

Loans to Group companies

The item includes receivables for loans granted, at market conditions, to subsidiaries in which there is a long-term relationship pursuant to Article 4, paragraph 2, of Italian Legislative Decree No. 173 of May 26th, 1997.

These receivables are recorded at the nominal value of the amount disbursed.

Other financial investments

Other financial investments are recognised on the basis of the criteria, listed below, determined in accordance with art. 16 of Italian Legislative Decree No. 173 dated May 26th, 1997.

Shares and holdings

The shares are valued analytically at the lower between the book value and the realisable value, established on the basis of market trends.

The price of the last open market day is adopted as the realisable value.

In compliance with the provisions of art. 16, paragraph 6, of Italian Legislative Decree No. 173 dated May 26th, 1997, the securities, written down in previous years, for which the reasons which led to the write-down have ceased to exist, are revalued, with the limit of the historical cost.

Bonds and other fixed-income securities

Bonds which represent assets which are not long-term are valued analytically at the lower between the book value and the realisable value, established on the basis of market trends as per art. 16, paragraph 6, of Italian Legislative Decree No. 173 dated May 26th, 1997.

The purchase cost or the book value of the bonds is adjusted by issue discounts, in other words the differences between the issue values of the securities and the related redemption values.

Bonds which represent long-term assets are recognised at purchase or subscription cost and are written down in the presence of permanent impairment losses, as per art. 16, paragraph 3, of Italian Legislative Decree No. 173 dated May 26th, 1997. The book values are analytically valued and adjusted by the issue and trading discounts recognised on an accrual basis, as per the law indicated above.

In compliance with the provisions of art. 16, paragraph 3 and paragraph 6 of Italian Legislative Decree No. 173 dated May 26th, 1997, the securities, written down in previous years, for which the reasons which led to the write-down have ceased to exist, are revalued, with the limit of the historical cost.

Units of mutual investment funds

The units of mutual investment funds are valued analytically at the lower between the book value and the realisable value, established on the basis of market trends. The price of the last open market day is adopted as the realisable value.

The investments in private equity funds structured according to the formula of the committed fund are recognised in accordance with the guidelines issued by the EVCA (European Private Equity & Venture Capital Association), which envisage the recognition under the

assets of the values paid over to the fund and the indication of the residual commitment in relation to the same in the memorandum accounts, the disclosure of which is set out in Part B of these Notes to the accounts.

With reference to the valuation of financial instruments, it should be noted that the realisable value, which can be inferred from the market trend, is determined by means of the use of prices acquired from public listings, in the event of instruments listed on active markets, or by means of the use of valuation models in the case of instruments not listed or listed on non-active markets. An instrument is considered as listed on an active market if the listed prices are promptly and duly available via stock markets, brokers, intermediaries, companies specialised in the sector, listing services or regulatory bodies and represent effective and regular market transactions, which have taken place within an adequate reference interval promptly adapting to market changes. In the absence of an active market or a market that has a sufficient or permanent number of transactions, the market value is determined by means of valuation models, generally applied and accepted by the market, with the aim of determining the exchange price of a hypothetical transaction, which has taken place under market conditions, which can be defined as "normal and independent".

Recourse to the valuation techniques aims to minimise the use of the inputs not observable on the market, favouring the use of observable data.

In particular, where no publicly listed price is determined, the market value of the securities in the portfolio is identified as follows:

- for equity instruments (shares and holdings), market approach and income approach techniques are used, where the main inputs for the market approach are the prices listed for identical or comparable assets in active markets;
- debt instruments (bonds and other fixed-income securities) are valued by reference to: (i) the price provided by the counterparty, if binding ("executable"); (ii) the price recalculated by internal valuation instruments or provided by third parties and supported by suitable disclosure on the model and on the input data used. In the event that the use of a valuation model is necessary, the "plain vanilla" debt securities are valued applying the discounted cash flow model technique, while structured securities are valued by splitting the security into a portfolio of elementary instruments; the market value of the structured product can thus be obtained by adding together the individual valuations of the elementary instruments into which it has been split;

- for mutual investment funds, the reference value, for determining the market value, is represented by the official NAV communicated by the asset management company (SGR) or the fund administrator or obtained from information providers.

REPURCHASE TRANSACTIONS

The assets forming the subject matter of repurchase transactions are recognised, as per Art. 2424-bis of the Italian Civil Code, in the statement of financial position of the seller and the related income and charges, including therein the difference between the forward price and the spot price, are recognised for the portions pertaining to the year.

Derivative financial instruments

Derivative financial instruments, where existing, used for hedging purposes are valued in accordance with the principle of valuation consistency, which envisages that the capital gains and losses from valuation are booked to the income statement on a consistent basis with the corresponding capital gains and losses from valuation on the assets hedged.

Derivative financial instruments used to increase the profitability are valued at the lower between the book value and the realisable value, which is equal to the current value of the future performances.

The market value of the derivative contracts is determined in reference to the respective listings and, in the absence thereof, on the basis of a prudent valuation of their estimated realisable value, as per market practices.

INVESTMENTS FOR BENEFIT OF LIFE ASSURANCE POLICYHOLDERS WHO BEAR THE RISK AND DERIVING FROM THE MANAGEMENT OF PENSION FUNDS

These are recognised in accordance with the matters laid down by Articles 16, 17 and 19 of Italian Legislative Decree No. 173 dated May 26th, 1997.

The value of the investments classified in class D "Investments for benefit of life assurance policyholders who bear the risk and deriving from the management of pension funds" is determined on the basis of the current value expressed on the last day of transaction in the year, as communicated by the issuing bodies or, for listed securities, according to listed market prices.

RECEIVABLES

These are recorded at their estimated realisable value in accordance with art. 16, paragraph 9, of Italian Legislative Decree No. 173 dated May 26th, 1997, determined by countering the face value with the write-downs calculated using analytical methods for the receivables deriving from dealings with agents, reinsurance companies and other types of receivables, and with forfeit methods for those deriving from dealings with policyholders, taking into account the experience acquired and the historical analysis of the trend in collections.

OTHER ASSET ITEMS

Furniture and plant

These are recognised at purchase cost, as per art. 16, paragraphs 1 and 2, of Italian Legislative Decree No. 173 dated May 26th, 1997, and are adjusted by the corresponding cumulative depreciation.

The related cost is depreciated systematically in each year in relation to the residual possibility of use, which derives from a valuation made on the intended use, the expected physical wear and tear and the technological obsolescence, using economic-technical criteria on the basis of the experience acquired.

In relation to the period in which use of the asset ends, the following depreciation rates are calculated:

- ordinary office furniture and machines: 12%;
- plant and equipment: 15%;
- electronic machines and hardware: 20%;
- vehicles and internal means of transport: 25%.

The rates are applied to the extent of 50% for purchases made during the year. The result obtained does not differ significantly from that calculated on the basis of the effective duration of the period of possession.

Movable assets subject to rapid economic deterioration whose individual costs are of scant significance, are depreciated in full during the year.

Cash and cash equivalent

These are stated at their nominal value.

ACCRUALS AND DEFERRALS

The approach for recognising accruals and deferrals makes reference to the assignment to the accrual period of income and expenses common to several years.

The accruals and deferrals are calculated in accordance with the accrual principle, in observance of Art. 2424-bis, paragraph 6, of the Italian Civil Code.

SHAREHOLDERS' EQUITY

Reserves for shares of the parent company

This is recorded pursuant to Article 2359-bis of the Italian Civil Code in the presence of shares or holdings of the parent company and for the value with which these securities are entered in the assets of the statement of financial position.

The shareholders' equity reserve is unavailable.

Negative reserve for own shares in portfolio

Following the changes introduced by art. 6, paragraph 1 of Legislative Decree No. 139 dated August 18th, 2015, by way of implementation of the 2013/34/EU Directive, own shares are recognised in the financial statements directly reducing the shareholders' equity, in accordance with the matters laid down by art. 2357-ter.

SUBORDINATED LIABILITIES

These are stated at their nominal value.

TECHNICAL PROVISIONS

Life business technical provisions

The technical provisions, for the exercise of private life assurance, have been valued on the basis of the actuarial standards and the applicative rules set forth by Attachment No. 14 to the ISVAP Regulation No. 22 dated April 4th, 2008, as amended by IVASS Provision No. 53 dated December 6th, 2016.

The technical calculation bases adopted are consistent with the provision contained in Attachment No. 14 to ISVAP Regulation No. 22 dated April 4th, 2008, as amended by IVASS Provision No. 53 dated December 6th, 2016.

The process of forming technical provisions is based, among other things, on data flows deriving from the main characteristic processes and, by its nature, is affected by risks typical of an insurance company, linked to the financial management of investments and the complexity and variety of the insurance portfolio. The process of establishing technical provisions also includes the

determination of additional provisions provided to cover mortality or other risks, such as guaranteed benefits on maturity or guaranteed redemption values, which are included among the mathematical provisions.

As in the previous year, including in the financial statements as at December 31st, 2021, the process of determining the life business technical provisions was characterised by a greater complexity and subjectivity in the determination of parameters and assumptions due to the uncertainties related to the current macro-economic context following the Covid-19 pandemic.

The Company applies the provisions set out in paragraphs 21 et seq. of Attachment No. 14 to the ISVAP regulation No. 22, dated April 4th, 2008, as amended by IVASS Provision No. 53 dated December 6th, 2016, regarding the determination of the foreseeable return of the additional provisions for financial risk, along with those of paragraphs 36 et seq. of the aforementioned attachment, regarding the establishment and calculation of an additional provision for demographic risk.

Furthermore, the Company applies paragraph 41 of said attachment, which envisages the coverage of the mortality risk and guaranteed benefits falling due for the contracts as per art. 41, paragraph 1, of Italian Legislative Decree 209/2005 and subsequent amendments.

The provisions relating to the acceptances are calculated in relation to the criteria envisaged by Attachment No. 16 to ISVAP Regulation No. 22 dated April 4th, 2008, as amended by IVASS Provision No. 53 dated December 6th, 2016.

The reinsurance amount of technical provisions includes the gross amounts pertaining to the same and are determined in compliance with the contractual reinsurance agreements, on the basis of the gross amounts of the technical provisions.

Provision for outstanding claims

The provision is made up of the amount necessary for covering the payment of capital and accrued returns, redemptions and claims to be settled.

Premium provision of supplementary insurance

The premium provision of supplementary insurance includes the related premium provision.

Provision for profit-sharing and repayments

The provision for profit-sharing and repayments includes the amounts to be assigned to the policyholders or the

beneficiaries of profit-sharing and repayment agreements provided that these are not already considered in the mathematical provision.

Other technical provisions

Other technical provisions include the provision for future expenses, which are expected to be incurred on the basis of prudent valuations as per paragraph 17 of Attachment No. 14 to ISVAP Regulation No. 22 dated April 4th, 2008, as amended by IVASS Provision No. 53 dated December 6th, 2016.

Technical provisions for contracts where the investment risk is borne by the policyholders and deriving from the management of pension funds

The provisions relating to index-linked and unit-linked policies and pension funds have been calculated taking into account both the contractual commitments and the financial assets linked to said policies.

They are formed in accordance with paragraphs 39 et seq. of Attachment No. 14 to ISVAP Regulation No. 22 dated April 4th, 2008, as amended by IVASS Provision No. 53 dated December 6th, 2016, and cover the commitments deriving from the insurance of the life business whose return is determined in relation to investments for which the policyholder bears the risk or in relation to an index.

Non-life business provisions

The premium provision for non-life business comprises both the provision for unearned premiums and the provision for current risks.

The provision for unearned premiums is calculated analytically using the pro rata temporis method (paragraph 2, point 2 of Attachment No. 15 of the ISVAP Regulation No. 22, dated April 4th, 2008) on the basis of the gross premiums written, as established by Article 45 of Italian Legislative Decree No. 173, dated May 26th, 1997, having deducted the acquisition commissions and the other acquisition costs, limited to the directly chargeable costs.

The book value thus obtained has been supplemented by the provisions for suretyship, crop hail, other natural disasters and damages deriving from nuclear energy, as provided for in paragraph 9 of Attachment No. 15 of ISVAP Regulation No. 22 of April 4th, 2008.

The provision for current risks is calculated class by class and represents the amount to be set aside to cover the risks threatening individual companies after the end of the accounting period, so as to cover all the compensation

and costs deriving from insurance policies stipulated by the end of the accounting period, if their amount exceeds that of the provision for unearned premiums and the premiums, which will be collectable by virtue of these policies, according to paragraph 6, point 1, of Attachment No. 15 of ISVAP Regulation No. 22, dated April 4th, 2008.

The premium provisions relating to transfers to re-insurers are determined on the basis of methods consistent with those for direct business and, in any event, in accordance with reinsurance contractual agreements.

The premium provisions relating to acceptances are calculated in relation to the criteria envisaged in title I, chapter III, section I of the part III of ISVAP Regulation No. 33 of March 10th, 2010.

The provision for outstanding claims is determined on the basis of a prudent evaluation of the claims, which occurred during that accounting period or in previous ones that have not yet been settled, based on objective elements, as well as of the related settlement costs.

In the definition of the provision for outstanding claims, reference was made, to the concept of last estimated cost, identifying this value in compliance with the provisions set out in paragraphs 23 et seq. of Attachment No. 15 of ISVAP Regulation No. 22 of April 4th, 2008, in accordance with a mixed assessment system.

In particular, when establishing the liability relating to the claims, steps are taken to separately evaluate each claim (inventory method), based on the analysis of the documentation relating to each individual damage case, implemented by the staff assigned to settle the claims. With regard to the classes characterised by slow settlement processes and for which the analytical valuation does not make it possible to take into account all anticipated charges, the inventory method is flanked by an additional valuation by means of statistical-actuarial procedures or forecast systems on the evolution of the costs.

The main assumptions used in applying the statistical-actuarial methods concern technical variables, including the time interval for deferring payments and the trend in the cost of claims, linked to the length of time taken to pay, as well as prospective assessments of the economic scenario.

The actuarial analysis was carried out with reference to simulations deriving from the use of different statistical-actuarial methods; in particular, reference was made to the following stochastic methods: Mack Paid and Mack Incurred.

The above methods are based on the run-off triangles of the cumulative paid and cost of claims at various valuation dates (cost being the sum of the cumulative

paid per year and the residual inventory reserve per year i).

With regard to the assessment of the cost of the current generation, the Company avails itself, as envisaged by paragraph 25, point 1, of Attachment No. 15 of ISVAP Regulation No. 22 dated April 4th, 2008, of the average cost approach (with the exception of the credit and suretyship classes) for the classes, which due to technical features lend themselves to the application of the same criterion.

To this end, two homogeneous risk groups have been identified, dividing claims according to a first year cost threshold (i.e. paid and reserved in the reporting year), representing the amount used for channelling to the Complex Claims Office.

With regard to average costs used, the triangle of inflated and stripped reported averages as at December 31st, 2021, for non-delayed claims of the 2018-2021 generations (claims that occurred and were reported in the year i) was analysed.

With regard to the claims of the current generation, which do not present sufficient numerousness and quantitative and qualitative standardisation, the inventory method is applied.

The reserve includes the evaluation of the claims, which have occurred but have not been reported as at the year-end date, determined on the basis of the provisions set out in paragraphs 27 et seq. of Attachment No. 15 of the ISVAP Regulation No. 22 of April 4th, 2008 .

The amount was determined on the basis of experience acquired in previous years, estimating separately the expected number of claims and the relative average cost per each line of business and in the case of Motor TPL per management type.

The number of expected claims was estimated, where the conditions for their applicability were met, by using the chain ladder method applied to the triangle of claims reported over the 2015-2021 time period.

The average cost was obtained by observing the average costs reported late for the 2016-2021 generations.

The provision for outstanding claims regarding Card and No Card claims of the land vehicle TPL class is established on the basis of paragraphs 30 et seq. of Attachment No. 15 of ISVAP Regulation No. 22 of April 4th, 2008; the overall amount of the provision for outstanding claims is calculated in relation to the matters laid down by paragraph 31, point 2.

The portions of the provisions for outstanding claims pertaining to re-insurers are determined adopting the same criteria used for the direct business provisions and taking into account the contractual clauses of the agreements.

The provisions for outstanding claims relating to acceptances are calculated in relation to the criteria provided for in title I, chapter III, section II of the Part III of ISVAP Regulation No. 33 dated March 10th, 2010.

As in the previous year, in the financial statements as at December 31st, 2021, the process of determining provisions for outstanding claims was characterised by greater complexity and subjectivity in determining parameters and assumptions due to uncertainties related to the current macroeconomic environment resulting from the Covid-19 pandemic.

Provision for profit-sharing and repayments

The provision for profit-sharing and repayments includes the amounts to be paid to policyholders or beneficiaries of technical profit-sharing and repayment agreements, provided that such amounts have not already been allocated to policyholders.

Other technical provisions

They include the ageing provision of the health class for the rise in the age of policyholders, in accordance with paragraphs 42 et seq. of Attachment No. 15 of ISVAP Regulation No. 22, of April 4th, 2008, and title I, Chapter III, Section IV of Part III of ISVAP Regulation No. 33 of March 10th, 2010.

Equalisation provisions

These comprise the equalisation provision of the credit class, as well as the equalisation provisions for natural calamity risks and for damages deriving from nuclear energy as per paragraphs 37 and 41 and title I, chapter III, section III of the Part III of ISVAP Regulation No. 33 of March 10th, 2010.

PROVISIONS FOR RISKS AND CHARGES

Provision for pensions and similar obligations

The item includes the amount of the mathematical provision corresponding to the commitments undertaken regarding to the individual members enrolled (active members and pensioners) in the Internal Pension Fund for Company Employees and the appraisals as at year-end not yet included in the mathematical provision as at that date. This item indicates the Company's commitment envisaged by the supplementary in-house agreement

dated October 29th, 1999, which amended the original agreement dated June 1st, 1963, in favour of the employees taken on until March 15th, 1982 (if officers, until November 17th, 1982).

The Fund, complying with the defined benefit regime and managed in insurance form, was set up in accordance with Art. 2117 of the Italian Civil Code; the value of the benefit accrued is determined analytically for each individual position using the criteria established in the afore-mentioned agreement.

Provision for taxation

The provision comprises the deferred taxes estimated, relating to the timing differences between the taxable results and those deriving from the statutory financial statements, which involve the deferral of the taxation.

Prepaid taxes relating to the deductible timing differences are recorded in the assets item E.III. "Other receivables".

This approach is in line with the accounting standard on taxation No. 25 issued by the OIC - Italian Accounting Body.

Other provisions and allowances

The item includes the provisions provided to cover known or likely specific losses or liabilities, the timing or extent of which cannot be determined at year end.

PAYABLES AND OTHER LIABILITIES

Employee severance indemnities

Employee severance indemnities are calculated in accordance with the legal provisions and employment contracts.

The provision, net of advances paid out, covers the Company's commitments regarding to the employees as at year-end.

Payables

These are stated at their nominal value.

INCOME STATEMENT

Gross premiums written

These are recognised in accordance with art. 45 of Italian Legislative Decree No. 173 dated May 26th, 1997, with reference to the moment of accrual, which corresponds

with the moment of expiry of the premiums as emerging from the contractual documentation, independently of the fact that these amounts have been effectively collected or that they refer in full or in part to subsequent periods and are determined net of cancellations in accordance with the afore-mentioned legislation.

Income

Income is recognised taking into account its pertinence and regardless of the date of collection.

Dividends are recorded in the period they are received.

Costs and charges

Charges are recognised taking into account the pertinence of the same, regardless of the date of payment.

Cost allocation approach

Directly chargeable costs inherent to business, the settlement of claims and investments are allocated to the life and non-life businesses and to the individual classes on the basis of analytical criteria.

Indirectly chargeable acquisition costs are allocated in relation to the number of new business contracts, those relating to administration on the basis of the contracts in the portfolio and those relating to settlement on the basis of the number of claims settled and reserved for the non-life business and the number of settlements for the life business. The charges relating to investments are assigned to the life and non-life businesses on the basis of the volume of the provisions.

Transfers of income and charges

The allocation of portions of the profit of the investments to the non-life technical account and the transfer from the life technical account to the non-technical account is carried out in accordance with Article 55 of Italian Legislative Decree No. 173 dated May 26th, 1997, and Articles 22 and 23 of ISVAP Regulation No. 22, dated April 4th, 2008, as amended by IVASS Provision No. 53 dated December 6th, 2016.

Taxation for the year

Current taxes for the year are provided for on an accrual basis with reference to current legislation.

Deferred tax assets and liabilities are recognised on the timing differences between the value assigned to the

assets and liabilities according to statutory criteria and the value assigned to the same assets and liabilities for tax purposes.

The assets deriving from prepaid taxes are recognised since, having checked the observance of the prudent principle, there is reasonable certainty of the existence, in the years when the related timing differences will reverse, of taxable income greater than the amounts of the differences, which will be cancelled.

Prepaid taxes and deferred taxes relating to the timing differences arising during the year have been recognised in the financial statements separately, by means of recording the same respectively in "Other receivables" under the assets and in the "Provision for deferred taxation" as a matching balance to the specific income statement item 14 "Income taxes for the year".

Compliance with the tax consolidation scheme does not lead to exceptions or changes to the standards illustrated above.

USE OF ACCOUNTING ESTIMATES

The preparation of the Company's financial statements requires the directors to make discretionary evaluations, estimates based on past experience and assumptions considered reasonable and realistic on the basis of information known at the time of the estimate. The use of these estimates influences the book value of assets and

liabilities, identification of potential liabilities at the date of the financial statements, as well as the volumes of revenues and costs in the reference period. The assumptions made are deemed appropriate for the preparation of the financial statements and, consequently, the financial statements have been prepared with the intention of clarity and provide a true and fair view of the capital and business-performance status and cash flows for the year. However, it must be noted that changes in these estimates and assumptions could have a significant effect on the capital and business-performance status if different elements of judgement intervene compared to those expressed.

The main areas of the financial statements that involve significant recourse to discretionary judgements, assumptions, estimates and assumptions about issues, which by nature are uncertain, are set out below:

- determination of impairment losses on long-term equity investments;
- determination of the recoverable amount of goodwill;
- definition of the market value of the assets and liabilities if not directly observable on active markets;
- determination of technical provisions;
- estimate of the recoverable nature of deferred tax assets;
- quantification of provisions for risks and charges and allowance for write-down of receivables.

NOTES TO THE ACCOUNTS

**Part B - Information on the
Statement of financial position
and Income statement**

PART B

STATEMENT OF FINANCIAL POSITION - ASSETS

Following the merger of ABC Assicura S.p.A. and Berica Vita S.p.A. which affected the Company, with accounting and tax-related efficacy as from January 1st, 2021, the table below shows the statement of financial position assets with the figures as at December 31st, 2020, adjusted in accordance with the criteria described in the Introduction of these Notes to the

accounts, supplemented with the breakdown of the absorbing company and the absorbed company. In the comments on the individual items provided below, the changes compared to the corresponding period of the previous year refer to the presented pro-forma figure.

Table 25 - Pro-forma statement of financial position - Assets

ASSETS (€ thousands)	2021	2020				Adjust- ments (d)
	Cattolica	Cattolica pro-forma (e=a+b+c+d)	Cattolica (a)	ABC (b)	BERICA (c)	
A. Amounts due from shareholders for subscribed share capital not paid in	0	0	0	0	0	0
B. Intangible assets	98,941	121,871	111,018	0	0	10,853
1. Acquisition expenses to amortise	11,417	11,531	11,531	0	0	0
2. Other assets	87,524	110,340	99,487	0	0	10,853
C. Investments	9,339,797	9,512,556	9,105,233	20,622	485,610	-98,909
I - Land and buildings	66,075	84,312	84,312	0	0	0
II - Investments in Group companies and other investee companies	1,288,674	1,668,193	1,767,097	3	2	-98,909
1. Shares and holdings	1,205,196	1,585,515	1,684,419	3	2	-98,909
2. Bonds	18,478	17,678	17,678	0	0	0
3. Loans	65,000	65,000	65,000	0	0	0
III - Other financial investments	7,975,997	7,750,604	7,244,377	20,619	485,608	0
1. Shares and holdings	29,940	35,020	34,946	65	9	0
2. Units of mutual investment funds	1,570,196	1,447,230	1,443,538	0	3,692	0
3. Bonds and other fixed-income securities	6,373,448	6,265,720	5,763,259	20,554	481,907	0
4. Loans	2,413	2,634	2,634	0	0	0
5. Other	0	0	0	0	0	0
IV - Deposits with ceding companies	9,051	9,447	9,447	0	0	0
D. Investments for benefits of life assurance policyholders who bear the risk and deriving from the management of pension funds	724,112	570,614	569,540	0	1,074	0
I - Investments relating to benefits associated with investment funds and stock market indices	576,710	416,667	415,593	0	1,074	0
II - Investments deriving from the management of pension funds	147,402	153,947	153,947	0	0	0
D bis. Technical provisions - reinsurance amount	458,154	454,498	437,740	11,627	13,287	-8,156
I - Non-life business technical provisions	434,170	426,740	423,269	11,627	0	-8,156
II - Life business technical provisions (excluding the technical provisions referred to in point III)	23,984	27,758	14,471	0	13,287	0
III - Life business technical provisions where the investment risk is borne by policyholders and provisions deriving from the management of pension funds	0	0	0	0	0	0
E. Receivables	992,132	1,141,060	1,114,963	7,346	25,272	-6,521
I - Receivables deriving from direct insurance transactions	383,665	446,712	441,202	2,636	2,874	0
II - Receivables deriving from reinsurance transactions	46,452	56,264	54,765	1,182	317	0
III - Other receivables	562,015	638,084	618,996	3,528	22,081	-6,521
F. Other asset items	247,828	160,123	148,736	797	10,590	0
I - Tangible assets and inventories	2,016	2,209	2,209	0	0	0
II - Cash and cash equivalent	81,202	62,871	53,285	793	8,793	0
IV - Other assets	164,610	95,043	93,242	4	1,797	0
G. Accruals and deferrals	52,174	58,551	53,881	79	4,591	0
TOTAL ASSETS	11,913,138	12,019,273	11,541,111	40,471	540,424	-102,733

SECTION 1 - INTANGIBLE ASSETS (Item B)

Intangible assets, presented in summary form in Attachment 4, showed the following changes:

Table 26 - Intangible assets

(€ thousands)	2021	Pro forma 2020	Changes		2020
			Absolute value	%	
Acquisition commissions to be amortised - life business	11,417	11,531	-114	-1.0	11,531
Start-up and expansion costs	3,171	0	3,171	n.a.	0
Goodwill	82,189	103,844	-21,655	-20.9	92,991
Other long-term costs	2,164	6,496	-4,332	-66.7	6,496
TOTAL (item B)	98,941	121,871	-22,930	-18.8	111,018

n.a. = not applicable

The following tables, relating to gross amounts of amortisation and the accumulated amortisation, do not contain the acquisition commissions to be amortised since it is amortised using the direct method.

Table 27 - Intangible assets - gross amortisation amounts

(€ thousands)	Jan 1st, 2021	Increases	Decreases	Dec 31st, 2021
Start-up and expansion costs	21,900	5,022	1,388	25,534
Goodwill	362,040	0	0	362,040
Other long-term costs	31,586	60	3,747	27,899
TOTAL	415,526	5,082	5,135	415,473

The gross amounts as at January 1st, 2021, under "Goodwill" include the value of the portfolio outstanding as at December 31st, 2020, of Berica Vita S.p.A. amounting to € 10.853 million.

Table 28 - Intangible assets - accumulated amortisation

(€ thousands)	Jan 1st, 2021	Increases	Decreases	Dec 31st, 2021
Start-up and expansion costs	21,900	463	0	22,363
Goodwill	258,196	21,655	0	279,851
Other long-term costs	25,090	645	0	25,735
TOTAL	305,186	22,763	0	327,949

Acquisition commission to be amortised

Acquisition commission to be amortised for the life business amounted to € 11.417 million, compared with € 11.531 million at the end of the previous year.

As at December 31st, 2021, no commission to be amortised for the non-life business has been recorded.

Start-up and expansion costs

This item amounts to € 3.171 million and includes the expenses related to the capital increase carried out during the year.

The amortisation charge for the year came to € 463 thousand.

Goodwill

The item amounted to € 82.189 million at year-end (€ 92.991 million as at December 31st, 2020) and includes:

- the price paid for the acquisition of the business unit from subsidiary C.I.R.A. net of the amortisation charge calculated on the basis of a straight-line twenty-year plan. The residual value as at the year-end amounted to € 3.16 million, net of the amortisation charge for € 395 thousand;
- the deficit recognised following the spin-off transaction for Duomo Uni One in the Company. The residual value as at the year-end, net of the amortisation charge for € 7.881 million, amounted to € 55.057 million;
- the deficit recognised following the merger by incorporation of FATA in the Company for a total of € 29.929 million whose residual value, net of the related amortisation charge for € 2.302 million, amounted to € 16.116 million;
- the deficit recognised following the merger by incorporation of Berica Vita in the Company for a total of € 10.853 million whose residual value, net of the related amortisation charge for € 2.997 million, amounted to € 7.856 million;

During the year the amortisation plans provided for the following goodwill were completed:

- the deficit recognised following the partial spin-off of Cattolica Gestione Investimenti in the Company for a

total of € 16.69 million. The amortisation charge for the period amounted to € 1.669 million;

- the deficit recognised following the spin-off of Cattolica Previdenza in the Company, with amortisation charge for the year of € 6.411 million.

Other long-term costs

The item amounted to € 2.164 million and includes:

- € 1.635 million reflecting the amount of the long-term expenses pertaining to the issue, in December 2017, of the bond incurred for a total amount of € 2.748 million. The amortisation charge for the year came to € 275 thousand;
- € 322 thousand reflecting the amount of the long-term expenses pertaining to the issue in 2014 of the bond incurred for a total amount of € 1.678 million. The amortisation charge for the year came to € 168 thousand;
- € 156 thousand reflecting the costs incurred for software implementations, stated net of the amortisation charge for the year of € 189 thousand;
- € 51 thousand reflecting the costs associated with leasehold improvements, displayed net of the amortisation charge for the year of € 13 thousand.

As at December 31st, 2020, the item amounted to € 6.496 million.

SECTION 2 - INVESTMENTS (Item C)

Land and buildings

The "Land and buildings" item amounted to € 66.075 million. At the end of the year, the current value of properties amounted to € 66.881 million; it was updated on the basis of the market value as at December 2021, as

emerging from the appraisal report of the independent expert in charge of the valuation.

As shown in the table below, the item is made up as follows:

Table 29 - Land and buildings

(€ thousands)	2021	Pro forma 2020	Changes		2020
			Absolute value	%	
Property used for business activities	39,400	55,697	-16,297	-29.3	55,697
Property used by third parties	26,675	28,615	-1,940	-6.8	28,615
TOTAL (item C.I)	66,075	84,312	-18,237	-21.6	84,312

Table 30 - Land and buildings - gross depreciation amounts

(€ thousands)	Jan 1st, 2021	Increases	Decreases	Dec 31st, 2021
Property used for business activities	89,117	69	14,270	74,916
Property used by third parties	39,599	0	1,222	38,377
TOTAL	128,716	69	15,492	113,293

Table 31 - Land and buildings - accumulated depreciation

(€ thousands)	Jan 1st, 2021	Increases	Decreases	Dec 31st, 2021
Property used for business activities	33,420	2,096	0	35,516
Property used by third parties	10,984	718	0	11,702
TOTAL	44,404	2,814	0	47,218

Property used for business activities

Property used for business activities amounted to € 39.4 million, compared with € 55.697 million recorded at the end of the previous year.

The gross amounts totalled € 74.916 million compared with € 89.117 million in the previous financial year. As a result of an impairment loss deemed to be permanent, the value of the properties included in this category was written-down by a total of € 14.181 million, aligning the book value to the value inferable from the independent expert's appraisal. The accumulated depreciation amounted to € 35.516 million. The figure compares with € 33.42 million reported at the end of the previous year.

During the year, the increase in accumulated depreciation, totalling € 2.096 million, was mainly attributable to the depreciation charge for the year.

Property used by third parties

The item amounted to € 26.675 million. The figure compares with € 28.615 million recorded in the 2020 financial statements.

The gross amounts came to € 38.377 million compared with € 39.599 million in the previous year. As a result of an impairment loss deemed to be permanent, the value of several properties was written down for a total of € 1.222 million, aligning the book value to the market value.

The accumulated depreciation amounted to € 11.702 million; the increase of € 718 thousand is attributable to the charge for the year.

Investments in Group companies and other investee companies

Pursuant to Art. 2426 of the Italian Civil Code and Art. 58 of the Consolidated Tax Law (TUIR), the investments in Group companies (subsidiaries, associated companies and other investee companies), represent fixed assets. The class C.II.2.e) bonds are fully recorded under securities not for long-term use, as indicated in another section of the notes to the accounts.

The changes during the year in investments in Group companies and other investee companies are shown in Attachment 5.

With regard to the investee companies, detailed information is provided in Attachments 6 and 7.

Company shares and holdings

The item includes the equity investments in subsidiaries, associated companies and other investee companies. The following table shows the financial statements balances and the related changes during the year. The pro-forma figure was obtained by subtracting from the previous year's figure the value of the investments in the two merged companies, for a value of € 98.909 million and adding the value of the investments that the two merged companies had in Cattolica Services.

Table 32 - Investments - summary of values

Company	2021	Pro forma 2020	Changes		2020
			absolute value	%	
Parent companies	2,194	0	2,194	n.a.	0
Subsidiaries	1,189,307	1,572,623	-383,316	-24.4	1,671,529
Associated companies	8,793	9,051	-258	-2.9	9,051
Other	4,902	3,841	1,061	27.6	3,839
TOTAL (item C.II.1)	1,205,196	1,585,515	-380,319	-24.0	1,684,419

The main changes described analytically in the "Significant events during the year" section in the Management Report are summarised below and the share capital increase subscriptions and the recapitalisations made during the year, along with transactions of minor importance, are shown in detail.

PARENT COMPANIES

The item amounts to € 2.194 million, and includes the shares held by the parent company, reclassified from item C.III.1.a of the Statement of Financial Position for € 1.815 million following the positive outcome of the PTO launched by Assicurazioni Generali with which Cattolica became a subsidiary of the Generali Group, and the related recovery in value recorded during the period of € 379 thousand.

Moreover, as provided for by Article 2359-bis of the Italian Civil Code, a specific shareholders' equity reserve for the same amount was set up at the same time.

SUBSIDIARIES

The item fell from € 1,572.623 million to € 1,189.307 million, reporting an overall net decrease of € 383.316 million.

Increases

The increases during the year, equal to € 17.161 million, are essentially attributable to the following recapitalisation transactions:

- Cattolica Services S.C.p.A.: € 2.029 million;
- CattRe S.A.: € 15 million.

A capital increase was carried out for CattRe S.A., while for Cattolica Services S.C.p.A, the recapitalisation was carried out in the form of a capital contribution.

For details of other increases, please refer to Attachment 7 of the Notes to the accounts.

Write-downs

As regards decreases in value, the main changes compared to the previous year concern write-downs of

equity investments for a total of € 161.52 million, broken down as follows:

- Vera Assicurazioni S.p.A.: € 65.091 million;
- Vera Vita S.p.A.: € 87.208 million;
- Cattolica Beni immobili S.p.A.: € 9.221 million;

With regard to the other write-downs listed above, for the purposes of impairment testing, the Company uses analytical methods aimed at identifying the recoverable value of equity investments.

In continuity with previous year it was deemed advisable to use records that consider the metrics emerging from Solvency II regulations to estimate the value in use, in order to be able to better "value", in line with the maximum prudence principles, the provisions issued by the Supervisory Authority on capital restrictions, including capital requirement in the current value of future cash flows expected to be generated.

To better represent the effects of using these metrics, the value in use was estimated based on the Dividend Discount Model in the Solvency II Excess Capital version for Non-life equity investments and the Solvency II Appraisal Value for Life equity investments.

In applying these models, reference was made to the guidelines and projections of economic results for the 2022-2024 period, approved by Cattolica Assicurazioni's Board of Directors on February 23rd, 2022. These projections will form the basis of the ORSA 2022-2024 Evaluation (pursuant to Regulation No. 32/2016). For the Vera Assicurazioni and Vera Vita equity investments, reference was made to the agreement entered into with the shareholder Banco BPM on March 5th, 2021, subsequently ratified in the new Shareholders' Agreements on April 16th, 2021. In fact, on March 5th, 2021, Banco BPM and Cattolica Assicurazioni announced that they had reached an agreement by which their respective differences were overcome and the terms and methods for adjusting and continuing the partnership in the bancassurance sector and the related exit rights were defined, thus combining their respective interests and taking into account the changed economic context. The agreement reached between Banco BPM and Cattolica



envisages, against Banco BPM's waiver of the call already exercised, recognition for Banco BPM of an early exit right from the partnership, the original duration of which was set out until 2033, which can be exercised in the period between January 1st, 2023 and June 30th, 2023, which may be postponed by the Bank six months at a time, for three times, until December 31, 2024. In particular, the parties agreed in favour of Banco BPM on an unconditional option to purchase the 65% held by the Company in the capital of the JVs Vera Vita and Vera Assicurazioni; the price to exercise the purchase option has been set for the so-called "own funds" - excluding subordinated liabilities and including any profits up to the date of transfer of the equity investments - to be calculated for the six months prior to the exercise of the option. To this value, will be added (i) a fixed component of € 60 million, of which € 26 million against Cattolica's waiver of the right to extend the distribution agreement to the Branches currently served by another insurance partner, and (ii) a possible component of € 50 million to be paid on a deferred basis, exclusively in the event that for a period of 4 years there are no events that affect the control of Cattolica by the majority shareholder or other parties, including jointly. The agreement provides for protection mechanisms for both parties linked to the price for exercising the call (so-called cap and floor on the value of the own funds as calculated as at the reference date) and price adjustments deriving from any retained earnings, distribution of reserves/extraordinary dividends or any capital increases or capital contributions by the joint ventures. If Banco BPM decides not to exercise the purchase option within the aforesaid term, the Bank shall pay Cattolica the same € 26 million in exchange for Cattolica's waiver to extend the distribution agreement to the Branches currently served by another insurance partner and the partnership between Banco BPM and Cattolica will continue until December 31st, 2030 (subject to subsequent annual renewals), upon the expiry of which Banco BPM may again exercise the option to purchase 65% of the capital of the joint ventures or, in the event of failure by the Bank to exercise said option, Cattolica may exercise an option to sell the aforesaid shares. In this case, the exercise price of the purchase and sales options will remain anchored to the own funds (as defined above) as at December 31st, 2030, without any additional components and without the application of protection mechanisms.

The agreement between Banco BPM and Cattolica also envisaged a revision of the production targets to which under-performance penalties and over-performance premiums are correlated, charged to/favoured by Banco BPM, as distributor. Cattolica Assicurazioni was granted adjustments to the servicing contracts with the investee companies and greater supervision of the product mix.

Therefore, as part of the exercise, this arrangement was taken into account through multi-scenario modelling. On

November 4th, 2021, the total PTO launched by Assicurazioni Generali in relation to Cattolica was concluded, with 84.475% of the share capital subscribing. Moreover, on November 5th, 2021, Banco BPM presented its 2022-2024 Business Plan to the markets, under which the complete internalisation of the bancassurance business was assumed, making explicit the possibility of exercising, among other things, the call option on the Vera Companies in the first half of 2023. The valuation exercise for the Vera CGUs was therefore carried out considering the almost certain probability of exercise of the call option in 2023 by the shareholder Banco BPM and the cancellation of the possible € 50 million component following the entry of Cattolica into the Generali Group.

The hypotheses on the basis of which the recoverable value of each equity investment emerged as less sensitive were:

- the combined ratio for non-life equity investments and new business for life equity investments;
- the cost of own capital (Rs);
- the long-term growth rate (g);
- the Solvency Ratio level.

The cost of capital has been estimated using the CAPM - Capital Asset Pricing Model. The parameters used for the purposes of the estimate of the recoverable value are: the beta ratio by class of activities, formulated on the basis of market betas of European insurance companies; the equity risk premium, taking into account the consensus value disclosed in market analysts' reports; the risk free rate.

On the basis of these elements, the cost of own capital (Rs) for each equity investment was estimated to be 7.63% for the life business companies (BCC Vita, Vera Vita) and 6.05% for the non-life business companies (TUA, BCC Assicurazioni, Vera Assicurazioni, CattRe). The long-term growth rate ("g") was 1.50% for all equity investments. These basic assumptions, besides being in line with the long-term nominal growth rate of Italian GDP, are also consistent with the values used by financial analysts of the insurance sector.

For the non-insurance subsidiaries, the recoverable value was determined on the basis of the pro-rata shareholders' equity adjusted, where necessary, by any capital gains/losses relating to the core business assets.

Decreases

The decreases for the year are mainly due to the sale, for a value of € 238.895 million, of the equity investment held by Cattolica in Lombarda Vita to Intesa Sanpaolo S.p.A., which succeeded UBI Banca as a result of the merger on April 12th, 2021.

Other increases and decreases

For other changes recorded on equity investments in subsidiaries during the year, reference should be made to Attachment 7 of the notes to the accounts.

The data of the subsidiaries and associated companies, as defined by Art. 2359 of the Italian Civil Code, as indicated in Attachment 6 of the notes to the accounts, is listed in the following tables, as per Art. 2427, paragraph 1, point 5, of the Italian Civil Code.

Pursuant to Art. 2429, paragraphs 3 and 4 of the Italian Civil Code, the data included in these tables is accompanied, for the associated companies and subsidiaries included in the scope of consolidation, by a summary statement of the highlights from the last sets of approved financial statements.

Table 33 - Summary data of subsidiaries

Name or business name	Registered offices	Share capital	Shareholders' Equity	of which profit (+)	Equity	Value recorded in the financial statements
				or loss (-)	investment	
				for the year	%	
BCC Assicurazioni s.p.a.	Milan	14,448	17,857	968	70.00	11,710
BCC Vita s.p.a.	Milan	62,000	282,460	944	70.00	160,570
Cattolica Agricola s.a.r.l.	Verona	35,500	146,740	103	100.00	146,543
Cattolica Beni Immobili s.r.l.	Verona	7,000	32,884	-9,354	100.00	33,945
Cattolica Immobiliare s.p.a.	Verona	400	5,729	763	100.00	3,181
Cattolica Services s.c.p.a.	Verona	20,954	60,623	1	99.97	60,611
CattRe Sa (*)	Luxembourg	63,600	86,002	645	100.00	85,430
TUA Assicurazioni s.p.a.	Milan	23,161	173,439	12,851	99.99	164,298
Vera Assicurazioni s.p.a.	Verona	63,500	101,874	23,081	65.00	192,532
Vera Vita s.p.a.	Verona	219,600	376,060	-12,011	65.00	330,487

(*) Shareholders' equity and profit for the year as at December 31st, 2021, are provided, determined in accordance with IAS/IFRS, with the exclusion of the reserve for gains or losses on available-for-sale financial assets.

The equity investment in Cattolica Beni Immobili discloses a difference between the book value and the corresponding portion of shareholders' equity of € 1.061 million, to be attributed to the latent capital gains on a portion of the subsidiary's properties not expressed in the book value of its shareholders' equity.

The equity investments in Vera Assicurazioni and Vera Vita disclose a difference between their book value and the

corresponding portion of shareholders' equity of € 126.314 million and € 86.048 million respectively, to be attributed to the existing portfolio, as well as to goodwill by virtue of the future earnings prospects deriving from the partnership renewed in March 2021 with Banco BPM and taking into account the assumptions adopted in the impairment test.

ASSOCIATED COMPANIES

The item amounted to € 8.793 million and records a decrease with respect to the previous year of € 258 thousand. The change from the previous year's value is due to the following.

Table 34 - Summary data of associates

Name or business name	Registered offices	Share capital	Shareholders' Equity	of which profit (+)	Equity	Value recorded in the financial statements
				or loss (-)	investment	
				for the year	%	
H-Farm s.p.a.(*)	Roncade (TV)	12,867	36,708	-14,103	3.67	209
Ima Italia Assistance s.p.a.	Sesto San Giovanni	3,857	25,559	1,603	35.00	8,584

(*) The balances for shareholders' equity and the profit (loss) for the year pertaining to the Group as at December 31st, 2020, have been provided, since the 2021 financial statements had not yet been approved as at the date of approval of Cattolica's financial statements by the Board of Directors.

Increases

There were no increases during the year.

Decreases

The decreases amounted to € 258 thousand and are mainly due to write-downs of the equity investment held in H-Farm S.p.A.

The Discounted Cash Flow method was used to determine the book value in the financial statements, and the consequent measurement of the write-down in the income statement, based on the company's 2020-2024 business plan, within which future management actions were weighted by the presumed probability of realisation. With reference to the valuation of the investee H-Farm, in which Cattolica Assicurazioni holds an equity investment of around 3.67%, considering its status as an Associated Company, the recoverable value was determined using the pro-rata shareholders' equity method estimated as at December 31st, 2021, net of the Participative Financial Instruments (SFP - Strumenti Finanziari Partecipativi).

OTHER

The item includes equity investments posted entirely under the long-term segment and rose from € 3.841 to € 4.901 million, primarily due to calls for commitments undertaken with Veronafiore S.p.A., amounting to € 1.061 million.

Write-downs

With regard to the valuation of other equity investments, it should be noted that this matter is governed, from the point of view of national accounting standards, by OIC 21. This standard, in paragraph 27, provides that equity investments in fixed assets are "recognised at cost at the time of initial recognition. This cost cannot be maintained, in accordance with the provisions of Art. 2426, paragraph 1, number 3), of the Italian Civil Code, if the value of the equity investment at the end of the financial year is permanently lower than its cost value".

The following methods were used to determine the recoverable value of equity investments:

- stock market multiples: this method determines the value of a company on the basis of market multiples of comparable companies;
- Discounted Cash Flow: this method estimates the value of the company on the basis of the flows that it is able to generate.

The valuations made did not entail any value adjustments to the equity investments.

Table 35 - Summary data of the other investments

Name or business name	Registered offices	Share capital	Shareholders' Equity	of which profit (+)	Equity investment %	Value recorded in the financial statements
				or loss (-)		
				for the year		
Banca di Credito Popolare s.c.p.a. (*)	Torre Del Greco (NA)	20,039	199,747	3,100	1.01	530
Bcc Campania Centro - CRA s.c.p.a. (*)	Salerno	2,472	113,671	2,789	4.18	4
Emil Banca Credito Coop. s.c.p.a. (*)	Bologna	102,953	346,352	18,347	0.10	26
Ima Servizi s.c.a.r.l. (**)	Sesto San Giovanni	100	1,658	0	6.00	99
Ist. di Certific. Etica nello Sport s.p.a. (**)	Verona	270	161	-34	3.70	10
Nummus.Info s.p.a. (**)	Trento	580	674	133	10.78	78
U.C.I. s.c.a.r.l. (**)	Milan	527	1,334	15	2.23	0
Verfin s.p.a. (**)	Verona	6,553	13,900	-26	3.94	429
Veronafiore s.p.a. (**)	Verona	90,913	59,345	-26,223	6.01	3,726

(*) The balances for the shareholders' equity and profit (loss) for the year are shown, prepared in accordance with the international accounting standards (IAS/IFRS).

(**) The balances for shareholders' equity and the result for the year as at December 31st, 2020, drawn up according to national accounting standards, have been provided, since the 2021 financial statements had not yet been approved as at the date of approval of Cattolica's financial statements by the Board of Directors.

Bonds issued by companies

The item, amounting to € 18.478 million, includes bonds issued by "Subsidiaries" for 17.5 million, by "Associates" for € 178 thousand and by "Parent Companies" for € 800 thousand: the latter item, previously entered under item C.III.3.a) of the Statement of Financial Position, is entirely attributed to the short-term segment and equally divided between the non-life and life portfolios.

The bonds issued by subsidiaries amounted to € 8.75 million for the non-life portfolio and € 8.75 million for the life portfolio and were issued entirely by BCC VITA S.p.A.

The bonds issued by associated companies amounted to € 23 thousand for the non-life portfolio and € 155 thousand for the life portfolio and were issued entirely by H-FARM S.p.A.

No movements took place during the year, with the exception of the reclassification described above.

The value for the previous year was € 17.678 million.

Loans to companies

The item, amounting to € 65 million, includes entirely loans granted to "Subsidiaries". In 2020, a loan was disbursed to Vera Vita S.p.A., for a total of € 65 million, of which € 50.05 million attributable to the non-life portfolio and € 14.95 million attributable to the life portfolio.

Other financial investments

The table, which follows, shows the breakdown of the item as of the year-end date:

Table 36 - Other financial investments - breakdown

(€ thousands)	2021	Pro forma 2020	Changes		2020
			Absolute value	%	
Shares and holdings	29,940	35,020	-5,080	-14.5	34,946
Units of mutual investment funds	1,570,196	1,447,229	122,967	8.5	1,443,538
Bonds and other fixed-income securities	6,373,448	6,265,719	107,729	1.7	5,763,259
Loans	2,413	2,634	-221	-8.4	2,634
Total (item C.III)	7,975,997	7,750,602	225,395	2.9	7,244,377

The income and charges are illustrated respectively in Attachments 21 and 23 to the notes to the accounts.

Shares and holdings

Investments in shares and holdings amounted to € 29.94 million (of which € 14.287 million were traded on active markets and € 15.653 million traded on non-active markets), attributed for € 26.221 million to the life business and for € 3.719 million to the non-life business; they exclusively included securities not for long-term use.

During the year purchases for € 12.026 million, attributable to the increase in listed shares, sales for € 9.659 million and other negative net changes for € 7.373 thousand were made.

The year-end valuation led to the recognition of adjustments for € 5.647 million and write-backs for € 80 thousand.

The current value as at December 31st was € 35.365 million.

were traded on active markets and € 1,414.738 million traded on non-active markets), of which € 1,562.52 was unlisted: € 851.266 million for the non-life portfolio and € 718.93 million for the life portfolio.

During the year purchases were made for € 118.091 million along with sales for € 8.977 million. Furthermore, other increases were recognised consisting of recalls in relation to share capital for commitments undertaken, equal to € 52.838 million and other decreases relating to reimbursements in relation to share capital for commitments undertaken, equal to € 36.44 million and other net positive changes of € 1.146 million.

The year-end valuations lead to the recognition of adjustments for € 13.067 million and write-backs for € 10.521 million.

The current value of the item at the year-end was € 1,774.523 million.

Units of mutual investment funds

The investments in units of mutual investment funds do not represent fixed assets. They amounted to € 1,570.196 million at the end of the year (of which € 155.458 million

Bonds and other fixed-income securities

The investments in bonds and other fixed-income securities include securities not for long-term use and securities used for the long-term segment. These totalled € 6,373.448 million (of which € 5,294.187 million traded in active markets and € 1,079.261 million traded in non-

active markets): € 2,075.866 million for the non-life portfolio and € 4,297.582 million for the life portfolio.

The current value at the year-end stood at € 6,842.071 million.

During the year, purchases were made for € 2,447.811 million, of which € 2,037.489 was in short-term securities.

Sales and repayments amounted to € 2,223.563 million.

The period-end valuation led to the recognition of adjustments for € 12.994 million and write-backs for € 920 thousand. The negative issue discounts (costs) amounted to € 889 thousand and the positive ones (revenues) amounted to € 11.623 million; negative trading discounts (costs) totalled € 6.616 million while the positive ones (revenues) came to € 3.483 million.

Long-term investments amounted to € 3,049.745 million (fully traded on listed markets), while short-term investments amounted to € 3,323.703 million (of which € 200 thousand traded on unlisted markets).

With reference to the securities in the long-term segment, the main changes during the year are summarised below:

- purchases amounted to € 410.322 million (of which € 188.632 million in the non-life business and € 221.69 million in the life business);
- the repayments of instruments, which have reached their natural maturity, amounted to €

159.95 million (€ 26.384 million in life and € 133.566 million in non-life);

- the positive issue discounts amounted to € 5.454 million, the negative ones to € 310 thousand;
- in conclusion, the positive trading discounts amounted to € 3.483 million, the negative ones to € 6.616 million.

During the year, securities belonging to the long-term segment were sold for an amount of € 158.035 million. Furthermore, steps were not taken to make any transfer from the short-term segment to the long-term one.

The information relating to the breakdown and the changes based on the use of the other financial investments and the current value are contained in Attachments 8 and 9 to the notes to the accounts.

The table below provides a breakdown of the Company's exposures in government debt securities issued or guaranteed by PIGS countries (Portugal, Ireland, Greece and Spain). It should also be noted that the Company has no exposure to debt securities issued or guaranteed by the Russian, Belarussian and Ukrainian governments.

Table 37 - Exposure in government debt securities issued or guaranteed by PIGS countries (Portugal, Ireland, Greece and Spain)

(€ thousands)	Book value	FV
Portugal	83,922	94,313
Ireland	62,745	67,765
Greece	0	0
Spain	387,887	414,143
TOTAL	534,554	576,221

The following table shows the positions with a significant figure divided up by issuer group.

Table 38 - C.III.3 class bonds - main issuer Groups

Issuer Group	% breakdown
Italian Republic	48.4%
Intesa Sanpaolo Spa	5.9%
Spanish government	5.6%
French government	4.7%
Novus Cap Lux Sa	2.0%

The amount of the instruments issued by Icelandic banks and included in the "Debt securities and other fixed-income securities" item amounted to € 178 thousand.

Loans

The item, amounting to € 2.413 million, compared with € 2.634 million in the previous year, mainly includes:

- the loan with collateral granted to Opera San Giovanni Bosco in Sicily, for € 1.883 million. Interest accrued for € 42 thousand during the year;
- the loans on life policies for € 440 thousand (€ 703 thousand at the end of the previous year);
- other residual loans amounting to € 90 thousand, in line with the previous year.

Please see Attachment 10 for changes in the item during the year.

Deposits with credit institutions

No value had been recorded at the year-end date.

Sundry financial investments

At the end of the year, as in the previous year, no value was recorded.

Foreign currency investments

Other financial investments included foreign currency securities amounting to € 7 thousand.

At the end of the previous financial year there were no foreign currency securities recorded.

Securities transferred from class D

No securities were transferred during the year.

Repurchase transactions

No repurchase transactions were carried out during the year.

Deposits with ceding companies

The item includes the deposits established with transferring insurance companies, in relation to the risks undertaken with reinsurance. During the year, the value decreased by € 396 thousand, dropping from € 9.447 million to € 9.051 million.

SECTION 3 - INVESTMENTS FOR THE BENEFIT OF LIFE ASSURANCE POLICYHOLDERS WHO BEAR THE RISK AND DERIVING FROM THE MANAGEMENT OF PENSION FUNDS (Item D)

The item, amounting to € 724.112 million, includes the assets hedging index-linked and unit-linked contracts, analytically identified in Attachment 11 to the notes to the accounts, as well as those deriving from the management of pension funds summarised in Attachment 12 to the notes to the accounts.

It is also specified that the capital gains and losses from realisation and valuation, as well as the capitalisation of the issued discounts are matched by a change for the same amount in the related mathematical provisions of the life business.

Table 39 - Investments for benefits of life assurance policyholders who bear the investment risk and deriving from the management of pension funds - breakdown

(€ thousands)	2021	Pro forma 2020	Changes		2020
			Absolute value	%	
Investments relating to benefits associated with investment funds and stock market indices	576,710	416,667	160,043	38.4	415,593
Investments deriving from the management of pension funds	147,402	153,947	-6,545	-4.3	153,947
TOTAL (item D)	724,112	570,614	153,498	26.9	569,540

Investments relating to benefits associated with investment funds and stock market indices

The item includes the assets hedging index-linked and unit-linked contracts for a total amount of € 576.710 million. The assets hedging the index-linked contracts amounted to € 204 thousand, those relating to unit-linked contracts totalled € 576.506 million.

Investments deriving from the management of pension funds

Investments deriving from the management of pension funds amounted to € 147.402 million, down € 6.545 million with respect to December 31st, 2020.

Tables 55 and 56 show the values of the provisions and the assets at the end of the year, as well as the gross premiums written in the period, for each pension fund.

Please refer to the financial statements of the Open-end Pension Funds, attached to Cattolica's financial statements, for details and comments on the assets and the volumes produced during the year relating to the management of the afore-mentioned funds.

SECTION 4 - TECHNICAL PROVISIONS - REINSURANCE AMOUNT (Item D bis)

The reinsurance amount of technical provisions calculated using the method adopted for direct business comprises:

Table 40 - Reinsurance amounts of technical provisions

(€ thousands)	2021	Pro forma 2020	Changes		2020
			Absolute value	%	
Non-life business					
Premium provision	91,683	87,196	4,487	5.1	85,659
Provision for outstanding claims	342,487	339,440	3,047	0.9	337,610
Total non-life	434,170	426,740	7,430	1.7	423,269
Life business			0		
Mathematical provisions	23,588	27,292	-3,704	-13.6	14,351
Provision for outstanding claims	396	466	-70	-15.0	120
Total life	23,984	27,758	-3,774	-13.6	14,471
TOTAL (item D bis)	458,154	454,498	3,656	0.8	437,740

The reinsurance amounts of technical provisions totalled € 458.154 million, of which € 434.170 million related to non-life business and € 23.984 million related to life business.

With regard to the non-life business, the premium provision amounted to € 91.683 million (of which € 17.468 million

relating to supplementary provisions) and the provision for outstanding claims for € 342.487 million.

With regard to the life business, the mathematical provisions pertaining to reinsurance amounted to € 23.588 million, while the provision for outstanding claims ended the year with a balance of € 396 thousand.

SECTION 5 - RECEIVABLES (Item E)

Receivables are made up as follows:

Table 41 - Receivables

(€ thousands)	2021	Pro forma 2020	Changes		2020
			Absolute value	%	
Policyholders	155,936	180,269	-24,333	-13.5	180,089
Insurance brokers	168,142	211,848	-43,706	-20.6	206,579
Insurance companies - current accounts	35,037	22,589	12,448	55.1	22,587
Policyholders and third parties for sums to be recovered	24,550	32,006	-7,456	-23.3	31,947
Total (item E.I)	383,665	446,712	-63,047	-14.1	441,202
Insurance and reinsurance companies	46,452	56,264	-9,812	-17.4	54,765
Total (item E.II)	46,452	56,264	-9,812	-17.4	54,765
Other receivables (item E.III)	562,015	638,084	-76,069	-11.9	618,996
Total (item E)	992,132	1,141,060	-148,928	-13.1	1,114,963

Receivables deriving from reinsurance transactions

Receivables from policyholders

The item amounted to € 155.936 million, of which € 150.698 million for premiums in the year and € 5.238 million for premiums relating to previous years. As at December 31st, 2020, the item amounted to € 180.089 million.

The item was adjusted for a total of € 12.395 million, of which € 6.881 million relating to the non-life business and € 5.514 million relating to the life business, for write-downs due to doubtful collection, assumed on the basis of the experience of previous accounting years.

The write-down allowance is mainly attributed as follows: € 1.243 million to the accident, injury and health classes, € 1.623 million to the general TPL class, € 885 thousand to the other damage to assets class, € 998 thousand to the fire & natural forces class, € 453 thousand to the suretyship class, € 231 thousand to the goods in transit class and € 1.155 thousand to the TPL motor class and € 4.808 million to class I and € 568 thousand to class V of the life business. Compared to the balance as at December 31st, 2021, a total of € 74.699 million in policyholder receivables were collected during the first two months of 2022.

Receivables from insurance brokers

The balance of receivables from brokers, totalling € 168.142 million, disclosed a decrease compared to last year of € 43.706 million.

Receivables from agents are stated net of the write-down allowance; the item amounted to € 23.441 million and was

established on the basis of the analytical assessments concerning the recoverability of said receivables.

Receivables from agents for compensation at the end of the year, net of the related accumulated amortisation, amounted to € 58.658 million (€ 57.714 million as at December 31st, 2020).

Compared to the balance as at December 31, 2021, during January 2021, a total of € 100.943 million in receivables from brokers were collected.

Receivables from insurance companies - current accounts

The item, net of the write-down allowance for € 178 thousand, amounted to € 35.037 million, compared with € 22.587 million in the previous year.

Receivables from policyholders and third parties for sums to be recovered

The item, net of the write-down allowance for € 21.761 million, amounted to € 24.55 million, compared with € 31.947 million in the previous year.

The write-down allowance, calculated analytically on the basis of valuations regarding the recoverability of the receivables, disclosed an increase of € 5.056 million and uses of € 3.503 million.

Receivables deriving from reinsurance transactions

The item included the entries with credit balances through reinsurance companies and brokers and amounted to € 46.452 million (€ 54.765 million as at December 31st, 2020). The receivables are stated net of the related write-down allowance; the entity of the allowance, equal to € 6.114 million, is commensurate with the estimated losses due to non-collectability.

Other receivables

Other receivables amounted to € 562.015 million, with respect to the € 618.996 million relating to the previous year and include the amounts due from the tax authorities, for deferred tax assets, from Group companies and other receivables.

The breakdown is shown in the table below:

Table 42 - Other receivables - breakdown

(€ thousands)	2021	Pro forma 2020	Changes		2020
			Absolute value	%	
Receivables due from the tax authorities	347,923	372,261	-24,338	-6.5	354,092
Receivables for deferred tax assets	123,381	137,817	-14,436	-10.5	135,403
Receivables due from Group companies	43,736	78,633	-34,897	-44.4	80,307
Sundry receivables	46,975	49,373	-2,398	-4.9	49,194
Total (item E.III)	562,015	638,084	-76,069	-11.9	618,996

Receivables due from the tax authorities amounted to € 347.923 million compared with a balance of € 372.261 million in the previous year. The item refers mainly to € 18.919 million for receivables from the tax authorities for advance payments of Group IRES, € 4.61 million for receivables from the tax authorities for advance payments of IRAP, as well as € 53.812 million for surpluses resulting from the tax returns submitted. In addition, there is € 11.931 million for receivables from the annual insurance tax return, € 11.754 million for withholdings made on bank interest and other withholdings, and € 7.844 million for receivables from the tax authorities transferred to the Company by the subsidiaries that participated in the tax consolidation scheme. Also included are tax advances paid in accordance with Italian Law No. 265 dated November 22nd, 2002, concerning the taxation of the life provisions for € 106.412 million, and amounts due from tax authorities for the payment of the annual advance of tax on insurance premiums envisaged by Art. 9, paragraph 1-bis, of Italian Law No. 1216 of 1961, for € 124.267 million. This item decreased compared to the previous year, mainly due to the lower advances paid for Group IRES and IRAP by the Company, as a result of the decreases in income for the year.

Prepaid tax assets amounted to € 123.381 million. They derive from deductible timing differences relating to IRES (corporate income tax), such as write-downs and losses on receivables from policyholders for € 26.260 million, the write-down of other receivables and the provisions for risks

and charges for € 30.045 million, the capital losses from valuation on shares amounting to € 0.718 million, the change in the provision for outstanding claims for € 6.935 million, the amortisation of the goodwill from business units acquired for € 20.248 million and other adjustments for € 5.766 million.

These also include the prepaid taxes (€ 25.795 million) recorded on the goodwill and the other intangible assets freed up in accordance with Italian Decree Law No. 185 dated November 29th, 2008.

The timing differences relating to IRAP amounted to € 7.613 million.

Receivables due from Group companies totalled € 43.736 million, of which € 9.624 million for the transfer of tax positions represented by current IRES of the companies who have settled for the tax consolidation scheme, € 6.87 million for group VAT receivables, and other intercompany receivables of € 27.243 million.

The remaining balance of other receivables, which amounted to € 46.975 million, mainly includes the receivables due for guarantee and restricted deposits amounting to approximately € 18.165 million, receivables due from customers and advances to suppliers for € 7.659 million, receivables due from unit-linked management funds and pension funds for € 3.435 million, receivables due from employees of € 3.008 million, receivables due from guarantee funds of € 2.115 million, receivables due from tenants of € 815 thousand and other residual receivables of € 11.778 million.

SECTION 6 - OTHER ASSET ITEMS (Item F)

Tangible assets and inventories

Tangible assets and inventories, whose opening balances include the balances deriving from the merger of Berica

Vita and ABC Assicura, underwent the following changes during the year:

Table 43 - Tangible assets and inventories

(€ thousands)	2021	Pro forma 2020	Changes		2020
			Absolute value	%	
Furniture and equipment	1,035	1,333	-298	-22.4	1,333
Assets recorded in public registers	26	122	-96	-78.7	122
Plant and equipment	955	754	201	26.7	754
TOTAL (item F)	2,016	2,209	-193	-8.7	2,209

Table 44 - Tangible assets and inventories - gross depreciation amounts

(€ thousands)	Jan 1st, 2021	Increases	Decreases	Dec 31st, 2021
Furniture and equipment	49,467	154	76	49,545
Assets recorded in public registers	344	145	403	86
Plant and equipment	4,021	515	0	4,536
TOTAL	53,832	814	479	54,167

Table 45 - Tangible assets and inventories - accumulated depreciation

(€ thousands)	Jan 1st, 2021	Increases	Decreases	Dec 31st, 2021
Furniture and equipment	48,134	452	76	48,510
Assets recorded in public registers	222	37	199	60
Plant and equipment	3,267	314	0	3,581
TOTAL	51,623	803	275	52,151

Gross amounts came to € 54.167 million compared to € 53.832 million in the previous financial year, which included the values of ABC Assicura and Berica Vita for an amount of € 75 thousand (furniture and equipment for € 12 thousand and € 63 thousand respectively). The accumulated depreciation amounted to € 52.151 million. The figure compares with the € 51.623 million reported at the end of the previous year: this includes the value of the absorbed companies for € 75 thousand.

During the year, the increase in accumulated depreciation, totalling € 803 thousand, was substantially attributable to the depreciation charge for the year.

The decreases were consequent to the realisations and disposals, which took place during the year.

Financial lease transactions

The Company did not enter into any financial lease transactions during the year.

Cash and cash equivalent

Cash and cash equivalents amounted to € 81.202 million. As at the previous year end it amounted to € 53.285 million.

With regard to the change in the item, please see the Cash flow statement.

Other assets

Other assets amounted to € 164.610 million. As at the previous year end it amounted to € 93.242 million.

The item includes the balance of the liaison account between the non-life and life businesses for € 102.494 million registered as a credit to the non-life business. The amount is matched by an equal balance under "Other liabilities" in the non-life business.

The other amounts, which are recorded, relate mainly for € 21.539 million to the amount relating to the taxation on mathematical provisions for the life business accrued during the year, for € 13.208 million to the indemnities paid to agents who have left, not yet charged for recovery, stated net of the related write-down allowance as well as for € 8.927 million to the amounts relating to technical items for transactions under reconciliation to be settled as at the year-end date.

SECTION 7 - ACCRUALS AND DEFERRALS (Item G)

Table 46 - Accruals and deferrals

(€ thousands)	2021	Pro forma 2020	Changes		2020
			Absolute value	%	
For interest	51,125	56,993	-5,868	-10.3	52,323
Other accruals and deferrals	1,049	1,558	-509	-32.7	1,558
TOTAL (item G)	52,174	58,551	-6,377	-10.9	53,881

The item includes almost entirely accruals relating to interest income on securities, pertaining to the year, whose coupon matures in the current year.

Balances due after twelve months have not been recorded.

SUBORDINATED ASSETS

The following table analytically discloses the subordinated assets.

The subordination with respect to the receivables with a greater level of seniority expresses its effects exclusively in

the event of insolvency or winding up; the recovery on the asset up until the extent of the principal and the interest due can be realised solely further to the complete satisfaction of the more senior creditors.

Statement 1 - Subordinated assets

(amounts in €)

Description of the Security	Nominal value	Book value	Currency	% interest rate as at Dec 31st, 2021	Early repayment clauses		
					Maturity date	First call repayment date	Call repayment price
ABNANV 4 3/4 PERP	4,000,000	3,950,650	EUR	4.75000	PERPETUAL	09/22/2027	100.00
ACAFP 2 5/8 03/17/27	11,400,000	11,081,457	EUR	2.62500	03/17/2027		
ASSGEN 7 3/4 12/12/42	800,000	800,000	EUR	7.75000	12/12/2042		
BACR 4 3/4 PERP	2,000,000	2,000,000	EUR	0.10700	PERPETUAL	03/15/2022	100.00
BACRED 3 1/2 03/22/29	48,000,000	48,000,000	EUR	1.82200	03/22/2029		
BAMIM 4 3/8 09/21/27	4,300,000	4,371,466	EUR	4.37500	09/21/2027		
BBVASM 3 1/2 02/10/27	2,000,000	2,103,582	EUR	3.50000	02/10/2027		
BDC 3 7/8 03/15/28	2,700,000	2,688,500	EUR	3.87500	03/15/2028		
BNP 2 1/4 01/11/27	8,000,000	7,956,640	EUR	2.25000	01/11/2027		
BNP 2 3/4 01/27/26	7,995,000	7,973,250	EUR	2.75000	01/27/2026		
BNP 2 5/8 10/14/27	10,700,000	10,720,930	EUR	2.62500	10/14/2027		
BPEIM 5 1/8 05/31/27	4,500,000	4,570,605	EUR	5.12500	05/31/2027		
C 4 1/4 02/25/30	2,500,000	2,800,525	EUR	4.25000	02/25/2030		
CABKSM 2 1/4 04/17/30	2,000,000	1,884,937	EUR	2.25000	04/17/2030		
CABKSM 2 3/4 07/14/28	700,000	722,633	EUR	2.75000	07/14/2028		
CMZB 4 03/23/26	6,900,000	7,272,256	EUR	4.00000	03/23/2026		
CMZB 4 03/30/27	100,000	111,953	EUR	4.00000	03/30/2027		
DB 4 1/2 05/19/26	3,300,000	3,382,417	EUR	4.50000	05/19/2026		
HSBC 3 1/8 06/07/28	2,000,000	1,969,870	EUR	3.12500	06/07/2028		
HSBC 4 3/4 PERP	6,900,000	6,819,135	EUR	4.75000	PERPETUAL	07/04/2029	100.00
INTNED 2 1/2 02/15/29	2,000,000	2,043,505	EUR	2.50000	02/15/2029		
ISPIM 2,855 04/23/25	9,850,000	9,695,509	EUR	2.85500	04/23/2025		
ISPIM 3,928 09/15/26	10,000,000	9,924,166	EUR	3.92800	09/15/2026		
ISPIM 6 5/8 09/13/23	1,196,000	1,140,473	EUR	6.62500	09/13/2023		
LBBW 2 7/8 09/28/26	2,000,000	1,993,898	EUR	2.87500	09/28/2026		
LLOYDS 1 3/4 09/07/28	1,000,000	965,209	EUR	1.75000	09/07/2028		
LLOYDS 4 1/2 03/18/30	4,000,000	4,331,595	EUR	4.50000	03/18/2030		
RABOBK 4 5/8 PERP	2,000,000	2,010,600	EUR	4.62500	PERPETUAL	12/29/2025	100.00
SANTAN 2 1/2 03/18/25	3,800,000	3,762,004	EUR	2.50000	03/18/2025		
SANTAN 2 1/8 02/08/28	3,100,000	2,998,226	EUR	2.12500	02/08/2028		
SANTAN 3 1/2 03/24/29	48,000,000	48,000,000	EUR	1.26700	03/24/2029		
SANTAN 3 1/4 04/04/26	4,000,000	3,988,997	EUR	3.25000	04/04/2026		
SANTAN 3 1/8 01/19/27	3,000,000	2,982,598	EUR	3.12500	01/19/2027		
SNSBNK 6 1/4 10/26/20	850,000	38,250	EUR	0	10/26/2020		
STANLN 3 1/8 11/19/24	2,800,000	2,795,363	EUR	3.12500	11/19/2024		
UCGIM 4 1/2 06/14/32	47,000,000	47,000,000	EUR	1.69700	06/14/2032		
UCGIM 4 3/8 01/03/27	5,000,000	4,944,945	EUR	4.37500	01/03/2027		
USIMIT 3 7/8 03/01/28	8,200,000	8,092,637	EUR	3.87500	03/01/2028		
VITAS 5 3/4 07/11/28	36,000,000	36,000,000	EUR	5.75000	07/11/2028		

(amounts in €)

Description of the Security	Nominal value	Book value	Currency	% interest rate as at Dec 31st, 2021	Early repayment clauses		
					Maturity date	First call repayment date	Call repayment price
SOCGEN Float 06/12/23	20,000,000	19,996,854	EUR	6.30000	06/12/2023		
RABOBK 3 1/4 PERP	2,000,000	1,995,160	EUR	3.25000	PERPETUAL	12/29/2026	100.00
ACHMEA 4 5/8 PERP	2,950,000	2,950,000	EUR	4.62500	PERPETUAL	03/24/2029	100.00
AGSBB 3 7/8 PERP	2,000,000	2,024,380	EUR	3.87500	PERPETUAL	12/10/2029	100.00
BANCAR 8 1/4 12/20/29	10,000,000	10,000,000	EUR	8.25000	12/20/2029		
CCBGBB 3 5/8 PERP	2,600,000	2,521,064	EUR	3.62500	PERPETUAL	04/16/2025	100.00
ICCREA 4 1/8 11/28/29	9,500,000	9,521,850	EUR	4.12500	11/28/2029		
IBESM 3 1/4 PERP	1,000,000	962,400	EUR	3.25000	PERPETUAL	11/12/2024	100.00
ORAFP 1 3/4 PERP	2,000,000	1,969,144	EUR	1.75000	PERPETUAL	12/19/2026	100.00
ORAFP 5 PERP	1,000,000	1,040,096	EUR	5.00000	PERPETUAL	10/01/2026	100.00
ENGIFP 1 5/8 PERP	2,000,000	2,008,446	EUR	1.62500	PERPETUAL	04/08/2025	100.00
BNP 1 5/8 07/02/31	300,000	280,732	EUR	1.62500	07/02/2031		
INTNED 2 1/8 05/26/31	2,200,000	2,199,443	EUR	2.12500	05/26/2031		
INTNED 1 11/13/30	500,000	484,642	EUR	1.00000	11/13/2030		
KBCBB 0 1/2 12/03/29	2,600,000	2,528,145	EUR	0.50000	12/03/2029		
ACAFP 1 5/8 06/05/30	500,000	499,839	EUR	1.62500	06/05/2030		
LAMON 2 1/8 06/23/31	3,500,000	3,627,855	EUR	2.12500	06/23/2031		
BAMIIM 5 09/14/30	2,600,000	2,600,000	EUR	5.00000	09/14/2030		
ENIIM 2 5/8 PERP	2,100,000	2,088,717	EUR	2.62500	PERPETUAL	10/13/2025	100.00
ACAFP 2 07/17/30	4,500,000	4,645,935	EUR	2.00000	07/17/2030		
CABKSM 3 3/8 03/15/27	2,500,000	2,506,404	EUR	3.37500	03/15/2027		
ISPIIM 5 7/8 PERP	2,000,000	2,030,140	EUR	5.87500	PERPETUAL	01/20/2025	100.00
ISPIIM 4.45 09/15/27	2,600,000	2,596,963	EUR	4.45000	09/15/2027		
MACIFS 0 5/8 06/21/27	5,500,000	5,384,500	EUR	0.62500	06/21/2027		
CCAMA 0 3/4 07/07/28	5,100,000	4,937,157	EUR	0.75000	07/07/2028		
ENELIM 3 1/2 05/24/2080	4,000,000	3,978,353	EUR	3.50000	05/24/2080		
MRKGR 1 5/8 09/09/2080	1,800,000	1,800,000	EUR	1.62500	09/09/2080		
TELIAS 3 04/04/2078	1,000,000	946,000	EUR	3.00000	04/04/2078		
Total	422,941,000	422,013,000					

PART B

STATEMENT OF FINANCIAL POSITION - LIABILITIES AND SHAREHOLDERS' EQUITY

Following the merger of ABC Assicura S.p.A. and Berica Vita S.p.A., which affected the Company, with accounting and tax-related efficacy as from January 1st, 2021, the following table shows the statement of financial position liabilities and shareholders' equity with the balances as at December 31st, 2020, adjusted in accordance with the criteria described in the

Introduction of these Notes to the accounts, supplemented with the breakdown of the absorbing company and the absorbed company.

In the comments on the individual items provided below, the changes compared to the corresponding period of the previous year refer to the presented pro-forma figure.

Table 47 - Pro-forma statement of financial position - Liabilities and shareholders' equity

LIABILITIES (€ thousands)	2021	2020				Adjustments (d)
	Cattolica	Cattolica pro-forma (e=a+b+c+d)	Cattolica (a)	ABC (b)	BERICA (c)	
A. Shareholders' equity	2,189,378	2,000,107	1,996,007	15,408	76,747	-88,055
I - Subscribed share capital or equivalent fund	685,044	685,044	685,044	8,925	31,000	-39,925
II - Share premium reserve	829,547	863,344	863,344	0	0	0
III - Legal reserve	137,009	307,278	307,278	234	5,898	-6,132
IV - Reserves for shares of the parent company	2,194	0	0	0	0	0
IV - Other equity reserves	531,235	305,364	301,264	7,000	26,200	-29,100
V - Retained profits (accumulated losses)	0	0	0	-349	5,273	-4,924
VI - Net profit (loss) for the year	6,991	3,583	3,583	-402	8,376	-7,974
VII - Negative reserve for own shares in portfolio	-2,642	-164,506	-164,506	0	0	0
B. Subordinated liabilities	600,000	680,000	680,000	0	0	0
C. Technical provisions	7,796,173	8,145,852	7,683,581	18,374	452,054	-8,157
I - Non-life business	2,898,554	3,010,674	3,000,457	18,374	0	-8,157
1. Premium provision	714,483	729,346	722,234	14,486	0	-7,374
2. Provision for outstanding claims	2,167,531	2,265,240	2,262,442	3,581	0	-783
3. Sundry technical provisions	1,076	1,177	870	307	0	0
4. Equalisation provisions	15,464	14,911	14,911	0	0	0
II - Life business	4,897,619	5,135,178	4,683,124	0	452,054	0
1. Mathematical provisions	4,760,298	4,954,924	4,537,167	0	417,757	0
2. Provision for outstanding claims	109,094	150,140	119,760	0	30,380	0
3. Sundry technical provisions	28,227	30,114	26,197	0	3,917	0
D. Technical provisions for contracts where the investment risk is borne by the policyholders and provisions deriving from the management of pension funds	724,112	570,615	569,541	0	1,074	0
I - Provisions relating to contracts whose benefits are linked with investment funds and stock market indices	576,710	416,668	415,594	0	1,074	0
I - Provisions deriving from the management of pension funds	147,402	153,947	153,947	0	0	0
E. Provisions for risks and charges	81,411	76,781	74,798	1,813	170	0
F. Deposits received from re-insurers	15,189	14,491	14,474	17	0	0
G. Payables and other liabilities	503,123	527,385	518,668	4,859	10,379	-6,521
I - Payables deriving from direct insurance transactions	53,949	54,049	46,104	3,586	4,359	0
II - Payables deriving from reinsurance transactions	65,310	49,427	49,183	138	106	0
III - Bond loans	0	0	0	0	0	0
IV - Payables due to banks and financial institutions	3,053	8,827	8,827	0	0	0
V - Payables and sundry loans	218,278	318,026	317,537	1,103	5,907	-6,521
VI - Employee severance indemnities	5,257	5,577	5,565	5	7	0
VII - Other liabilities	157,276	91,479	91,452	27	0	0
H. Accruals and deferrals	3,752	4,042	4,042	0	0	0
TOTAL LIABILITIES	11,913,138	12,019,273	11,541,111	40,471	540,424	-102,733

SECTION 8 - SHAREHOLDERS' EQUITY (Item A)

The breakdown of the items, which make up the Company's shareholders' equity, is provided below.

Table 48 - Shareholders' equity

(€ thousands)	2021	Pro forma 2020	Changes		2020
			Absolute value	%	
Share capital	685,044	685,044	0	0	685,044
Share premium reserve	829,547	863,344	-33,797	-3.9	863,344
Revaluation reserve	62,499	62,499	0	0	62,499
Legal reserve	137,009	307,278	-170,269	-55.4	307,278
Reserves for shares of the parent company	2,194	0	2,194	n.a.	0
Other provisions	468,736	242,865	225,871	93.0	238,765
Profit (loss) for the year	6,991	3,583	3,408	95.1	3,583
Negative reserve for own shares in portfolio	-2,642	-164,506	161,864	98.4	-164,506
TOTAL (item A)	2,189,378	2,000,107	189,271	9	1,996,007

n.a. = not applicable

Share capital

The fully subscribed and paid-in share capital as at December 31st, amounted to € 685.044 million, unchanged compared to the previous year.

The share capital is divided into 228,347,980 ordinary shares.

Share premium reserve

The share premium reserve amounted to € 829.547 million decreasing by € 33.797 million compared to December 31st, 2020, when it amounted to € 863.344 million.

The change is due to the coverage of the loss for the year recorded in the previous year's life business, as resolved by the Shareholders' Meeting.

Revaluation reserves

These include € 41.459 million relating to the reserves recorded pursuant to Law No. 413 dated December 30th, 1991, and € 21.04 million for the net balance of the revaluation of the property assets carried out in 2008 under the provisions of Italian Law Decree No. 185 dated November 29th, 2008, converted into Italian Law No. 2 dated January 28th, 2009.

Legal reserve

The legal reserve decreased from € 307.278 million to € 137.009 million. The change relates to the release, with consequent reclassification to a specific reserve posted to the "Other reserves" item, of the portion exceeding one

fifth of the share capital following the transformation into a joint-stock company on April 1st, 2021.

Reserves for shares of the parent company

As at December 31st, 2021, a reserve for shares in the portfolio of the parent company, Assicurazioni Generali, amounting to € 2.194 million was recorded.

This reserve, set up pursuant to Art. 2359-bis of the Italian Civil Code, became necessary following the conclusion of the PTO, with simultaneous acquisition of control, promoted by Assicurazioni Generali on the entire share capital of Cattolica Assicurazioni.

Other provisions

They are as follows:

- € 198.305 million for the extraordinary reserve. The increase of € 30.478 million is attributable to: a) the allocation of the 2020 economic result recorded in the non-life business (€ 37.38 million), b) the use of the reserve for the purpose of establishing the reserve for shares of the parent company (€ -2.194 million) and c) the use of the reserve following the delivery of own shares to employees under the two performance share plans 2018-2020 and 2021-2023 (€ -4.708 million);
- € 65.04 million for the dividend reserve, unchanged from the previous year;
- € 1.103 million for the taxed reserve, already existing at the end of 1982 and freed up as per Italian

Legislative Decree No. 467 dated December 18th, 1997;

- € 689 thousand for the reserve represented by the merger surplus of the companies Plotino and San Zeno;
- € 4.535 million for the reserve for unrestricted net exchange gains, essentially unchanged from the previous year;
- the "Reserve for amounts realised on disposal or difference from cancellation of own shares" recognised in accordance with ISVAP Regulation No. 22 of April 2008, for an amount of € 24.683 million. The increase in this item is due to the capital gains from sales achieved as a result of the:
 - a) consignment of own shares to the PTO promoted by Assicurazioni Generali in relation to the share capital of Cattolica Assicurazioni (€ 23.879 million);
 - b) consignment of own shares to employees under the 2018-2020 and 2021-2023 performance share plans (€ 1.246 million);
- € 11 thousand relating to the exchange deficit for the spin-off transaction concerning Duomo Uni One in the Company;
- € 4.1 million to the reserve for merger surplus following the merger by incorporation of the subsidiary ABC Assicura;
- € 170.269 million to the available reserve established after the Shareholders' Meeting, which approved the release of the legal reserve exceeding one fifth of the share capital. This transaction was made possible following the transformation of Cattolica into a joint-stock company as from April 1st, 2021.

The profit reserves subject to deferred taxation, which, when used, contribute towards the formation of the Company's taxable income and which, if distributed, represent earnings for the shareholders, amounted to €

93.172 million, of which € 30.556 million recorded to the share capital.

Negative reserve for own shares in portfolio

Following the entry into force of art. 6, paragraph 1 of Italian Legislative Decree No. 139 dated August 18th, 2015, by way of implementation of the 2013/34/EU Directive, own shares are recognised in the financial statements directly reducing the shareholders' equity, in accordance with the matters laid down by art. 2357-ter.

As a result, the "Negative reserve for own shares in portfolio" amounted to € 2.642 million, of which € 2.382 million pertaining to the non-life business and € 260 thousand pertaining to the life business, corresponding to 450,397 shares, equal to approximately 0.2% of the share capital.

The decrease compared to the previous year is due to the following phenomena:

- consignment of 27,004,484 own shares, and related release of the negative reserve for € 158.402 million, to the PTO promoted by Assicurazioni Generali in relation to the entire share capital of Cattolica;
- payment of shares to employees under the 2018-2020 and 2021-2023 performance shares plans totalling € 3.463 million.

The following table presents an analysis of the availability and distributable nature of the shareholders' equity entries; in this regard, it is noted that the Company is also required to comply with the overall capitalisation requirements established by specific regulations proposed for their calculation in relation to the activities carried out directly and through its subsidiaries.

Table 49- Shareholders' equity - origin, possibility of use and distribution, as well as use in previous years

(€ thousands)	Amount	Possibility of use (*)	Available portion	Summary of uses in the last three years	
				Coverage of losses	Other reasons
Share capital	685,044				
Capital reserves					
Share premium reserve	829,547	a, b, c	826,905 (**)	61,261	
Revaluation reserve	62,499	a, b, c	62,499 (***)		
Reserves for shares of the parent company	2,194	d	0		
Other provisions	4,789	a, b	4,789		
Profit reserves					
Legal reserve	137,009	b	137,009		
Other provisions	463,947	a, b, c	439,264	0	74,535
Negative reserve for own shares in portfolio	-2,642				
Total	2,182,387		1,470,466	61,261	74,535
Restricted portion			141,809		
Residual unrestricted portion			1,328,657		

(*) a - for share capital increase

b - for coverage of losses

c - for distribution to shareholders

d - not available

(**) Net of the negative reserve for own shares in portfolio.

(***) The revaluation reserve can only be distributed with the observance of the provisions as per Art. 2445, paragraphs 2 and 3, of the Italian Civil Code, and the provisions envisaged by the related revaluation laws.

The share capital and the share premium reserve, in particular, are available in accordance with the legal and Article of Association provisions and general meeting

resolutions, also in relation to the corporate form and the related regulations.

The following table shows the changes during the year in the shareholders' equity items.

Table 50 - Shareholders' equity - changes during the year

(€ thousands)	Share capital	Share premium reserves own shares	Revaluation reserve	Reserve for shares of the parent	Reserve for own shares	Negative Reserve for own shares	Other reserves	Retained profits	Profit for the year	Total
Shareholders' equity as at Dec 31st, 2019	522,882	725,506	62,499	0	283,230	-49,927	142,572	0	120,241	1,807,003
Allocation of profit (loss) for 2019:										
Allocation to reserves					24,048		96,193		-120,241	0
Other changes 2020:										
Share capital increase against payment	162,162	137,838								300,000
Other						-114,579				-114,579
Profit (loss) for 2020									3,583	3,583
Shareholders' equity as at Dec 31st, 2020	685,044	863,344	62,499	0	307,278	-164,506	238,765	0	3,583	1,996,007
Allocation of profit (loss) for 2020:										
Dividend payment										0
Allocation to reserves							37,380		-37,380	0
Contribution to the Cattolica Foundation										0
Other allocations										0
Coverage of life loss for 2020		-33,797							33,797	0
Other uses										0
Other changes 2021:										
Cancellation of dividend on own shares										0
Bonus share capital increase										0
Share capital increase against payment										0
Other				2,194	-170,269	161,864	192,591			186,380
Profit (loss) for 2021									6,991	6,991
Shareholders' equity as at Dec 31st, 2021	685,044	829,547	62,499	2,194	137,009	-2,642	468,736	0	6,991	2,189,378

SECTION 9 - SUBORDINATED LIABILITIES (Item B)

Subordinated liabilities as at December 31st, 2021, totalled € 600 million and consisted of the following:

- a subordinated bond issue for € 100 million, issued on December 17th, 2013, with the following specifications:
 - duration: 30 years;
 - early repayment: faculty to repay early as from tenth year (call option);
 - interest rate: 7.25% until the end of the tenth year. In case of failure to exercise the call option, the rate becomes floating and is equal to the 3-month Euribor + 619 basis points;
 - subordination: with respect to other non-subordinated securities;
 - classification on the basis of the SII directive: Basic Own Funds Tier 2, since this is compliant with the requisites envisaged by Article 73 of the Delegated Regulation (EU) 2015/35 of the European Commission dated October 10th, 2014.

The amount of interest pertaining to the year relating to this loan came to € 7.25 million.

- a subordinated bond issue for € 500 million, on December 14th, 2017, with the following specifications:

- duration: 30 years;
- early repayment: faculty to repay early as from tenth year (call option);
- interest rate: 4.25% until the end of the tenth year. In the event of failure to exercise the call option, the rate becomes floating and is equal to the Euribor reference rate +4.455 basis points;
- subordination: with respect to other non-subordinated securities;
- classification on the basis of the SII directive: Basic Own Funds Tier 2, since this is compliant with the requisites envisaged by Article 73 of the Delegated Regulation (EU) 2015/35 of the European Commission dated October 10th, 2014.

The amount of interest pertaining to the year relating to this loan was € 21.25 million.

It should be noted that the item decreased by € 80 million following the repayment of the subordinated loan taken out with UBI (now Intesa Sanpaolo) on October 12th, 2021, after obtaining the relevant authorisation from IVASS. This subordinated liability, in 2021, generated interest expense of approximately € 1 million.

SECTION 10 - TECHNICAL PROVISIONS (Item C)

Table 51 - Breakdown of technical provisions

(€ thousands)	2021	Pro forma 2020	Changes		2020
			Absolute	%	
Premium provision	714,483	729,346	-14,863	-2.0	722,234
Provision for outstanding claims	2,167,531	2,265,240	-97,709	-4.3	2,262,442
Provision for profit-sharing and repayments	759	759	0	0	759
Other technical provisions	317	418	-101	-24.2	111
Equalisation provisions	15,464	14,911	553	3.7	14,911
Total non-life business (item C.I)	2,898,554	3,010,674	-112,120	-3.7	3,000,457
			0		
Mathematical provisions	4,760,298	4,954,924	-194,626	-3.9	4,537,167
Premium provisions of supplementary insurance	504	511	-7	-1.4	511
Provision for outstanding claims	109,094	150,140	-41,046	-27.3	119,760
Provisions for profit-sharing and repayments	12	15	-3	-20.0	15
Other technical provisions	27,711	29,588	-1,877	-6.3	25,671
Total life business (item C.II)	4,897,619	5,135,178	-237,559	-4.6	4,683,124
TOTAL TECHNICAL PROVISIONS	7,796,173	8,145,852	-349,679	-4.3	7,683,581

Non-life business

Premium provision

The premium provision amounted to € 714.483 million and comprises € 609.478 million for the provision for unearned premiums (of which € 597.307 million for direct business), € 100.443 million for supplementary provisions of the provision for unearned premiums (of which € 93.825 million for direct business) as well as € 4.563 million for the provision for current risks (of which € 4.385 million for direct business).

After the checks made, the Company deemed it appropriate to establish a supplementary provision for current risks: in accordance with the matters envisaged by paragraph 7 of Attachment No. 15 of ISVAP Regulation No. 22 dated April 4th, 2008, the Company used an empiric method to evaluate the coverage of the impending risks after the end of the accounting period, so as to cover all the compensation and costs deriving from insurance contracts entered into before that date, to the extent that the estimated cost of these risks exceeds that of the same provision for unearned premium, increased by the premiums, which will be collectable due to these policies.

This method is based on the calculation of the claims to premiums written to the pertaining year.

Based on the results of this check, the Company took steps to make the necessary integration calculated on the provision for unearned premiums and on the instalments falling due, net of the purchase commission.

The supplementary provision for current risk is allocated to class 2, health, for € 3.307 million, to class 8, fire and natural forces, for € 623 thousand and to class 14, credit, for € 456 thousand (€ 15.8 million on class 8 as at December 31st, 2020). The provision for current risks relating to indirect business has also been allocated to class 9 for € 177 thousand (as at December 31st, 2020, it amounted to € 13 thousand for indirect business to class 2 and € 469 thousand to class 9).

In conclusion, supplementary provisions have been recognised for a total of € 100.443 million (€ 87.793 million as at December 31st, 2020) of which € 93.825 million to direct business (€ 15.239 million to class 1, € 276 thousand to class 7, € 46.078 million to class 8, € 21.675 to class 9, € 57 thousand to class 13, € 2 thousand to class 14 and € 10.498 million to class 15) and € 6.618 million to indirect business (€ 14 thousand to class 1, € 3 thousand to class 7 and € 6.601 to class 8).

The tables, which follows, indicate the provisions for unearned premiums, for each class and separately for direct and indirect business.

Table 52 - Provisions for unearned premium - direct business

(€ thousands)	2021	Pro forma 2020	Changes		2020
			Absolute	%	
Classes:					
01 - Accident and injury	51,330	53,593	-2,263	-4.2	53,367
02 - Health	12,316	24,865	-12,549	-50.5	24,528
03 - Land vehicle hulls	45,096	40,865	4,231	10.4	40,865
04 - Railway rolling stock	874	858	16	1.9	858
05 - Aircraft hulls	38	20	18	90.0	20
06 - Ships (sea and inland water vessels)	4,190	3,793	397	10.5	3,793
07 - Goods in transit	1,072	920	152	16.5	920
08 - Fire & natural forces	68,859	72,136	-3,277	-4.5	63,848
09 - Other damage to assets	54,823	51,855	2,968	5.7	48,777
10 - TPL - Land motor vehicles	240,241	246,993	-6,752	-2.7	246,993
11 - TPL - Aircraft	40	18	22	n.s.	18
12 - TPL - Sea and inland water vessels	577	529	48	9.1	529
13 - TPL - General	71,005	65,270	5,735	8.8	65,270
14 - Credit	5,745	6,219	-474	-7.6	6,219
15 - Suretyship	11,047	10,493	554	5.3	10,493
16 - Sundry financial losses	8,843	10,035	-1,192	-11.9	7,480
17 - Legal protection	5,978	5,310	668	12.6	5,310
18 - Assistance	15,233	13,991	1,242	8.9	13,991
TOTAL	597,307	607,763	-10,456	-1.7	593,279

Table 53 - Provisions for unearned premium - indirect business

(€ thousands)	2021	Pro forma 2020	Changes		2020
			Absolute value	%	
Classes:					
01 - Accident and injury	513	1,107	-594	-53.7	1,107
02 - Health	322	367	-45	-12.3	367
03 - Land vehicle hulls	478	1,119	-641	-57.3	1,119
06 - Ships (sea and inland water vessels)	52	20	32	n.s.	20
07 - Goods in transit	12	6	6	100.0	6
08 - Fire & natural forces	3,752	5,106	-1,354	-26.5	10,527
09 - Other damage to assets	686	1,412	-726	-51.4	3,364
10 - TPL - Land motor vehicles	831	1,416	-585	-41.3	1,416
13 - TPL - General	493	980	-487	-49.7	980
15 - Suretyship	4,785	5,798	-1,013	-17.5	5,798
16 - Sundry financial losses	246	176	70	39.8	176
TOTAL	12,170	17,507	-5,337	-30.5	24,880

n.s. = not significant

Provision for outstanding claims

The provision for outstanding claims amounted to € 2,134.267 million and comprises € 1,913.709 million for the provision for outstanding claims, which have occurred and been reported, € 143.076 million for the provision for outstanding claims, which have occurred but have not yet been reported, as well as € 77.482 million for the provision for settlement costs.

The estimate of the provision for outstanding claims made, as per the last cost principle, was realised by applying a multi-phase calculation procedure:

- steps are taken to separately evaluate each claim (inventory method), based on the analysis of the documentation relating to each individual damage case, realised by the staff assigned to settle the claims;

- with regard to the classes characterised by slow settlement processes and for which the analytical valuation does not make it possible to take into account all the foreseeable charges, the inventory method is flanked by an additional valuation by means of statistical-actuarial procedures or forecast systems on the evolution of the costs.

The valuation of the provision for outstanding claims, which have occurred but have not yet been reported, was carried by separately estimating the number of delayed claims expected and the related average cost.

With regard to the change during the year in the components of the premium provision and the provision for outstanding claims, please refer to Attachment 13.

Table 54- Provision for outstanding claims - direct business

(€ thousands)	2021	Pro forma 2020	Changes		2020
			Absolute	%	
Classes:					
01 - Accident and injury	84,265	82,253	2,012	2.4	81,497
02 - Health	52,070	43,360	8,710	20.1	43,056
03 - Land vehicle hulls	27,472	21,019	6,453	30.7	21,019
04 - Railway rolling stock	69	69	0	0	69
05 - Aircraft hulls	1,016	52	964	n.s.	52
06 - Ships (sea and inland water vessels)	18,449	13,155	5,294	40.2	13,155
07 - Goods in transit	11,639	11,484	155	1.3	11,484
08 - Fire & natural forces	129,002	135,883	-6,881	-5.1	135,712
09 - Other damage to assets	69,391	65,794	3,597	5.5	65,760
10 - TPL - Land motor vehicles	1,099,474	1,131,512	-32,038	-2.8	1,130,657
11 - TPL - Aircraft	46	12	34	n.s.	12
12 - TPL - Sea and inland water vessels	4,024	3,987	37	0.9	3,987
13 - TPL - General	583,459	672,656	-89,197	-13.3	672,576
14 - Credit	1,245	549	696	n.s.	549
15 - Suretyship	26,632	29,789	-3,157	-10.6	29,789
16 - Sundry financial losses	13,206	9,588	3,618	37.7	8,205
17 - Legal protection	8,260	7,462	798	10.7	7,462
18 - Assistance	4,548	3,858	690	17.9	3,858
TOTAL	2,134,267	2,232,482	-98,215	-4.4	2,228,899

n.s. = not significant

Table 55 - Provision for outstanding claims - indirect business

(€ thousands)	2021	Pro forma 2020	Changes		2020
			Absolute	%	
Classes:					
01 - Accident and injury	1,000	1,607	-607	-37.8	1,757
02 - Health	327	493	-166	-33.7	494
03 - Land vehicle hulls	438	572	-134	-23.4	572
06 - Ships (sea and inland water vessels)	230	38	192	n.s.	38
07 - Goods in transit	52	48	4	8.3	48
08 - Fire & natural forces	14,628	11,287	3,341	29.6	11,360
09 - Other damage to assets	984	1,377	-393	-28.5	1,392
10 - TPL - Land motor vehicles	4,722	5,856	-1,134	-19.4	6,370
13 - TPL - General	8,972	9,365	-393	-4.2	9,396
14 - Credit	334	335	-1	-0.3	335
15 - Suretyship	1,571	1,773	-202	-11.4	1,773
16 - Sundry financial losses	6	8	-2	-25.0	8
TOTAL	33,264	32,759	505	1.5	33,543

n.s. = not significant

Provision for profit-sharing and repayments

This item, unchanged with respect to the same period of the previous year, amounted to € 759 thousand, of which € 455 thousand in class 1, accident, € 36 thousand in class 2, health, € 42 thousand in class 8, fire & natural forces and € 226 thousand in class 13, general TPL.

Other technical provisions

The item amounted to € 317 thousand (of which € 316 thousand direct business and € 1 thousand indirect business) and includes the ageing provision of the health class determined for the rise in the age of the policyholders; it was calculated using the forfeit method provided for by section 44, paragraph 3, of Attachment No. 15 of ISVAP Regulation No. 22 of April 4th, 2008.

Equalisation provisions

The item includes the equalisation reserve for natural calamity risks, which amounted to € 15.464 million (of which € 15.265 million for direct business and € 199 thousand for indirect business), disclosing an increase of € 553 thousand. In detail, by class, it includes: € 8.090 million relating to the fire & natural forces class, € 4.436 million relating to the land vehicle hull class, € 1.453 million relating to the accident and injury class, € 814 thousand relating to other damage to assets class, € 635 thousand relating to the goods in transit class and € 36 thousand relating to other classes.

The calculation is compliant with the matters envisaged by Art. 1, paragraph 1, of Italian Ministerial Decree No. 705 dated November 19th, 1996.

Life business

Mathematical provisions

These amounted to € 4,760.298 million and include the provision for pure premiums, the withdrawal of premiums

relating to annual-premium payment policies, the provision for health and professional excess premiums, the provision for integration of the population and financial bases (also for pension funds), the additional provision for guaranteed rate and interest risk, the additional provision for mortality-risk and guarantee related to unit-linked contracts pension funds, the additional provision to cover the cost related to the early repayment of the pure risk contracts linked to loans, the reserve for underwriting risk of medium-rate pure risk contracts and the profit reserve for the allocation during the year of the net capital gains realised inherent in the separate accounts, as provided for by current legislation. The mathematical provisions reported an increase of € 223.131 million.

Provisions for outstanding claims

The provisions for outstanding claims amounted to € 109.094 million (of which € 72.030 million relating to class I, € 15.055 million relating to class III and € 22.009 million relating to class V).

These reserves decreased by € 10.666 million due to portfolio liquidation dynamics.

Other technical provisions

Other technical provisions, amounting to € 27.711 million, consist exclusively of reserves for future expenses, of which € 21.042 million relating to class I, € 5.858 million relating to class III, € 170 thousand relating to class IV, € 564 thousand relating to class V and € 77 thousand relating to class IV.

With regard to the change during the year in the components of the mathematical provisions and the provision for profit-sharing and repayments, please refer to Attachment 14.

SECTION 11 - TECHNICAL PROVISIONS FOR CONTRACTS WHERE THE INVESTMENT RISK IS BORNE BY POLICYHOLDERS AND DERIVING FROM THE MANAGEMENT OF PENSION FUNDS (item D)

The item amounts in total to € 724.112 million, up by € 154.572 million with respect to the end of the previous year.

The provisions pertaining to the risk of death, the credit risk and supplementary insurance are included respectively in the items "mathematical provisions" and "premium provision of supplementary insurance".

Provisions relating to contracts whose benefits are linked to investment funds and stock market indices

These amounted to € 576.71 million and are established in the presence of index-linked and unit-linked contracts, amounting respectively to € 204 thousand and € 576.506 million, reporting an increase of € 161.117 million compared to December 31st, 2020, mainly attributable to an increase in net premiums and net valuation gains.

Provisions deriving from the management of pension funds

The provisions deriving from the management of pension funds fell from € 153.947 million to € 147.402 million. For further details on the change, reference should be made to the paragraph "Class VI management" in the Management Report.

The Cattolica Gestione Previdenza open-end pension fund is a defined-contribution pension fund. It was set up by the Company in accordance with Art. 12 of Italian Legislative Decree No. 252 dated December 5th, 2005, and was authorised by means of the provision of the Pension Fund Supervisory Commission on July 29th, 1998, and started to operate on February 15th, 1999. The Fund is structured in six segments (Monetario Globale, Obbligazionario Globale, Garantito, Bilanciato Globale, Azionario Globale and Etico). For the management of each of the segments making up the Fund, authorisation has been granted to GIAM Sgr S.p.A., which operated as per the instructions imparted by the Company. The benefits are disbursed directly. The functions of Custodian Bank for the Fund's resources were carried out by DEPObank S.p.A up to January 2021, from February 1st, 2021, the functions of Custodian Bank have been carried out by BNP Paribas Securities.

During the year just ended, applications were taken by the agency channel, the head offices of the Company and the bank branches specifically appointed to do so.

As at December 31st, 2021, the Fund had 7,318 active members (7,533 at the end of 2020).

The Risparmio & Previdenza open-end pension fund is a defined-contribution pension fund. It was set up by the Company in accordance with Art. 12 of Italian Legislative Decree No. 252 dated December 5th, 2005, and was authorised by means of the provision of the Pension Fund Supervisory Commission on July 29th, 1998, and started to operate on February 19th, 1999. The Fund is structured in four segments (Bilanciato Prudente, Bilanciato Globale, Etico, Garantito). For the management of each of the segments making up the Fund, authorisation has been granted to GIAM Sgr S.p.A., which operated as per the instructions imparted by the Company. The benefits are disbursed directly. The functions of Custodian Bank for the Fund's resources were carried out by DEPObank S.p.A up to January 2021, from February 1st, 2021, the functions of Custodian Bank have been carried out by BNP Paribas Securities.

As at December 31st, 2021, the Fund had 2,629 active members (2,958 at the end of 2020).

At the end of the year, the sum of the net assets intended for the benefits of the segments, which the two Funds are structured in, amounted to € 147.402 million. The negative change in the assets compared to 2020 amounted to € 6.545 million.

The following tables show the net assets intended for the benefits of each of the segments, which the Cattolica Gestione Previdenza open-end pension fund and the Risparmio & Previdenza open-end pension fund are structured in.

Table 56 - Cattolica Gestione Previdenza open-end pension fund - net asset value by segment

(€ thousands)	2021	2020	Changes	
			Absolute	%
Azionario Globale	26,640	23,092	3,548	15.4
Bilanciato Globale	20,970	20,557	413	2.0
Etico	2,224	2,018	206	10.2
Garantito	45,089	48,323	-3,234	-6.7
Monetario Globale	3,845	4,216	-371	-8.8
Obbligazionario Globale	7,372	7,847	-475	-6.1
Total Cattolica Gestione Previdenza open-end pension fund	106,140	106,053	87	0.1

Table 57 - Risparmio & Previdenza open-end pension fund - net asset value by segment

(€ thousands)	2021	2020	Changes	
			Absolute	%
Bilanciato Globale	14,449	15,423	-974	-6.3
Etico	1,432	1,354	78	5.8
Garantito	13,830	17,797	-3,967	-22.3
Bilanciato Prudente	11,551	13,320	-1,769	-13.3
Total Risparmio & Previdenza open-end pension fund	41,262	47,894	-6,632	-13.8

In the following table, provisions, assets and premiums for the year relating to the open-end pension funds are compared with the figures as at December 31st, 2020:

Table 58 - Open-end pension funds of the Company- Investments, provisions and gross premiums written

(€ thousands)	Net asset value		Class DII provisions		Gross premiums written	
	2021	2020	2021	2020	2021	2020
Cattolica Gestione Previdenza open-end pension fund	106,140	106,053	106,140	106,053	9,862	9,582
Risparmio & Previdenza open-end pension fund	41,262	47,894	41,262	47,894	2,624	3,479

SECTION 12 - PROVISIONS FOR RISKS AND CHARGES (Item E)

The breakdown of the provisions and the related changes with respect to the previous year are shown in the following table and analytically in Attachment 15 to the notes to the accounts.

Table 59 - Provisions for risks and charges

(€ thousands)	Jan 1st, 2021	Increases	Decreases	Dec 31st, 2021
Provision for pensions and similar obligations	1,625	75	361	1,339
Provision for taxation	2,800	0	611	2,189
Other provisions and allowances	72,356	19,964	14,437	77,883
TOTAL (item E)	76,781	20,039	15,409	81,411

The item, which rose from € 76.781 to € 81.411 million, includes provisions for retirement benefits and similar obligations for € 1.339 million, deferred tax provisions for € 2.189 million and other provisions for € 77.883 million.

The "Other provisions and allowances" item, as at January 1st, 2021, includes € 1.983 million resulting from the merger of the company ABC Assicura S.p.A. for € 1.814 million and Berica Vita S.p.A. for € 169 thousand.

The provision for retirement benefits represents the Company's financial commitment deriving from the supplementary in-house agreement dated June 1st, 1963, and subsequent amendments and additions toward employees employed until March 15th, 1982, and, if officers, up until November 17th, 1982.

It is calculated analytically for each employee working and for each pensioner.

Other provisions and allowances rose from € 72.356 million to € 77.883 million. The increases for the year amounted in total to € 19.964 million, while the decreases came to € 14.437 million.

Following the agreement signed on October 14th, 2021 between the Group companies (Cattolica Assicurazioni and Cattolica Services) and the company trade union delegations and the issue of the related compliance invitation, concerning the corporate reorganisation processes and the effects of the organisational efficiency activities and the innovation and digitalisation processes, having accomplished the trade union negotiation procedures envisaged by current agreements, the parties agreed to activate - for the employees in possession of the requirements envisaged by said agreements - recourse to the extraordinary section of the Intersectoral Solidarity Fund for the insurance sector. In 2021, the agreements produced an overall liability of € 3.247 million. The income statement matching balance is recorded among the negative components of income of the extraordinary business.

With regard to the former employees who complied with the invitations, the use of the Intersectoral Fund took place during the year in the presence of payments to INPS for the extraordinary income support allowance, for the monthly contribution useful for obtaining the right to a pension as well as for the payment of the policy premiums, for a total amount of € 3.595 million.

The provision existing at the end of the year came to € 9.952 million.

Furthermore, the item comprised mainly amounts set aside for:

- legal disputes and costs for € 21.855 million (€ 11.460 million was set aside and € 8.331 million used during the year);
- liabilities pertaining to the financial requirements relating to seniority bonuses of employees for € 8.649 million;
- sums to be paid out for agents' leaving indemnities, equal to € 8.669 million (€ 254 thousand was set aside during the year);

- liabilities pertaining to the financial requirements relating to health premiums of retired staff for € 11.834 million;
- disputes pending with former trustees and sundry summons, pertaining to the claims area, amounting to € 4.052 million;
- risks for the assistance of employees in the event of non-self-sufficiency, for € 1.304 million;
- the estimated liability relating to open disputes relating to employment matters for € 410 thousand (€ 480 thousand was used during the year);
- formal notices and reports on findings that can be served by the supervisory and control authority for € 1.274 million (€ 88 thousand was set aside and € 614 thousand used during the year);
- amounts to be paid in relation to the termination of senior management positions, amounting to € 239 thousand (during the year € 1.117 million was used);
- a provision of € 957 thousand to cover potential claims relating to so-called "dormant policies" in the accident and injury class, as reported by IVASS;
- a provision of € 1.245 million to cover potential claims relating to so-called "dormant policies" reported by IVASS. This item is linked to the emergence of cases of deaths covered by temporary life insurance policies (Temporanea Caso Morte - TCM), of which the Company was not aware and of which no report has yet been made and for which, therefore, it is not possible to ascertain the actual settlement.

Moreover, the item mainly includes the amounts set aside for disputes on tax and fiscal matters, in addition to assessments in the process of being defined for a total of € 2.062 million, in addition to the provision for risks set up to deal with potential future liabilities relating to CPI products for € 1.405 million, originating from the company ABC Assicura merged into Cattolica with effect from January 1st, 2021.

SECTION 13 - DEPOSITS RECEIVED FROM RE-INSURERS (Item F)

These are recorded in the financial statements for € 15.189 million (€ 14.474 million at the end of the previous year) and represent payables for deposits that the Company withholds in the event of reinsurance payable agreements.

SECTION 14 - PAYABLES AND OTHER LIABILITIES (Item G)

At the end of the year, these came to € 503.123 million, compared with € 518.669 million at the end of the previous year, of which € 119.259 million for insurance and reinsurance transactions; € 3.053 million for payables due

to banks and financial institutions, € 5.257 million for employee severance indemnities and € 375.554 million for other payables and other liabilities.

Table 60 - Payables deriving from insurance and reinsurance transactions

(€ thousands)	2021	Pro forma 2020	Changes		2020
			Absolute value	%	
Payables, deriving from direct insurance transactions, due to:					
Insurance brokers	34,876	30,039	4,837	16.1	22,768
Insurance companies - current accounts	210	1,986	-1,776	-89.4	1,917
Policyholders for guarantee deposits and premiums	18,609	21,823	-3,214	-14.7	21,219
Guarantee funds in favour of policyholders	254	201	53	26.4	201
Total (item G.I)	53,949	54,049	-100	-0.2	46,105
Payables, deriving from reinsurance transactions, due to:					
Insurance and reinsurance companies	65,310	49,427	15,883	32.1	49,183
Total (item G.II)	65,310	49,427	15,883	32.1	49,183

n.s. = not significant

Payables deriving from direct insurance transactions

Payables deriving from direct insurance transactions amounted to € 53.949 million.

Payables due to direct insurance brokers

The item amounted to € 34.876 million, of which € 27.796 million regarding the non-life business and € 7.080 million the life business. As at December 31st, 2020, the pro-forma figure taking into account the merger of ABC Assicura and Berica Vita, was € 30.039 million.

Payables due to insurance companies - current accounts

The item amounted to € 210 thousand, fully attributed to the non-life business.

As at December 31st, 2020, the-pro forma as described above, was € 1.986 million.

Payables due to policyholders for guarantee deposits and premiums

The item amounted to € 18.609 million, of which € 14.221 million attributable to the non-life business and € 4.388 million to the life business, essentially pertaining to

amounts collected relating to contracts issued in the following year.

As at December 31st, 2020, the pro-forma figure as described above, was € 21.823 million.

Payables deriving from reinsurance transactions

Payables due to insurance and reinsurance companies

The item totalled € 65.310 million, of which € 63.470 million attributable to the non-life business and € 1.840 million to the life business, compared with € 49.427 million at the end of the previous year (pro-forma figure).

Payables due to banks and financial institutions

At the end of the financial year, there were relationships with banks for credit facilities, usable for cash flexibility. The item amounted to € 3.053 million.

As at December 31st, 2020, it amounted to € 8.827 million.

Employee severance indemnities

The employee severance indemnity provision (Art. 2427.4 of the Italian Civil Code) disclosed the changes analytically indicated in Attachment 15 during the year.

The opening balance, provided in the table below, includes the balance acquired due to the merger by incorporation of ABC Assicura S.p.A. and Berica Vita S.p.A. for a total of € 12 thousand.

Table 61 - Employee severance indemnities

(€ thousands)	Jan 1st, 2021	Increases	Decreases	Dec 31st, 2021
Employee severance indemnities (item G.VII)	5,577	4,635	4,955	5,257

Other payables

These include payables for taxes payable by policyholders, for sundry tax liabilities, amounts due to welfare and social security institutions, due to suppliers and due to Group companies, as well as other sundry payables.

Table 62 - Other payables - breakdown

(€ thousands)	2021	Pro forma 2020	Changes		2020
			Absolute value	%	
For taxes payable by policyholders	26,042	27,932	-1,890	-6.8	27,930
For sundry tax charges	78,912	127,707	-48,795	-38.2	125,140
Amounts due to social security and welfare institutions	2,480	2,457	23	0.9	2,429
Sundry payables	110,844	159,930	-49,086	-30.7	162,038
Total (item G.VIII)	218,278	318,026	-99,748	-31.4	317,537

Payables for sundry tax charges

"Payables for sundry tax charges" mainly include € 21.539 million for the current payable deriving from the assessment of the taxation on the mathematical provisions of the life business pertaining to the year, € 34.832 million for the liability for IRES, € 7.093 million for IRAP, as well as the payable, for € 9.624 million, relating to the liability for IRES of the companies taking part in the tax consolidation scheme.

Sundry payables

The item amounted to € 110.844 million. It mainly includes the amounts payable to Group companies for € 44.966

million, sundry payables to personnel amounting to € 12.175 million, payables to management funds amounting to € 5.634 million, as well as payables to suppliers amounting to € 35.646 million, payables to the sales network amounting to € 6.695 million and other total payables amounting to € 5.728 million.

With particular reference to the transfer of tax positions further to compliance with the tax consolidation scheme, the amounts payable to subsidiaries and associates included € 30.393 million relating to credit positions in relation to tax authorities, transferred to Cattolica by the companies taking part in the Group taxation scheme.

Other liabilities

Table 63 - Other liabilities - breakdown

(€ thousands)	2021	Pro forma 2020	Changes		2020
			Absolute value	%	
Commission for premiums being collected	31,504	33,296	-1,792	-5.4	33,296
Sundry liabilities	125,772	58,183	67,589	n.s.	58,156
TOTAL (item G.IX)	157,276	91,479	65,797	71.9	91,452

n.s. = not significant

The item includes sundry liabilities for € 125.772 million and commission for premiums being collected for € 31.504 million.

The "Sundry liabilities" item includes the balance of the liaison account between the non-life and life businesses amounting to € 102.494 million booked as a liability of the life business (€ 28.501 million as at December 31st, 2020) to which the increase in the item compared to the same period of the previous year is mainly attributable.

The item also includes the amounts relating to technical items for transactions in reconciliation to be settled at year-end for € 17.844 million, as well as the liability for margining on non-hedging derivative contracts amounting to € 5.38 million.

The increase in sundry liabilities, amounting to € 67.589 million, is mainly attributable, in addition to the change recorded by the liaison account, to the COVID-19 voucher provision set aside in the previous year and fully released during 2021, amounting to € 10.289.

SECTION 15 - ACCRUALS AND DEFERRALS

The item amounted to € 3.752 million. Deferred income "for interest" includes € 1.987 million relating to the portion of the coupons relating to the bonds acquired with reference to the restructuring transaction of the life segregated management, deferred to subsequent years

on the basis of the residual maturity of these securities, greater than 5 years. Accrued interest expense on subordinated loans amounting to € 1.346 million and other deferred income of € 419 thousand were also recognised.

SECTION 16 - ASSETS AND LIABILITIES RELATING TO GROUP COMPANIES AND OTHER INVESTEE COMPANIES

Attachment 16 shows the statement of assets and liabilities relating to Group companies and other investee companies.

SECTION 17 - RECEIVABLES AND PAYABLES

Receivables outstanding, with a maturity beyond December 31st, 2022, and by December 31st, 2026, concern the agent portfolio indemnity recovery for € 21.483 million, the receivables for insurance tax advance pursuant to Italian Law No. 265 dated November 22nd, 2002, and subsequent amendments, regarding the taxation of life provisions for € 106.412 million and receivables due from employees amounting to € 1 million.

Receivables outstanding with a maturity of more than five years concern the agent portfolio indemnity recovery for € 28.395 million and receivables due from employees amounting to € 1.2 million.

Loans on life insurance policies have not been considered since they do not have a pre-established expiry and collection of the same is certain.

There are no payables due beyond twelve months. As at December 31st, there were no payables with secured guarantees.

Pursuant to Art. 2427, paragraph 8, of the Italian Civil Code, it is hereby specified that there are no financial charges booked during the year to the balances recorded under the statement of financial position assets.

With reference to the breakdown of the receivables and payables by geographic area, the positions concerning other EU and non-EU countries are not significant.

SECTION 17 BIS - INDIVIDUAL PENSION FUNDS

The Company did not set up any new, individual pension funds during the year pursuant to art. 13, paragraph 1, subparagraph a) and b) of Italian Legislative Decree No. 252 dated December 5th, 2005.

SECTION 18 - GUARANTEES, COMMITMENTS, POTENTIAL LIABILITIES AND OTHER MEMORANDUM ACCOUNTS

Table 64 - Guarantees, commitments and other memorandum accounts

(€ thousands)	2021	Pro forma	Changes		2020
		2020	Absolute value	%	
Guarantees given	87,276	85,945	1,331	1.5	84,945
Guarantees received	130,091	137,255	-7,164	-5.2	137,255
Commitments	503,483	433,865	69,618	16.0	433,865
Third-party assets	7	29	-22	-75.9	29
Securities lodged with third parties	9,897,384	9,989,072	-91,688	-0.9	9,481,777
TOTAL	10,618,241	10,646,166	-27,925	-0.3	10,137,871

Guarantees given

The item, totalling € 87.276 million, includes the sureties issued on our behalf in favour of CONSAP and third parties (the guarantees pertaining to these sureties do not give rise to potential liabilities as at December 31st).

The item also includes, for € 194 thousand, the contract entered into with ANIA for compliance with SISCO, relating to the handling of non-life claims with joint-insurance.

Guarantees received

The item totalled € 130.091 million, of which € 126.084 million refers to guarantees received from the agency network, as described below:

- € 116.703 million: guarantees pursuant to Art. 4 ANA ed. 2003 received from agents enrolled in Gruppo Aziendale Agenti Cattolica, Gruppo Aziendale Agenti Cattolica, formerly Duomo, Gruppi Aziendali Agenti, formerly FATA, Gruppo Aziendale Agenti TUA and Circolo Agenti Cattolica for insurance sureties entered into with COFACE;
- € 1.565 million: guarantees received from agents who are not enrolled in either Gruppo Aziendale Agenti or Circolo Agenti but who have adhered to the insurance agreement entered into with COFACE directly by Cattolica, amounting to € 1.465 million and from agents who have taken out individual policies amounting to € 100 thousand;
- € 3.699 million: provision of bank sureties;
- € 4.117 million: guarantees, supporting the end of management account, received from the agents who had an agency mandate issued by Cattolica, but with whom the relationship has now ended. These guarantees are held by Cattolica and will be returned and released when the relationship ends.

Commitments

The item includes the residual commitment toward the private equity funds for € 473.835 million.

It also includes € 29.648 million for the commitment undertaken in relation to Vera Financial for the purchase at face value of the tax credit deriving from the payment of the tax on life mathematical provisions, for the amount which can effectively be transferred, pursuant to Art. 1, paragraph 2, of Italian Decree Law 209/2002 converted, with amendments, into Italian Law 265/2002.

Third-party assets

This comprises the value of the Company's shares owned by the shareholders and deposited at the Company's headquarters.

Securities lodged with third parties

The item includes the amount, corresponding to the book value as at December 31st, 2021, of the securities under management or deposited care of banks and asset managers.

The securities relating to Group companies and other investee companies (class C and class D) lodged with third parties amounted to € 1,240 million.

There are no commitments or potential liabilities other than those already indicated in the Statement of financial position and the Income statement.

PART B

INCOME STATEMENT

Following the merger of ABC Assicura S.p.A. and Berica Vita S.p.A, which affected the Company, with accounting and tax-related efficacy as from January 1st, 2021, the following table shows the income statement with the balances as of December 31st, 2020, adjusted in accordance with the criteria described in the Introduction

of these Notes to the accounts, supplemented with the breakdown of the absorbing company and the absorbed companies. In the comments on the individual items provided below, the changes compared to the corresponding period of the previous year refer to the presented pro-forma figure.

Table 65 – Pro-forma Income Statement

	2021	2020				Adjustments (d)
		Cattolica	Cattolica pro-forma (e=a+b+c+d)	Cattolica (a)	ABC (b)	
<i>(€ thousands)</i>						
I. TECHNICAL ACCOUNT - NON-LIFE BUSINESS						
1. Premiums for the year, net of transfers under reinsurance	1,493,217	1,494,139	1,492,826	1,322	0	-9
2. (+) Portion of profit from investments transferred from the non-technical account	0	58	0	58	0	0
3. Other technical income, net of reinsurance	21,360	5,489	4,427	1,062	0	0
4. Claims incurred, net of recoveries and reinsurance	884,651	-837,079	-836,750	-326	0	-3
5. Change in other technical provisions, net of reinsurance	-100	166	35	131	0	0
6. Repayments and profit-sharing, net of transfers under reinsurance	1,107	-916	-916	0	0	0
7. Operating expenses:	450,222	-458,068	-456,455	-1,597	0	-16
a) Acquisition costs, net of commission and profit-sharing received from re-insurers	300,614	-308,243	-308,215	-23	0	-5
b) Administrative expenses	149,608	-149,825	-148,240	-1,574	0	-11
8. Other technical charges, net of reinsurance	38,448	-40,108	-38,733	-1,375	0	0
9. Change in equalisation provisions	553	-618	-618	0	0	0
10. Result of technical account - non-life business	139,696	163,063	163,816	-725	0	-28
II. TECHNICAL ACCOUNT - LIFE BUSINESS						
1. Premiums for the year, net of reinsurance	513,161	550,001	548,855	0	1,151	-5
2. Income from investments	170,867	224,164	201,025	0	23,139	0
a) Income from investments	141,219	169,975	154,430	0	15,545	0
b) Reversal of adjustment on investments	5,064	2,936	2,804	0	132	0
c) Profits on realisation of investments	24,584	51,253	43,791	0	7,462	0
3. Income and unrealised capital gains on investments benefiting policyholders who bear the investment risk deriving from the management of pension funds	84,372	37,786	37,762	0	24	0
4. Other technical income, net of reinsurance	2,861	4,578	3,433	0	1,145	0
5. Claims incurred, net of reinsurance	675,309	-1,588,989	-1,378,008	0	-	-1
6. Change in mathematical provisions and other technical provisions, net of transfers under reinsurance	-39,308	957,020	752,200	0	204,820	0
a) Mathematical provisions, premium provisions of supplementary and other technical provisions	-192,806	394,012	189,393	0	204,619	0
b) Technical provisions for contracts where the investment risk is borne by the policyholders and deriving from the management of pension funds	153,498	563,008	562,807	0	201	0
7. Repayments and profit-sharing, net of reinsurance	352	-481	-481	0	0	0
8. Operating expenses	54,441	-51,777	-49,460	0	-2,372	55
a) Acquisition costs, net of commission and profit-sharing received from re-insurers	25,686	-26,272	-26,104	0	0	-168
b) Administrative expenses	28,755	-25,505	-23,356	0	-2,372	223
9. Equity and financial charges	75,685	-105,265	-102,061	0	-3,206	2
a) Charges for management of investments and interest expense	14,497	-15,148	-13,407	0	-1,743	2
b) Adjustments on investments	55,651	-65,865	-65,655	0	-210	0
c) Losses on realisation of investments	5,537	-24,252	-22,999	0	-1,253	0
10. Equity and financial charges and unrealised capital losses on investments benefiting policyholders who bear the risk and deriving from the management of pension funds	22,918	-13,726	-13,694	0	-32	0
11. Other technical charges, net of transfers under reinsurance	12,779	-25,155	-22,703	0	-2,452	0
12. (-) Portion of profit from investments transferred to the non-technical account	0	-9,752	-6,955	0	-2,797	0
13. Result of technical account - life business	-30,915	-21,596	-30,087	0	8,440	51

(€ thousands)	2021 Cattolica	2020				Adjustments (d)
		Cattolica pro-forma (e=a+b+c+d)	Cattolica (a)	ABC (b)	BERICA (c)	
III. NON-TECHNICAL ACCOUNT						
1. Result of technical account - non-life business (Item I. 10)	139,696	163,063	163,816	-725	0	-28
2. Result of technical account - life business (Item II. 13)	-30,915	-21,596	-30,087	0	8,440	51
3. Income from investments in non-life business	114,355	148,473	148,117	356	0	0
a) Income from investments	105,083	138,265	137,975	290	0	0
b) Reversal of adjustment on investments	6,916	2,356	2,356	0	0	0
c) Profits on realisation of investments	2,356	7,852	7,786	66	0	0
4. (+) Portion of profit from investments transferred from the technical - life business	0	9,752	6,955	0	2,797	0
5. Equity and financial charges of non-life business	169,027	-156,729	-156,524	-206	0	1
a) Charges for management of investments and interest expense	10,696	-7,955	-7,845	-111	0	1
b) Adjustments on investments	157,028	-139,691	-139,646	-45	0	0
c) Losses on realisation of investments	1,303	-9,083	-9,033	-50	0	0
6. (-) Portion of profit from investments transferred to the technical - non-life business	0	-58	0	-58	0	0
7. Other income	55,955	49,876	50,508	1,146	215	-1,993
8. Other charges	117,975	-122,547	-122,370	-1,102	-1,044	1,969
9. Result of ordinary activities	-7,911	70,234	60,415	-589	10,408	0
10. Extraordinary income	84,716	10,149	9,623	95	431	0
11. Extraordinary charges	13,812	-12,310	-12,220	-5	-85	0
12. Result of extraordinary activities	70,904	-2,161	-2,597	90	346	0
13. Profit (loss) before taxation	62,993	68,073	57,818	-499	10,754	0
14. Income tax for the year	56,002	-56,516	-54,235	97	-2,378	0
15. Net profit (loss) for the year	6,991	11,557	3,583	-402	8,376	0

SECTION 19 - INFORMATION CONCERNING THE TECHNICAL ACCOUNT - NON-LIFE BUSINESS (I)

The technical result of the non-life business amounted to € 139,696 million, of which € 191,490 million attributable to direct business and € -51,794 million to reinsurance activities.

It is characterised by:

- The decrease of premiums written from € 1,494.139 million to € 1,493.217 million;
- The increase in charges relating to claims, which rose from € 837.079 million to € 884.851 million, representing 59.3% of premiums written (56% as at December 31st, 2020);
- the decrease in the incidence of management expenses on premiums for the year, which fell from 30.7% to 30.2%: in absolute value these expenses fell from € 458.068 million to € 450.222 million; in particular, other administrative

expenses fell from € 149.825 million to € 149.608 million, while other management expenses fell from € 308.243 million to € 300.614 million, representing 20.1% of premiums for the year (20.6% in 2020);

- the balance of other technical items (including the change in other technical provisions and the equalisation provision), which came from a negative balance of € 35.985 million to a negative balance of € 18.648 million.

As at December 31st, 2020, the result of the technical account amounted to € 163.252 million.

The summary information concerning the non-life business technical account is shown in Attachments 19, 25 and 26 to the notes to the accounts.

Table 66 - Reclassified non-life technical account - Italy and foreign portfolio

(€ thousands)	Direct	Ceded	Indirect	Retroceded	Total
Gross premiums written and ceded premiums	1,689,640	-244,927	41,562	-9,447	1,476,828
Change in premium provision	9,935	4,501	2,211	-258	16,389
Charges relating to claims	-986,247	121,040	-28,106	8,662	-884,651
Change in sundry technical provisions	100	0	0	0	100
Balance of other technical items	-19,674	2,586	-1,107	0	-18,195
Operating expenses	-501,730	60,266	-9,866	1,108	-450,222
Technical balance	192,024	-56,534	4,694	65	140,249
Change in equalisation provisions	-534	0	-19	0	-553
Portion of profit from investments transferred from the non-technical account	0	0	0	0	0
Result of technical account	191,490	-56,534	4,675	65	139,696

Gross premiums written

Gross premiums written totalled € 1,731.202 million, of which € 1,689.64 million relating to direct business and € 41.562 million relating to indirect business. The premiums ceded and retroceded came to € 254.374 million. In the "Management Report", table 6 shows the amounts of gross premiums written by class.

This item amounted to € 1,746.629 million as at December 31st, 2020.

Portion of profit transferred from the non-technical account

The portion of profit from investments transferred from the non-technical account to the technical account of the non-life business was calculated on the basis of the criteria established by ISVAP Regulation No. 22 dated April 4th, 2008, as amended by IVASS Provision No. 53 dated December 6th, 2016.

The amount to be transferred was calculated by multiplying the value of the income from investments pertaining to the non-life business, net of the equity and financial charges recorded in the non-technical account by the percentage obtained from the ratio between the arithmetic average of the technical provisions at the start

and end of the year and the same sum increased by the semi-sum of the shareholders' equity and liabilities at the start and end of the year.

For the 2021 financial statements, no transfer of profit from the non-technical account to the non-life technical account has been made as the conditions set out in the aforementioned regulation are not met.

Other technical income

The other technical income amounted to € 21.360 million (€ 5.489 million as at December 31st, 2020) and included the use of the COVID-19 voucher provision set aside in the previous year for € 10.289 million, incentives received from Consap for € 1.812 million, the use of the provision relating to the write-down of receivables due from policyholders for € 1.848 million, cancellations of commissions for € 2.894 million, cancellations on premiums ceded for € 3.430 thousand, recovery of legal costs for € 91 thousand and other technical items for € 996 thousand.

Charges relating to claims

The charges relating to claims amounted in total to € 884.651 million compared with € 837.076 million in the previous year.

Table 67 - Claims settled - direct and indirect business

(€ thousands)	2021	Pro forma 2020	Changes		2020
			Absolute value	%	
Compensation and expenses	1,036,339	1,113,694	-77,355	-6.9	1,112,888
Settlement costs	78,372	75,989	2,383	3.1	75,782
Contribution to road accident victim fund	16,339	17,024	-685	-4.0	17,024
Gross amount	1,131,050	1,206,707	-75,657	-6.3	1,205,694

Claims settled relating to the current year amounted to € 462,110 million and include compensation and direct costs for € 401,334 million, internal and external claims settlement costs for € 44,437 million and the contribution in favour of the road accident victim guarantee fund for € 16,339 million. The total amount of the claims settled item relating to previous years came to € 668,940 million and concerned compensation and direct costs for € 635,006 million and settlement costs for € 33,934 million. The reinsurance amount totalled € 126,017 million.

The change in the gross amount of the provision for outstanding claims came to € 98.389 million (revenue). During the previous year it amounted to € 206.191 million (revenue).

The reinsurance amount was € 3.685 million (revenue).

The value of the initial provision for outstanding claims amounted to € 2,262.442 million (€ 2,288.899 million relating to direct business and € 33.543 million relating to indirect business); this item at the end of the year amounted to € 2,167.531 million, of which € 2,134.267 million relating to direct business and € 33.264 million to indirect business.

The balance of portfolio changes at the end of the year was € 4,261.066 million (revenue).

The change in recoveries, amounting to € 18.308 million, decreased by € 6.539 million compared to the previous year.

Repayments and profit-sharing, net of transfers under reinsurance

The item, amounting to € 1.107 million, includes amounts paid for profit-sharing and the change in the provision for amounts still to be paid at year-end.

Commissions and profit-sharing received from re-insurers

This item amounted to € 61.374 million and mainly includes the commission received from re-insurers for € 58.962 million.

Other technical charges

This balance amounted to € 38.448 million and mainly includes the write-down of the receivables due from policyholders for the year amounting to € 2.895 thousand, cancellations of prior years' premiums for technical reasons for € 12.739 million, cancellations of premiums due to non-collectability for € 4.315 million, debt recovery for € 3.532 million and other technical charges relating to the cost of installing black boxes on policyholders' vehicles for € 4.838 million and recognition of a provision of € 957 thousand to cover potential claims related to so-called "dormant policies" in the accident and injury class, as reported by IVASS.

The balance of the item at the end of the previous year came to € 38.732 million.

Change in equalisation provisions

The negative change for the year amounting to € 553 thousand includes the increase in the equalisation provision for natural calamity risks as per paragraphs 37 et seq. of Attachment No. 15 and paragraph 29 of Attachment No. 16 to ISVAP Regulation No. 22 of April 4th, 2008, as amended by IVASS Provision No. 53 of December 6th, 2016.

SECTION 20 - INFORMATION CONCERNING THE TECHNICAL ACCOUNT - LIFE BUSINESS (II)

The summary information concerning the life business technical account is shown in Attachments 20, 27 and 28.

The technical account closed with a negative result of € 30.915 million compared with a negative result of € 21.598 million in 2020 and was characterised by:

- the decrease in premiums for the year, which fell from € 550.001 million to € 513.161 million;
- the increase in the incidence of management expenses on premiums for the year, which rose from 9.4% to 10.6%: in absolute value these expenses rose from € 51.777 million to € 54.441 million; in particular, other administrative

expenses rose from € 25.505 million to € 28.775 million, while other management expenses fell from € 26.272 million to € 25.686 million, representing 5% of premiums for the year (4.8% in 2020);

- the decrease in outstanding claims and the change in the technical provisions, which rose from € 631.972 million to € 636.001 million;
- the lower contribution of the class C financial operations with net income of € 95.182 million compared with € 118,901 million in 2020; the change with respect to the previous period is mainly attributable to the lower recording of value adjustments on investments, which, net of

write-backs, amounted to € 50.587 million compared to net write-backs of € 62.929 million at the end of the previous year; net profit on the realisation of investments fell from € 27.002 million to € 19.047 million; income, net of investment management charges, fell from € 154.828 million to € 126.722 million;

- net income of class D amounted to € 61.454 million compared with € 24.060 million in the previous year;
- the balance of the other technical items whose result presented a negative balance of € 10.270 million, compared to the negative € 20.910 million recorded in 2020.

Premiums for the year, net of transfers under reinsurance

The overall amount of the gross premiums written totalled € 521.811 million, of which € 520.838 million relating to direct business and € 973 thousand relating to indirect business. The premiums ceded came to € 8.650 million. In the "Management Report", table 6 shows the amounts of gross premiums written by class.

Gross premiums written at the end of the previous year amounted to € 555.963 million. Premiums ceded totalled € 5.962 million.

Life premiums disclosed a decrease of 6.1%.

Income from investments

Attachment 21 provides a breakdown of the income from investments.

Income from class C investments amounted to € 170.867 million, of which € 6.635 million deriving from shares and holdings (of which € 3.026 million from shares and holdings of group companies and other investee companies), € 134.584 million from other investments, € 5.064 million from write-backs on investments written down in previous years and € 24.584 million from profits on the realisation of investments.

In absolute terms, the item therefore recorded a decrease of € 53.299 million, primarily due to lower income from shares and holdings (€ -13.714 million), lower profits on the realisation of investments (€ - 26.67 million) and lower income from other investments (€ - 15.043 thousand) and only partly offset by the increase in reversal of adjustment (€ +2.128 million).

The balance of the item at the end of the previous year came to € 224.14 million.

Income and unrealised capital gains on investments benefiting policyholders who bear the investment risk

A breakdown is provided in Attachment 22 to the notes to the accounts.

Class D income amounted to € 84.372 million and disclosed an increase of € 46.586 million.

The balance of the item at the end of the previous year came to € 37.786 million.

Other technical income

The balance recorded for € 2.861 million mainly includes income paid by mutual fund managers relating to the investment transactions mainly associated with classes III and VI policies for an amount of € 2.131 million.

The item at the end of the previous year amounted to € 4.578 million.

Charges relating to claims

The overall item came to € 675.309 million and compares with a balance at the end of the previous year of € 1,588.991 million.

The amounts paid for benefits totalled € 723.328 million (of which € 723.08 million relating to direct business and € 248 thousand relating to indirect business). The balance includes settlement costs for the year, which amounted to € 1.451 million.

With reference to direct business, the repayment for redemptions amounted to € 345.331 million, repayments for contracts, which have matured, amounted to € 308.921 million and repayments for claims amounted to € 67.377 million.

The reinsurance amount of claims paid came to € 7.044 million.

The change in the gross amount of the provision for outstanding claims amounted to € 41.045 million (revenue), while the reinsurance amount came to € 70 thousand (revenue).

Change in technical provisions

The class C technical provisions amounted to € 4,897.619 million (€ 5,135.178 million at the end of the previous year) and include the mathematical provisions, the premium provision of supplementary insurance and other technical provisions. The class D technical provisions amounted to € 724.112 million (€ 570.614 million at the end of the previous year).

The change in the mathematical provisions and other technical provisions net of reinsurance totalled € -39.308 million (revenue). This change is mainly attributable for €

153.498 million (cost) to class D technical provisions and for € - 192.806 million (revenue) to class C technical provisions.

Equity and financial charges

The overall amount, equal to € 75.685 million, includes € 14.497 million for investment management charges, € 55.651 million for adjustments on investments deriving from the year-end valuations (of which € 35.252 million relating to investments held in Group companies) and € 5.537 million for losses deriving from the realisation of investments.

The balance of the item at the end of the previous year came to € 105.265 million.

An analytical statement of the equity and financial charges is provided in Attachment 23 to the notes to the accounts.

Equity and financial charges and unrealised capital losses relating to investments benefiting policyholders who bear the investment risk

The item, as per Attachment 24 to the notes to the accounts, includes the equity and financial charges and the capital losses from valuation of assets hedging the index-linked and unit-linked contracts for a total of € 22.918 million.

The balance of the item at the end of the previous year came to € 13.726 million.

Operating expenses

The item amounted overall to € 54.441 million and is made up of collection and acquisition commissions, the change in commission to be amortised and other acquisition costs for € 27.093 million and other administrative expenses for €

28.755 million; commission and profit-sharing received from re-insurers amounted to € 1.407 thousand.

The balance of the item at the end of the previous year came to € 51.777 million.

Other technical charges

Recorded for € 12.779 million, these are mainly attributable to maintenance commission paid to the banking and agency network for a total of € 6.576 million and the provision to the policyholder receivables write-down allowance for € 374 thousand.

The item at the end of the previous year amounted to € 25.007 million.

Portion of profit transferred to the non-technical account

The portion of profit from investments transferred to the non-technical account from the technical account of the life business was calculated on the basis of the criteria established by Art. 23 of ISVAP Regulation No. 22 dated April 4th, 2008, as amended by IVASS Provision No. 53 dated December 6th, 2016.

The amount was calculated by multiplying the value of the income from investments, net of the equity and financial charges recorded in the life business technical account by the percentage obtained from the ratio between the arithmetic average of the shareholders' equity at the start and end of the year plus the subordinated liabilities and the same sum increased by the semi-sum of the technical provisions net of transfers under reinsurance, appropriately reduced in observance of the limit of the amount of the profits from investments acknowledged contractually to the policyholders, until its cancellation. For the 2021 financial statements, no transfer of profit from the life technical account to the non-technical account has been made as the conditions set out in the aforementioned regulation are not met.

SECTION 21 - DEVELOPMENT OF THE CLASS TECHNICAL ITEMS

Non-life insurance

The summary of the technical accounts by individual class of the Italian portfolio is shown in Attachment 25 and the summary of all the classes is summarised in Attachment 26 to the notes to the accounts.

The recognition to the individual class of the items took place on an analytical basis as a rule. The items common to several classes have been divided up using different criteria according to the nature of the cost as illustrated in

"Part A - "Accounting principles" in the notes to the accounts.

Life insurance

The summary of the technical accounts by individual class of the Italian portfolio is shown in Attachment 27 and the summary of all the classes is summarised in Attachment 28 to the notes to the accounts.

Like the Non-life business, also in the Life business the recognition to the individual class of the items took place on an analytical basis as a rule. The items common to

several classes have been divided up using different criteria according to the nature of the cost as illustrated in

"Part A - "Accounting principles" in the notes to the accounts.

SECTION 22 - INFORMATION CONCERNING THE NON-TECHNICAL ACCOUNT (III)

Income from investments

The item totalled € 114.355 million.

Income from shares and holdings amounted to € 11.425 million and includes € 11.284 million from shares and holdings of subsidiaries, associates and other investee companies.

Income from other investments amounted to € 93.658 million, the write-backs on investments written down in previous years amounted to € 6.916 million and profit on the realisation of investments amounted to € 2.355 million.

In absolute value, the financial statements item reported a decrease of € 34.118 million. Income from other investments increased by € 4.128 million and write-backs on investments by € 4.560 million, while income from shares and holdings fell by € 37.020 million and profits on realisation of investments by € 5.431 million.

The balance of income from investments as at December 31st, 2020, amounted to € 148.473 million.

The analytical statement of the income from investments is provided in Attachment 21.

Equity and financial charges

The overall amount, equal to € 169.027 million, includes € 10.696 million for investment management charges, € 157.028 million for value adjustments deriving from the year-end valuations (of which € 126.526 million relating to investments held in Group companies and other investments) and € 1.303 million for losses deriving from the realisation of investments. The balance of charges from investments as at December 31st, 2020, amounted to € 156.729 million.

An analytical statement of the equity and financial charges is provided in Attachment 23.

Other income

The item is made up as follows:

Table 68 - Other income - breakdown

(€ thousands)	2021	Pro forma 2020	Changes		2020
			Absolute value	%	
Exchange gains	186	223	-37	-16.6	224
Recoveries of administrative expenses and charges from third parties	630	559	71	12.7	559
Other income from Group companies	27,010	26,615	395	1.5	28,286
Recoveries from provision for risks and charges and write-downs	26,422	21,452	4,970	23.2	20,415
Interest income	1,435	811	624	76.9	811
Other income	1,707	1,027	680	66.2	1,023
TOTAL (item III.7)	55,955	49,876	6,079	12.2	50,507

The item amounted to € 55.955 million. This includes the uses of write-down allowance and provision for risks and charges, for € 11.985 million and € 14.437 million respectively, for € 26.422 million overall.

The item also includes recoveries from Group companies for € 27.010 million relating mainly to recharging of costs for the provision of services, and intercompany secondments, as well as recovery from third parties of charges and other administrative expenses amounting to € 630 thousand and exchange gains of € 186 thousand.

Other income totalled € 1.707 thousand, of which € 1.435 million relates to interest on bank deposits.

The balance of the item at the end of the same period in the previous year came to € 49.876 million and included the amounts relating to the merger of Berica Vita and ABC Assicura.

Other charges

The following table shows the breakdown of this item in its main components:

Table 69 - Other charges - breakdown

(€ thousands)	2021	Pro forma 2020	Changes		2020
			Absolute value	%	
Exchange losses	277	284	-7	-2.5	284
Interest expense	29,587	29,956	-369	-1.2	29,956
Amortisation of deferred charges	22,764	21,806	958	4.4	21,807
Other taxes	2,694	4,104	-1,410	-34.4	4,096
Provisions and allowances for risks and charges and write-downs of receivables	25,436	32,332	-6,896	-21.3	30,554
Other charges	37,217	34,065	3,152	9.3	35,674
TOTAL (item III.8)	117,975	122,547	-4,572	-3.7	122,371

The item amounted to € 117.977 million and compares with a balance as at December 31st, 2020, of € 122.547 million.

The item includes interest expense relating to the subordinated loans for € 29.587 million; goodwill amortisation for € 21.655 million, other deferred charges for € 632 thousand, start-up and expansion costs for € 463 thousand and leasehold improvements for € 14 thousand; write-down allowance and provision for risks and charges of € 10.837 million and € 14.599 million respectively, for a total of € 25.436 million; losses on receivables of € 4.453 million.

The "Other charges", which amounted to € 37.217 million, mainly include costs incurred on behalf of Group companies and charged to the same for € 26.282 million, as well as charges consequent to the payment of the amounts due to former employees who joined the Intersectoral Solidarity Fund for € 3.765 million.

Extraordinary income

The item shows a balance of € 84.716 million, compared to € 10.149 million recorded in the previous financial year (pro-forma figure). It should be noted that during the year, the equity investment held in Lombarda Vita S.p.A. was sold to UBI (later merged into Intesa Sanpaolo), generating a capital gain on disposal of € 60.96 million.

The "Extraordinary income" item also includes the result deriving from the sale of securities belonging to the long-term segment (€ 1.195 million), extraordinary contingent assets mainly deriving from the reversal of payables for invoices to be received from previous years (€ 10.37 million), as well as the income from lower IRES and IRAP taxes for the tax years 2016 - 2019 recognised against the definition of the facilitated income as a result of the signing of the Agreement with the Italian Revenue Agency, during the year, concerning the application of

the optional facilitated taxation regime of the income deriving from the economic contribution pertaining to the direct use of intangible assets (so-called "Patent Box") for € 10.698 million.

Extraordinary charges

This item had a balance of € 13.812 million and consists mainly of the following components: taxation relating to previous years amounting to € 5.607 million, represented, to a large extent, by withholdings on income from financial instruments (€ 2.975 million) and the adjustment of the estimate of income taxes for the previous year with respect to the calculation made at the time of their payment (€ 1.291 million) the charge for 2021 incurred following activation of recourse to the extraordinary section of the Intersectoral Solidarity Fund for the insurance sector amounting to € 3.247 million, adjustments to the value of intangible fixed assets amounting to € 1.093 million, contingent liabilities for negative income components relating to previous years amounting to € 1.266 million.

The balance of the item at the end of the previous year came to € 12.31 million.

Income taxes for the year

Income taxes for the year disclosed a balance of € 56.002 million, made up of current taxes (IRES and IRAP) for € 41.925 million, a negative change in prepaid taxes of € 8.305 million (cost), deferred taxes for € 611 thousand (revenue) and substitute tax pursuant to Italian Decree Law 185/2008 for € 6.383 million.

The prepaid taxes relating to the period have been recorded in observance of the prudent approach on the basis of the reasonable certainty that taxable income will

exist, in the years in which they will reverse, which permits recovery of the recognised taxes.

The amount relating to the substitute tax referred to in Italian Decree Law No. 185 of November 29th, 2008, amounting to € 6.383 million, derives from the deferral of

the charge for the substitute tax paid for the tax recognition of the deficit of Duomo Uni One Assicurazioni di Cattolica Previdenza, Fata and the merger of San Miniato Previdenza, as well as a consequence of the freeing-up of the equity investments recognised in the consolidated financial statements.

Table 70 - Income taxes for the year

(€ thousands)	IRES	IRAP	Total
Current taxes	34,832	7,093	41,925
Change in prepaid taxes	7,346	959	8,305
Change in deferred taxes	-335	-276	-611
Substitute tax (Italian Law Decree 185/2008)	6,383	0	6,383
TOTAL	48,226	7,776	56,002

As per Art. 2427 of the Italian Civil Code, the following tables describe the timing differences, which have led to the recognition of prepaid taxes, with indication of the changes with respect to the previous year and the amounts credited and debited to the income statement.

It should be noted that, following the merger by incorporation of the subsidiaries ABC Assicura and Berica Vita with effect for accounting and tax purposes from January 1st, 2021, the opening balances shown in the tables below include the two absorbed companies.

Table 71 - Recognition of prepaid taxes and consequent effects

(€ thousands)	Opening balance		Increases		Decreases		Closing balance	
	Taxable amount	Taxation	Taxable amount	Taxation	Taxable amount	Taxation	Taxable amount	Taxation
IRES								
Change in provision for outstanding claims	39,278	9,426	0	0	10,381	2,491	28,897	6,935
Provisions and allowances for risks and charges	79,386	19,052	19,453	4,669	24,086	5,780	74,753	17,941
Write-down of receivables from policyholders	130,258	31,262	0	0	20,841	5,002	109,417	26,260
Allowance for write-down of other receivables	50,640	12,155	10,837	2,601	11,040	2,650	50,437	12,106
Valuation capital losses	6,292	1,511	869	208	4,172	1,002	2,989	717
Excess amortisation/depreciation	85,468	20,512	4,363	1,047	5,465	1,312	84,366	20,247
Other adjustments	14,166	3,400	15,867	3,808	6,009	1,442	24,024	5,766
Total	405,488	97,318	51,389	12,333	81,994	19,679	374,883	89,972
IRAP (REGIONAL BUSINESS TAX)								
Write-down of receivables from policyholders	29,937	2,040	0	0	4,790	326	25,147	1,714
Provisions and allowances for risks and charges	10,289	702	2,117	144	10,289	702	2,117	144
Excess amortisation/depreciation	85,468	5,830	4,363	298	5,465	373	84,366	5,755
Total	125,694	8,572	6,480	442	20,544	1,401	111,630	7,613
Other adjustments in Statement of financial position								
Total prepaid taxes		105,890		12,775		21,080		97,585
Net effect in Income statement						8,305		

Table 72 - Recognition of deferred taxes and consequent effects

(€ thousands)	Opening balance		Increases		Decreases		Closing balance	
	Taxable amount	Taxation	Taxable amount	Taxation	Taxable amount	Taxation	Taxable amount	Taxation
IRES								
Capital gains on stocks from FATA merger	10,507	2,522	0	0	1,395	335	9,112	2,187
Total	10,507	2,522	0	0	1,395	335	9,112	2,187
IRAP (REGIONAL BUSINESS TAX)								
Capital gains on stocks from FATA merger	4,080	278	0	0	4,052	276	28	2
Total	4,080	278	0	0	4,052	276	28	2
Total Deferred taxes		2,800		0		611		2,189
Net effect in Income Statement						-611		

The following table shows the reconciliation between the ordinary rate and the effective rate.

Table 73 - Income taxes for the year - reconciliation between the ordinary rate and the effective rate

(value as %)	2021			2020		
	IRES	IRAP	Total	IRES	IRAP	Total
Ordinary rate applicable	24.00%	6.82%	30.82%	24.00%	6.82%	30.82%
Effect of increases (decreases) with respect to the ordinary rate:						
Permanent differences:						
Capital gains subject to the "participation exemption" regime	-22.73%			0.00%		
Capital losses subject to the "participation exemption" regime	63.46%			66.73%		
Adjustments due to the provisions on "dividend washing"	0.01%			0.03%		
Interest expense	0.45%			0.50%		
Dividends	-6.54%			-27.13%		
Non-deductible amortisation/depreciation	1.93%			1.87%		
Life provisions changes	-1.10%			-1.97%		
Other non-deductible costs	7.87%	1.87%		3.18%	1.36%	
Other adjustments	9.21%	3.65%		11.19%	7.22%	
Effective rate	76.56%	12.34%	88.90%	78.40%	15.40%	93.80%

SECTION 23 - SUNDRY INFORMATION RELATING TO THE INCOME STATEMENT

The following statements containing information on the income statement are attached:

- statement relating to transactions with Group companies and other investee companies (Attachment 30);
- summary statement of direct business premiums written (Attachment 31);
- statement of charges relating to staff, directors and management control committee members (Attachment 32).

Transactions on derivative contracts

Pursuant to ISVAP Regulation No. 22 dated April 4th, 2008, as amended by IVASS Provision No. 53 dated December 6th, 2016, the data and information on investment activities concerning class C and D financial derivatives is presented below.

During the year, the Company maintained a line of conduct aimed at prudence, thus observing the norms

established by the ISVAP regulation indicated above and by the outline resolution on financial aspects approved by the board of directors with regard to the use of derivative products.

Derivative transactions resulted in net adjustments of € 2.991 million.

Statement 2 - Operations on derivatives - C and D classes

(€ thousands)	Number of	Underlying type	Book value as at 12/31/2021	Market value as at 12/31/2021
Class C derivative instruments - forward				
Total class C derivative instruments - forward	0		0	0
Class C derivative instruments - options				
OPTION CP FLEX 2025	1	MULTIPLE ASSETS/LIABILITIES	2,447	2,447
OPTION CP FLEX 2030	1	MULTIPLE ASSETS/LIABILITIES	1,571	1,571
OPTION CP FLEX 2035	1	MULTIPLE ASSETS/LIABILITIES	1,299	1,299
Total class C derivative instruments - options	3		5,317	5,317
TOTAL CLASS C DERIVATIVE INSTRUMENTS			5,317	5,317
Class D derivative instruments - rights				
Total class D derivative instruments - rights			0	0
TOTAL CLASS D DERIVATIVE INSTRUMENTS			0	0
TOTAL CLASS C + D DERIVATIVE INSTRUMENTS			5,317	5,317

Statement 3 - Derivatives valued at fair value - C and D classes

(€ thousands)	FV
Class C derivative instruments - options	5,317
Class C derivative instruments - warrants	0
Class C derivative instruments - rights	0
Class C derivative instruments - forward	0
Total class C derivative instruments	5,317
Class D derivative instruments - warrants	0
Class D derivative instruments - rights	0
Total class D derivative instruments	0
TOTAL CLASS C+D DERIVATIVE INSTRUMENTS	5,317

It should be noted that at the end of the financial year, 3 option contracts for guarantees given on unit-link products were recorded under "Other asset items".

NOTES TO THE ACCOUNTS

Part C - Other Information

PART C

OTHER INFORMATION

SHAREHOLDERS' EQUITY

Pursuant to ISVAP Regulation No. 22 of April 4th, 2008, the table provides, separately for non-life and life businesses, the amount of each item of shareholders' equity at the end of the financial year and following the same.

Table 74 - Change in shareholders' equity after the end of the year

(€ thousands)	Shareholders' equity at the end of the year			Shareholders' equity updated on the basis of the proposal to distribute the profit emerging from the financial statements or other equity elements and changes, which have taken place after the end of the year (*)		
	Non-life	Life	Total	Non-life	Life	Total
Share capital	470,969	214,075	685,044	470,969	214,075	685,044
Share premium reserve	654,292	175,255	829,547	654,292	139,487	793,779
Revaluation reserve	37,232	25,267	62,499	37,232	25,267	62,499
Legal reserve	94,194	42,815	137,009	94,194	42,815	137,009
Reserves for shares of the parent company	0	2,194	2,194	0	2,194	2,194
Other provisions	446,930	21,806	468,736	453,437	21,806	475,243
Retained profits (accumulated losses)	0	0	0	0	0	0
Profit (loss) for the year	42,759	-35,768	6,991	0	0	0
Negative reserve for own shares in portfolio	-2,382	-260	-2,642	-2,382	-260	-2,642
TOTAL (item A)	1,743,994	445,384	2,189,378	1,707,742	445,384	2,153,126

(*) gross of the dividend pertaining to own shares

PUBLICATION OF THE FEES FOR THE ACCOUNTS AUDIT AND OTHER SERVICES OTHER THAN THE AUDIT

The following table, prepared according to Art. 149-duodecies of the CONSOB Issuers' Regulation supplemented by CONSOB Resolution No. 15915 dated May 3rd, 2007, illustrates the fees for 2021 for the accounts audit services, certification and other services provided by the Independent Auditors and bodies belonging to the same network.

The amounts do not include out-of-pocket expenses acknowledged or VAT.

During the year, the audit engagement with PricewaterhouseCoopers S.p.A. (PWC), assigned by the Similar resolutions were taken by the subsidiaries by the end of 2021.

Shareholders' Meeting of June 27th, 2020, was terminated by mutual consent and the engagement for the nine-year period 2021-2029 was assigned by the Shareholders' Meeting of December 23rd, 2021, to BDO Italia S.p.A. (BDO): these initiatives became necessary after the Company became a legal subsidiary of Generali on November 5th, 2021, following the PTO launched by Generali. Generali's acquisition of control has in fact led to the emergence of a situation of incompatibility for PWC in view of the services rendered by the auditing firm and entities belonging to its network in favour of Generali and its group.

Fees for auditing services relating to the foreign companies CattRe and Vera Financial amounted to € 229 thousand.

Table 75 - Independent Auditors' fees

(€ thousands)			
Type of service	Party providing the service	Recipient	Fee
Accounts audit	BDO Italia S.p.A. ⁽¹⁾	Cattolica	604
	PWC S.p.A. ⁽²⁾	Cattolica	424
	Deloitte & Touche S.p.A. ⁽³⁾	Cattolica	113
	BDO Italia S.p.A.	Subsidiaries	389
	PWC S.p.A.	Subsidiaries	245
	Deloitte & Touche S.p.A.	Subsidiaries	66
Certification service	PWC S.p.A. (*)	Cattolica	189
	KPMG S.p.A. (**)	Cattolica	2,031
	Deloitte & Touche S.p.A. (***)	Cattolica	30
	PWC S.p.A. (*)	Subsidiaries	188
	KPMG S.p.A. (****)	Subsidiaries	545
	Deloitte & Touche S.p.A. (***)	Subsidiaries	31
Total			4,855

(1) Audit assignment resolved by the Shareholders' Meeting on 12/23/2021 for the 2021-2029 period. If the audit assignment of both Cattolica and the subsidiaries is terminated early in order to allow for the admission of the Generali Group Auditor (KPMG) to carry out the audit activities relating to the 2022 financial year, the fees indicated above will be increased by 10%.

(2) Audit assignment resolved by the Shareholders' Meeting on 06/27/2020 for the 2021-2029 period and subsequently terminated.

(3) Audit assignment for 2012-2020.

(*) Fees for segregated management, internal unit-linked funds, SII activities and consolidated "non-financial" statement.

(**) Fees for segregated management, internal unit-linked funds, pension fund, SII activities, consolidated "non-financial" statement and Rep. Pack. for Assicurazioni Generali.

(***) Fees for certification of tax returns.

(****) Fees for segregated management, unit-linked internal funds, pension fund, SII activities.

ACTIVITIES CARRIED OUT WITH THE SHAREHOLDERS

For completing the matters illustrated in the management report, you are hereby informed that the premiums written in the year for contracts to which the more favourable conditions envisaged for the Shareholders have been applied, or for dedicated products, amounted to € 9.105 million for the non-life business and € 25.566 million for the life business.

As envisaged by the Articles of Association, the Shareholders have benefited from more favourable conditions when taking out policies with an economic advantage for the same of € 6.496 million.

CONSOLIDATED FINANCIAL STATEMENTS

The Company prepares the sub-Group consolidated financial statements in compliance with the international accounting standards (IAS/IFRS), pursuant to Italian Legislative Decree No. 38 dated February 28th, 2005. The consolidated financial statements have the purpose of providing more complete information on the equity, financial and economic situation of the sub-Group.

REMUNERATION OF DIRECTORS AND MANAGEMENT CONTROL COMMITTEE

CONSOB resolution No. 18049, published on December 23rd, 2011, which implemented the provisions concerning remuneration contained in Art. 123-ter of the Consolidated Law on Finance, came into force on

December 31st, 2011 and envisages the drawing up and subsequent resolution by the Shareholders' Meeting of the report on remuneration for the companies, to be made public in accordance with the terms as per the formalities envisaged by current legislation, which in Section II includes the analytical indication of the fees paid during the year for any reason by the Company and the subsidiaries and associated companies.

Pursuant to Art. 2427, paragraph 16, of the Italian Civil Code, the amount of the compensation payable to the Company's Directors and members of the Management Control Committee collectively for each category (excluding expenses, VAT and various contributions) amounted respectively to € 3.267 million for the Directors and € 568 thousand for the members of the Management Control Committee.

SIGNIFICANT EVENTS DURING THE FIRST FEW MONTHS OF 2022

Pursuant to Art. 2427, paragraph 22-quater, of the Italian Civil Code, with reference to the nature, description and capital, financial and economic effect of the significant events after the end of the year, please refer to the specific paragraph of the "Other information" section in the Management Report.

PROPOSAL FOR THE ALLOCATION OF THE PROFIT FOR THE YEAR

Pursuant to Art. 2427, paragraph 22-septies, of the Italian Civil Code, with reference to the proposal for the allocation of the profit (loss) for the year, please refer to the section at the end of the Management Report.

TRANSACTIONS WITH RELATED PARTIES

Pursuant to CONSOB Regulation No. 17221 of March 12th, 2010, and subsequent amendments and additions, as from January 1st, 2011, the "Procedure for the management of transactions with related parties" approved by the Board of Directors and last updated by resolution dated December 19th, 2019, up to June 30th, 2021, applies to the situations envisaged by regulations. On April 30th, 2021, the Company's Board of Directors, after receiving a favourable opinion issued by the Related Parties Committee, resolved to adapt, effective as of July 1st, 2021, the "Procedure for the management of transactions with related parties" to the amendments to CONSOB Regulation No. 17221/2010, most recently made by resolution No. 21624 of December 10th, 2020. The document relating to this procedure - which should be

referred to for details - is published on the website of the Company at www.cattolica.it, under the "Governance" section.

With regard to transactions with related parties, it should be noted that, for reporting purposes, a procedure has been set up for detecting the outstanding transactions, via the prior acquisition of the necessary information in relation to applicable accounting standards and subsequent extrapolation of the transactions relating to the same.

Following the successful outcome of the PTO launched by Assicurazioni Generali on all the ordinary shares of Società Cattolica di Assicurazione S.p.A., and completion in November 2021, the Company and its subsidiaries became legal subsidiaries of Assicurazioni Generali, which carried out management and coordination. For further information, reference should be made to the "Generali PTO" section in the Management Report.

It should be noted that the Generali Group already constituted a related party of Cattolica at the time of the 2020 Annual Report, in accordance with the industrial and commercial agreements entered into on June 24th, 2020, and then updated in September 23rd, 2020, with an amending framework agreement.

It should be noted that the Company has entered into several extraordinary transactions with related parties, not atypical and/or unusual, aimed at rationalising and reorganising the corporate structure of the same. These transactions, some of which directly involved the Company, are illustrated in other sections of the financial statements.

Pursuant to Article 2497 bis of the Italian Civil Code and Article 2427, paragraph 22 bis of the Italian Civil Code, the Company's relationships with the Generali Group and its subsidiaries and associates, as well as the effects that such transactions have had on the Company's operations and results, are reported below.

In this context it is specified that, during the year, the following have been established:

- agreements for the disbursement of general services, for services relating to the management of the investments and to other operational activities;
- insurance/reinsurance dealings, which it has been deemed appropriate to maintain with the Group;
- the joint option for tax consolidation scheme.

The calculation of the amounts recharged for the provision of intercompany services has been carried out

observing the guidelines and the commitments of a general nature established in the outline agreement in force, approved by the competent bodies, and the procedure for the allocation of the intercompany costs. Agreement on the management procedures and the monitoring of the disbursement of the services has made it possible to make an accurate allocation of the portions of cost relating to the companies using the service. The model used is that involving recharging of costs. The allocation criteria is based on the identification of specific indicators aimed at establishing the portion of cost associated with the activity to be charged to the individual companies, which benefit from the same.

Intercompany reinsurance transactions concerned the agreements entered into by the Company with BCC Assicurazioni, TUA Assicurazioni, CattRe and Vera Assicurazioni. With regard to all intercompany agreements, with reference to IVASS Regulation No. 30 of October 26th, 2016, (Intercompany Transactions), the Company's Board of Directors gave authorisation on March 17th, 2021, to carry out agreements that are not proportional XL (excess of loss) up to a maximum exposure of € 22,275,000 (maximum exposure referring to Vera Assicurazioni's XL TPL motor agreement), which is sufficient for the reinsurance structures in place in 2021 for each subsidiary. With regard to QS (quota share) proportional agreements, we are authorised to carry out intercompany reinsurance transactions without a threshold, given the characteristics of the transfer and not knowing in advance the final result of the transaction. With regard to the main specificities of the transfer programmes for the subsidiaries, note that, in consideration of the sizes of the respective portfolios, the subsidiaries BCC Assicurazioni and TUA Assicurazioni transfer a proportional multi-class bouquet in part to the Company (35% and 30% respectively), which in turn carries out retrocession to the reinsurance market, via its reinsurance programmes (intercompany acceptance by the Company in the capacity of reinsurer and subsequent transfer of the risks to the re-insurers as retrocession).

The retention of the proportional multi-class bouquet of the companies is further protected by excess claims hedge, which are also placed in part with the Company (45%). Moreover, in compliance with the arm's length principle, the economic conditions of these hedges, both proportional and non-proportional, are defined with counterparties outside the Group (professional re-insurers). Intercompany transfers are also envisaged for CattRe, limited to an agreement for the retrocession of excess claims to cover the risk of conflagration and one relating to environmental risks.

The reinsurance relationship between Generali Italia and Cattolica and its subsidiaries is part of the framework agreement entered into in 2020 and envisages Generali's participation in the programmes of all non-life companies with an average share of 30%.

The following table provides the equity and economic positions arising from the Company's aforementioned transactions with the Generali Group and its subsidiaries and associates, which are carried out at market conditions.

With regard to the Company's relationships with its subsidiaries, in terms of statement of financial position items, in particular, those relating to tax consolidation scheme should be noted: the "Other receivables" item mainly includes the amounts due from the subsidiaries for the transfer of the current IRES to Cattolica; the "Other payables" item mainly comprises the amounts due to the subsidiaries for the income recognised in the presence of tax losses transferred and amounts due for the transfer of the receivables of the subsidiaries for withholdings, for advance payments and for tax credits on mutual investment funds. With reference to the income statement dealings, the "dividends" item includes those collected from the subsidiaries. Furthermore, the "other revenues" item includes the recharging of costs and services and sundry recoveries of administrative expenses. The "Financial and equity revenues" item mainly includes interest income for the loan granted in 2020 to the subsidiary Vera Vita S.p.A. for € 3,707 thousand. "Other costs" include mainly the amounts charged by subsidiaries for services and sundry administrative expenses.

As at December 31st, 2021, the Company held securities issued by the Assicurazioni Generali Group. In addition, by virtue of the industrial and commercial agreements between Cattolica and the Generali Group, entered into on June 24th, 2020, and then updated on September 23rd, 2020, with an amending framework agreement, the partnership with the Generali Group with reference to four strategic business areas should be noted: asset management, internet of things, health business and reinsurance. The related economic and equity effects are provided in the table below.

Table 76 - Equity position and economic transactions with related parties

Equity transactions				
(€ thousands)	Generali Group companies	of which Cattolica sub-Group	Other related parties	Total 2021
Assets				
Shares	1,200,294	1,198,100	0	1,200,294
Bonds	18,478	17,678	0	18,478
<i>of which subordinated bonds</i>	18,478	17,678	0	18,478
Mutual investment funds	54,429	0	0	54,429
Receivables of the insurance and reinsurance operations	2,349	1,617	0	2,349
Loans	65,000	65,000	0	65,000
Reinsurance technical provisions	102,387	102,387	0	102,387
Other receivables and other assets	44,958	44,958	0	44,958
Current account transactions	1,088	0	0	1,088
Total	1,488,983	1,429,740	0	1,488,983
Liabilities				
Payables of the insurance and reinsurance operations	28,398	16,211	0	28,398
Reinsurance technical provisions	25,328	25,328	0	25,328
Other payables and other liabilities	50,954	45,919	0	50,954
Total	104,680	87,458	0	104,680
Economic transactions				
(€ thousands)	Generali Group companies	of which Cattolica sub-Group	Other related parties	Total 2021
Profits and revenues				
Gross premiums written	2,305	2,305	0	2,305
Revenues from reinsurance transactions	132,521	132,521	0	132,521
Financial and equity revenues	6,710	4,686	0	6,710
Dividends	14,488	14,301	0	14,488
Other revenues	28,441	27,287	0	28,441
Total	184,465	181,100	0	184,465
Losses and expenses				
Costs for reinsurance transactions	130,724	127,074	0	130,724
Commissions	10,961	10,961	0	10,961
Other costs	140,892	127,094	0	140,892
Total	282,577	265,129	0	282,577

Overall, transactions with other related parties, other than those described above, which are formally acknowledged as having taken place in line with market values, are not considered to be significant for disclosure purposes.

COMPANY CARRYING OUT MANAGEMENT AND COORDINATION

The main figures concerning the latest approved financial statements of the company carrying out management and coordination activities, Assicurazioni Generali S.p.A., are provided below:

Table 77 - Highlights of the latest financial statements approved by Assicurazioni Generali S.p.A.

(€ millions)	2020
Net profit	2,969.9
Total dividend	2,315.0
<i>Increases</i>	53.0%
Total net premiums	2,058.9
Total gross premiums	3,203.0
Total gross premiums from direct business	661.4
Total gross premiums from indirect business	2,541.6
Production and administration costs	390.9
<i>Expense Ratio (a)</i>	19.0%
Life business	
Life net premiums	1,099.7
Life gross premiums	1,518.7
Life gross premiums from direct business	179.3
Life gross premiums from indirect business	1,339.4
Life production and administration costs	175.9
<i>Expense Ratio (a)</i>	16.0%
Non-life business	
Non-life net premiums	959.2
Non-life gross premiums	1,684.3
Non-life gross premiums from direct business	482.1
Non-life gross premiums from indirect business	1,202.2
Non-life production and administration costs	215.0
<i>Expense Ratio (a)</i>	22.4%
<i>Loss ratio (b)</i>	69.7%
<i>Combined ratio (c)</i>	92.1%
Result of current financial activities	4,107.7
Technical provisions	6,414.7
Technical provisions - life business	4,613.4
Technical provisions - non-life business	1,801.3
Class C investments	43,795.2
Capital and reserves	14,221.3

(a) Ratio of operating expenses to total premiums.

(b) Ratio of outstanding claims to premiums for the year.

(c) Sum of (a) and (b).

The undersigned declare that these financial statements are true and consistent with the underlying accounting records.
The legal representatives of the company (*)

The Managing Director CARLO FERRARESI (**)

_____ (**)

_____ (**)

(*) For foreign companies, the signature must be that of the general representative for Italy.

(**) Indicate the office covered by the signer.

CASH FLOW STATEMENT

CASH FLOW STATEMENT

(€ thousands)	2021	2020
A. CASH FLOWS DERIVING FROM OPERATING ACTIVITIES		
Profit (loss) for the year	6,991	3,583
Adjustments for non-monetary elements and other adjustments		
Adjustment of reserves:		
Change in non-life premium provision	-13,775	15,058
Change in provision for outstanding claims and other non-life technical provisions	-99,029	-197,877
Change in mathematical provisions and other life technical provisions	359,555	-53,152
Amortisation/depreciation	41,585	28,151
Increase in employee severance indemnity and contractual pension fund	3,957	3,986
Increase net of taxation provision	-611	0
Net increase in other funds/provisions	7,509	5,253
Other non-monetary income and charges from financial activities	-7,656	-701
Capital gains and losses from valuation deriving from financial activities	137,745	169,564
Write-down of receivables and loans	8,222	12,743
(Increase) / decrease in trade receivables and other assets	16,425	-18,354
Increase / (decrease) in payables and other liabilities	-7,412	49,137
CASH FLOWS FROM OPERATING ACTIVITIES (A)	453,506	17,391
B. CASH FLOWS DERIVING FROM INVESTMENT ACTIVITIES		
Intangible assets	167	-3,826
Tangible assets	-410	-807
Property	20	-155
Purchases of financial fixed assets and current financial assets	-3,600,792	-3,862,148
Sales of financial fixed assets and current financial assets	3,079,149	3,695,853
Loans to third parties	221	-64,844
CASH FLOWS FROM INVESTMENT ACTIVITIES (B)	-521,645	-235,927
C. CASH FLOWS DERIVING FROM FINANCING ACTIVITIES		
Loan capital		
Increase/(decrease) in short-term payables due to banks	-5,774	3,592
Loans taken out/(repaid)	-80,000	0
Own equity		
Changes in shareholders' equity	4,100	300,000
Sale/(purchase) of own shares	182,280	-114,579
Seniority indemnity disbursed	-4,550	-4,301
Dividends	0	0
CASH FLOWS FROM FINANCING ACTIVITIES (C)	96,056	184,712
INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENT (A+B+C)	27,917	-33,824
Cash and cash equivalent as at January 1st	53,285	87,109
Cash and cash equivalent as at December 31st	81,202	53,285
INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENT	27,917	-33,824

The undersigned declare that these financial statements are true and consistent with the underlying accounting records.

The legal representatives of the company (*)

The Managing Director CARLO FERRARESI (**)

_____ (**)

_____ (**)

(*) For foreign companies, the signature must be that of the general representative for Italy.

(**) Indicate the office covered by the signer.

ATTACHMENTS TO THE NOTES TO THE ACCOUNTS

Company

CATTOLICA ASSICURAZIONI S.P.A.Subscribed share capital E. 685,043,940 Paid in E. 685,043,940Registered offices
in VeronaCourt in Verona**Attachments to the Notes to the
accounts**Financial Year 2021

(amounts in € thousands)

Company CATTOLICA ASSICURAZIONI S.P.A.

STATEMENT OF FINANCIAL POSITION - NON-LIFE BUSINESS

ASSETS

		Balances for the year	
A.	AMOUNTS DUE FROM SHAREHOLDERS PER SUBSCRIBED SHARE CAPITAL NOT PAID IN		1 0
	of which called capital	2 0	
B.	INTANGIBLE ASSETS		
	1. Acquisition commission to be amortised	4 0	
	2. Other acquisition costs	6 0	
	3. Start-up and expansion costs	7 2,180	
	4. Goodwill	8 74,333	
	5. Other long-term costs	9 1,780	10 78,293
C.	INVESTMENTS		
I	- Land and buildings		
	1. Property used for business activities	11 39,400	
	2. Property used by third parties	12 26,675	
	3. Other property	13 0	
	4. Other realty rights	14 0	
	5. Property under construction and advance payments	15 0	16 66,075
II	- Investments in Group companies and other investee companies		
	1. Company shares and holdings:		
	a) parent companies	17 0	
	b) subsidiaries	18 954,208	
	c) affiliated companies	19 0	
	d) associated companies	20 8,612	
	e) other companies	21 645	22 963,465
	2. Bonds issued by:		
	a) parent companies	23 400	
	b) subsidiaries	24 8,750	
	c) affiliated companies	25 0	
	d) associated companies	26 23	
	e) other companies	27 0	28 9,173
	3. Loans to:		
	a) parent companies	29 0	
	b) subsidiaries	30 50,050	
	c) affiliated companies	31 0	
	d) associated companies	32 0	
	e) other companies	33 0	34 50,050
			35 1,022,688
		to be carried forward	78,293

Financial Year 2021

Balances for the previous year

			181	0	
182	0				
184	0				
186	0				
187	0				
188	86,580				
189	4,886		190	91,466	
191	55,697				
192	28,615				
193	0				
194	0				
195	0	196	84,312		
197	0				
198	1,333,077				
199	0				
200	8,646				
201	643	202	1,342,366		
203	0				
204	8,750				
205	0				
206	23				
207	0	208	8,773		
209	0				
210	50,050				
211	0				
212	0				
213	0	214	50,050	215	1,401,189
	to be carried forward				91,466

STATEMENT OF FINANCIAL POSITION - NON-LIFE BUSINESS

ASSETS

				Balances for the year	
			carry forward		78,293
C.	INVESTMENTS (continued)				
III	- Other financial investments				
	1. Shares and holdings				
	a) Listed shares	36	3,402		
	b) Unlisted shares	37	317		
	c) Holdings	38	0	39	3,719
	2. Units of mutual investment funds			40	851,266
	3. Bonds and other fixed-income securities				
	a) listed	41	2,075,666		
	b) unlisted	42	200		
	c) convertible bonds	43	0	44	2,075,866
	4. Loans				
	a) loans with secured guarantee	45	1,883		
	b) loans on policies	46	0		
	c) other loans	47	90	48	1,973
	5. Units in mutual investments			49	0
	6. Deposits with credit institutions			50	0
	7. Sundry financial investments			51	0
				52	2,932,824
IV	- Deposits with ceding companies			53	6,034
				54	4,027,621
D bis.	TECHNICAL PROVISIONS - REINSURANCE AMOUNT				
	I - NON-LIFE BUSINESS				
	1. Premium provision			58	91,683
	2. Provision for outstanding claims			59	342,487
	3. Provision for profit-sharing and repayments			60	0
	4. Other technical provisions			61	0
				62	434,170
			to be carried forward		4,540,084

Balances for the previous year

	carry forward		91,466
216	1,681		
217	1,577		
218	0	219	3,258
		220	817,886
221	1,691,666		
222	182		
223	0	224	1,691,848
225	1,841		
226	0		
227	90	228	1,931
		229	0
		230	0
		231	0
		232	2,514,923
		233	6,351
		234	4,006,775
		238	85,659
		239	337,610
		240	0
		241	0
	to be carried forward		242
			423,269
			4,521,510

STATEMENT OF FINANCIAL POSITION - NON-LIFE BUSINESS

ASSETS

				Balances for the year	
		carry forward			4,540,084
E.	RECEIVABLES				
I	- Receivables, deriving from direct insurance transactions, due from:				
	1. Policyholders				
	a) for premiums for the year	71	144,772		
	b) for premiums for previous years	72	3,581	73	148,353
	2. Insurance brokers			74	142,598
	3. Insurance companies - current accounts			75	35,037
	4. Policyholders and third parties for sums to be recovered			76	24,550
				77	350,538
II	- Receivables deriving from reinsurance transactions, due from:				
	1. Insurance and reinsurance companies			78	41,140
	2. Reinsurance brokers			79	0
				80	41,140
III	- Other receivables			81	357,219
				82	748,897
F.	OTHER ASSET ITEMS				
I	- Tangible assets and inventories:				
	1. Furniture, office machines and internal means of transport			83	887
	2. Movable assets recorded in public registers			84	26
	3. Plant and equipment			85	844
	4. Inventories and miscellaneous assets			86	0
				87	1,757
II	- Cash and cash equivalent				
	1. Bank and postal account deposits			88	52,664
	2. Cheques and cash amounts			89	15
				90	52,679
IV	- Other assets				
	1. Transitory reinsurance accounts - receivable			92	0
	2. Sundry assets			93	144,342
	of which Liaison account with the life business			94	144,342
				95	198,778
				901	102,494
G.	ACCRUALS AND DEFERRALS				
	1. For interest			96	16,866
	2. For rental fees			97	0
	3. Other accruals and deferrals			98	986
				99	17,852
	TOTAL ASSETS				
				100	5,505,611

Balances for the previous year

	carry forward			4,521,510
251	163,090			
252	7,915	253	171,005	
		254	169,753	
		255	22,587	
		256	31,947	257
				395,292
		258	48,762	
		259	0	260
				48,762
			261	375,473
				262
				819,527
		263	1,148	
		264	121	
		265	698	
		266	0	267
				1,967
		268	30,366	
		269	11	270
				30,377
		272	0	
		273	57,556	274
				57,556
				275
				89,900
		903	28,501	
			276	17,763
			277	0
			278	1,332
				279
				19,095
				280
				5,450,032

Balances for the previous year

	281	470,969	
	282	654,292	
	283	37,232	
	284	254,023	
	285	0	
	500	0	
	287	227,492	
	288	0	
	289	37,380	
	501	-146,768	290 1,534,620
			291 525,000
292	722,234		
293	2,262,442		
294	759		
295	111		
296	14,911		297 3,000,457
to be carried forward			5,060,077

STATEMENT OF FINANCIAL POSITION - NON-LIFE BUSINESS

LIABILITIES AND SHAREHOLDERS' EQUITY

		Balances for the year		
		carry forward		5,127,548
E.	PROVISIONS FOR RISKS AND CHARGES			
1.	Provision for pensions and similar obligations		128 1,167	
2.	Provision for taxation		129 2,189	
3.	Other provisions and allowances		130 61,645	131 65,001
F.	DEPOSITS RECEIVED FROM RE-INSURERS			132 11,124
G.	PAYABLES AND OTHER LIABILITIES			
I	- Payables, deriving from direct insurance transactions, due to:			
1.	Insurance brokers	133 27,796		
2.	Insurance companies - current accounts	134 210		
3.	Policyholders for guarantee deposits and premiums	135 14,221		
4.	Guarantee funds in favour of policyholders	136 254	137 42,481	
II	- Payables, deriving from reinsurance transactions, due to:			
1.	Insurance and reinsurance companies	138 63,470		
2.	Reinsurance brokers	139 0	140 63,470	
III	- Bond loans		141 0	
IV	- Payables due to banks and financial institutions		142 3,053	
V	- Payables with secured guarantee		143 0	
VI	- Sundry loans and other financial payables		144 0	
VII	- Employee severance indemnities		145 4,589	
VIII	- Other payables			
1.	For taxes payable by policyholders	146 25,377		
2.	For sundry tax charges	147 52,017		
3.	Amounts due to social security and welfare institutions	148 1,639		
4.	Sundry payables	149 65,034	150 144,067	
IX	- Other liabilities			
1.	Transitory reinsurance accounts - payable	151 0		
2.	Commission for premiums being collected	152 30,006		
3.	Sundry liabilities	153 13,167	154 43,173	155 300,833
	of which Liaison account with the life business	902 0		
		to be carried forward		5,504,506

Balances for the previous year

carry forward		5,060,077			
	308	1,374			
	309	2,800			
	310	58,088			
		311	62,262		
			312	9,057	
313	21,247				
314	1,917				
315	14,996				
316	201	317	38,361		
318	47,094				
319	0	320	47,094		
		321	0		
		322	8,827		
		323	0		
		324	0		
		325	5,130		
326	27,286				
327	64,539				
328	1,986				
329	71,343	330	165,154		
331	0				
332	31,808				
333	21,157	334	52,965	335	317,531
904	0				
to be carried forward				5,448,927	

STATEMENT OF FINANCIAL POSITION - NON-LIFE BUSINESS

LIABILITIES AND SHAREHOLDERS' EQUITY

		Balances for the year	
	carry forward		5,504,506
H.	ACCRUALS AND DEFERRALS		
	1. For interest	156	1,105
	2. For rental fees	157	0
	3. Other accruals and deferrals	158	0
			159
			1,105
	TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		160
			5,505,611

Balances for the previous year

carry forward		5,448,927
	336	1,105
	337	0
	338	0
	339	1,105
	340	5,450,032

Company CATTOLICA ASSICURAZIONI S.P.A.

STATEMENT OF FINANCIAL POSITION - LIFE BUSINESS

ASSETS

Balances for the year

A.	AMOUNTS DUE FROM SHAREHOLDERS PER SUBSCRIBED SHARE CAPITAL NOT PAID IN								1	0
	of which called capital		2	0						
B.	INTANGIBLE ASSETS									
	1. Acquisition commission to be amortised		3	11,417						
	2. Other acquisition costs		6	0						
	3. Start-up and expansion costs		7	991						
	4. Goodwill		8	7,856						
	5. Other long-term costs		9	384				10		20,648
C.	INVESTMENTS									
I	- Land and buildings									
	1. Property used for business activities		11	0						
	2. Property used by third parties		12	0						
	3. Other property		13	0						
	4. Other realty rights		14	0						
	5. Property under construction and advance payments		15	0	16	0				
II	- Investments in Group companies and other investee companies									
	1. Company shares and holdings:									
	a) parent companies	17		2,194						
	b) subsidiaries	18		235,099						
	c) affiliated companies	19		0						
	d) associated companies	20		181						
	e) other companies	21		4,257	22	241,731				
	2. Bonds issued by:									
	a) parent companies	23		400						
	b) subsidiaries	24		8,750						
	c) affiliated companies	25		0						
	d) associated companies	26		155						
	e) other companies	27		0	28	9,305				
	3. Loans to:									
	a) parent companies	29		0						
	b) subsidiaries	30		14,950						
	c) affiliated companies	31		0						
	d) associated companies	32		0						
	e) other companies	33		0	34	14,950	35	265,986		
						to be carried forward				20,648

Financial Year 2021

Balances for the previous year

			181	0	
	182	0			
	183	11,531			
	186	0			
	187	0			
	188	6,411			
	189	1,610	190	19,552	
	191	0			
	192	0			
	193	0			
	194	0			
	195	0	196	0	
197	0				
198	338,452				
199	0				
200	405				
201	3,196	202	342,053		
203	0				
204	8,750				
205	0				
206	155				
207	0	208	8,905		
209	0				
210	14,950				
211	0				
212	0				
213	0	214	14,950	215	365,908
		to be carried forward			19,552

Balances for the previous year

	carry forward		19,552
216	11,594		
217	20,094		
218	0	219	31,688
		220	625,652
221	4,070,867		
222	486		
223	58	224	4,071,411
225	0		
226	703		
227	0	228	703
		229	0
		230	0
		231	0
		232	4,729,454
		233	3,096
		234	5,098,458
		235	415,593
		236	153,947
		237	569,540
		243	14,351
		244	0
		245	120
		246	0
		247	0
		248	0
		249	14,471
	to be carried forward		5,702,021

STATEMENT OF FINANCIAL POSITION - LIFE BUSINESS

ASSETS

		Balances for the year	
		carry forward	6,080,920
E.	RECEIVABLES		
I	- Receivables, deriving from direct insurance transactions, due from:		
	1. Policyholders		
	a) for premiums for the year	71 5,926	
	b) for premiums for previous years	72 1,657	
		73 7,583	
	2. Insurance brokers	74 25,544	
	3. Insurance companies - current accounts	75 0	
	4. Policyholders and third parties for sums to be recovered	76 0	77 33,127
II	- Receivables deriving from reinsurance transactions, due from:		
	1. Insurance and reinsurance companies	78 5,312	
	2. Reinsurance brokers	79 0	80 5,312
III	- Other receivables		81 204,796
			82 243,235
F.	OTHER ASSET ITEMS		
I	- Tangible assets and inventories:		
	1. Furniture, office machines and internal means of transport	83 148	
	2. Movable assets recorded in public registers	84 0	
	3. Plant and equipment	85 111	
	4. Inventories and miscellaneous assets	86 0	87 259
II	- Cash and cash equivalent		
	1. Bank and postal account deposits	88 28,521	
	2. Cheques and cash amounts	89 2	90 28,523
IV	- Other assets		
	1. Transitory reinsurance accounts - receivable	92 0	
	2. Sundry assets	93 20,268	94 20,268
	of which Liaison account with the non-life business	901 0	95 49,050
G.	ACCRUALS AND DEFERRALS		
	1. For interest		96 34,259
	2. For rental fees		97 0
	3. Other accruals and deferrals		98 63
			99 34,322
	TOTAL ASSETS		100 6,407,527

Balances for the previous year

	carry forward			5,702,021
251	7,285			
252	1,799	253	9,084	
		254	36,826	
		255	0	
		256	0	257 45,910
		258	6,003	
		259	0	260 6,003
			261 243,523	262 295,436
		263	185	
		264	1	
		265	56	
		266	0	267 242
		268	22,906	
		269	2	270 22,908
		272	0	
		273	35,686	274 35,686 275 58,836
		903	0	
			276 34,560	
			277 0	
			278 226	279 34,786
				280 6,091,079

STATEMENT OF FINANCIAL POSITION - LIFE BUSINESS

LIABILITIES AND SHAREHOLDERS' EQUITY

		Balances for the year	
A. SHAREHOLDERS' EQUITY			
I	- Subscribed share capital or equivalent fund	101	214,075
II	- Share premium reserve	102	175,255
III	- Revaluation reserves	103	25,267
IV	- Legal reserve	104	42,815
V	- Statutory reserves	105	0
VI	- Reserves for shares of the parent company	400	2,194
VII	- Other reserves	107	21,806
VIII	- Retained profits (accumulated losses)	108	0
IX	- Profit (loss) for the year	109	-35,768
X	- Negative reserve for own shares in portfolio	401	-260
		110	445,384
B. SUBORDINATED LIABILITIES			
			111
			115,000
C. TECHNICAL PROVISIONS			
II - LIFE BUSINESS			
	1. Mathematical provisions	118	4,760,298
	2. Premium provision of supplementary insurance	119	504
	3. Provision for outstanding claims	120	109,094
	4. Provision for profit-sharing and repayments	121	12
	5. Other technical provisions	122	27,711
			123
			4,897,619
D. TECHNICAL PROVISION FOR CONTRACTS WHERE THE INVESTMENT RISK IS BORNE BY THE POLICYHOLDERS AND DERIVING FROM THE MANAGEMENT OF PENSION FUNDS			
I	- Provisions relating to contracts whose benefits are linked to investment funds and stock market indices	125	576,710
II	- Provisions deriving from the management of pension funds	126	147,402
		127	724,112
	to be carried forward		6,182,115

Balances for the previous year

	281	214,075	
	282	209,052	
	283	25,267	
	284	53,255	
	285	0	
	500	0	
	287	11,273	
	288	0	
	289	-33,797	
	501	-17,738	290 461,387
			291 155,000
298	4,537,167		
299	511		
300	119,760		
301	15		
302	25,671		303 4,683,124
	305	415,593	
	306	153,947	307 569,540
to be carried forward			5,869,051

STATEMENT OF FINANCIAL POSITION - LIFE BUSINESS

LIABILITIES AND SHAREHOLDERS' EQUITY

		Balances for the year	
	carry forward		6,182,115
E.	PROVISIONS FOR RISKS AND CHARGES		
1.	Provision for pensions and similar obligations	128	172
2.	Provision for taxation	129	0
3.	Other provisions and allowances	130	16,238
		131	16,410
F.	DEPOSITS RECEIVED FROM RE-INSURERS		132
			4,065
G.	PAYABLES AND OTHER LIABILITIES		
I	- Payables, deriving from direct insurance transactions, due to:		
1.	Insurance brokers	133	7,080
2.	Insurance companies - current accounts	134	0
3.	Policyholders for guarantee deposits and premiums	135	4,388
4.	Guarantee funds in favour of policyholders	136	0
		137	11,468
II	- Payables, deriving from reinsurance transactions, due to:		
1.	Insurance and reinsurance companies	138	1,840
2.	Reinsurance brokers	139	0
		140	1,840
III	- Bond loans		141
			0
IV	- Payables due to banks and financial institutions		142
			0
V	- Payables with secured guarantee		143
			0
VI	- Sundry loans and other financial payables		144
			0
VII	- Employee severance indemnities		145
			668
VIII	- Other payables		
1.	For taxes payable by policyholders	146	665
2.	For sundry tax charges	147	26,895
3.	Amounts due to social security and welfare institutions	148	841
4.	Sundry payables	149	45,810
		150	74,211
IX	- Other liabilities		
1.	Transitory reinsurance accounts - payable	151	0
2.	Commission for premiums being collected	152	1,498
3.	Sundry liabilities	153	112,605
		154	114,103
	of which Liaison account with the non-life business	902	102,494
			to be carried forward
			6,404,880

Balances for the previous year

carry forward			5,869,051
	308	251	
	309	0	
	310	12,285	311 12,536
			312 5,417
313	1,521		
314	0		
315	6,223		
316	0	317 7,744	
318	2,089		
319	0	320 2,089	
		321 0	
		322 0	
		323 0	
		324 0	
		325 435	
326	644		
327	60,601		
328	443		
329	90,695	330 152,383	
331	0		
332	1,488		
333	36,999	334 38,487	335 201,138
904	28,501		
to be carried forward			6,088,142

STATEMENT OF FINANCIAL POSITION - LIFE BUSINESS
 LIABILITIES AND SHAREHOLDERS' EQUITY

		Balances for the year	
	carry forward		6,404,880
H.	ACCRUALS AND DEFERRALS		
	1. For interest	156 2,227	
	2. For rental fees	157 0	
	3. Other accruals and deferrals	158 420	159 2,647
	TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		160 6,407,527

Balances for the previous year

carry forward			6,088,142
	336	2,937	
	337	0	
	338	0	339 2,937
			340 6,091,079

Company CATTOLICA ASSICURAZIONI S.P.A.Financial Year 2021

Statement relating to the breakdown of the result for the year between non-life business and life business

	Non-life business	Life business	Total
Result of technical account	1 139,696	21 -30,915	41 108,781
Income from investments	+ 2 114,355		42 114,355
Equity and financial charges	- 3 169,027		43 169,027
Portions of profit from investments transferred from the technical account - life business	+ 4	24 0	44 0
Portions of profit from investments transferred from the technical account - non-life business	- 5 0		45 0
Interim operating profit (loss)	6 85,024	26 -30,915	46 54,109
Other income	+ 7 43,907	27 12,048	47 55,955
Other charges	- 8 87,141	28 30,834	48 117,975
Extraordinary income	+ 9 71,803	29 12,913	49 84,716
Extraordinary charges	- 10 10,491	30 3,321	50 13,812
Profit (loss) before taxation	11 103,102	31 -40,109	51 62,993
Income taxes for the year.....	- 12 60,343	32 -4,341	52 56,002
Profit (loss) for the year	13 42,759	33 -35,768	53 6,991

Notes to the accounts - Attachment 4

Financial Year 2021

Company CATTOLICA ASSICURAZIONI S.P.A.

Assets - Changes during the year in intangible assets (item B) and land and buildings (item C.I)

		Intangible assets B		Land and buildings C.I
Gross opening balances.....	+	1 416,203	31	128,716
Increases during the year	+	2 15,935	32	69
for: purchases or increases		3 1,335	33	69
write-backs		4 0	34	0
revaluations		5 0	35	0
other changes.....		6 14,600	36	0
Decreases during the year	-	7 5,248	37	15,492
for: sales or decreases.....		8 1,093	38	0
permanent write-downs.....		9 0	39	15,492
other changes.....		10 4,155	40	0
Gross closing balances (a).....		11 426,890	41	113,293
Amortisation/depreciation:				
Opening balances.....	+	12 305,185	42	44,404
Increases during the year	+	13 22,764	43	2,814
for: depreciation/amortisation charge for the year		14 22,764	44	2,814
other changes.....		15 0	45	0
Decreases during the year	-	16 0	46	0
for: reductions due to disposals		17 0	47	0
other changes.....		18 0	48	0
Closing balances - amortisation/depreciation (b) (*).....		19 327,949	49	47,218
Book value (a - b).....		20 98,941	50	66,075
Current value			51	66,881
Total revaluations		22	52	0
Total write-downs		23 0	53	15,492

Page deliberately left blank

Company CATTOLICA ASSICURAZIONI S.P.A.Financial Year 2021

Assets - Changes during the year in investments in Group companies and other investee companies: shares and holdings (item C.II.1), bonds (item C.II.2) and loans (item C.II.3)

		Shares and holdings C.II.1	Bonds C.II.2	Loans C.II.3
Opening balances	+ 1	1,684,419	21 17,678	41 65,000
Increases during the year:	+ 2	20,421	22 800	42 0
for: purchases, subscriptions or disbursements	3	15,002	23 0	43 0
write-backs	4	379	24 0	44 0
revaluations	5	0		
other changes	6	5,040	26 800	46 0
Decreases during the year:	- 7	499,644	27 0	47 0
for: sales or reimbursements	8	238,895	28 0	48 0
Write-downs	9	161,778	29 0	49 0
other changes	10	98,971	30 0	50 0
Book value	11	1,205,196	31 18,478	51 65,000
Current value	12	1,209,267	32 20,610	52 66,200
Total revaluations	13	0		
Total write-downs	14	161,778	34 0	54 0

The item C.II.2 includes:

Listed bonds	61	978
Unlisted bonds	62	17,500
Book value	63	18,478
of which convertible bonds	64	178

Company CATTOLICA ASSICURAZIONI S.P.A.

Assets - Statement containing information relating to investee companies (*)

Ord. No. (**)	Type (1)	Listed or unlisted (2)	Assets carried out (3)	Name and registered offices	Currency
93	a	L	1	ASSICURAZIONI GENERALI SPA - TRIESTE	242
4	b	NL	1	BCC ASSICURAZION SPA - MILAN	242
7	b	NL	1	LOMBARDA VITA SPA - BRESCIA	242
9	b	NL	1	ABC ASSICURA SPA - VERONA	242
10	b	NL	4	CATTOLICA IMMOBILIARE SPA - VERONA	242
52	b	NL	9	CATTOLICA SERVICES SCPA - VERONA	242
57	b	NL	1	BERICA VITA SPA - VERONA	242
67	b	NL	1	BCC VITA SPA - MILAN	242
71	b	NL	1	TUA ASSICURAZIONI SPA - MILAN	242
74	b	NL	9	CATTOLICA AGRICOLA - VERONA	242
75	b	NL	4	CATTOLICA BENI IMMOBILI - VERONA	242
86	b	NL	1	VERA ASSICURAZIONI SPA - VERONA	242
87	b	NL	1	VERA VITA S.P.A. - VERONA	242
88	b	NL	1	CATTRE SA - LUXEMBOURG	242
78	d	L	9	H-FARM SPA - RONCADE	242
91	d	NL	1	IMA ITALIA ASSISTANCE SPA - SESTO SAN GIOVANNI	242
30	e	NL	9	UCI SCARL - MILAN	242
35	e	NL	2	VERFIN SPA - VERONA	242
42	e	NL	3	EMIL BANCA CRED.COOP.SOC.COOP. - BOLOGNA	242
73	e	NL	9	VERONAFIERE SPA - VERONA	242
82	e	NL	9	NUMMUS.INFO SPA - TRENTO	242
83	e	NL	3	BCA CRED POP SCPA - TORRE DEL GRECO	242
84	e	NL	3	BCC CAMPANIA CENTRO - CRA SCPA - BATTIPAGLIA	242
85	e	NL	9	ESICERT ISTITUTO CERTIFICAZIONE ETICA - VERONA	242
92	e	NL	9	IMA SERVIZI SCARL - SESTO SAN GIOVANNI	242

(*) The Group companies and the other companies in which a holding is directly held also via trust companies or third parties, must be listed.

(**) The order number must be higher than "0"

(1) Type

- a = Parent companies
- b = Subsidiaries
- c = Affiliated companies
- d = Associated companies
- e = Others

(2) Indicate L for securities listed on organised markets

and NL for the others

(3) Activities carried out

- 1 = Insurance company
- 2 = Finance company
- 3 = Credit institution
- 4 = Real estate property company
- 5 = Trust company
- 6 = Mutual investment fund management or distribution company

7 = Consortium

8 = Industrial company

9 = Other company or body

(4) Amounts in original currency

(5) Indicate the total holding held

Share capital		Shareholders' equity (***)	Profit or Loss for the last year (***)	Holding (5)			
Amount (4)	Number of shares			(4)	(4)	Direct %	Indirect %
1,581,069	1,581,069,241				0.01		0.01
14,448	2,889,600	17,857	968	70.00			70.00
0	0	0	0	0			0
0	0	0	0	0			0
400	400,000	5,729	763	100.00			100.00
20,954	20,954,083	60,623	1	99.97	0.03		100.00
0	0	0	0	0			0
62,000	62,000,000	282,460	944	70.00			70.00
23,161	4,632,126	173,439	12,851	99.99			99.99
35,500	35,500,000	146,740	103	100.00			100.00
7,000	7,000,000	32,884	-9,354	100.00			100.00
63,500	63,500,000	101,874	23,081	65.00			65.00
219,600	43,920,001	376,060	-12,011	65.00			65.00
63,600	6,360,000	86,002	645	100.00			100.00
12,867	128,672,310	36,708	-14,103	3.67			3.67
3,857	33,539	25,559	1,603	35.00			35.00
527	1,033,260			2.23	1.81		4.04
6,553	1,270,000			3.94			3.94
102,953	3,928,003			0.10			0.10
90,913	90,912,707			6.01			6.01
580	580,000			10.78			10.78
20,039	7,766,938			1.01			1.01
2,472	958,166			4.18	3.76		7.94
270	270,000			3.70			3.70
100	100,000			6.00	31.65		37.65

(***) To be filled in only for subsidiaries and associated companies

Company CATTOLICA ASSICURAZIONI S.P.A.Assets - Breakdown of the changes in investments in Group companies and other investee companies:
shares and holdings

Ord. No. (1)	Type (2)	(3)	Company name	Increases during the year		
				For purchases		Other increases
				Quantity	Value	
93	a	V	ASSICURAZIONI GENERALI SPA	0	0	2,194
4	b	D	BCC ASSICURAZIONI SPA	0	0	0
4	b	V	BCC ASSICURAZIONI SPA	0	0	0
7	b	D	LOMBARDA VITA SPA	0	0	0
7	b	V	LOMBARDA VITA SPA	0	0	0
9	b	D	ABC ASSICURA SPA	0	0	0
10	b	D	CATTOLICA IMMOBILIARE SPA	0	0	0
10	b	V	CATTOLICA IMMOBILIARE SPA	0	0	0
52	b	D	CATTOLICA SERVICES SCPA	1,000	2	2,031
52	b	V	CATTOLICA SERVICES SCPA	0	0	2
57	b	D	BERICA VITA SPA	0	0	0
57	b	V	BERICA VITA SPA	0	0	0
67	b	D	BCC VITA SPA	0	0	65
67	b	V	BCC VITA SPA	0	0	65
71	b	D	TUA ASSICURAZIONI SPA	0	0	0
71	b	V	TUA ASSICURAZIONI SPA	0	0	0
74	b	D	CATTOLICA AGRICOLA	0	0	0
75	b	D	CATTOLICA BENI IMMOBILI	0	0	0
86	b	D	VERA ASSICURAZIONI SPA	0	0	0
86	b	V	VERA ASSICURAZIONI SPA	0	0	0
87	b	D	VERA VITA S.P.A.	0	0	0
87	b	V	VERA VITA S.P.A.	0	0	0
88	b	D	CATTRE SA	1,500,000	15,000	0
78	d	D	H-FARM SPA	0	0	0
78	d	V	H-FARM SPA	0	0	0
			Total C.II.1			
	a		Parent companies			
	b		Subsidiaries			
	c		Affiliated companies			
	d		Associated companies			
	e		Other			
			Total D.I			
			Total D.II			

(1) Must correspond with that indicated in Attachment 6

(2) Type

- a = Parent companies
- b = Subsidiaries
- c = Affiliated companies
- d = Associated companies
- e = Others

(3) Indicate:

- D for the investments assigned to the non-life business (item C.II.1)
 - V for the investments assigned to the life business (item C.II.1)
 - V1 for the investments assigned to the life business (item D.I)
 - V2 for the investments assigned to the life business (item D.2)
- The equity investment, even if split, must in any case be assigned the same order number

Notes to the accounts - Attachment 7
Financial Year 2021

Decreases during the year			Book value (4)		Purchase cost	Value value
For sales		Other decreases	Quantity	Value		
Quantity	Value					
0	0	0	127,289	2,194	2,194	2,371
0	0	53	1,748,208	9,662	15,162	9,662
0	0	9	274,512	2,048	2,048	2,048
19,948,000	214,313	0	0	0	0	0
2,288,000	24,582	0	0	0	0	0
0	0	11,309	0	0	0	0
0	0	0	313,250	2,366	3,433	2,366
0	0	0	86,750	815	15,722	815
0	0	0	20,902,369	60,481	67,570	60,481
0	0	0	46,714	130	143	130
0	0	43,800	0	0	0	0
0	0	43,800	0	0	0	0
0	0	0	21,700,000	80,285	105,834	80,285
0	0	0	21,700,000	80,285	105,834	80,285
0	0	0	3,741,166	132,770	132,770	132,770
0	0	0	890,834	31,528	31,528	31,528
0	0	0	35,500,000	146,543	148,500	146,543
0	0	9,221	7,000,000	33,945	68,200	33,945
0	0	50,120	31,781,750	148,250	251,187	148,250
0	0	14,971	9,493,250	44,282	75,030	44,282
0	0	67,150	21,981,961	254,475	400,119	254,475
0	0	20,058	6,566,040	76,012	119,516	76,012
0	0	0	6,360,000	85,430	85,430	85,430
0	0	34	625,960	28	1,430	28
0	0	224	4,095,596	181	9,372	181

(4) Indicate using (*) if carried at equity (only for Type b and d)

Company CATTOLICA ASSICURAZIONI S.P.A.Assets - Breakdown of the changes in investments in Group companies and other investee companies:
shares and holdings

Ord. No. (1)	Type (2)	(3)	Company name	Increases during the year		
				For purchases		Other increases
				Quantity	Value	
91	d	D	IMA ITALIA ASSISTANCE SPA	0	0	0
30	e	D	UCI SCARL	0	0	0
35	e	D	VERFIN SPA	0	0	0
42	e	D	EMIL BANCA CRED.COOP.SOC.COOP.	0	0	0
73	e	V	VERONAFIERE SPA	0	0	1,061
82	e	D	NUMMUS.INFO SPA	0	0	0
83	e	V	BCA CRED POP SCPA	0	0	0
84	e	D	BCC CAMPANIA CENTRO - CRA SCPA	0	0	1
84	e	V	BCC CAMPANIA CENTRO - CRA SCPA	0	0	0
85	e	D	ESICERT ISTITUTO CERTIFICAZIONE ETICA	0	0	0
92	e	D	IMA SERVIZI SCARL	0	0	0
			Total C.II.1		15,002	5,419
	a		Parent companies		0	2,194
	b		Subsidiaries		15,002	2,163
	c		Affiliated companies			
	d		Associated companies		0	0
	e		Other		0	1,062
			Total D.I		0	0
			Total D.II		0	0

(1) Must correspond with that indicated in Attachment 6

(2) Type

- a = Parent companies
- b = Subsidiaries
- c = Affiliated companies
- d = Associated companies
- e = Others

(3) Indicate:

- D for the investments assigned to the non-life business (item C.II.1)
 - V for the investments assigned to the life business (item C.II.1)
 - V1 for the investments assigned to the life business (item D.I)
 - V2 for the investments assigned to the life business (item D.2)
- The equity investment, even if split, must in any case be assigned the same order number

Notes to the accounts - Attachment 7
Financial Year 2021

Decreases during the year			Book value (4)		Purchase cost	Value value
For sales		Other decreases	Quantity	Value		
Quantity	Value					
0	0	0	11,739	8,584	8,584	9,845
0	0	0	23,073	0	7	0
0	0	0	50,000	429	516	438
0	0	0	3,734	26	317	45
0	0	0	5,464,388	3,726	11,209	5,916
0	0	0	62,500	78	78	78
0	0	0	78,521	530	2,376	858
0	0	0	26,690	3	83	68
0	0	0	13,345	1	41	34
0	0	0	10,000	10	10	0
0	0	0	6,000	99	99	99
	238,895	260,749		1,205,196	1,664,342	1,209,268
	0	0		2,194	2,194	2,371
	238,895	260,491		1,189,307	1,628,026	1,189,307
	0	258		8,793	19,386	10,054
	0	0		4,902	14,736	7,536
	0	0		0	0	0
	0	0		0	0	0

(4) Indicate using (*) if carried at equity (only for type b and d)

Assets - Breakdown on the basis of the use of other financial investments: company shares and holdings, units of mutual investment funds, bonds and other fixed-income securities, units in mutual investments and sundry financial investments (items C.Ill.1, 2, 3, 5, 7)

I - Non-life business

	Portfolio for long-term use		Portfolio for short-term use		Total	
	Book value	Current value	Book value	Current value	Book value	Current value
1. Equity investments in:						
a) listed shares	0	21	0	41	3,719	101
b) unlisted shares	0	22	0	42	3,402	102
c) holdings	0	23	0	43	317	103
2. Units of mutual investment funds	0	24	0	44	0	104
3. Bonds and other fixed-income securities	948,879	26	1,040,741	46	851,266	105
a1) listed government securities	414,724	27	425,912	47	753,140	107
a2) other listed securities	534,155	28	614,829	48	924,071	108
b1) unlisted government securities	0	29	0	49	0	109
b2) other unlisted securities	0	30	0	50	200	110
c) convertible bonds	0	31	0	51	0	111
5. Units in mutual investments	0	32	0	52	0	112
7. Sundry financial investments	0	33	0	53	0	113

II - Life Business

	Portfolio for long-term use		Portfolio for short-term use		Total	
	Book value	Current value	Book value	Current value	Book value	Current value
1. Equity investments in:						
a) listed shares	0	141	26,221	181	26,221	221
b) unlisted shares	0	142	10,885	182	10,885	222
c) holdings	0	143	15,336	183	15,336	223
2. Units of mutual investment funds	0	144	0	184	0	224
3. Bonds and other fixed-income securities	2,100,855	146	2,299,318	166	718,930	225
a1) listed government securities	1,611,538	147	1,753,460	167	2,348,700	226
a2) other listed securities	489,317	148	545,858	168	1,551,678	227
b1) unlisted government securities	0	149	0	169	0	228
b2) other unlisted securities	0	150	0	170	0	229
c) convertible bonds	0	151	0	171	200	231
5. Units in mutual investments	0	152	0	172	0	232
7. Sundry financial investments	0	153	0	173	0	233

Company **CATOLICA ASSICURAZIONI S.P.A.**Financial Year **2021**

Assets - Changes during the year in other financial investments for long-term use: company shares and holdings, units of mutual investment funds, bonds and other fixed-income securities, units in mutual investments and sundry financial investments (items C.III.1, 2, 3, 5, 7)

	Shares and holdings C.III.1	Units of mutual investments for unit-linked investment funds C.III.2	Bonds and other fixed-income securities C.III.3	Units in mutual investments C.III.5	Financial investments investments C.III.7
Opening balances	0 21	0 41	2,821,892 81	0 101	0 101
Increases during the year:	0 22	0 42	552,762	0 102	0 102
for: purchases	0 23	0 43	410,322 83	0 103	0 103
write-backs	0 24	0 44	0 84	0 104	0 104
transfers from non-permanent portfolio	0 25	0 45	0 85	0 105	0 105
other changes	0 26	0 46	142,440 86	0 106	0 106
Decreases during the year:	0 27	0 47	324,910 87	0 107	0 107
for: sales:.....	0 28	0 48	317,985 88	0 108	0 108
write-downs	0 29	0 49	0 89	0 109	0 109
transfers to non-permanent portfolio	0 30	0 50	0 90	0 110	0 110
other changes	0 31	0 51	6,925 91	0 111	0 111
Book value	0 32	0 52	3,049,744 92	0 112	0 112
Current value	0 33	0 53	3,340,059 93	0 113	0 113

Notes to the accounts - Attachment 10

Financial Year 2021

Company CATTOLICA ASSICURAZIONI S.P.A.

Assets - Changes in loans and deposits with credit institutions during the year (items C.III.4, 6)

		Loans C.III.4	Deposits with credit institutions C.III.6
Opening balances.....	+ 1	2,634	0 ²¹
Increases during the year:	+ 2	72	0 ²²
for: disbursements	3	29	
write-backs	4	0	
other changes	5	43	
Decreases during the year:	- 6	293	0 ²⁶
for: reimbursements	7	293	
write-downs	8	0	
other changes	9	0	
Book value	10	2,413	0 ³⁰

Assets - Statement of assets relating to benefits associated with investment funds and stock market indices (item D.I)

Fund code: 01 Fund description: index

	Current value		Acquisition cost	
	Financial Year	Previous year	Financial Year	Previous year
I. Land and buildings	0 21	0 41	0 61	0
II. Investments in Group companies and other investee companies:				
1. Shares and holdings	0 22	0 42	0 62	0
2. Bonds	0 23	0 43	0 63	0
3. Loans	0 24	0 44	0 64	0
III. Units of mutual investment funds	0 25	0 45	0 65	0
IV. Other financial investments:				
1. Shares and holdings	204 26	139 46	177 66	177
2. Bonds and other fixed-income securities	0 27	0 47	0 67	0
3. Deposits with credit institutions	0 28	0 48	0 68	0
4. Sundry financial investments	0 29	0 49	0 69	0
V. Other assets	0 30	0 50	0 70	0
VI. Cash and cash equivalent	0 31	0 51	0 71	0
Other liabilities	0 32	0 52	0 72	0
	0 33	0 53	0 73	0
Total	204 34	139 54	177 74	177

Notes to the accounts - Attachment 11
 Financial Year 2021

Company CATTOLICA ASSICURAZIONI S.P.A.

Assets - Statement of assets relating to benefits associated with investment funds and stock market indices (item D.I)

Fund code: 02 Fund description: Unit

	Current value		Acquisition cost	
	Financial Year	Previous year	Financial Year	Previous year
I. Land and buildings	0	0	0	0
II. Investments in Group companies and other investee companies:				
1. Shares and holdings.....	0	0	0	0
2. Bonds	0	0	0	0
3. Loans	0	0	0	0
III. Units of mutual investment funds	316,289	362,324	235,657	319,627
IV. Other financial investments:				
1. Shares and holdings.....	16,128	0	15,042	0
2. Bonds and other fixed-income securities	223,055	42,858	228,088	41,110
3. Deposits with credit institutions	0	0	0	0
4. Sundry financial investments	0	0	0	0
V. Other assets	4,563	5,306	4,563	5,306
VI. Cash and cash equivalent	20,703	8,679	20,703	8,679
Other liabilities.....	-4,232	-3,714	-4,232	-3,714
	0	0	0	0
Total	576,506	415,453	499,821	371,008

Assets - Statement of assets relating to benefits associated with investment funds and stock market indices (item D.I)

Fund code: Fund description: TOTAL

	Current value		Previous year	Acquisition cost	
	Financial Year			Financial Year	Previous year
I. Land and buildings	0	21	0	41	0
II. Investments in Group companies and other investee companies:					
1. Shares and holdings	0	22	0	42	0
2. Bonds	0	23	0	43	0
3. Loans	0	24	0	44	0
III. Units of mutual investment funds	316,289	25	362,324	45	319,627
IV. Other financial investments:					
1. Shares and holdings	1,632	26	139	46	177
2. Bonds and other fixed-income securities	223,055	27	42,858	47	41,110
3. Deposits with credit institutions	0	28	0	48	0
4. Sundry financial investments	0	29	0	49	0
V. Other assets	4,563	30	5,306	50	5,306
VI. Cash and cash equivalent	20,703	31	8,679	51	8,679
Other liabilities	-4,232	32	-3,714	52	-3,714
	0	33	0	53	0
Total	576,710	34	415,592	74	371,185

Assets - Statement of assets deriving from the management of pension funds (item D.II)

Code: 01 Pension fund description: Pension funds

	Current value		Previous year	Acquisition cost	
	Financial Year			Financial Year	Previous year
I. Investments in Group companies and other investee companies:					
1. Shares and holdings.....	0	21	0	41	0
2. Bonds	0	22	0	42	0
II. Other financial investments:					
1. Shares and holdings	34,310	23	756	43	725
2. Bonds and other fixed-income securities	106,543	24	106,983	44	94,577
3. Units of mutual investment funds	3,598	25	43,002	45	37,378
4. Deposits with credit institutions	0	26	0	46	0
5. Sundry financial investments	0	27	0	47	0
III. Other assets	3,765	28	3,257	48	3,257
IV. Cash and cash equivalent:.....	2,219	29	1,871	49	1,871
Other liabilities:.....	-3,033	30	-1,922	50	-1,922
	0	31	0	51	0
Total	147,402	32	153,947	52	135,886
			138,970	72	

Company CATTOLICA ASSICURAZIONI S.P.A.

Financial Year 2021

Liabilities - Changes during the year in the components of the premium provision (item C.I.1) and the provision for outstanding claims (item C.I.2) of the non-life business

Type	Financial Year	Previous year	Changes
Premium provision:			
Provisions for unearned premiums	1 709,921	11 705,952	21 3,969
Provision for current risks	2 4,562	12 16,282	22 -11,720
Book value	3 714,483	13 722,234	23 -7,751
Provision for outstanding claims:			
Provision for compensation and direct expenses	4 1,946,972	14 2,041,671	24 -94,699
Provision for settlement costs	5 77,483	15 75,645	25 1,838
Provision for claims not reported	6 143,076	16 145,126	26 -2,050
Book value	7 2,167,531	17 2,262,442	27 -94,911

Company CATTOLICA ASSICURAZIONI S.P.A.

Financial Year 2021

Liabilities - Changes during the year in the components of the mathematical provisions (item C.II.1) and the provision for profit-sharing and repayments (item C.II.4)

Type	Financial Year	Previous year	Changes
Mathematical provision for pure premiums	1 4,654,626	11 4,436,344	21 218,282
Premium carry forward.....	2 15,905	12 16,207	22 -302
Provision for mortality risk.....	3 8,359	13 10,849	23 -2,490
Integration provisions.....	4 81,408	14 73,767	24 7,641
Book value	5 4,760,298	15 4,537,167	25 223,131
Provision for profit-sharing and repayments	6 12	16 15	26 -3

Company CATTOLICA ASSICURAZIONI S.P.A.
 Financial Year 2021

Liabilities - Changes during the year in provisions for risks and charges (item E) and employee severance indemnities (item G.VII)

	Provision for pensions and similar obligations	Provision for taxation	Other provisions and allowances	Employee severance indemnities
+ 1	1,625 ¹¹	2,800 ²¹	70,373 ³¹	5,565
+ 2	75 ¹²	0 ²²	19,964 ³²	4,235
+ 3	0 ¹³	0 ²³	1,983 ³³	412
- 4	361 ¹⁴	611 ²⁴	14,437 ³⁴	4,929
- 5	0 ¹⁵	0 ²⁵	0 ³⁵	26
Book value	1,339¹⁶	2,189²⁶	77,883³⁶	5,257

Analytical statement of assets and liabilities relating to group companies and other investee companies

I: Assets

	Parent companies	Subsidiaries	Affiliated companies	Associated companies	Other	Total
Shares and holdings	1 2,194	2 1,189,307	3 0	4 8,793	5 4,902	6 1,205,196
Bonds	7 800	8 17,500	9 0	10 178	11 0	12 18,478
Loans	13 0	14 65,000	15 0	16 0	17 0	18 65,000
Units in mutual investments	19 0	20 0	21 0	22 0	23 0	24 0
Deposits with credit institutions	25 0	26 0	27 0	28 0	29 0	30 0
Sundry financial investments	31 0	32 0	33 0	34 0	35 0	36 0
Deposits with ceding companies	37 0	38 0	39 0	40 0	41 0	42 0
Investments relating to benefits associated with investment funds and stock market indices	43 0	44 0	45 0	46 0	47 0	48 0
Investments deriving from the management of pension funds	49 0	50 0	51 0	52 0	53 0	54 0
Receivables deriving from direct insurance transactions	55 677	56 85	57 0	58 0	59 0	60 762
Receivables deriving from reinsurance transactions	61 0	62 1,532	63 0	64 0	65 0	66 1,532
Other receivables	67 0	68 43,313	69 0	70 423	71 0	72 43,736
Bank and postal account deposits	73 0	74 0	75 0	76 0	77 4,120	78 4,120
Sundry assets	79 0	80 1,222	81 0	82 0	83 0	84 1,222
Total	85 3,671	86 1,317,959	87 0	88 9,394	89 9,022	90 1,340,046
of which subordinated assets	91 800	92 17,500	93 0	94 178	95 0	96 18,478

Analytical statement of assets and liabilities relating to group companies and other investee companies

II: Liabilities

	Parent companies	Subsidiaries	Affiliated companies	Associated companies	Other	Total
Subordinated liabilities	97	98	99	100	101	102
Deposits received from re-insurers	103	104	105	106	107	108
Payables deriving from direct insurance transactions	109	110	111	112	113	114
Payables deriving from reinsurance transactions	115	116	117	118	119	120
Payables due to banks and financial institutions	121	122	123	124	125	126
Payables with secured guarantee	127	128	129	130	131	132
Other loans and other financial payables	133	134	135	136	137	138
Sundry payables	139	140	141	142	143	144
Sundry liabilities	145	146	147	148	149	150
Total	151	152	153	154	155	156
		61,234		643	253	62,130
		44,970		643	253	45,866
		53		148	149	53

Company CATTOLICA ASSICURAZIONI S.P.A.

Financial Year 2021

Disclosure on "guarantees, commitments and other memorandum accounts"

	Financial Year		Previous year	
I. Guarantees given:				
a) sureties and endorsements given in the interests of parent, subsidiary and affiliated companies	1	0	31	0
b) sureties and endorsements given in the interests of associated and other investee companies	2	0	32	0
c) sureties and endorsements given in the interests of third parties	3	80,530	33	84,945
d) other unsecured guarantees given in the interests of parent, subsidiary and affiliated companies	4	0	34	0
e) other unsecured guarantees given in the interests of associated and other investee companies	5	0	35	0
f) other unsecured guarantees given in the interests of third parties	6	0	36	0
g) secured guarantees for bonds of parent, subsidiary and affiliated companies	7	0	37	0
h) secured guarantees for bonds of associated and other investee companies	8	0	38	0
i) secured guarantees for bonds of third parties	9	0	39	0
l) guarantees given for bonds of the company	10	6,746	40	0
m) assets lodged under deposit for reinsurance transactions	11	0	41	0
Total.....	12	87,276	42	84,945
II. Guarantees received:				
a) from group and associated companies and other investee companies	13	0	43	0
b) from third parties	14	130,091	44	137,255
Total.....	15	130,091	45	137,255
III. Guarantees given by third parties in the interests of the company:				
a) from group and associated companies and other investee companies	16	0	46	0
b) from third parties	17	0	47	0
Total.....	18	0	48	0
IV. Commitments:				
a) commitments for purchases with obligation to resell.....	19	0	49	0
b) commitments for sales with obligation to repurchase	20	0	50	0
c) other commitments	21	503,483	51	433,865
Total.....	22	503,483	52	433,865
V. Assets pertaining to pension funds managed in the name and on behalf of third parties	23	0	53	0
VI. Securities lodged with third parties	24	9,897,384	54	9,481,777
Total.....	25	9,897,384	55	9,481,777

Statement of commitments for transactions on derivative contracts

Derivative contracts	Financial Year				Previous year				
	Purchase		Sale		Purchase		Sale		
	(1)	(2)	(1)	(2)	(1)	(2)	(1)	(2)	
Futures:									
on shares	0	101	0	21	0	41	0	61	0
on bonds	0	102	0	22	0	42	0	62	0
on currency	0	103	0	23	0	43	0	63	0
on rates	0	104	0	24	0	44	0	64	0
other	0	105	0	25	0	45	0	65	0
Options:									
on shares	0	106	0	26	0	46	0	66	0
on bonds	0	107	0	27	0	47	0	67	0
on currency	0	108	0	28	0	48	0	68	0
on rates	0	109	0	29	0	49	0	69	0
other	0	110	5,317	30	0	50	8,308	70	0
Swaps:									
on currency	0	111	0	31	0	51	0	71	0
on rates	0	112	0	32	0	52	0	72	0
other	0	113	0	33	0	53	0	73	0
Other transactions	0	114	0	34	0	54	0	74	0
Total	0	115	5,317	35	0	55	8,308	75	0

Only the transactions on derivative contracts outstanding as at the date the financial statements, which involve commitments for the company, must be inserted. In the event that the contract does not exactly correspond to the figures described or in which characteristic elements of several types converge, said contract must be inserted in the nearest applicable contractual category. Offsetting of items is not permitted unless in relation to purchase/sale transactions referring to the same type of contract (same content, maturity, underlying assets, etc.).

The contracts, which envisage the exchange of two currencies, must be indicated just once, conventionally making reference to the currency to be purchased. The contracts, which envisage both the exchange of interest rates and the exchange of currency, are only indicated under the contracts on currency. The derivative contracts, which envisage the exchange of interest rates, are conventionally classified as "purchases" or as "sales" depending on whether they involve the purchase or sale of the fixed rate for the insurance company.

(1) The settlement price of derivative contracts, which involve or may involve the forward exchange of capital, is indicated for the same; the nominal value of the reference capital is indicated in all the other cases.

(2) Indicate the fair value of the derivative contracts.

Notes to the accounts - Attachment 19

Financial Year 2021

Company CATTOLICA ASSICURAZIONI S.P.A.

Summary information concerning the technical account - non-life business

	Gross premiums written	Gross premiums for the year	Gross liability for claims	Operating expenses	Reinsurance balance
Direct insurance:					
Accident, injury and health (classes 1 and 2)	208,105	217,605	122,873	73,236	-10,098
TPL - Land and motor vehicles (class 10)	678,951	685,703	481,606	170,026	3,005
Land vehicle hulls (class 3)	130,437	126,206	83,633	36,825	-633
Maritime, aeronautical and transport insurance (classes 4, 5, 6, 11 and 12)	40,383	39,708	22,527	8,921	-6,432
Fire and other damage to assets (classes 8 and 9)	338,571	345,031	242,744	112,480	-9,158
TPL - General (class 13)	193,882	188,146	4,963	64,848	-31,038
Credit and suretyship (classes 14 and 15)	15,472	14,056	6,206	6,449	1,191
Sundry financial losses (class 16)	19,244	20,436	11,076	6,109	1,435
Legal protection (class 17)	17,268	16,600	2,285	6,053	-2,270
Assistance (class 18)	47,327	46,084	8,334	16,783	-2,536
Total direct insurance	1,689,640	1,699,575	986,247	501,730	-56,534
Indirect insurance	22,739	24,654	13,012	5,611	-1,547
Total Italian portfolio	1,712,379	1,724,229	999,259	507,341	-58,081
Foreign portfolio	18,823	19,118	15,094	4,255	1,612
Grand total	1,731,202	1,743,347	1,014,353	511,596	-56,469

Company CATTOLICA ASSICURAZIONI S.P.A.

Financial Year 2021

Summary information concerning the life business relating to premiums and the reinsurance balance

	Direct business	Indirect business	Total
Gross premiums:	1 520,838	11 973	21 521,811
a) 1. for individual contracts	2 460,206	12 30	22 460,236
2. for collective contracts	3 60,632	13 943	23 61,575
b) 1. periodic premiums	4 181,634	14 38	24 181,672
2. single premiums	5 339,204	15 935	25 340,139
c) 1. for contracts without profit-sharing	6 36,767	16 942	26 37,709
2. for contracts with profit-sharing	7 333,266	17 0	27 333,266
3. for contracts when the investment risk is borne by the policyholders and for pension funds	8 150,805	18 31	28 150,836

Reinsurance balance	9 -3,973	19 0	29 -3,973
---------------------------	----------	------	-----------

Company CATTOLICA ASSICURAZIONI S.P.A.

Financial Year 2021

Income from investments (items II.2 and III.3)

	Non-life business		Life business		Total	
Income deriving from shares and holdings:						
Dividends and other income from shares and holdings of group companies and investee companies	1	11,284	41	3,026	81	14,310
Dividends and other income from shares and holdings of other companies	2	141	42	3,610	82	3,751
Total	3	11,425	43	6,636	83	18,061
Income from investments in land and buildings	4	1,734	44	0	84	1,734
Income deriving from other investments:						
Income on bonds of group companies and investee companies	5	485	45	497	85	982
Interest on loans to group companies and investee companies	6	2,854	46	853	86	3,707
Income deriving from units of mutual investment funds	7	34,872	47	21,957	87	56,829
Income on bonds and other fixed-income securities	8	53,664	48	111,155	88	164,819
Interest on loans	9	43	49	-14	89	29
Income on units of mutual investments	10	0	50	0	90	0
Interest on deposits with credit institutions	11	0	51	0	91	0
Income on sundry financial investments	12	0	52	0	92	0
Interest on deposits with ceding companies	13	7	53	136	93	143
Total	14	91,925	54	134,584	94	226,509
Reversal of adjustment on investments relating to:						
Land and buildings	15	0	55	0	95	0
Shares and holdings of group and investee companies	16	0	56	379	96	379
Bonds issued by group and investee companies	17	0	57	0	97	0
Other shares and holdings	18	10	58	70	98	80
Other bonds	19	558	59	362	99	920
Other financial investments	20	6,349	60	4,253	100	10,602
Total	21	6,917	61	5,064	101	11,981
Profits on realisation of investments:						
Capital gains deriving from the sale of land and buildings	22	0	62	0	102	0
Profits on shares and holdings of group and investee companies	23	0	63	0	103	0
Profits on bonds issued by group and investee companies	24	0	64	0	104	0
Profits on other shares and holdings	25	281	65	1,681	105	1,962
Profits on other bonds	26	1,678	66	22,867	106	24,545
Profits on other financial investments	27	396	67	36	107	432
Total	28	2,355	68	24,584	108	26,939
GRAND TOTAL	29	114,356	69	170,868	109	285,224

Company CATTOLICA ASSICURAZIONI S.P.A.

Financial Year 2021

Income and unrealised capital gains on investments for benefit of policyholders who bear the risk and deriving from the management of pension funds (item II.3)

I. Investments relating to benefits associated with investment funds and stock market indices

	Amounts
Income deriving from:	
Land and buildings	0
Investments in group and investee companies	0
Units of mutual investment funds	1,275
Other financial investments	4,053
- of which income from bonds	3,491
Other assets	0
Total	5,328
Profits on realisation of investments	
Capital gains deriving from the sale of land and buildings	0
Profits on investments in group and investee companies	0
Profits on units of mutual investment funds	5,289
Profits on other financial investments	2,091
- of which bonds	184
Other income	91
Total	7,471
Unrealised capital gains	58,794
GRAND TOTAL	71,593

II. Investments deriving from the management of pension funds

	Amounts
Income deriving from:	
Investments in group and investee companies	0
Other financial investments	2,432
- of which income from bonds	1,517
Other assets	35
Total	2,467
Profits on realisation of investments	
Profits on investments in group and investee companies	0
Profits on other financial investments	4,241
- of which bonds	4
Other income	700
Total	4,941
Unrealised capital gains	5,369
GRAND TOTAL	12,777

Company CATOLICA ASSICURAZIONI S.P.A.Financial Year 2021

Equity and financial charges (items II.9 and III.5)

		Non-life business		Life business		Total
Charges for management of investments and other charges						
Charges relating to shares and holdings	1	3,906	31	4,232	61	8,138
Charges relating to investments in land and buildings	2	1,326	32	53	62	1,379
Charges relating to bonds	3	5,041	33	9,781	63	14,822
Charges relating to units of mutual investment funds	4	0	34	21	64	21
Charges relating to units in mutual investments	5	0	35	0	65	0
Charges relating to sundry financial investments	6	297	36	273	66	570
Interest on deposits received from re-insurers	7	126	37	137	67	263
Total	8	10,696	38	14,497	68	25,193
Adjustment on investments relating to:						
Land and buildings	9	16,122	39	0	69	16,122
Shares and holdings of group and investee companies	10	126,526	40	35,252	70	161,778
Bonds issued by group and investee companies	11	0	41	0	71	0
Other shares and holdings	12	713	42	4,934	72	5,647
Other bonds	13	6,269	43	6,725	73	12,994
Other financial investments	14	7,399	44	8,740	74	16,139
Total	15	157,029	45	55,651	75	212,680
Losses on realisation of investments						
Capital losses deriving from the sale of land and buildings	16	0	46	0	76	0
Losses on shares and holdings	17	445	47	112	77	557
Losses on bonds	18	708	48	4,829	78	5,537
Losses on other financial investments	19	149	49	597	79	746
Total	20	1,302	50	5,538	80	6,840
GRAND TOTAL	21	169,027	51	75,686	81	244,713

Notes to the accounts - Attachment 24

Company CATTOLICA ASSICURAZIONI S.P.A. Financial Year 2021

Equity and financial charges and unrealised capital losses on investments for benefit of policyholders who bear the risk and deriving from the management of pension funds (item II.10)

I. Investments relating to benefits associated with investment funds and stock market indices

	Amounts
Operating expenses deriving from:	
Land and buildings	0
Investments in group and investee companies	0
Units of mutual investment funds	550
Other financial investments	158
Other assets	319
Total	1,027
Losses on realisation of investments	
Capital losses deriving from the sale of land and buildings	0
Losses on investments in group and investee companies	0
Losses on units of mutual investment funds	564
Losses on other financial investments	1,959
Other charges	86
Total	2,609
Unrealised capital losses	7,824
GRAND TOTAL	11,460

II. Investments deriving from the management of pension funds

	Amounts
Operating expenses deriving from:	
Investments in group and investee companies	0
Other financial investments	201
Other assets	3,333
Total	3,534
Losses on realisation of investments	
Losses on investments in group and investee companies	0
Losses on other financial investments	1,355
Other charges	51
Total	1,406
Unrealised capital losses	6,518
GRAND TOTAL	11,458

Company CATOLICA ASSICURAZIONI S.P.A.

Non-life insurance - Summary statement of the technical

	Class code <u>01</u>		Class code <u>02</u>	
	Accident and injury		Health	
	(name)		(name)	
Direct business gross of transfers under reinsurance				
Premiums written.....	+	155,278	1	52,827
Change in premium provision (+ or -).....	-	-257	2	-9,243
Charges relating to claims	-	62,031	3	60,842
Change in sundry technical provisions (+ or -) (1)	-	0	4	-100
Balance of other technical items (+ or -)	+	632	5	-1,128
Operating expenses.....	-	60,922	6	12,314
Technical balance of direct business (+ or -).....	A	33,214	7	-12,114
Profit (loss) of liability reinsurance transactions (+ or -).....	B	-10,174	8	76
Net result of indirect business (+ or -)	C	331	9	232
Change in equalisation provisions(+ or -)	D	64	10	0
Portion of profit from investments transferred from the non-technical account	E	0	11	0
Result of technical account (+ or -)		23,307	12	-11,806
(A + B + C - D + E)				

	Class code <u>07</u>		Class code <u>08</u>	
	Goods in transit		Fire & natural forces	
	(name)		(name)	
Direct business gross of transfers under reinsurance				
Premiums written.....	+	6,085	1	136,809
Change in premium provision (+ or -).....	-	174	2	-10,231
Charges relating to claims	-	2,707	3	100,637
Change in sundry technical provisions (+ or -) (1)	-	0	4	0
Balance of other technical items (+ or -)	+	-820	5	-2,988
Operating expenses.....	-	1,592	6	46,964
Technical balance of direct business (+ or -).....	A	792	7	-3,549
Profit (loss) of liability reinsurance transactions (+ or -).....	B	-566	8	-1,626
Net result of indirect business (+ or -)	C	13	9	-3,388
Change in equalisation provisions(+ or -)	D	0	10	489
Portion of profit from investments transferred from the non-technical account	E	0	11	0
Result of technical account (+ or -)		239	12	-9,052
(A + B + C - D + E)				

	Class code <u>13</u>		Class code <u>14</u>	
	TPL - General		Credit	
	(name)		(name)	
Direct business gross of transfers under reinsurance				
Premiums written.....	+	193,882	1	262
Change in premium provision (+ or -).....	-	5,736	2	-18
Charges relating to claims	-	4,963	3	838
Change in sundry technical provisions (+ or -) (1)	-	0	4	0
Balance of other technical items (+ or -)	+	-4,356	5	-26
Operating expenses.....	-	64,848	6	665
Technical balance of direct business (+ or -).....	A	113,979	7	-1,249
Profit (loss) of liability reinsurance transactions (+ or -).....	B	-31,038	8	23
Net result of indirect business (+ or -)	C	1,034	9	1
Change in equalisation provisions(+ or -)	D	0	10	0
Portion of profit from investments transferred from the non-technical account	E	0	11	0
Result of technical account (+ or -)		83,975	12	-1,225
(A + B + C - D + E)				

(1) This item includes both the change in "Other technical provisions" and the change in the "Provision for profit-sharing and repayments"

Notes to the accounts - Attachment 25
Financial Year 2021

accounts by individual class - Italian portfolio

Class code Land vehicle hulls (name)	03	Class code Railway rolling stock (name)	04	Class code Aircraft hulls (name)	05	Class code Maritime vessels (name)	06
1	130,437	1	1,444	1	778	1	30,198
2	4,231	2	16	2	18	2	396
3	83,633	3	0	3	1,155	3	17,701
4	0	4	0	4	0	4	0
5	-802	5	-3	5	52	5	-473
6	36,825	6	173	6	115	6	6,435
7	4,946	7	1,252	7	-458	7	5,193
8	-633	8	-1,288	8	361	8	-4,637
9	370	9	0	9	0	9	-143
10	0	10	0	10	0	10	0
11	0	11	0	11	0	11	0
12	4,683	12	-36	12	-97	12	413

Class code Other damage to assets (name)	09	Class code TPL - Land motor vehicles (name)	10	Class code TPL - Aircraft (name)	11	Class code TPL - Maritime vessels (name)	12
1	201,762	1	678,951	1	561	1	1,317
2	3,771	2	-6,752	2	22	2	49
3	142,107	3	481,606	3	43	3	921
4	0	4	0	4	0	4	0
5	-4,447	5	982	5	-7	5	-11
6	65,516	6	170,026	6	262	6	344
7	-14,079	7	35,053	7	227	7	-8
8	-7,532	8	3,005	8	-323	8	21
9	2,866	9	391	9	0	9	0
10	0	10	0	10	0	10	0
11	0	11	0	11	0	11	0
12	-18,745	12	38,449	12	-96	12	13

Class code Suretyship (name)	15	Class code Sundry financial losses (name)	16	Class code Legal protection (name)	17	Class code Assistance (name)	18
1	15,210	1	19,244	1	17,268	1	47,327
2	1,434	2	-1,192	2	668	2	1,243
3	5,368	3	11,076	3	2,285	3	8,334
4	0	4	0	4	0	4	0
5	-2,115	5	-411	5	-91	5	-3,662
6	5,784	6	6,109	6	6,053	6	16,783
7	509	7	2,840	7	8,171	7	17,305
8	1,168	8	1,435	8	-2,270	8	-2,536
9	2,180	9	120	9	0	9	0
10	0	10	0	10	0	10	0
11	0	11	0	11	0	11	0
12	3,857	12	4,395	12	5,901	12	14,769

Company CATOLICA ASSICURAZIONI S.P.A. Financial Year 2021

Summary statement of the technical account recapitulating all the non-life business classes
Italian portfolio

	Direct insurance risks		Indirect insurance risks		Retained risks Total 5 = 1 - 2 + 3 - 4
	Direct risks 1	Risks transferred 2	Undertaken risks 3	Retroceded risks 4	
Premiums written	1	11	21	31	41
Change in premium provision (+ or -)	2	12	22	32	42
Charges relating to claims	3	13	23	33	43
Change in sundry technical provisions (+ or -)	4	14	24	34	44
Balance of other technical items (+ or -)	5	15	25	35	45
Operating expenses	6	16	26	36	46
Technical balance (+ or -)	7	17	27	37	47
Change in equalisation provisions (+ or -)					48
Portion of profit from investments transferred from the non-technical account	9	0	29	0	49
Result of technical account (+ or -)	10	20	30	40	50

Notes to the accounts - Attachment 28

Financial Year 2021

Company CATTOLICA ASSICURAZIONI S.P.A.

Summary statement of the technical account recapitulating all the life business classes
Italian portfolio

	Direct insurance risks		Indirect insurance risks		Retained risks Total 5 = 1 - 2 + 3 - 4
	Direct risks 1	Risks transferred 2	Underwritten risks 3	Retrieved risks 4	
+					
Premiums written.....	520,838 ¹¹	8,650 ²¹	941 ³¹	0 ⁴¹	513,129
-					
Charges relating to claims	682,064 ¹²	6,974 ²²	219 ³²	0 ⁴²	675,309
Change in mathematical provisions and sundry technical provisions (+ o -)	-43,607 ¹³	-3,704 ²³	595 ³³	0 ⁴³	-39,308
+					
Balance of other technical items (+ or -)	-10,270 ¹⁴	0 ²⁴	0 ³⁴	0 ⁴⁴	-10,270
-					
Operating expenses	55,845 ¹⁵	1,407 ²⁵	0 ³⁵	0 ⁴⁵	54,438
+					
Income from investments net of the portion transferred to the non-technical account (*)	156,500		136 ²⁶		156,636 ⁴⁶
Result of technical account (+ or -)	-27,234¹⁷	3,973²⁷	263³⁷	0⁴⁷	-30,944

(*) Algebraic sum of the items relating to the Italian portfolio included in items II.2, II.3, II.9, II.10 and II.12 of the income statement

Company CATTOLICA ASSICURAZIONI S.P.A.

Financial
Year 2021

Summary statement relating to the non-life and life technical accounts - foreign portfolio

Section I: Non-life insurance

		Total classes
Direct business gross of transfers under reinsurance		
Premiums written.....	+ 1	0
Change in premium provision (+ or -)	- 2	0
Charges relating to claims.....	- 3	0
Change in sundry technical provisions (+ or -)	- 4	0
Balance of other technical items (+ or -)	+ 5	0
Operating expenses	- 6	0
Technical balance of direct business (+ or -).....	A	7
Profit (loss) of liability reinsurance transactions (+ or -).....	B	8
Net result of indirect business (+ or -)	C	9
Change in equalisation provisions(+ or -)	D	10
Portion of profit from investments transferred from the non-technical account	E	11
Result of technical account (+ or -)	12	752
		(A + B + C - D + E)

Section II: Life insurance

		Total classes
Direct business gross of transfers under reinsurance		
Premiums written	+ 1	0
Charges relating to claims.....	- 2	0
Change in mathematical provisions and sundry technical provisions (+ or -)	- 3	0
Balance of other technical items (+ or -)	+ 4	0
Operating expenses	- 5	0
Income from investments net of the portion transferred to the non-technical account (1) ..	+ 6	0
Profits (loss) of direct business gross of transfers under reinsurance (+ or -).....	A	7
Profit (loss) of liability reinsurance transactions (+ or -).....	B	8
Net result of indirect business (+ or -)	C	9
Result of technical account (+ or -)	10	29
		(A + B + C)

(1) Algebraic sum of the items relating to the foreign portfolio included in items II.2, II.3, II.9, II.10 and II.12 of the income statement

Company

CATTOLICA ASSICURAZIONI S.P.A.

Financial Year 2021

Transactions with group and other investee companies

I: Income

	Parent companies	Subsidiaries	Affiliated companies	Associated companies	Other	Total
Income from investments						
Income from land and buildings	1 0 2	0 3	0 4	0 5	0 6	0
Dividends and other income from shares and holdings ...	7 187 8	14,301 9	0 10	0 11	8 12	14,496
Income on bonds	13 62 14	963 15	0 16	16 17	0 18	1,041
Interest on loans	19 0 20	3,707 21	0 22	0 23	0 24	3,707
Income on other financial investments	25 0 26	0 27	0 28	0 29	0 30	0
Interest on deposits with ceding companies	31 0 32	0 33	0 34	0 35	0 36	0
Total	37 249 38	18,971 39	0 40	16 41	8 42	19,244
Income and unrealised capital gains on investments for the benefit of the policyholders who bear the risk and deriving from the management of pension funds	43 0 44	0 45	0 46	0 47	0 48	0
Other income						
Interest on receivables	49 0 50	0 51	0 52	0 53	0 54	0
Recoveries of administrative expenses and charges	55 0 56	27,010 57	0 58	0 59	0 60	27,010
Other income and recoveries	61 0 62	0 63	0 64	0 65	0 66	0
Total	67 0 68	27,010 69	0 70	0 71	0 72	27,010
Profits on realisation of investments (*)	73 0 74	0 75	0 76	0 77	0 78	0
Extraordinary income	79 0 80	2,65 81	0 82	12 83	0 84	277
GRAND TOTAL	85 249 86	46,246 87	0 88	28 89	8 90	46,531

Transactions with group and other investee companies

II: Expense

	Parent companies	Subsidiaries	Associated companies	Affiliated companies	Other	Total
Charges for management of investments and interest expense:						
Charges relating to investments	91	0	93	94	95	96
Interest on subordinated liabilities	97	0	99	100	101	102
Interest on deposits received from re-insurers	103	0	105	106	107	108
Interest on payables deriving from direct insurance transactions	109	0	111	112	113	114
Interest on payables deriving from reinsurance transactions	115	0	117	118	119	120
Interest on payables due to banks and financial institutions	121	0	123	124	125	126
Interest on payables with secured guarantee	127	0	129	130	131	132
Interest on other payables	133	0	135	136	137	138
Losses on receivables	139	0	141	142	143	144
Administrative charges and expenses on behalf of third parties	145	123,849	147	148	149	123,849
Sundry charges	151	11,796	153	154	155	14,206
Total	157	135,645	159	160	161	138,055
Charges and unrealised capital losses on investments for the benefit of the policyholders who bear the risk and deriving from the management of pension funds	163	0	165	166	167	168
Losses on realisation of investments (*)	169	0	171	172	173	174
Extraordinary charges	175	0	177	178	179	180
GRAND TOTAL	181	135,645	183	184	185	138,055

(*) With reference to the counterparty in the transaction

Company CATTOLICA ASSICURAZIONI S.P.A.
 Financial Year 2021

Summary statement of direct business premiums written

	Non-life business		Life business		Total	
	Establishment	L.P.S.	Establishment	L.P.S.	Establishment	L.P.S.
Premiums written:						
in Italy	1 1,676,164	5 0	11 520,671	15 0	21 2,196,835	25 0
in other European Union countries	2 0	6 11,621	12 0	16 0	22 0	26 11,621
in third countries	3 0	7 1,855	13 0	17 167	23 0	27 2,022
Total	4 1,676,164	8 13,476	14 520,671	18 167	24 2,196,835	28 13,643

Company CATTOLICA ASSICURAZIONI S.P.A.

Financial Year 2021

Statement of charges relating to staff, directors and statutory auditors

I: Personnel costs

	Non-life business		Life business		Total	
Costs for subordinate work services:						
Italian portfolio:						
- Remuneration	1	61,742	31	13,728	61	75,470
- Social security contributions	2	19,376	32	4,636	62	24,012
- Provision for employee severance indemnities and similar obligations	3	3,472	33	764	63	4,236
- Miscellaneous costs pertaining to personnel	4	4,407	34	966	64	5,373
Total	5	88,997	35	20,094	65	109,091
Foreign portfolio:						
- Remuneration	6	0	36	0	66	0
- Social security contributions	7	0	37	0	67	0
- Miscellaneous costs pertaining to personnel	8	0	38	0	68	0
Total	9	0	39	0	69	0
Grand total	10	88,997	40	20,094	70	109,091
Costs for freelance work services:						
Italian portfolio	11	36,567	41	0	71	36,567
Foreign portfolio	12	0	42	0	72	0
Total	13	36,567	43	0	73	36,567
Total costs for work services	14	125,564	44	20,094	74	145,658

II: Description of the items booked

	Non-life business		Life business		Total	
Charges for management of investments	15	1,312	45	2,980	75	4,292
Charges relating to claims	16	37,881	46	267	76	38,148
Other acquisition costs	17	33,017	47	7,276	77	40,293
Other administrative expenses	18	45,708	48	7,821	78	53,529
Administrative charges and expenses on behalf of third parties	19	7,645	49	1,751	79	9,396
.....	20	0	50	0	80	0
Total	21	125,563	51	20,095	81	145,658

III: Average headcount during the year

	Number	
Executives	91	54
Employees	92	946
Workers	93	0
Other	94	0
Total	95	1,000

IV: Directors and statutory auditors

	Number		Fees due	
Directors	96	29	98	3,522
Statutory Auditors	97	0	99	0

The undersigned declare that these financial statements are true and consistent with the underlying accounting records.
The legal representatives of the company (*)

The Managing Director CARLO FERRARESI (**)

_____ (**)

_____ (**)

(*) For foreign companies, the signature must be that of the general representative for Italy.

(**) Indicate the office covered by the signer.

REAL ESTATE PROPERTY

(amounts in units of €)

NON-LIFE BUSINESS			Cost as at	Cost as at			Book value as at
Town or City	Address	Surface area	Dec 31st, 2020	Dec 31st, 2021	REVALUATIONS	WRITE-DOWNS	December 31st, 2021 (*)
ROME	P. ZA DEI CAVALIERI DEL LAVORO, 5 -15	320	8,187	8,187	712,288	-271,963	448,511
ROME	VIA CURTATONE, 8	2,334	786,128	786,128	6,901,565	-1,052,525	6,635,168
ROME	VIA CURTATONE, 4	3,190	2,039,059	2,039,059	7,249,365	0	9,288,424
ROME	VIA NAZIONALE, 89 A	2,749	2,210,150	2,210,149	12,309,784	-744,773	13,775,161
ROME	VIA DEL PESCACCIO, 30	10,348	8,530,986	8,530,986	5,340,136	-5,641,177	8,229,945
VERONA	L.GE CANGRANDE, 16	18,981	32,613,282	32,614,150	26,172,198	-16,711,859	42,074,489
ROME	VIA URBANA, 169 A/171	6,814	8,488,462	8,467,858	26,528,081	-2,154,585	32,841,354
TOTAL		44,736	54,676,252	54,656,516	85,213,418	-26,576,881	113,293,052

(*) Gross of accumulated depreciation for properties amounting to € 47,217,765 as at Dec 31st, 2021

Managing Director
CARLO FERRARESI

Attestation of the financial statements pursuant to Article 154 bis, paragraphs 5 of Italian Legislative Decree No. 58 dated February 24th, 1998 and Article 81 ter of Consob Regulation No. 11971 dated May 14th, 1999 and subsequent amendments and additions

1. The undersigned, Carlo Ferraresi, in his capacity as Managing Director, and Atanasio Pantarrotas, in his capacity as Manager in charge of preparing the financial reports of Cattolica Assicurazioni S.p.A., hereby certify, also taking into account the provisions of Article 154 bis, paragraphs 3 and 4 of Italian Legislative Decree No. 58 dated February 24th, 1998:

- the adequacy in relation to the characteristics of the Company and
- the effective application,

of the administrative and accounting procedures in place for preparing the financial statements as of financial year 2021.

2. The adequacy of the administrative and accounting procedures in place for preparing the financial statements as at December 31st, 2021, has been assessed through a process established by Cattolica Assicurazioni S.p.A. on the basis of the COSO Framework (Internal Control - Integrated Framework, issued by the Committee of Sponsoring Organizations of the Treadway Commission), an internationally-accepted reference framework.

3. It is also certified that:

3.1 the financial statements as at December 31st, 2021:

- a) are prepared in compliance with the provisions of the Italian Civil Code, the Italian Legislative Decree No. 173 dated May 26th, 1997, the Italian Legislative Decree No. 209 dated September 7th, 2005 and subsequent amendments and applicable provisions, regulations and circular letters issued by IVASS;
- b) correspond to the related books and accounting records;
- c) provide a true and fair representation of the equity, economic and financial situation of the issuer.

3.2 The management report includes a reliable analysis of the performance and of the management result, as well as of the situation of the issuer, together with the description of the main risks and uncertain situations to which it is exposed.

Verona, March 14th, 2022

Carlo Ferraresi
Managing Director

Atanasio Pantarrotas
Manager in charge of preparing the
Company's financial reports

(signed on the original)

Società Cattolica di Assicurazione S.p.A.

Lungadige Cangrande 16, 37126 Verona - Italia - Pec cattolica.assicurazioni@pec.gruppocattolica.it - Tel. +39 045 8 391 111 - Fax +39 045 8 391 112
Cap. Soc. Euro 685.043.940,00 i.v. - C. F. e iscr. Reg. Imp. di VR n. 00320160237 - R.E.A. della C.C.I.A.A. di Verona n. 9962 - P. IVA del Gruppo IVA Cattolica Assicurazioni n. 04596530230 - Albo Imprese presso IVASS n. 1.00012 - Rappresentante del Gruppo IVA Cattolica Assicurazioni - Società soggetta all'attività di direzione e coordinamento da parte della società Assicurazioni Generali S.p.A. - Trieste - Società del Gruppo Generali, iscritto all'Albo dei gruppi assicurativi al n. 26 - Impresa autorizzata all'esercizio delle assicurazioni a norma dell'art. 65 R.D.L. numero 966 del 29 aprile 1923.
www.cattolica.it

MANAGEMENT CONTROL COMMITTEE'S REPORT

MANAGEMENT CONTROL COMMITTEE'S REPORT

Dear Shareholders,
the current Board of Directors, then the Management Control Committee (also the "Committee" or "Control Body"), was appointed on May 14th, 2021, by the Ordinary Shareholders' Meeting.

oOo

The Committee in office until the renewal of the corporate bodies on the aforementioned date was composed of the Directors Giovanni Glisenti (Chairperson), Federica Bonato and Cesare Brena. In 2021, the activities of that Committee were largely influenced by the outcomes of the IVASS Inspection Report. In addition to the ordinary activities for which it is responsible, the Management Control Committee was engaged in responding to the requests made by the Authority set out in the Recovery Plan and in periodically monitoring the process of its implementation. It met a total of 27 times, 10 of which in joint session with the Control and Risks Committee, and took part in the meetings of the Board of Directors (16 meetings) and of the internal board committees (52 meetings, with the participation of the Chairperson or another member of the Control Body).

During the period, the outgoing Management Control Committee did not receive any complaints and/or charges against it pursuant to Art. 2408 of the Italian Civil Code.

oOo

The Management Control Committee, pursuant to Art. 153 of Italian Legislative Decree 58/1998, Regulations concerning financial brokers (hereinafter referred to as "Consolidated Finance Law" or "TUF"), is now called upon to report on the supervisory activities carried out and on any omissions or reprehensible facts discovered. The Committee may also make observations and proposals regarding the financial statements, their approval and matters within their competence.

It should be noted that the Management Control Committee appointed by the aforementioned Shareholders' Meeting was composed of the Directors Michele Rutigliano (Chairperson), Silvia Arlanch and Laura Santori. Laura Santori resigned as a director, and therefore as a member of the Committee, on February 23rd, 2022. On March 14th, 2022, Carlo Maria Pinarði joined the Board of Directors and the Management Control Committee, in accordance with the provisions of the Articles of

Association, until the date of the next Shareholders' Meeting.

The Management Control Committee carried out the supervisory duties assigned to it by current legislation and regulations. It monitored compliance with the law and the Articles of Association, as well as with the principles of proper administration; it also monitored the adequacy of the Company's organisational, administrative and accounting structure, to the extent of its responsibility. The Management Control Committee does not believe there are any irregularities in this regard that require highlighting in this Report.

1. Independence of the members of the Management Control Committee and the other directors

The Committee verified that its members had no grounds for disqualification, pursuant to Art. 148 of the Consolidated Finance Law, and that they still meet the independence requirements: (i) pursuant to Art. 148, paragraph 3 of the TUF, as well as (ii) pursuant to Art. 2, Recommendation 7 of the new Corporate Governance Code. It acknowledges that the Board of Directors correctly applied the criteria and procedures for ascertaining the independence requirement for the other directors who have declared their possession of the requirement, as specified in the Report on corporate governance and ownership structures.

2. Transactions and events of particular importance

To the extent of its competence, the Committee certifies that the transactions carried out by the Company with a significant impact on the Company's equity, economic and financial position comply with the law and the Articles of Association, and that they are not manifestly imprudent or risky, 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's assets.

The aforementioned transactions, as well as the significant events in 2021 and thereafter, are set forth in the "Significant events during the year" and "Significant events in the first few months of 2022" sections of the Management Report for the year ended December 31st, 2021.

On May 31st, 2021, Assicurazioni Generali SpA (Offerer) launched a voluntary PTO for all the shares of Cattolica Assicurazioni SpA (Issuer), which ended on October 29th, 2021, with the Offerer taking control of the Issuer. Following the acquisition, Cattolica Assicurazioni SpA is subject to management and coordination by Assicurazioni Generali SpA..



3. Transactions with related parties or between Cattolica Assicurazioni sub-group companies

The Board of Directors adopted - according to the general principles indicated by CONSOB with Regulation No. 17221 of March 12th, 2010, as amended and supplemented - a "Procedure for the management of transactions with related parties", updated following the amendments to the Regulation that were finally introduced with Resolution No. 21624 of December 10th, 2020, aimed at ensuring transparency and substantial and procedural fairness of transactions with related parties, for which reference should be made to Part C - Other information in the Notes to the accounts. Details of these transactions are provided in the "Equity position and economic transactions with related parties" table.

The Chairperson of the Management Control Committee and one or more members of the Committee regularly attended the works of the Committee for Related-Party Transactions monitoring the procedures specifically adopted for the relevant resolutions and in this regard there are no particular observations to report.

In view of the model adopted with Cattolica Assicurazioni SpA as the parent company equipped with adequate centralised staff structures, the company provides services to its subsidiaries on the basis of specific contracts.

4. Atypical and/or unusual transactions

The Notes to the accounts of the Financial Statements and Consolidated Financial Statements of the sub-group, the information provided to the Board of Directors and the information received from the company's management did not reveal the existence of any atypical and/or unusual transactions, including those between group companies or with related parties, as defined by CONSOB Communication No. DEM/1025564 of 4-6-2001 and No. DEM/6064293 of July 28th, 2006. Moreover, as at the date of drawing up this Report, the Committee has not received any communication from the Control Bodies of the subsidiaries or from the auditing firm containing observations to be notified.

5. Meetings of the Management Control Committee, the Board of Directors and the Internal Board Committees

During the year ended December 31st, 2021, since the renewal of the corporate bodies, the new Board of Directors met 22 times. The new Management Control Committee met 28 times, with almost full attendance by its members, and always ensured the presence of at least one member at the meetings of the Internal Board Committees appointed by the new Board of Directors: Control and Risks Committee (15 meetings); Related Parties Committee (17 meetings); Appointments and Remuneration Committee (10 meetings); Corporate Governance, Sustainability and Value Generation Committee (8 meetings).

The Committee positively verified the functionality of the Board of Directors and of the Internal Board Committees, in terms of compliance with procedures, articulation and in-depth analysis of activities carried out according to the reference legislation and the internal Regulations.

6. Observations pursuant to Italian Legislative Decree 39/2010, Italian Legislative Decree No. 254 of December 30th, 2016, and on the independence of the Independent Auditors

On December 23rd, 2021, the Shareholders' Meeting, having taken into account the opinion expressed by the Management Control Committee pursuant to Art. 7 of Italian Ministerial Decree 261/2012, resolved the consensual termination of the engagement of PriceWaterhouseCoopers (PwC) for the audit of the accounts. It also resolved, in view of the Management Control Committee Recommendation pursuant to Article 16 of EU Regulation 537/2014, to appoint the auditing firm BDO Italia SpA as the new independent auditors for the nine-year period 2021-2029.

On April 1st, 2022, BDO Italia SpA issued the Reports, pursuant to Art. 14 of Italian Legislative Decree No. 39 of January 27th, 2010, Art. 10 of EU Regulation 537/2014 and Art.102 of Italian Legislative Decree No. 209 of September 7th, 2005, relating to the Financial Statements of Cattolica Assicurazioni Spa and the Consolidated Financial Statements as at December 31st, 2021, to which we refer you, noting at the same time that they do not contain any remarks. On the same date, it also issued the Additional Report for the Management Control Committee, in its capacity as the Internal Control and Audit Committee, pursuant to Art. 11 of EU Regulation 537/2014.

The Independent Auditors confirmed their independence in carrying out the statutory audit.

The Management Control Committee monitored the effectiveness of the statutory audit process, meeting with representatives of PwC and subsequently BDO to discuss the activities carried out.

With reference to the fees for auditing and non-auditing services, for the sub-group, reference should be made to the table in the Notes to the Accounts - Part C - Other information in the Financial Statements.

The Management Control Committee monitored the organisational and operational process aimed at drawing up the Consolidated Non-Financial Statement (NFS), Sustainability Report, through discussions with the competent internal function, the Corporate Governance, Sustainability and Value Generation Committee, the Control and Risks Committee and the Independent Auditors.

The Management Control Committee confirms that the NFS has been drawn-up in accordance with the requirements of Articles 3 and 4 of Italian Legislative Decree No. 254 of December 30th, 2016. The independent

auditors KPMG issued, in a specific Report dated April 1st, 2022, and on the basis of the auditing procedures specified therein, an attestation regarding the conformity, in all significant aspects, of the information provided with respect to the requirements of the cited Italian legislative decree and with respect to the reporting standards indicated in the "Methodological Note" of the NFS.

7. Observations on the financial reporting process and the system of internal control

In 2021, the new Management Control Committee monitored the adequacy of the administrative and accounting system, as well as the reliability of the latter to correctly represent operating events, by obtaining information from the Executive in charge of drawing up the company accounting documents and the other heads of administrative functions. Overall, the Management Control Committee considers the administrative and accounting system to be adequate and reliable in relation to the size and complexity of the Company and the sub-group.

As part of its duties, the Committee monitored the adequacy of the internal control system through: i) obtaining information from the heads of the company structures; ii) meetings with the heads of the key functions (Internal Audit, Risk management, Actuarial); iii) meetings with the head of Anti-Money Laundering; iv) attendance, through at least one of its members, at the meetings of the internal board committees; v) exchange of information with the Independent Auditors. Discussions with the above parties have always been supported by appropriate evidence and presentations submitted to the Committee.

Due to the restrictions associated with the Covid-19 pandemic, core functions were not always able to perform on-site inspections, but instead used technology to adequately perform the related activities.

The Management Control Committee was also informed about the activities carried out by the Supervisory Body (SB), set up pursuant to Italian Legislative Decree 231/2001 and subsequent amendments, by means of the half-yearly reports sent to the Management Control Committee itself, to the Control and Risks Committee and to the Board of Directors. The monitoring carried out by the Supervisory Body did not reveal any particular critical issues.

Finally, the Committee acknowledged the statements made by the Managing Director and the Executive in charge of drawing up the company accounting documents, pursuant to Art. 154-bis, paragraph 5 of Italian Legislative Decree No. 58 of February 24th, 1998 and Art. 81-ter of CONSOB Regulation No. 11971 of May 14th, 1999 and subsequent amendments and additions, concerning the adequacy and effective application of the administrative and accounting procedures for preparing

the separate and consolidated financial statements for the year 2021.

Based on the findings of the activities carried out, the Management Control Committee deems that the internal control system is adequate for the size and structure of the operations.

8. Observations on the adequacy of the organisational structure

The Committee monitored, to the extent of its competence, the adequacy of the Company's organisational structure, by obtaining information from the heads of corporate functions, and deems this structure to be generally adequate for the characteristics of the Company and the activities carried out.

9. Further activities of the Management Control Committee

The Committee:

- (i) periodically monitored compliance with the capital requirements provided for by the so-called "Solvency II" legislation;
- (ii) periodically verified the existence of assets covering the Technical Provisions pursuant to Art. 12 of IVASS Regulation 24/2016;
- (iii) monitored the state of progress of the measures required by the Recovery Plan made necessary by the findings of IVASS in its Inspection Report dated January 8th, 2021;
- (iv) issued the aforementioned Opinion on the consensual termination of the engagement for the audit of the Company's separate and consolidated financial statements entrusted to PwC by the Shareholders' Meeting on June 27th, 2020, for the nine-year period 2021-2029;
- (v) verified the correct application of the criteria and procedures adopted by the Board of Directors to assess the independence of its members, including with regard to the so-called "prohibition of interlocking", as well as to ascertain the existence of the eligibility requirements for the position pursuant to Art. 25 of IVASS Regulation 38/2018;
- (vi) verified the consistency of the organisational model and the procedures for subsidiaries to provide the parent company with all the information it needs to fulfil its legal reporting obligations;
- (vii) with regard to the subsidiaries, acquired information from the relevant Supervisory Bodies concerning any problems or points of attention;
- (viii) obtained information on the organisational structure and internal control system through the central functions and liaison with the control bodies of the subsidiaries;
- (ix) acknowledged the preparation of the Report on the Remuneration Policy 2022 and on compensation paid

2021, pursuant to Art. 123-ter of the Consolidated Finance Law, and has no particular comments to report;

(x) with regard to the Company's adherence to the new Corporate Governance Code, reference should be made to the Report on Corporate Governance and Ownership Structures, prepared pursuant to Art. 123-bis of the Consolidated Finance Law;

(xi) did not receive any complaints pursuant to Art. 2408 of the Italian Civil Code, nor any charges;

(xii) confirms that during the meetings with the Independent Auditors no aspects emerged that need to be highlighted in this Report.

oOo

On March 14th, 2022, the Board of Directors approved the defined-contribution Risparmio & Previdenza open-end pension fund and the defined-contribution Cattolica Gestione Previdenza open-end pension fund. KPMG issued without any comments, for each Fund and each sub-fund, the "Report of the independent auditors pursuant to Art. 21 of the Regulation Scheme pursuant to the Covip Resolution of October 31st, 2006".

oOo

During the course of supervisory activities, as described above, no reprehensible facts, omissions or irregularities requiring mention in this Report were discovered.

Moreover, the Management Control Committee does not deem it necessary to exercise its power to submit proposals to the Shareholders' Meeting pursuant to Art. 153, paragraph 2 of the Consolidated Finance Law.

The draft Financial Statements and Consolidated Financial Statements for the year ended December 31st, 2021, as well as the Management Report, were approved at the meeting of the Board of Directors held on March 14th, 2022. The Financial Statements show profit for the year of € 6,990,780, whilst the Consolidated Financial Statements show net income for the year of € 107,989 thousand.

Since it is not responsible for the legal audit of the accounts, which is the responsibility of the Independent Auditors BDO Italia SpA, the Committee checked that the Financial Statements and Consolidated Financial Statements generally comply with the rules governing their preparation and structure. The Committee also verified, to the extent of its competence, the substantive compliance with the facts and information of which it has become aware as a result of the performance of its duties. In this regard, the Committee has no particular observations to report.

The "Analysis of financial risks" section in the Management Report describes the market and credit risks to which the Company is exposed.

The effects of the Covid-19 pandemic and the management of the emergency are described in a separate section of the Management Report. As regards the effects of the war scenario currently underway in Ukraine, the "Outlook for business activities" section notes that the Cattolica sub-group has a non-significant exposure in terms of assets and liabilities to the two countries in conflict, and at present no material consequences are expected in relation to economic performance in 2022.

Having acknowledged the above, the Management Control Committee, having taken note of the aforementioned statements issued jointly by the Managing Director and the Executive in charge of drawing up the company accounting documents, as well as the reports of the Independent Auditors BDO Italia SpA, does not find, under the profiles of its own competence, any reasons to prevent the approval of the Financial Statements for the year ended December 31st, 2021 submitted by the Board of Directors, the proposal for the allocation of the profit for the year and the use of the extraordinary reserve of non-life business for the allocation of the dividend to the extent indicated by the Board of Directors.

The Management Control Committee recommended, in its role as the Internal Control and Audit Committee pursuant to Art. 19 of Italian Legislative Decree No. 39/2010, the appointment of the independent auditors KPMG SpA, formerly the auditors of the parent company Assicurazioni Generali SpA, for the nine-year period 2022-2030. Pursuant to Article 13-ter, paragraph 4 of Italian Legislative Decree 39/2011 and Art. 7 of Italian Ministerial Decree 261/2012, it expressed a favourable opinion on the early termination by mutual consent of the engagement entrusted to BDO Italia SpA, by resolution of this Shareholders' Meeting on December 23rd, 2021, for the statutory audit of the Company's separate and consolidated financial statements for the nine-year period 2021-2029.

Management Control Committee

Michele Rutigliano – Chairman

Silvia Arlanch

Carlo Maria Pinarci

Verona, April 1st, 2022

INDEPENDENT AUDITORS' REPORT

Independent auditor's Report

pursuant to article 14 of Legislative Decree n. 39, dated January 27 2010, article 10 of EU Regulation n. 537/2014 and article 102 of Legislative Decree n. 209, dated September 7 2005

To the shareholders of
Società Cattolica di Assicurazione S.p.A.

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Società Cattolica di Assicurazione S.p.A. (the Company), which comprise the balance sheet as at December 31, 2021, the income statement for the year then ended and notes to the financial statements.

In our opinion the financial statements give a true and fair view of the financial position of the Company as at December 31, 2021 and of its financial performance for the year then ended in accordance with Italian law 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 ethical and independence requirements applicable in Italy to the audit of financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional 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.

Key audit matter	Audit responses
Valuation of the recoverability of the value of investments in subsidiaries	Our main audit procedures carried out, also performed with the support of our specialist, consisted in:
The financial statements information relating to investments in subsidiaries is reported in the following parts and sections of the notes to the accounts:	<ul style="list-style-type: none">• understanding of the estimation process used by the Company to determine the recoverable value of investments in subsidiaries, through the analysis of the procedure, methods and assumptions adopted for the development of valuation models;• analysis of the reasonableness of the main assumptions adopted for the estimation of the expected cash flows, considering also the existing agreements related to bancassurance joint ventures, also by obtaining information from the Management;• analysis of the reasonableness of the variables used in the valuation model, such as the cost of capital and the long-term growth rate, as well as the main figures used to determine the expected cash flows (Solvency Ratio, combined ratio for non-life entities, new business value for life entities);• examination of the mathematical accuracy of the calculations made to determine the recoverable value of the investments in subsidiaries and the related sensitivity analysis;• examination of the correct determination of the book value of investments in subsidiaries and of the related adjustments for impairment losses;• examination of the completeness and adequacy of the information provided in the notes to the accounts.
<ul style="list-style-type: none">• <i>Part A - Accounting principles - Investments;</i>• <i>Part B - Information on the Statement of financial information and Income statement, Section 2 - Investments (Item C) and Sections 20 and 21.</i>	
The investments in Group subsidiaries at 31 December 2021 amount to € 1,189.3 million, corresponding to approximately 10% of the total assets.	
This item was considered significant in audit activities considering its amount and the subjectivity and complexity inherent in the valuation processes aimed at verifying the recoverability of the book values; the recoverability of the values of the investments in subsidiaries is related to the occurrence of the assumptions underlying the business plans, the discount rates of the relevant cash flows for the purposes of the impairment test, the future growth rates used and further parameters characterized by subjectivity.	

Valuation of unlisted debt securities and debt securities listed on non-active markets

The financial statements information relating to unlisted financial instruments and financial instruments listed on non-active markets is reported in the following parts and sections of the the notes to the accounts:

- *Part A - Accounting principles - Investments;*
- *Part B - Information on the Statement of financial information and Income statement, Section 2 - Investments (Item C).*

As at December 31, 2021, item C.III “Other financial investments” includes unlisted debt securities and debt securities listed on non-active markets for a total amount of € 1,079.3 million.

This item was considered significant for audit activities considering its amount and the subjectivity inherent in the process of determining its value.

Our main audit procedures carried out consisted in:

- analysis of the Company procedures and processes for evaluating this type of financial instruments;
- understanding of the design and implementation of the internal control system and examination of the operational effectiveness of the relevant controls for the purpose of evaluating this type of financial instruments;
- carrying out test of details, with the support of our specialists, aimed at:
 - understanding of the valuation models and related input data used by the Company to determine the value of unlisted debt securities and debt securities listed on non-active markets and analysis of their reasonableness, also with respect to the standards or market best practices;
 - analysis, on a sample basis, of the sources used and examination of the reliability of the main input data included in the evaluation model, by comparison with the main info-providers;
 - reperforming on a sample basis of the market value of these financial instruments;
- examination of the completeness and adequacy of the information provided in the notes to the accounts.

Key audit matter

Audit responses

Valuation of provision for outstanding claims

The financial statements information relating to provision for outstanding claims is reported in the following parts and sections of the the notes to the accounts:

- *Part A - Accounting principles - Technical provisions;*
- *Part B - Information on the Statement of financial information and Income statement, Section 10 and Section 19.*

Claims reserve as at December 31, 2021 amounts to € 2,167.5 million, corresponding to approximately 18% of the total liabilities and shareholders' equity.

The caption "provision for outstanding claims" is the item which by its nature is more subject to a risk of material misstatement, as it is characterized by a high degree of subjectivity and is the result of an estimation process based on numerous assumptions and variables and on the use of complex valuation methodologies.

The main assumptions that involve a high degree of judgment concern the evolution of the costs of reported claims and the estimate of claims incurred but not yet reported.

For these reasons, we considered the valuation of the provision for outstanding claims as a key audit matter.

Our main audit procedures carried out consisted in:

- understanding of the process of estimating the claims reserve and the related IT environment, as well as the design and implementation of the internal control system and the performance of audit procedures aimed at verifying the operational effectiveness of the relevant controls for the purposes of assessing the claims reserve;
- understanding of the control activity carried out by the actuarial function of the Company, through inquiries and analysis of the report prepared by the actuarial function manager;
- carrying out matching and reconciliation procedures between the technical data present in the technical systems and the accounting data;
- performing comparative analyses with reference to suitable significant ratios and trends observed in historical series by main line of business and by generation year;
- understanding and analysis of the methodologies and main assumptions adopted by Management for the estimate of claims reserve, also through the use of the work of our expert in statistical-actuarial sciences, verifying their compliance with the best practices and recognized international principles;
- carrying out, through the use of the expert in statistical-actuarial sciences, independent assessments of the claims reserves of the main lines of business using statistical-actuarial methodologies, aimed at identifying a range of values of the claims reserve deemed reasonable;
- discussion with the expert in statistical-actuarial sciences in order to assess the adequacy of his work and, therefore, to understand the relevance and reasonableness of controls performed and the reached conclusions, also with regard to the application of methods and significant assumptions;
- verification of the completeness and adequacy of the information provided in the notes of the accounts.

Valuation of technical provisions for life business

The financial statements information relating to technical provision for life business is reported in the following parts and sections of the notes to the accounts:

- *Part A - Accounting principles - Technical provisions - Technical provisions for Life Business;*
- *Part B - Information on the Statement of financial information and Income statement, Section 10 and Section 20.*

Life business technical reserves as at December 31, 2021 amount to € 4,897.6 million, corresponding to approximately 41% of the total liabilities and shareholders' equity.

This item was considered significant for audit activities considering the importance in numerical terms, the complexity of the calculation algorithms and the subjectivity inherent in some types of reserves, being the result of an estimation process based on numerous assumptions and variables (financial, demographic, expense, mortality, redemption) and on the use of complex valuation methodologies

Our main audit procedures carried out consisted in:

- Understanding of the process of calculating the technical provisions for life business and the related IT environment, as well as the design and implementation of the internal control system and the performance of audit procedures aimed at verifying the operational effectiveness of the controls relevant to the determination of the technical reserves;
- understanding of the control activity carried out by the actuarial function of the Company, through inquiries and analysis of the report prepared by the actuarial function manager;
- carrying out matching and reconciliation procedures between the technical data present in the technical systems and the accounting data;
- performing comparative analysis procedures relating to the different types of reserves;
- understanding and assessment, also through the use of our expert in statistical-actuarial sciences, of the compliance of the methodology used by the Company for the determination of the various reserve components in respect to what is required by sector regulations;
- carrying out, through the use of our expert in statistical-actuarial sciences, independent recalculations on a sample basis for various reserve components;
- discussion with the expert in statistical-actuarial sciences, in order to assess the adequacy of his work and, therefore, understand the relevance and reasonableness of controls performed and conclusions reached, also with regard to the application of methods and significant assumptions;
- verification of the completeness and adequacy of the information provided in the notes of the accounts.

Other matters

We highlight the following other matters:

- the Company, as established by law, included in its notes to the financial statements the main figures of the latest financial statements of the Entity that exercises management and coordination. Our opinion on the financial statements of Società Cattolica di Assicurazione S.p.A. does not extend to those figures;
- the Company's 2020 financial statements were audited by other auditors, who expressed an unqualified opinion thereon on April 21, 2021.

Responsibilities of the Directors and the Management Control Committee for the Financial Statements

The Directors are responsible for the preparation and fair presentation of the financial statements in accordance with Italian law governing financial statements and, within the terms provided by the law, for such internal control as the Directors 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, and, in preparing the financial statements, for the appropriateness of using the going concern assumption, as well as for adequate disclosure in matter.

The Directors use the going concern assumption in the preparation of the financial statements unless they have assessed that the conditions exist for the liquidation of the Company or for the interruption of the activity or do not have realistic alternatives to such choices.

The Management Control Committee is responsible for overseeing, within the terms established by law, 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 errors and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with International Standards on Auditing (ISA Italia), we exercise professional judgment and maintain professional scepticism throughout the audit. We also have:

- identified and assessed the risks of material misstatement of the financial statements, whether due to fraud or errors, 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 errors, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- 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;
- evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors;
- concluded on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw

attention in our 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;

- 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, as properly identified in accordance with ISA Italia, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we have identified during our audit.

We have also provided those charged with governance with a statement that we have complied with relevant ethical and independence requirements applicable in Italy, and communicated with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We described those matters in the auditor's report.

Other information communicated pursuant to article 10 of EU Regulation 537/2014

We were initially engaged by the shareholders meeting of Società Cattolica di Assicurazione S.p.A. on December 23, 2021 to perform the audits of the financial statements of each fiscal year starting from December 31, 2021 to December 31, 2029.

We declare that we did not provide prohibited non audit services, referred to article 5, paragraph 1, of EU Regulation 537/2014, and that we remained independent of the company in conducting the audit.

We confirm that the opinion on the financial statements included in this audit report is consistent with the content of the additional report prepared in accordance with article 11 of the EU Regulation n. 537/2014, submitted to Management Control Committee, in its role of Audit Committee.

Reports on other legal and regulatory requirements

Opinion on the compliance to the requirements of Delegated Regulation (EU) 2019/815

The Directors of Società Cattolica di Assicurazione S.p.A. are responsible for the application of the requirements of Delegated Regulation (EU) 2019/815 of European Commission regarding the regulatory technical standards pertaining the electronic reporting format specifications (ESEF - European Single Electronic Format) (hereinafter the "Delegated Regulation") to the financial statements.

We have performed the procedures required under audit standard (SA Italia) no. 700B in order to express an opinion on the compliance of the financial statements to the requirements of the Delegated Regulation.

In our opinion, the financial statements have been prepared in XHTML format in compliance to the requirements of Delegated Regulation.

Opinion pursuant to article 14, paragraph 2, (e), of Legislative Decree n. 39/10 and of article 123-bis, paragraph 4 of Legislative Decree n. 58/98.

The Directors of Società Cattolica di Assicurazione S.p.A. are responsible for the preparation of the management report and of the report on corporate governance and the ownership structure of Società Cattolica di Assicurazione S.p.A. as at December 31, 2021, including their consistency with the financial statements and their 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 management report and of specific information of the report on corporate

governance and the ownership structure as provided by article 123-bis, paragraph 4, of Legislative Decree n. 58/98, with the financial statements of Società Cattolica di Assicurazione S.p.A. as at December 31, 2021 and on their compliance with the applicable laws and regulations, and in order to assess whether they contain material misstatements.

In our opinion, the management report and the above mentioned specific information of the report on corporate governance and the ownership structure are consistent with the financial statements of Società Cattolica di Assicurazione S.p.A. as at December 31, 2021 and are compliant with applicable laws and regulations.

With reference to the statement pursuant to article 14, paragraph. 2, (e), of Legislative Decree n. 39/10, made on the basis of our knowledge and understanding of the Company and its environment obtained through our audit, we have nothing to report.

Opinion in accordance with the art. 102, n° 2, of the Legislative Decree no. 209 of September 7, 2005, relating to the non-life technical reserves

In carrying out the engagement appointed by Società Cattolica di Assicurazione S.p.A., in accordance with the art.102, n° 2, of the Legislative Decree no. 209/2005, we have audited the items relating to the non-life insurance technical reserves, included in the liabilities of the financial statements of Società Cattolica di Assicurazione S.p.A. for the year ended December 31, 2021. The Company's Directors are responsible to establish technical reserves to the extent necessary to guarantee the insurance and reinsurance obligations.

On the basis of the procedures performed in accordance with the art. 102, n° 2, of the Legislative Decree no.209/2005, with the ISVAP Regulation n. 22/2008 and the related guidelines included in the application document published by IVASS on January 31, 2017 on its website, the above mentioned technical reserves included in the liabilities of the financial statements of Società Cattolica di Assicurazione S.p.A. for the year ended December 31, 2021 are sufficient in accordance with the applicable law and regulations and correct actuarial techniques, in compliance with the principles set out in the ISVAP Regulation 22/2008.

Opinion in accordance with the art. 102, n° 2, of the Legislative Decree no. 209 of September 7, 2005, relating to life technical reserves

In carrying out the engagement appointed by Società Cattolica di Assicurazione S.p.A., in accordance with the art.102, n° 2, of the Legislative Decree no. 209/2005, we have audited the items relating to the life insurance technical reserves, included in the liabilities of the financial statements of Società Cattolica di Assicurazione S.p.A. for the year ended December 31, 2021. The Company's Directors are responsible to establish technical reserves to the extent necessary to guarantee the insurance and reinsurance obligations.

On the basis of the procedures performed in accordance with the art. 102, n° 2, of the Legislative Decree no. 209/2005, with the ISVAP Regulation n. 22/2008 and the related guidelines included in the application document published by IVASS on January 31, 2017 on its website, the above mentioned technical reserves included in the liabilities of the financial statements of Società Cattolica di Assicurazione S.p.A. for the year ended December 31, 2021 are sufficient in accordance with the applicable law and regulations and correct actuarial techniques, in compliance with the principles set out in the ISVAP Regulation 22/2008.]

Other Matters

The determination of the technical reserves is a complex estimation process that includes many subjective variables whose change may involve a significant variation in the final result. Therefore, if applicable, we have developed a range of values considered reasonable, to take into account the level of the uncertainty embedded into these variables. In order to evaluate the sufficiency of the technical reserves, we have also verified that such reserves are within such range.

Milan, April 1, 2022

BDO Italia S.p.A.
Signed by

Andrea Mezzadra
Partner

