

Consolidated
Financial
Statement
2024



Sara Assicurazioni Group

Consolidated Financial Statement as of
31.12.2024

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SARA Assicurazioni Spa

MANAGEMENT REPORT AS OF DECEMBER 31, 2024

Shareholders,

The year 2024 witnessed contrasting economic developments on a global scale¹. In the United States, economic activity maintained a robust pace, whereas in other advanced economies, dynamism progressively weakened. In 2024, U.S. GDP grew by 2.8%, the highest among advanced economies, while the U.S. labor market remained strong, with the annual unemployment rate standing at 4.0%, near historic lows. In China, GDP growth reached 5.0% in 2024. Despite an acceleration in the fourth quarter, this growth continues to reflect weak consumption and the ongoing crisis in the real estate sector. In the Euro area, GDP grew by 0.8% in 2024. On the demand side, a slowdown was observed due to weak consumption, investments, and exports. Among major countries, GDP stagnated in Germany and Italy, while it grew at a high rate in Spain. In France, economic activity benefited from increased demand related to the Olympic Games. Notably, the manufacturing sector, particularly in Germany, showed signs of weakening. At the country level, GDP grew by 1.1% in France, 0.6% in Italy, and contracted to -0.2% in Germany. Euro area unemployment remained low, at 6.4%.

Throughout the year, European inflation followed a downward trajectory, although price variations in the services sector remained elevated, adjusting with significant delay. In this context, annual inflation rates were 3.0% in the United States and 2.4% in the Euro area.

Regarding monetary policies, the United States experienced a gradual easing of monetary policy. In December, the Federal Reserve implemented an additional 25 basis point cut, lowering the federal funds target range to 4.25%-4.50%, considering the slow decline in inflation and the low unemployment rate. This decision led to a significant appreciation of the U.S. dollar against other major currencies, including the euro. In the Euro area, in December, the ECB Governing Council further reduced the main refinancing rate by 25 basis points, bringing it down to 3%. The portfolios of the Asset Purchase Programme (APP) and the Pandemic Emergency Purchase Programme (PEPP) are being reduced at a measured and predictable pace, as the Eurosystem no longer reinvests capital repaid on maturing securities. A divergence in monetary policies between the U.S. and the Euro area has thus emerged, attributed to differing economic conditions: the U.S. has experienced a more resilient economy and persistent inflation, necessitating a more cautious approach to rate reductions. Lastly, in China, stimulus packages aimed at boosting domestic consumption were implemented, while the Central Bank maintained an expansionary monetary policy to revitalize economic growth.

Regarding economic forecasts², the International Monetary Fund (January 2025) projects global growth of 3.3% in both 2025 and 2026. This figure is below the historical average (2000–2019) of 3.7%. The forecast for 2025 remains largely unchanged from the October 2024 World Economic Outlook (WEO), primarily due to an upward revision in the U.S., offsetting downward revisions in other major economies. In the U.S., growth is expected to reach 2.7% in 2025, 0.5% higher than the October estimate, partly due to carryover effects from 2024, a strong labor market, and an acceleration in investments. In the Euro area, however, growth is projected to recover, albeit at a more moderate pace than anticipated in October. A weaker-than-expected performance in the manufacturing sector at the end of 2024, combined with rising political uncertainty, led to a 0.2% downward revision, setting the 2025 forecast at 1.0%. On the inflation front, the IMF expects global inflation to decline to 4.3% in 2025 and 3.6% in 2026, reaching target levels earlier in advanced economies than in emerging and developing markets.

Global equity markets continued their upward trend, which began in 2023. In this context, stock prices in developed markets (MSCI World Index excluding Emerging Markets) recorded a +19.2% performance,

¹ Bollettino Economico, Banca d'Italia - January 2025

² World Economic Outlook update - January 2025

while emerging markets (MSCI Emerging Market Index) grew by +8%. The S&P 500 (U.S.) and the Topix (Japan) indices rose by +25% and +20.4%, respectively. In Europe, the EuroStoxx 50 increased by +11.9%, while in Italy, the FTSE MIB recorded a positive performance of +18.9%. In this context, the BTP-Bund spread declined from 166 bps to 115 bps.

In 2024, the EUR/USD exchange rate experienced volatility, with periods of appreciation and depreciation. Despite this, the overall year-to-date change was negative, at -6.3%, mainly due to monetary policy divergences between the Federal Reserve and the ECB. The EUR/USD exchange rate fell from 1.10 at the end of 2023 to 1.04 at the end of 2024.

The beginning of 2025 has been marked by the fuced tightening of U.S. trade policy, representing a source of uncertainty that could negatively impact global trade prospects and inflation. In this context, a slower pace of monetary easing by the Federal Reserve could materialize.

FINANCIAL MARKETS

In 2024, financial markets showed a mixed trend, influenced by a combination of macroeconomic and geopolitical factors. Inflation, although slowing compared to the record levels of previous years, continued to represent a key variable, pushing central banks to maintain a cautious attitude in the management of interest rates. The Federal Reserve and the European Central Bank adopted differentiated monetary policies, with the Fed starting gradual rate reductions, while the Eurozone maintained a more cautious approach. Equity markets experienced significant volatility, with growth phases supported by the technology and energy sectors, alternating with correction phases due to global economic uncertainties. On the bond front, the decline in yields favored a partial return of investors to fixed income assets. The commodity market was affected by geopolitical tensions, particularly in the energy sector, with oil and natural gas subject to strong fluctuations. Overall, 2024 was a year characterized by growth opportunities but also by high risks, requiring prudent and diversified investment strategies.

REAL ESTATE MARKET

According to the Real Estate Market Observatory of the Italian Revenue Agency, in the fourth quarter of 2024 the growth of housing transactions continued, +7,6%, an accelerating rate compared to the last recorded figure (it was +2,7% in the third quarter of 2024). On the national market, approximately 217 thousand homes were bought and sold, over 15 thousand more than in the same period of 2023. In all geographical areas of the country, transactions are increasing, with the most marked growth in purchases observed in the southern and north-eastern areas.

ITALIAN INSURANCE MARKET

In 2024, the Non-Life insurance sector in Italy recorded solid growth compared to the previous year; in fact, the total premium income for the Non-Life segment reached 48,4 billion Euro, marking an increase of 7,9% compared to 2023. The trend in Auto Liability and maritime vehicles, which represents a significant component of the sector, showed a growth of 8,7%, with a total premium volume of 14,6 billion Euro. This increase was partly influenced by the rise in claims costs, driven by inflation and the consequent increase in vehicle repair and replacement costs. However, the Non-Life segment benefited from even more marked expansion in branches other than Auto Liability, which as a whole recorded an increase of 7,6%, reaching 33,8 billion Euro. The positive performance of the Non-Life sector also reflects

growing attention to emerging risks, including extreme climate events and cyber risks, which are gradually increasing the demand for dedicated insurance coverage.

The Life insurance segment's performance in 2024 was characterised by an increase in traditional policies of Branch I, which exceeded 74,9 billion Euro, marking a rise of 11,2% and representing approximately 62,5% of the total life premiums. In contrast, unit-linked policies of Branch III registered a significant increase, with premium income reaching 39,4 billion Euro, growing by 43,6% compared to the previous year. Conversely, pension funds of Branch VI recorded a slight decline of 1,9%, standing at 3,8 billion Euro, continuing to represent a small share of the total life insurance income.

With regard to distribution, Life products continue to be mainly intermediated through bank and postal branches, which in the first half of 2024 handled the largest share of premium income, albeit with a slight decline compared to previous years. Conversely, the share handled by salaried agencies and agencies under management increased, expanding their market share, while the market share intermediated by financial advisors slightly declined compared to the previous year.

Insurance market – regulatory developments

With regard to regulatory developments in the insurance market during 2024, no new Regulations were published by IVASS; below is a summary of the main regulatory measures:

IVASS Regulation no. 55 of April 11, 2024

The Regulation sets out provisions regarding the digital transmission of personal data information pursuant to Articles 190 and 190-bis of the Private Insurance Code. The information obligations covered by the Regulation are necessary to enable IVASS to carry out supervisory activities and for statistical purposes, for which the timeliness of acquisition and the quality of the data transmitted by the companies become fundamental.

During the year, IVASS also issued the following new regulatory measures:

IVASS Measure no. 142 of March 5, 2024

The Measure introduces amendments and additions to IVASS Regulations no. 29/2016 and 38/2018 concerning the requirements and suitability criteria for corporate officers and key function holders.

IVASS Measure no. 143 of March 12, 2024

The Measure introduces amendments to IVASS Regulation no. 52 of August 30, 2022 regarding the implementation and application methods of the provisions concerning the option to value non-durable securities based on the value resulting from the latest annual financial statements, pursuant to Decree-Law no. 73/2022.

IVASS Measure no. 144 of June 4, 2024

The Measure amends IVASS Regulation no. 44/2019 on anti-money laundering regarding organization, procedures, internal controls, and customer due diligence in implementation of the EBA Guidelines on

corporate governance concerning the prevention of money laundering and countering the financing of terrorism.

IVASS Measure no. 146 of June 18, 2024

The Measure introduces changes to the criteria for determining the indemnities due to the governing bodies of insurance undertakings, both authorised and not, in administrative compulsory liquidation.

IVASS Measure no. 147 of June 20, 2024

The Measure introduces amendments and additions aimed at the simplification and rationalisation of the pre-contractual information regarding the distributor, as per IVASS Regulation no. 40/2018, and of the pre-contractual information on the product, as per IVASS Regulation no. 41/2018, including the related annexes, as well as in the area of sustainable finance.

IVASS Measure no. 150 of September 25, 2024

The Measure introduces amendments and additions to IVASS Regulation no. 36/2017 concerning new contents of the IPER survey for Autocycles and mopeds.

IVASS Measure no. 152 of November 26, 2024

The Measure updates ISVAP Regulation no. 7/2007 and its annexes on IAS/IFRS insurance financial statements, with the aim of improving data comparability in relation to the Contractual Service Margin and liquidity risk.

IVASS Measure no. 153 of December 6, 2024

The Measure sets the rate for calculating the management charges to be deducted from insurance premiums collected in the 2025 financial year, for the purpose of determining the supervisory contribution on insurance and reinsurance activity.

IVASS Measure no. 154 of December 17, 2024

The Measure introduces amendments to IVASS Regulations no. 7/2014 and no. 49/2021 on IVASS administrative procedures.

IVASS Measure no. 156 of December 18, 2024

The Measure introduces amendments to IVASS Measure no. 79/2018 regarding the cost calculation criteria for the definition of compensations between companies within the direct compensation system.

IVASS Measure no. 157 of December 20, 2024

The Measure sets the calibration parameters of the incentives/penalties referred to in Article 6 of IVASS Measure no. 79 of November 14, 2018.

During the 2024 financial year, the main regulatory developments concerning international accounting standards related to the following accounting standard:

IFRS 18

In April 2024, the IASB published the new IFRS 18 “Presentation and Disclosure in Financial Statements”, which will replace IAS 1 “Presentation of Financial Statements” as of January 1, 2027. The objective of this new accounting standard is to enhance the transparency and comparability of financial reporting. To this end, IFRS 18 introduces significant changes to the income statement layout and provides for the new category of Management-defined Performance Measures (MPMs), for which it establishes mandatory disclosure requirements.

ESTIMATES AND ASSUMPTIONS

The preparation of the Consolidated Financial Statements involves the use of estimates, conjectures, and various kinds of assumptions by the directors. This affects the determination of assets and liabilities—particularly those of a contingent nature—as well as the costs and revenues presented in the financial statements. Although the estimates are based on the best set of knowledge available to the directors at the reporting date, it is possible that the future development of events may lead to results that differ, even significantly, from those estimated. With regard to the main items affected by estimates, conjectures, and assumptions—with a description of the most significant ones for the purpose of determining the result for the year—reference is made to the note on valuation criteria.

PERFORMANCE OF OPERATIONS

The consolidated income statement as at December 31, 2024, closes with a net profit attributable to the Group of 80,9 million Euro (83,1 million Euro in the 2023 financial year).

Insurance revenues deriving from issued contracts amount to 741,4 million Euro (689,5 million Euro in the 2023 financial year), of which:

- Non-Life business: 711,0 million Euro (662,1 million Euro in 2023), determined using the PAA method;
- Life business: 30,4 million Euro (27,4 million Euro in 2023), determined using the VFA method for Separate Management policies and partly using the BBA method for pure risk policies.

Insurance service expenses amount to 655,4 million Euro (660,9 million Euro in 2023); this reflects a decrease of 5,5 million Euro mainly attributable to the change in expenses for insured services in the Non-Life business (639,0 million Euro recorded in 2024 compared to 644,4 million Euro as at 31.12.2023), while the insurance service expenses for the Life business remain in line with the previous year (16,3 million Euro as at 31.12.2024 versus 16,5 million Euro in 2023).

The net reinsurance result is negative by 17,4 million Euro, showing a significant decrease compared to the positive result of 26,8 million Euro in 2023, mainly due to the changes in components of the Non-Life business.

The net financial result amounts to 52,3 million Euro, composed as follows:

- 119,5 million Euro relating to the result of investments, calculated as the difference between income and charges on financial assets and liabilities;
- -68,1 million Euro relating to the net result between financial costs and revenues on issued insurance contracts;
- 0,9 million Euro relating to the net result between financial costs and revenues from reinsurance ceded.

Other net revenues amount to 9,9 million Euro, showing a decrease compared to the previous year's figure (13,4 million Euro). Overall, the Group's management expenses amount to 15,8 million Euro, in line with 2023 (15,9 million Euro), and consist of administrative and investment management expenses not directly attributable to insurance contracts.

Consolidated assets amount to 3.350,5 million Euro, of which:

- Insurance assets equal to 39,1 million Euro (52,8 million Euro in 2023), related to reinsurance ceded;
- Investments amount to 2.750,1 million Euro (2.563,6 million Euro in the 2023 financial year), of which: Real estate investments for 66,7 million Euro, financial assets measured at amortised cost for 27,8 million Euro, financial assets measured at fair value through other comprehensive income for 1.791,3 million Euro, and financial assets measured at fair value through profit or loss for 864,2 million Euro;
- Other financial assets amount to 262,8 million Euro (324,2 million Euro in the 2023 financial year), of which receivables from intermediaries and insurance companies equal to 41,5 million Euro and other receivables for 221,3 million Euro.

Among the consolidated liabilities, insurance liabilities amount to 2.179,2 million Euro (2.108,9 million Euro in the 2023 financial year), consisting of the following items:

- Non-Life insurance liabilities of 911,8 million Euro, of which 272,6 million Euro for the liability for remaining coverage and 639,3 million Euro for the liability for incurred claims;
- Life insurance liabilities of 1.267,4 million Euro, of which 1.259,1 million Euro for the liability for remaining coverage and 7,9 million Euro for the liability for incurred claims.

A summary of the most significant consolidated figures is provided below:

Balance Sheet	31.12.2024	31.12.2023	Variation	%
Investments	2.750,1	2.536,6	213,5	21,3
Insurance assets	39,1	52,8	-13,7	-1,4
Insurance liabilities	2.179,2	2.108,9	70,1	7,0
Financial liabilities	11,9	3,9	7,9	0,8

Profit and loss	31.12.2024	31.12.2023	Variation	%
Insurance service result from issued contracts	86,0	28,6	57,4	200,8
Reinsurance result	(16,5)	26,9	(43,4)	(161,1)
Investment result	119,5	131,3	(11,8)	(9,0)
Net financial income/expenses related to issued insurance contracts	(68,1)	(63,6)	(4,5)	7,1
Other income and expenses	9,9	13,4	(3,6)	(26,5)
Operating expenses	(15,8)	(15,9)	0,1	0,6
Other items	(6,7)	(10,1)	3,4	(33,5)
Profit before taxes	108,2	110,6	(2,4)	(2,1)
Taxes	(31,3)	(30,4)	(0,8)	(2,8)
IFRS 5 profit	4,0	2,9	1,1	37,8
Consolidated profit	80,9	83,1	(2,2)	(2,6)

INSURANCE MANAGEMENT - NON-LIFE

Technical Performance – Non-Life Business – IFRS 17 Indicators

Below are reported the main indicators of the Group's consolidated financial statements prepared in accordance with IFRS 17, relating to the Non-Life sector.

Balance Sheet	31.12.2024	31.12.2023	Variation	%
Investments	1.367,2	1.254,8	112,4	9,0
Insurance assets	38,8	51,2	(12,4)	(24,1)
Insurance liabilities	911,8	905,0	6,8	0,7
Financial liabilities	11,8	3,8	8,0	208,2

As at December 31, 2024, the amount of investments is equal to 1.367,2 million Euro, increasing compared to the value recorded in the previous year (1.254,8 million Euro). This item is composed of 66,7 million Euro of Real Estate Investments and 1.300,5 million Euro in Financial Assets.

The insurance liabilities of the Non-Life business amount to 911,8 million Euro, showing a percentage increase of 0,7% compared to the previous financial year. The financial liabilities measured at amortised cost amount to 11,8 million Euro, of which 1,5 million Euro refer to bond loans issued, 0,7 million Euro to financial liabilities related to lease transactions (IFRS 16), and 9,6 million Euro to the subordinated loan issued on December 18, 2024, with a ten-year maturity.

Below are reported the main economic indicators relating to the Non-Life sector:

Profit and loss	31.12.2024	31.12.2023	Variation	%
Insurance service result from issued contracts	71,9	17,7	54,2	305,9
Reinsurance result	(14,9)	27,1	(42,0)	(155,0)
Investment result	58,8	70,0	(11,2)	(16,0)
Net financial income/expenses related to issued insurance contracts	(14,4)	(6,4)	(8,0)	125,3
Other income and expenses	8,9	9,9	(1,0)	(10,5)
Operating expenses	(14,3)	(15,0)	0,7	4,7
Other items	(5,9)	(9,3)	3,4	36,3

Below are the main technical figures of the Auto business, broken down by Motor and non-Motor business within the Non-Life segment:

Economic Indicators Non-Life Segment	Motor		Non-Motor		Total	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023	31.12.2024	31.12.2023
Premiums received	532,6	488,5	203,1	195,6	735,7	684,1
Insurance service result	51,6	33,3	20,4	(15,6)	71,9	17,7
Financial income/expenses related to issued insurance contracts	(9,9)	(4,7)	(4,5)	(1,6)	(14,4)	(6,3)

The gross premiums recorded (determined by considering the revenue related to gross premiums and the cost of technical charges) amount to 735,7 million Euro, showing an increase compared to the value of the previous financial year (684,1 million Euro). For further information regarding the premium collection for the 2024 financial year, please refer to the following paragraph.

The insurance service result gross of reinsurance as at December 31, 2024 is positive for 71,9 million Euro (of which 51,6 million Euro positive for the motor business and 20,4 million Euro positive for the non-motor business).

Main KPIs – Non-Life Management Indicators	Motor		Non-Motor		Total	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023	31.12.2024	31.12.2023
B. Insurance revenue from issued contracts	513,9	475,6	197,0	186,6	711,0	662,2
C. Insurance service expenses from issued contracts						
C.1. Incurred claims and other directly attributable expenses	(496,4)	(470,9)	(185,2)	(169,0)	(681,5)	(639,9)
C.2. Changes in liability for incurred claims	33,9	27,3	11,9	(40,5)	45,8	(13,2)
C.3. Losses and related recoveries on onerous contracts	(0,8)	0,9	(4,1)	6,4	(4,9)	7,3
C.4. Amortisation of acquisition cash flows	1,0	0,7	0,6	0,7	1,6	1,4
5. Total	(462,4)	(442,0)	(176,7)	(202,4)	(639,0)	(644,4)
Insurance service result from issued contracts	51,6	33,6	20,4	(15,8)	71,9	17,8

The insurance revenues determined using the PAA method amount to a total of 710,92 million Euro (of which 513,9 million Euro related to the Motor business and 197,0 million Euro related to the non-Motor business), showing an increase compared to the value of the previous financial year (equal to 66 million Euro).

The insurance service expenses amount to a total of 639,0 million Euro, of which:

- -681,5 million Euro mainly attributable to claims costs and recoveries;
- 45,8 million Euro related to cost components attributable to the change in liabilities for incurred claims;
- -4,9 million Euro related to the loss component on onerous contracts;
- 1,6 million Euro related to cash flows from acquisition costs.

Finally, the main indicators of the Non-Life business are reported below, recalculated using the IFRS 17 economic components as outlined below:

Non-Life Economic Indicators	Motor		Non-Motor	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
Loss Ratio*	60,9%	69,0%	48,4%	79,0%
Loss Component Ratio**	0,2%	-	2,1%	3,0%
Expense Ratio***	28,9%	24,0%	39,2%	26,0%
Combined ratio	90,0%	93,0%	89,7%	108,0%

* calculated as claims + expenses / insurance revenue

** loss components / insurance revenue

*** attributable expenses + non-attributable expenses / insurance revenue

Reinsurance Result

Non-Life Reinsurance		
	31.12.2024	31.12.2023
Insurance revenue from ceded contracts	(0,7)	45,3
Insurance expenses from ceded contracts	(15,1)	(18,3)
Net financial income/expenses related to reinsurance contracts	0,9	0,1
Reinsurance result	(14,9)	27,1

The reinsurance result is negative and amounts to 14,9 million Euro, showing a sharp decrease compared to 2023 due to the impact of catastrophic events in the previous financial year. The ceded insurance costs amount to 15,1 million Euro.

For further details on reinsurance policies, please refer to the paragraph “reinsurance policies”, where the figures reported have been determined according to local accounting standards.

Focus on technical performance of Non-Life Branches– Civil Regulations

The following table presents the Non-Life business premiums of the Group determined according to local regulations, as reported in the individual financial statements of the Parent Company Sara Assicurazioni, broken down by line of business, with year-over-year variations and comparative distribution by line.

	Direct business		Indirect business		Total		Distribution		Variation 24/23
	31.12.2024	31.12.2023	31.12.2024	31.12.2023	31.12.2024	31.12.2023	31.12.2024	31.12.2023	
Total Direct Business	742.943	688.636	225	190	743.168	688.826	85,0%	78,0%	6,0%
Accident	63.061	64.527	-	-	63.061	64.527	7,0%	7,0%	-
Illness	12.319	11.386	-	-	12.319	11.386	-	-	-
Terrestrial Vehicle Bodies	99.776	86.448	-	-	99.776	86.448	11,0%	10,0%	2,0%
Railway Vehicle Bodies	-	-	-	-	-	-	-	-	-
Aircraft Bodies	-	-	-	-	-	-	-	-	-
Maritime Vehicle Bodies	398	393	-	-	398	393	-	-	-
Transported Goods	438	506	-	-	438	506	-	-	-
Fire and Natural Disaster	33.009	29.182	-	-	33.009	29.182	-	-	-
Other Damage to Property	38.078	35.664	-	-	38.078	35.664	-	-	-
Motor Vehicle Third-party Liability (terrestrial)	380.970	354.061	-	-	380.970	354.061	44,0%	40,0%	3,0%
Aircraft Third-party Liability	-	-	-	-	-	-	-	-	-
Maritime Vehicle Third-party Liability	1.715	1.551	-	-	1.715	1.551	-	-	-
General Third-party Liability	75.680	69.147	225	190	75.905	69.337	9,0%	8,0%	1,0%
Credit	1	1	-	-	1	1	-	-	-
Suretyship	2.041	1.729	-	-	2.041	1.729	-	-	-
Pecuniary Losses	9.139	8.016	-	-	9.139	8.016	-	-	-
Legal Protection	10.923	11.096	-	-	10.923	11.096	-	-	-
Assistance	15.392	14.929	-	-	15.392	14.929	-	-	-

*Sono evidenziate solo le percentuali di distribuzione superiori al 5%

Gross premiums written amount to 743,2 million Euro, showing an increase of 7,4% compared to 688,8 million Euro in the previous financial year, of which 0,2 million Euro are attributable to indirect business. During the year, the Group underwrote premiums for the pecuniary losses line of business under the freedom to provide services regime for 4,5 million Euro, up from 3,6 million Euro in 2023.

The distribution of premium income for the year shows that the weight of the non-Motor lines remains substantially unchanged compared to the previous financial year.

The number of claims reported during the year was 182,954, representing a decrease of 1,8% compared to December 31, 2023; the amount of claims paid increased by 7,3% compared to the previous year.

The claims-to-earned-premiums ratio stands at 58,2%, down from 67,7% in the corresponding period of the previous year, mainly due to the decrease in the Fire and natural elements line of business.

The ratio between gross technical reserves and gross premiums written from direct business has decreased, going from 151,0% in 2023 to 138,6% in 2024.

LIFE INSURANCE MANAGEMENT - IFRS 17 INDICATORS

Below are reported the main indicators of the Group's consolidated financial statements prepared in accordance with IFRS 17, relating to the Life sector.

The following are the main economic indicators relating to the Life segment:

Main Indicators – Life Segment	VFA		BBA	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
Insurance service result (gross of Reinsurance)	6,2	6,3	7,9	4,6
Net financial result	0,4	(0,3)	6,5	4,3
CSM release	5,5	6,3	4,5	5,0
CSM	(57,9)	(63,8)	(27,0)	(28,5)
CSM Release Ratio	0,1	0,1	0,2	0,2
Expected Risk Adjustment release	2,7	4,7	0,7	0,6
Risk Adjustment	27,5	32,3	5,8	5,0
RA Release Ratio	0,1	0,2	0,1	0,1

Below are the main technical figures of the Life Business:

Life Insurance Economic Data				
	31.12.2024	31.12.2023	Variation	%
Insurance service result from issued contracts	14,1	10,9	3,2	29,5
Reinsurance result	(1,5)	(0,2)	(1,4)	788,6
Investment result	60,7	61,2	(0,6)	(1,0)
Net financial income/expenses related to issued insurance contracts	(53,7)	(57,2)	3,5	(6,1)
Other income and expenses	1,0	3,5	(2,5)	(71,6)
Operating expenses	(1,5)	(0,9)	(0,6)	67,6
Other items	(0,8)	(0,9)	0,0	(4,0)

Reinsurance Result

Life Reinsurance		
	31.12.2024	31.12.2023
Insurance revenue from ceded contracts	0,3	0,3
Insurance expenses from ceded contracts	(1,8)	(0,4)
Net financial income/expenses related to reinsurance contracts	-	-
Reinsurance result	(1,5)	(0,1)

The reinsurance result is negative by 1,5 million Euro and includes insurance revenues from ceded contracts amounting to 0,3 million Euro (unchanged compared to the previous financial year) and ceded insurance costs of 1,8 million Euro. For further details, please refer to the paragraph on reinsurance policies, where the figures reported have been determined according to local accounting standards.

Focus on Technical Performance of Life Branches – Local GAAP Regulations

The 2024 financial year was marked by a decrease in premium income, with a decline of 2,4% (134,9 million Euro in 2023, 131,7 million Euro in 2024). This reduction was mainly observed in products with higher financial content, particularly those linked to the Separate Management Fondo Più (Branch I), due to the persistent competition from government bonds driven by their high yields.

Premium income from Branch I, life insurance contracts, amounts to 123,2 million Euro, showing a decrease of 3,7% compared to the previous financial year (127,9 million Euro as at December 31, 2023). For a detailed analysis by ministerial branch, please refer to the paragraph on insurance management.

	Gross Written Premiums		Variation		Distribution %	
	31.12.2024	31.12.2023	Amount	%	31.12.2024	31.12.2023
Human life duration	123,2	127,9	(4,7)	(3,7)	93,6	95,0
Unit-linked insurance	7,9	6,5	1,4	21,5	6,0	4,8
Long Term Care (LTC) policies	0,3	0,1	0,2	200,0	0,2	0,1
Capitalisation	0,2	0,2	-	-	0,2	0,2
Total Direct Business	131,6	134,7	(3,1)	(2,3%)	100,0	100,0

The amounts paid during the financial year show an increase of 6,8% compared to the amount of the previous year and total 115,1 million Euro (123,5 million Euro at the close of the previous financial year); the amounts paid by reinsurers amount to 0,3 million Euro (0,3 million Euro as at December 31, 2023). The amounts paid refer to 110,3 million Euro for Branch I, 4,3 million Euro for Branch III, and 0,5 million Euro for Branch V.

REINSURANCE POLICIES

Non-Life Business

Indirect Business – Assumed

The amount of earned premiums accepted in reinsurance amounted to 0,2 million Euro, showing a slight increase compared to the previous financial year, and the overall result shows a positive performance of 0,2 million Euro. As in previous years, the indirect business was accepted exclusively in the General Third-Party Liability branch through the Environmental Liability Pool, by means of a quota share treaty with Munich Re.

Indirect Business – Retroceded

In the 2024 financial year, as in previous years, no premiums were retroceded.

Reinsurance Cession

The volume of ceded earned premiums as at December 31, 2024 amounts to 15,6 million Euro (19,0 million Euro as at December 31, 2023), and the retention ratio stands at 97,9% (97,3% as at December 31, 2023). The economic result of the reinsurance cession is negative by 14,6 million Euro (positive by 27,1 million Euro as at December 31, 2023).

In 2024, the treaties in force during the previous year were confirmed, namely: excess of loss treaties for the Accident, Land Vehicles, Fire, Auto TPL and General TPL branches; and proportional treaties for the

Credit and Surety branches and for certain risks relating to the Pecuniary Losses, General TPL, Fire and Miscellaneous Damage branches.

Life Business

The volume of premiums ceded in reinsurance amounts to 0,6 million Euro (0,5 million Euro as at December 31, 2023).

The economic result of the reinsurance cession is negative by 0,1 million Euro (negative by 0,2 million Euro as at December 31, 2023). The risk-premium treaty (for death cover) remains unchanged, with the following allocation: Scor Global Life 60% and General Reinsurance 40%.

A quota share reinsurance treaty was signed with SCOR S.E. for the cession of Long Term Care coverage.

INVESTMENT POLICIES AND FINANCIAL MANAGEMENT ANALYSIS

The year 2024 was marked by contrasting economic trends across major geographic areas. In the United States, growth maintained a sustained pace (+2,8%), driven by a resilient labor market and a still-expansive fiscal policy. In contrast, other advanced economies experienced a more pronounced slowdown: in the Eurozone, GDP increased by only 0,8%, with stagnation in Germany (-0,2%) and Italy (+0,6%), while France (+1,1%) and Spain showed greater dynamism. In China, growth (+5,0%) was weighed down by weak domestic demand and the ongoing real estate crisis.

On the monetary front, the Federal Reserve initiated a gradual easing of monetary policy with a rate cut in December (4,25% – 4,50%), while the ECB reduced its refinancing rate to 3%, continuing the contraction of its balance sheet. The divergence between U.S. and Eurozone monetary policies reflects differing economic conditions, with more persistent inflation in the U.S. and weaker growth in Europe. In China, monetary policy remained expansionary to stimulate the economy.

Global equity markets continued the upward trend that began in 2023. In this context, Developed Markets (MSCI World ex Emerging Markets) posted a performance of +19,2%, while Emerging Markets (MSCI Emerging Markets) grew by 8%. The S&P 500 index (United States) and the Topix (Japan) gained +25% and +20,4%, respectively, while in Europe, the Eurostoxx 50 rose by +11,9%. In Italy, the FTSE MIB closed the year with +18,9%, while the BTP-Bund spread fell from 166 to 115 basis points.

The Group's portfolio remains largely concentrated in fixed-income bond securities. The Parent Company has chosen to direct bond investments primarily toward Italian government securities and, to a lesser extent, toward corporate bonds.

Equity investments were mainly directed toward direct investments in individual stocks. Investments in alternative investment funds (FIA) remained substantially stable.

The return recorded in 2024 by the securities portfolio, excluding equity investments—calculated as the sum of securities and liquidity, based on the average committed balance and including the economic effects of year-end valuations—was 4,0%, compared to 4,6% in 2023.

ANTI-FRAUD

The activity of preventing and combating insurance fraud in the MTPL (motor third party liabilities) branch constitutes a fundamental and well-established commitment for the Sara Group, and it involves the entire insurance process. This activity is carried out across several operational areas, mainly focusing on claims settlement and underwriting. Claims settlement anti-fraud consists of the verification of claims identified as potentially fraudulent, with the aim of establishing the truthfulness of the reported events and the legitimacy of the compensation requests. This operation is conducted through collaboration with a network of qualified trusted professionals (private investigators, loss adjusters, and legal advisors), as well as through ongoing cooperation with judicial police authorities. Underwriting anti-fraud primarily concerns the verification of the authenticity of contractual and pre-contractual documentation submitted by clients at the time of policy issuance. It also relies on reports from police authorities during field checks that detect false or counterfeit insurance documents, as well as internal reports from functions dedicated to underwriting control and from the Parent Company's agencies. The timely execution of these activities is ensured by various corporate structures, which also make use of external databases and, in the case of claims settlement fraud, of an automated set of fraud alert indicators. The Anti-Fraud function, reporting to the Legal and Corporate Affairs Department, also formalizes the outcomes of all anti-fraud activities, initiating criminal proceedings to protect both the Parent Company and, indirectly, the insurance market. During 2024, the Parent Company continued its efforts to consolidate and enhance the expertise of the primary units involved—Special Areas and Anti-Fraud—with a particular focus on privacy issues as applied to anti-fraud operations. This culminated in a dedicated training initiative on privacy, managed by Ania Safe and involving both structures. A team-building training session was also conducted for similar purposes. In accordance with ISVAP Regulation no. 44/2012, it is reported that, as a result of anti-fraud activities carried out in the MTPL (motor third party liabilities) branch, the Group estimates a reduction in costs in 2024 of approximately 8,3 million Euro for 681 R.C.A. portfolio claims, gross of management and operational costs incurred for said activity, and approximately 0,3 million Euro for 22 claims under the Road Victims Guarantee Fund. This estimate is based on claims for which, upon establishing the attempted fraud, no damages were paid.

RESEARCH AND DEVELOPMENT ACTIVITIES AND NEW PRODUCTS

Non-Life Management

In 2024, restyling and product development activities were carried out with the aim of consolidating the offer, remaining competitive with the highest market standards, and keeping pace with the growing expectations of customers. In the Auto segment, in addition to the more traditional work of maintenance and catalogue updating, efforts were mainly focused on a review of tariffs for the Auto TPL component across various segments, together with interventions regarding ancillary coverages such as Natural Events, Acts of Vandalism/Sociopolitical Events, and Theft. Regarding the Natural Events coverage, some of the interventions also aimed to protect vehicles from the damaging effects of particularly intense weather phenomena. In April, various strategic product optimizations were implemented: for example, the roadside assistance coverage was separated from the “Guido Bene” product bundle, and a tariff discount was introduced when the Legal Protection coverage is added alongside the assistance coverage, regardless of the selected product (RL or GB). In May, a new package called “Senza Pensieri” was launched, designed to promote a combination of coverages (Safe Reimbursement, Driver Accidents, Glass, and Comprehensive Complementary) to offer full protection against the main risks faced by customers while driving. The initiatives “Prendi o Raddoppia” (in a new format) and “3Bien” were renewed, and technical discounts for ACI members were revised. In July, an agreement was launched with Tomasi Auto dealership for selling a warranty package at the time of car purchase (including Roadside Assistance, Legal Protection, and Driver Accidents). In August, a partnership with DR Autos was launched, offering dedicated CVT packages to customers purchasing vehicles through financing.

October saw the launch of the new telematics solution “Ruota Libera Revolution”, introducing a new offer with black box technology decoupled from behavioural logic. In November, the “Guido Bene” certification was reconfirmed for its sustainable claim under ISO/TS 17033:2019 standards. For Non-Life Property products, aimed at meeting market challenges and improving the range, several product modifications and new commercial initiatives were introduced. In line with increasing agency autonomy, annuity guarantees in “Sara Defender” and “SaraFlix Famiglia” were unbundled, making them available as standalone options. To counteract inflation and the rising average cost of claims caused by extreme weather events, two actions were taken: a portfolio reform for the Home Line of Business and a tariff review of the main Non-Life Property products, introducing new conditions for Natural Events coverage. Among the commercial initiatives of the first half of the year, a campaign focused on the Accidents branch was launched, specifically linked to the Easter holiday. Through one of Sara’s agencies, a new collaboration was initiated with Carpisa, offering anyone purchasing a Carpisa suitcase—either in-store or online in Italy—a 12-month insurance coverage, free of charge, in the event of non-return of the suitcase at the airport. From a regulatory standpoint, following the introduction of the right to be forgotten for cancer survivors—i.e. the right of individuals cured of cancer not to disclose or be questioned about their previous medical condition—two actions were taken across the product catalogue: an update to the health questionnaire (including the digital version) and a clarification in the policy conditions. The “SaraDifesaPronta” product was enhanced with increased insured sums for Death, Permanent Disability, and Medical Expenses Reimbursement coverages, accompanied by a less than proportional premium increase for these benefits. In compliance with the provisions of the 2024 Budget Law (Law no. 213 of December 30, 2023) and the draft interministerial implementing decree (not yet issued as of today), the new product “Dimensione Calamità Naturali” was introduced in October. This is also the first product from Sara Assicurazioni aligned with the ESG criteria set out by the Corporate Sustainability Reporting Directive (CSRD). Simultaneously with the market launch of the new product, in four business-focused products—Dimensione Commercio, Dimensione Albergo, Dimensione Impresa, and Sara Energie Rinnovabili—the sale of Earthquake and Flood coverages was restricted. For the latter, only for companies subject to mandatory insurance requirements. In the preceding month, for these four products, a premium adjustment clause at renewal was introduced, along with a tariff adjustment on Natural Events coverage. Among the commercial initiatives carried out in the second half of the year were campaigns focused on home and health insurance, specifically a promotion tied to Halloween in October, extended through Black Friday in November. Lastly, in the second half of the year, work was completed on projects related to the “Supervisory expectations regarding the governance and oversight of insurance products” formalized by IVASS in its Market Letter of March 27, 2024. The project allowed for the refinement of the entire POG framework, redefining all operational processes and guidelines in the POG Policies to ensure greater alignment with IVASS’s directives. All company stakeholders involved in the POG process contributed to the initiative, and detailed information about the revised framework and its developments was provided to the administrative body, including a dedicated training session. In particular, products that had never undergone the approval process—because they were launched before the relevant regulation came into force—were brought under the POG framework.

Life Management

In 2024, regulatory adjustments and commercial initiatives were implemented. In particular, in March, regulatory changes concerning the right to be forgotten for cancer survivors in the underwriting of insurance contracts were addressed, relating to pure risk products and the optional complementary coverages of SaraPiùForte and Libero Domani. These changes resulted in new safeguards within the sales process to ensure proper application of the regulation and customer awareness, including the distribution of a dedicated circular to inform the distribution network.

Starting in May, the range of death and long-term care risk protection products was the subject of targeted commercial promotions: on the occasion of Mother’s Day, for about one month, the subscription of the SaraTutelaVita Plus product above a certain premium threshold granted customers an Amazon gift card.

Additionally, from May 31 until the end of September, SaraTutelaVita Plus, together with the Long Term Care solution Sara Prenditi Cura, was offered as a bundled sale through the “Bundle TCM-LTC” promotion. The initiative provides that on the second policy purchased—possibly also purchased previously—between the two solutions included, the customer benefits from a discount on the first annual premium. As part of the regular maintenance of the product range, also based on appropriate production analyses, as of May 31 the marketing of the SaraTutelaPronta product was discontinued. During the second half of the year, significant actions were undertaken across the entire Life product range, as a result of projects launched during the year and also connected to the “Supervisory expectations on the governance and oversight of insurance products” formalised by IVASS in its Market Letter of March 27, 2024. The project enabled the refinement of the overall POG framework, redefining in greater compliance with IVASS requirements the operational processes and guidelines set out in the POG Policies, in response to the regulator’s expectations. In particular, all Target Markets of the products in the range were reviewed; the Separate Management FONDO PIÙ was also classified as “Light Green” sustainable under the SFDR regulation, as it now promotes environmental and social characteristics in investments. These developments required a significant modification of the entire Life product range, resulting in the application of the POG process and related safeguards, as well as the first practical implementation of the new methodology for conducting ex ante testing, which itself stemmed from the aforementioned projects. For the SaraPiùForte product alone, in addition to the above, a restyling was carried out, allowing for improved results in ex ante testing—and therefore in terms of value delivered to the customer—mainly involving the revision of the available investment profiles, with a view to greater alignment with actual portfolio.

MAIN RISKS AND UNCERTAINTIES FOR ENTITIES INCLUDED IN THE CONSOLIDATION PERIMETER

In carrying out its business, the Sara Group faces and manages risks inherent to insurance and financial activities, as well as operational risks of various kinds. In particular, reference is made to insurance risks and financial risks; the former arise from the activity proper to the insurer, which acts as a market intermediary capable of transferring and, consequently, reducing systemic risk as a whole through professional centralised management of the risks assumed; the latter, on the other hand, originate from the management of the investment portfolio, which is significantly influenced by the strategy, growth objectives, and expectations and methods of distribution and sharing of the financial result between shareholders and policyholders.

For an analytical discussion of these risks and uncertainties, please refer to Part H – Information on Risks – of the Notes to the Financial Statements.

EMPLOYEES

The insurance employees in the Non-Life and Life sectors directly employed by the Group companies amounts to 642 units (average workforce: 640 units), an increase compared to 2023, which recorded 629 units (average workforce: 629 units).

INFORMATION SYSTEMS

As part of the development of Technological Infrastructures, in the course of 2024, activities continued relating to the consolidation, rationalisation and updating of systems, the enhancement of cybersecurity levels, and the optimisation of the data transmission network.

All initiatives undertaken have consistently aimed at ensuring the stability, reliability, and performance improvement of application services, with a particular focus on core business systems.

With regard to cybersecurity, several initiatives were implemented, including:

- the introduction of Cynet XDR for endpoint protection;

- a compliance project for the DORA Regulation (Digital Operational Resilience Act) and execution of TIBER-IT tests under the supervision of the Bank of Italy and IVASS;
- implementation of the Tenable SC platform, migration to PaloAlto with the adoption of Prisma Cloud and Strata Cloud Manager for centralised cloud security management;
- adoption of a Vulnerability Management system based on Cisco Vulnerability Management, to automate the processes of identifying and analysing vulnerabilities.

In the area of systems, the modernisation project of the Identity Governance and Administration (IGA) platform—launched in 2022—continued. This platform encompasses the technologies, processes, and practices used to manage and protect user access to corporate IT resources.

In the course of 2024, we continued to invest in the development of our digital infrastructures to optimise business processes and introduce new functionalities, including:

- SaraGPT: this system was made available to pilot agencies starting in January 2025, with the aim of enhancing the search experience by interpreting user intent and providing more accurate results;
- AI Design Thinking and Build Initiatives: following several workshops with business departments, approximately 100 project proposals were identified that explore opportunities for the application of AI;
- Liquid AI: development of an AI solution to support claims adjusters in the claims settlement process;
- AI Finance: in the Finance Department, a project was completed to automate the identification, extraction and organisation of information from quarterly reports sent by fund managers, thereby reducing manual processing and potential input errors;
- New FE ALLin (in progress): a new application was developed for issuing Sara Vita contracts, aimed at offering a better user experience, safer and more scalable architecture, and a modernised solution. In its first release, the system will handle investment products and will gradually be extended to the entire product offering;
- Cash Report: a new system was developed for the cash reporting process in the Life segment, improving both efficiency and reporting accuracy;
- FEA OTP for Life: extension of Advanced Electronic Signature (FEA) with OTP to TCM and LTC products, and—currently in progress—to post-sale operations such as claims settlements.

All interventions under HubConnect and Business Intelligence, including work on digital platforms and cross-functional projects, were aimed at improving the usability of the services offered by the company, increasing customer satisfaction, and optimising internal operations.

COMMERCIAL ORGANISATION

As at December 31, 2024, the operational structure of the agency network consists of 628 contracted agencies (including those in liberalisation), of which 132 operate under multiple agency agreements. The selection process for new agents is managed by the recruitment unit and is governed by a specific internal company procedure.

The recruitment unit, together with Country Managers, Area Managers and Sales Managers, also provides support to agents through training, development, and technical underwriting and commercial assistance activities.

Reorganisation efforts were carried out within the distribution network with the aim of ensuring appropriate turnover and improving the efficiency of agencies with particularly critical and/or insufficient performance.

LITIGATION

The financial statements as at December 31, 2024 include in the provisions for risks and charges those allocations deemed adequate to cover potential liabilities that may arise from ongoing litigation. For an analysis of these provisions, reference is made to the Notes to the Financial Statements.

With regard to other litigation, there are no disputes of a significant nature or that, at present, may suggest potentially significant risks such as to warrant mention by the Group.

SUMMARY OF THE GROUP COMPANIES' ACTIVITIES

With regard to the accounting information of the various Group companies, prepared based on local accounting standards used for the preparation of the individual statutory financial statements, reference is made to the specific section included in the Management Report of the Parent Company, Sara Assicurazioni.

REPORT ON CORPORATE GOVERNANCE AND OWNERSHIP STRUCTURE

The following is a summary of certain information on corporate governance, also for the purpose of the disclosure required under Article 123-bis of the Consolidated Law on Finance.

Sara Group: Legal Form and Governance System

Sara Assicurazioni S.p.A. is registered as the Parent Company of the insurance group of the same name, listed under no. 001 in the Register kept by IVASS in accordance with the law.

The Group includes another insurance company, Sara Vita S.p.A., and one instrumental company, Sara Services S.r.l., both wholly owned by Sara Assicurazioni.

Sara Services S.r.l., incorporated on July 26, 2023, became part of the Sara Insurance Group as an instrumental company, with the corporate purpose of providing services instrumental to Sara's insurance business, such as commercial and development activities, production, and marketing of technological services and products related to the mobility sector.

The Company, which is a "società per azioni" (joint-stock company), has a traditional administration and control model, with a Board of Directors and a Board of Statutory Auditors.

The main regulations to which the Company is subject are the general provisions governing the exercise of insurance activity.

As at the date of approval of this Report, the Company's shareholder base, composed of legal persons, consists of 26 shareholders.

Share Capital Structure

As at the date of approval of this Report, the share capital, amounting to 54.675.000 Euro, is represented by no. 16.200.000 ordinary shares, each with a nominal value of 3 Euro, corresponding to 88,89% of the share capital, for a total of 48.600.000 Euro, and by 2.025.000 preference shares, each with a nominal value of 3 Euro, corresponding to 11,11% of the share capital, for an amount of 6.075.000 Euro. Each ordinary share entitles the holder to one vote, while holders of preference shares have the right to vote and to participate in Shareholders' Meetings only in the cases provided for under Article 2365 of the Italian Civil Code. Preference shares entitle holders to a dividend two percentage points higher, in relation to their nominal value, than that granted to ordinary shares and have priority over the latter, in the event of dissolution of the company, with respect to capital reimbursement. There are no other categories of

shares. No financial instruments have been issued that entitle the holder to subscribe to new shares. No share-based incentive plans are in place.

Restrictions on the Transfer of Shares

A shareholder intending to transfer, in whole or in part, their ordinary shares must offer them in pre-emption to the other shareholders holding ordinary shares, indicating the requested price and the other terms of the offer to the third party. The pre-emption right may only be exercised for all the shares offered for sale. The offer will remain valid for one month.

Significant Shareholdings in the Capital

As a result of the acquisition on 28 November 2019 by the Automobile Club d'Italia of the entire shareholding (equal to 5% of the share capital) from Assicurazioni Generali S.p.A., the significant shareholdings in the Company's capital, according to the shareholders' register as at the date of this Report, are as follows:

- Automobile Club d'Italia 80,00%;
 - Società Reale Mutua di Assicurazioni 14,65%;
 - Generali Italia S.p.A. 5%;
- as well as a minimal percentage of treasury shares and shares held by the Provincial Automobile Clubs.

Shareholder Agreements

To the best of the Company's knowledge, no shareholder agreements exist pursuant to Article 123-bis, paragraph 1, letter g) of the Consolidated Law on Finance.

Shareholders' Meeting

With regard to the functioning and powers of the Shareholders' Meeting, these are aligned with the provisions of the Italian Civil Code. In particular, as provided for in Article 2368, second paragraph of the Civil Code, the Articles of Association stipulate that the Extraordinary Shareholders' Meeting is duly constituted and resolves with the presence and vote of shareholders representing at least 60% of the share capital, without prejudice to any mandatory legal limits.

Subscription of the Share Capital Increase of the Subsidiary Sara Vita

The Extraordinary Shareholders' Meeting of Sara Vita held on 30 July 2019, with prior approval from the Parent Company, resolved to increase the share capital from 26 million to 76 million Euro, through the issuance of 50 million shares with a nominal value of 1 Euro each, fully subscribed and paid up by Sara Assicurazioni.

Composition and Functioning of the Administrative and Control Functions

The management of the Company is entrusted to a Board of Directors composed, as at the date of this Report, of 10 members. Directors remain in office for three financial years and their term expires on the date of the Shareholders' Meeting that approves the financial statements for the last financial year of their term. Directors are eligible for reappointment. The Board of Directors elects from among its members the Chairman, if not appointed by the Shareholders' Meeting, and one or two Vice Chairmen.

The Board may appoint an Executive Committee, composed of three to five members chosen from among its own, even in an even number, to which it may delegate certain powers, with the exception of those matters for which the Civil Code or other laws require exclusive competence of the Board of Directors. In particular, decisions concerning the definition of criteria for the coordination and management of the companies belonging to the insurance group and for the implementation of the provisions issued by

IVASS are reserved exclusively to the Board of Directors. The Board of Directors may appoint advisory committees, determining their composition and responsibilities; for more information on the committee system, reference is made to the following paragraph. In addition, the Board of Directors appoints and removes the Manager Responsible for preparing the Company's financial reports and determines their remuneration. The Board of Directors is vested with the broadest powers for the ordinary and extraordinary management of the Company and is authorised to carry out all acts necessary for the implementation and achievement of the corporate purpose, except for those acts which are mandatorily reserved by law to the Shareholders' Meeting. The Board of Statutory Auditors is composed of three standing members and two alternate members, appointed by the Ordinary Shareholders' Meeting. The term of office of the Statutory Auditors expires on the date of the Shareholders' Meeting called to approve the financial statements for the third financial year of their appointment. Pursuant to Article 2403 of the Civil Code, the Board supervises compliance with the law and the Articles of Association, adherence to proper management principles and, in particular, the adequacy of the Company's organisational, administrative and accounting structure.

Below are two tables: one regarding the composition of the Board of Directors and its Committees, and the other concerning the composition of the Board of Statutory Auditors, both updated as at the date of this Report.

Position	Member	Term Expiry	Majority Shareholder Transactions Committee	Internal Control and Risk Committee	Nomination Committee	Remuneration Committee	Investment Committee
President	Sticchi Damiani Angelo	31.12.2026			X	X	
Vice President	La Russa Antonino Geronimo Giovanni Maria	31.12.2026					
Amministratore	Alessi Carlo	31.12.2026					
Amministratore	Carleo Alessandra	31.12.2026		X	X	X	X
Amministratore	Campi Ruggero	31.12.2026					
Amministratore	Cucugliato Cosima	31.12.2026	X				X
Amministratore	Curti Maurizio	31.12.2026		X			
Amministratore	Di Nicola Donatella	31.12.2026	X	X	X	X	
Amministratore	Rosa Alessandra	31.12.2026	X				
Amministratore	Tosti Alberto	31.12.2026					X

Position	Member	Term Expiry
President	Del Bue Guido	31.12.2026
Standing Auditor	Ferrero Chiara Francesca	31.12.2026
Standing Auditor	Petroni Luca	31.12.2026
Alternte Auditor	Boido Claudio	31.12.2026
Alternte Auditor	Ferrari Paola	31.12.2026

The composition of the Board of Directors complies with the gender balance criteria provided for by the applicable legislation (Italian Ministry of Economic Development Decree no. 88/2022; IVASS Measure no. 142/2024). The assumption of the office of Director is also subject to possession of the fitness requirements for the role, as provided for by the legislation, including regulatory provisions, in force from time to time and applicable under the present Articles of Association.

Furthermore, the Board of Directors includes a number of Directors meeting the independence requirements under Article 12 of Decree no. 88/2022, as well as the provisions of the Articles of Association and the Company's Fit & Proper Policy, in a number at least equal to that required by the applicable legislation from time to time.

In the event that the independence requirement is not met, the Board of Directors, following the opinion of the Nomination Committee and the Board of Statutory Auditors, declares the forfeiture of the office of independent Director, in accordance with the procedures set forth in Article 23, paragraph 8, of Decree no. 88/2022, informing the Shareholders' Meeting at the first available opportunity of the reasons for such forfeiture. If, following the forfeiture, the remaining number of independent Directors is still sufficient to ensure the minimum number required by the Articles of Association, the Director lacking the independence requirement retains the role as a non-independent Director.

With regard to the educational and professional background of its administrative, management and control bodies, Sara Assicurazioni and Sara Vita have defined assessment policies concerning the possession of professional requirements and competence criteria in accordance with the provisions of Decree no. 88/2022, IVASS Regulation no. 38/2018, and European legislation (Solvency II).

Sara Assicurazioni and Sara Vita do not adopt policies regarding the age of members of the administrative and control bodies, preferring instead to give value—also in line with the current special regulatory framework—to education and professional experience.

In particular, with respect to age diversification, the Board considers it more relevant to ensure a diverse composition representative of all age groups than to establish a rigid average age criterion (which is in any case roughly in the 50 to 65-year-old range).

The Board also considers that indicating minimum or maximum age limits is not a factor relevant to the diversification criterion, and that the potential contribution of each individual member should be assessed on a case-by-case basis, regardless of chronological age.

The current composition of the administrative body is structured as follows: the average age is just over 60 years, and the Directors are distributed across the three identified age groups (younger, middle-aged, and older) as follows: 20%, 40%, 40%.

Each year, the Group companies approve the Training Plan for the members of the Administrative Body, in accordance with the provisions of IVASS Regulation no. 38. The Plan is intended to ensure the continuous professional development of the members of the Administrative Body, providing them with the technical knowledge necessary to perform their role with full awareness, in keeping with the nature, scope and complexity of their assigned duties, and to maintain their expertise over time.

Corporate Governance Policy and Committees

Sara Assicurazioni and Sara Vita have adopted a Corporate Governance System Policy with the aim of defining the guidelines for the corporate governance system of the Sara Assicurazioni Group.

In particular, the Policy provides for the establishment of the position of Group General Manager with coordination responsibilities within the Group's corporate entities. It institutionalises the strategic function of the Parent Company, which defines the strategic guidelines for the various Companies and identifies typical governance and control matters for which the Parent Company may establish oversight functions.

Furthermore, in order to formulate and share strategies and operations among the top representatives of the Parent Company and the Group companies, a committee system is established, structured as follows after recent changes:

- Group Internal Control and Risk Committee;
- Nomination Committee;
- Remuneration Committee;
- Group Investment Committee;
- Committee for Transactions with the Majority Shareholder.

The Committees are a direct expression of the Board of Directors of Sara Assicurazioni, are composed of members of the Board of Directors appointed by the latter, and hold advisory and propositional functions towards the Board of Directors.

The Corporate Governance Policy, updated during 2024, led to several revisions aimed at greater integration of ESG aspects within the Governance framework. In particular, this resulted in:

- the formal inclusion of ESG risks within the mandate of the Internal Control and Risk Committee, which plays a role in defining the guideline framework for the internal control and risk management system—including those concerning ESG (Environmental, Social and Governance)—in the periodic assessment of its adequacy and actual functioning, and in the identification and management of the main business risks;
- an adjustment of the duties and responsibilities of the Group Investment Committee with regard to ESG-related matters;
- the introduction of references concerning the activities of verifying the implementation of the measures adopted by the Board of Directors, also in the area of sustainability, by the Executive Management.

The Group Internal Control and Risk Committee, established within the Board of Directors of the Parent Company Sara Assicurazioni, holds advisory and propositional functions towards the Boards of Directors of Sara Assicurazioni and Sara Vita in matters concerning the definition of the guidelines for the internal control and risk management system, the periodic verification of its adequacy and actual functioning, and the identification and management of the main business risks, also ensuring adequate oversight of the specific risk profile of Sara Vita. For these purposes, the Committee, among other things, is tasked with carrying out fact-finding investigations.

The Committee also performs the tasks that the Board of Directors of Sara Assicurazioni may subsequently assign to it through specific resolutions.

At Sara Vita, where an Internal Control and Risk Committee is not established, at least one member of the Administrative Body, who is suitably competent in the matter and without delegated powers, is entrusted with monitoring the activities, adequacy, and proper functioning of the risk management system, with the aim of reporting the related findings to the body itself, which retains ultimate responsibility.

The Nomination Committee holds advisory and propositional functions towards the Board of Directors, with regard to the Parent Company in cases where the appointment does not coincide with the first renewal of the Board, concerning the appointments of members of the Executive Committee, the Chief Executive Officer, the General Manager, the Vice-Chairman, the Chairman (if not appointed by the Shareholders' Meeting), and the members of other Advisory Committees.

With regard to the subsidiaries, the Committee expresses its opinion on the appointments of Directors, the Chairman, the Vice-Chairman, the Chief Executive Officer, the Statutory Auditors, and the General Manager, as well as the members of the Supervisory Body of the Parent Company and of the subsidiaries if such office is not assigned to the Board of Statutory Auditors.

The Remuneration Committee:

a) performs advisory and propositional functions in defining remuneration policies and makes proposals regarding the compensation of each Director holding special offices. In particular, it holds advisory and propositional functions towards the Board of Directors regarding the remuneration, with respect to the Parent Company, of each Director holding special offices and of the General Manager, and, with respect

to the subsidiaries, of the Directors, the Chairman, the Chief Executive Officer, the General Manager, the Board of Statutory Auditors, and the members of the Supervisory Body of the company and of the subsidiaries, if such office is not assigned to the Board of Statutory Auditors; as well as regarding the determination of criteria for the remuneration of Executives of the Parent Company and its subsidiaries.

- b) verifies the appropriateness of the overall remuneration structure, as well as the proportionality of the remuneration of the executive director in relation to the relevant personnel of the company;
- c) periodically reviews the remuneration policies to ensure their adequacy, including in the event of changes in the company's operations or the market environment in which it operates;
- d) identifies potential conflicts of interest and the measures adopted to manage them;
- e) verifies whether the conditions for the payment of incentives to relevant personnel are met;
- f) provides the Board of Directors with adequate information on the effective functioning of the remuneration policies.

The Committee also performs the tasks that the Board of Directors may subsequently assign to it through specific resolutions. If a remuneration committee is not established, the Board of Directors shall carry out the duties that would have been assigned to it, taking care to prevent conflicts of interest.

The Group Investment Committee holds advisory and propositional functions towards the Board of Directors regarding the risk profile and investment guidelines (both financial and real estate) as outlined in the investment policy.

The Committee for Transactions with the Majority Shareholder holds advisory and propositional functions towards the Board of Directors for the execution of agreements between one or more Group companies and the Majority Shareholder Automobile Club d'Italia, or companies controlled by it, or affiliated entities (Provincial Automobile Clubs), that involve disbursements by the concerned Group company exceeding 100.000 Euro per year for each individual transaction.

For the aforementioned transactions involving disbursements exceeding 500.000 Euro by one of the Group companies, the Committee shall obtain the opinion of an independent external professional on the fairness of the agreed price, or shall provide justification for why such appraisal is not deemed necessary. Transactions falling within the scope of ordinary insurance operations (such as policy underwriting, indemnity payments, and compensation for claims) are excluded from the scope of application. However, atypical and unusual transactions carried out with the above-mentioned parties remain within the competence of the Committee.

Main Features of the Risk Management and Internal Control Systems

The Company has adopted Articles of Association in which the chosen model of administration and control is defined, together with the fundamental rules for the composition and distribution of powers among the corporate bodies, as well as the relationships between them. The Articles of Association also describe the rights of shareholders and the procedures for exercising such rights.

Over the years, the Articles of Association have been amended several times to adapt to regulatory changes and corporate developments.

The Company has adopted a Group Code of Ethics, which expresses the core principles and values of the Company; it was most recently amended at the meeting of 25 July 2024 following the changes in regulations related to Whistleblowing.

The Code of Ethics is made available to all recipients through internal and external communication tools and is published on the Company's website.

Sara Assicurazioni has adopted an Organisation, Management and Control Model in compliance with Legislative Decree 231/01. The task of supervising the functioning and observance of the Model, as well as its updating, is assigned to the Supervisory Body (Organismo di Vigilanza – OdV).

The Organisation, Management and Control Model defines an organisational structure capable of ensuring a clear allocation of tasks, adequate segregation of duties, and a system of delegations and powers that reflects the Company's decision-making and implementation processes.

With reference to the structure of the Model, it is divided into three distinct and independent documents, which together constitute the Organisation, Management and Control Model pursuant to Legislative

Decree 231/2001, covering the following topics respectively: General Part; Analysis of Predicate Offences; Risk Assessment Document.

The Board of Directors, in its meeting of 18 June 2024, approved the update of the Company's Organisation, Management and Control Model pursuant to Legislative Decree no. 231/2001.

The main changes made to the documents concerned:

a) General Part:

- the updated composition of the Supervisory Body (OdV), noting that, while maintaining the collegiate nature of the Body, the Sara Assicurazioni Model now reflects the new composition approved by the Board of Directors at its meeting of 23 April 2024, which establishes that the three members are identified as follows:
- two qualified external professionals (including the Chair of the OdV);
- one standing statutory auditor (Chair of the Board of Statutory Auditors);
- the inclusion of the establishment within the Group of the instrumental company Sara Services S.r.l.;
- the mention of the termination of the intra-group service agreement between Sara and Sara Vita concerning fundamental functions, which were therefore "reinternalised" by the subsidiary Sara Vita, with the partial secondment of some members (including the heads) of the equivalent functions from Sara Assicurazioni to the subsidiary;
- the provision, within the context of the financial autonomy of the OdV, of a limitation on the requirement to request prior approval of expenditures from the Board of Directors, restricting it to direct resources, i.e. those strictly functional to the activity of the OdV itself, with the indirect resources (those needed for system maintenance) falling under the standard company planning and budgeting process, already approved and allocated by the Board.

b) Special Part – Analysis of Offences:

- the extension of the analysis to include new categories of offences recently introduced into the "catalogue" of offences under Legislative Decree 231/2001, where relevant to Group companies.

c) Special Part – Risk Assessment Document:

- an overview of the methods and outcomes of the Risk Assessment activity carried out in May.

The Company has adopted an "Illustrative Document on the Occupational Health and Safety Management System" drafted in accordance with Legislative Decree 81/08 and Legislative Decree 231/01, and approved by the Board of Directors in version no. 1.0 on 14 April 2011.

The latest update of the document (version no. 9.0) was approved by the Board of Directors in its meeting of 28 July 2021.

As of 14 June 2023, the Board of Directors granted the General Manager, with sole signing authority and exclusive operational responsibility, a new power relating to occupational health and safety, appointing them as the Company's representative in fulfilling the employer's duties under Legislative Decree 81/2008.

In the meeting of 23 January 2024, the Board of Directors approved version no. 10.0 of the "Group Business Continuity Plan", introducing the following main changes:

- Extension of the document review to the Head of Cyber Security;
- Extension of the Plan's application to the instrumental company Sara Services S.r.l.;
- Inclusion of references to the Digital Operational Resilience Act – DORA;
- Review of scenarios and related events;
- Alignment of the Plan with the current company Incident Management Procedure;
- Integration of the crisis communication process;
- Business continuity testing plan revised from a biennial to a triennial cycle;
- Definition of frequencies for specific training activities.

On 24 May 2018, the Company approved the Organisational Model for the protection of personal data (MOP), which describes the organisational model adopted by the Sara Assicurazioni Group regarding the processing of personal data of natural persons, in accordance with current legislation, and in particular with Regulation (EU) no. 679/2016 ("GDPR"). The purpose of the organisational model is to formalise the

guidelines adopted and intended to be applied by Sara to ensure that personal data processing activities for which it is the data controller are carried out in compliance with the applicable regulatory provisions. The document outlines the organisational structure of Sara, the roles and responsibilities of the parties involved in the processing activities, as well as the principles that govern and regulate the ways in which personal data processing operations are carried out by Sara Assicurazioni and/or Sara Vita, respectively, for the purposes for which they act as data controllers. It also describes the processes for managing data subjects' rights, handling data breaches, and conducting data protection impact assessments (DPIAs). The document was most recently updated at the meeting held on 22 February 2024, in light of developments in external and internal regulations, organisational and procedural changes, and practical operational experience.

The changes essentially concerned:

- the update of the regulations on Data Transfers abroad, to reflect the Guidelines issued by the EDPB on the subject;
- the procedures for finalising joint controllership agreements, to enable operations in urgent cases;
- the regulation of the Data Protection Impact Assessment (DPIA), to take into account the updated operational procedures set out in a specific internal Company Regulation.

At the meeting held on 17 April 2024, the Shareholders' Meeting approved, pursuant to Article 41 of IVASS Regulation no. 38 of 3 July 2018, the Remuneration Policies for corporate bodies and personnel, as defined by IVASS Regulation no. 38 and its subsequent amendments or supplements, including any remuneration plans based on financial instruments where applicable.

The Extraordinary Shareholders' Meeting of 29 April 2020, also in compliance with the provisions of IVASS Regulation no. 38 and the IVASS Market Letter of 5 July 2010 on remuneration policies, delegated the Board of Directors to implement the resolution for the issuance and allocation of participatory financial instruments, including their concrete assignment to the Company's personnel, setting the maximum nominal value of issuance at 5.000.000 Euro for a maximum duration of 5 years.

Most recently, at the meeting of 25 July 2024, in implementation of the "Regulation of Participatory Financial Instruments of Sara Assicurazioni S.p.A." attached to the Articles of Association, the Board of Directors approved the issuance of a series of participatory financial instruments and the simultaneous allocation of the same to a portion of the Company's personnel, linked to the achievement of performance results in the performance of their work activities, representing in whole or in part the variable remuneration granted by the Company to the respective Beneficiaries.

In the context of aligning corporate policies with recent regulatory developments (including Solvency II-related regulations), the Company has adopted, in addition to the above, the following further Policies:

- "Internal Audit Policy";
- "Compliance and Anti-Money Laundering Function Policy";
- "Reporting Policy";
- "Reinsurance Policy";
- "Non-Life Underwriting Policy";
- "Claims Reserving Policy";
- "Risk Management Policy";
- "Data Governance Policy";
- "Risk and Solvency Assessment Policy";
- "Outsourcing Policy";
- "Complaints Management Policy";
- "Board of Directors Functioning Policy";
- "Capital Management Policy";
- "Actuarial Function Policy";
- "Policy for the Valuation of Assets and Liabilities Other Than Technical Provisions";
- "Policies for the Management of Risks Related to Money Laundering and Terrorist Financing";
- "Framework Resolution on Investment Policies," including the "Investment Policy," "Asset and Liability Management Policy," and "Liquidity Risk Management Policy";
- "Intra-Group Transactions Policy";
- "Policy for the Management of Inside Information and Regulation for the Keeping of the Relevant List Pursuant to Article 18 MAR";
- "POG Policy" (Product Oversight and Governance Arrangement);
- "Sustainability Policy";

- “Policy for the Organisation, Management and Control of Distribution”;
- “Operational and Cyber Risk Management Policy”;
- “Tax Risk Assessment and Management Policy”;
- “Policy for the Management of Reports of Alleged Misconduct (Whistleblowing)”;
- “ICT Security Policy”;
- “Data Retention Policy”;
- “Policy for the Ongoing Management of Specific Parameters”;
- “Policy of the Executive Responsible for Preparing the Company’s Accounting and Corporate Documents”;
- “Responsible Investment Policy”;
- “Deferred Tax Management Policy”;
- “General Business Continuity Policy”;
- “Digital Operational Resilience Policy”;
- “Policy on the Digital Transmission of Personal Information”;
- “Related Party Transactions Policy.”

The Company continues to implement action plans to ensure compliance with the Solvency II regulatory framework.

Among the measures undertaken, it is worth highlighting the establishment of a Risk Committee, composed of company management, which holds advisory and propositional functions towards the Board of Directors. These functions are carried out both by reporting the main risk exposures to the administrative body and by proposing strategic directions aimed at optimising the Group’s risk/return profile.

At the Board of Directors’ meeting of 18 October 2016, in light of regulatory developments—particularly with reference to the Solvency II Directive—and the guidance expressed by the Supervisory Authority, the responsibilities assigned to the Risk Committee (established on 22 September 2010 by specific resolution) were revised.

This revision was necessary in order to strengthen the Sara Group’s risk management system, both from a current and forward-looking perspective, facilitating the connection between the Executive Management, the Administrative Body, the Control Functions, and Top Management.

At the same time, the corresponding changes were made to the Regulations of the Risk Committee. In particular, the Risk Committee was assigned the following responsibilities:

- to analyse the outcomes of risk identification and assessment activities, which also support the definition and monitoring of the risk strategy, by reviewing any corrective actions to be implemented;
- to examine the results of the ORSA process and the related report, based on the strategic plan guidelines approved by the Administrative Body;
- to analyse the proposed capital management plan, verifying its consistency with the findings of the ORSA process, and to review the evidence from monitoring activities carried out;
- to examine the results of the monitoring activities and stress assessments carried out by the Risk Management Function;
- to propose any corrective actions in case of breaches of the operational limits defined by the Board of Directors;
- to examine the proposed Risk Management and Risk Valuation Policies, the Capital Management Policy, and subsequent updates;
- to examine the proposed Data Governance Policy and its subsequent updates;
- to analyse the findings from the Data Quality Management process, formalised in specific reports concerning the outcomes of the controls performed, the corrective actions taken, and the values recorded by the relevant data performance indicators (KPIs).

The Company also obtained authorisation from the Supervisory Authority, on 11 May 2016, for the use—effective from 1 January 2016—of company-specific parameters for the calculation of the Solvency Capital Requirement in the underwriting risk modules for non-life insurance.

With the Market Letter of 5 July 2018, containing the “IVASS Guidelines on the Application of the Proportionality Principle in the Corporate Governance System of Insurance and Reinsurance Undertakings and Groups,” IVASS required companies to carry out a self-assessment process aimed at identifying the most appropriate corporate governance structure.

The Boards of Directors of Sara and Sara Vita, in their meeting of 18 June 2024, confirmed the adoption of the “strengthened” governance model for Sara Assicurazioni (also in its role as USCI) and the “ordinary” model for Sara Vita.

RELATED PARTY TRANSACTIONS

The companies of the Sara Group and the parent company ACI have carried out economic and equity transactions falling within the scope of ordinary operations. These transactions, governed at market prices or at cost, are discussed in greater detail in Part G – Information on Related Party Transactions of the Notes to the Financial Statements.

GOING CONCERN

The risks to which the Group is exposed, together with the high level of capitalisation and the strong solvency ratio, do not raise any doubt regarding the assumption of going concern.

PREDICTABLE MANAGEMENT EVOLUTION

The year 2024 has confirmed the unfavourable macroeconomic forecasts, highlighting a scenario of deep uncertainty still heavily influenced by the worsening geopolitical situation, which remains particularly dynamic and potentially destabilising. The ongoing conflict in Ukraine and tensions in the Middle East, together with the policies of the new U.S. government, are intensifying the volatility of financial and energy markets and sustaining inflation, negatively impacting the global economy, including that of Italy. In addition, the increasing frequency and intensity of severe weather events, also at the European level, have laid the groundwork for higher direct and reinsurance costs for insurance companies, increasing pressure on premiums and making the management of risks related to climate change a crucial element for the sustainability of the entire sector.

Within this complex context, the insurance market faces multiple challenges:

- the evolution of customer expectations regarding access to information and services;
- the increasing relevance of emerging risks such as natural catastrophic events and cyber risks, for which the evolution of the regulatory framework has a significant impact on insurance companies;
- population ageing, which calls for the development of the insurance offering in the context of the economic potential identified within the Silver Economy;
- the growing focus on ESG issues, particularly with regard to risk measurement, also in light of the new regulatory framework;
- digital transformation, leveraging the full potential of new technologies, with specific reference to Artificial Intelligence and Generative AI;
- new trends in the mobility market and growing competitiveness in the auto insurance sector.

In relation to this market scenario, the strategy of the Sara Group is moving in the direction of continuing on a path of sustainable growth, focusing on the containment of average claims costs, the recovery of the average Auto TPL premium, and the adjustment of tariffs and underwriting policies for products potentially impacted by extreme natural events, also in light of the most recent regulatory context.

As always, great attention will be paid to the efficient management of both human and financial capital, fully integrating the principles of Sustainability and ESG (Environmental, Social, and Governance) into its operations and, in particular, into underwriting and risk management policies.

In this context, the commitment to gender equality represents a cornerstone of the Sara Group's corporate vision, which has undertaken a structured path toward gender parity, based on respect for and appreciation of diversity in all its forms, and focused on women's empowerment, including through the adoption of the Gender Equality Management System in accordance with UNI/PdR 125:2022, aimed at promoting an inclusive culture and equal opportunities for all personnel.

For the 2025 financial year, the market outlook for the Auto TPL sector requires close attention to the support of the average premium, despite expectations of more moderate policy price growth compared to previous years. In this context, Sara Assicurazioni confirms its strategy aimed at maintaining portfolio premiums and containing the average cost, to safeguard the profitability of the Company and the agency network, with a view to ensuring balanced and sustainable development over time.

Specifically in the Auto sector, the Company has implemented targeted actions aimed at progressively increasing the average Auto TPL premium and developing the CVT segment, while maintaining a solid competitive positioning. In Non-Life branches, alongside the continuation of a growth trend across all business lines—even in a context of necessary tariff increases—particular attention has been paid to the management of weather-related risks, through the revision of contractual conditions and a more accurate customisation of premiums, aimed at mitigating the potential negative impact on results.

The above-mentioned strategic objectives will also be achieved through several enabling measures and the oversight of specific areas of development, in particular:

- the continuous evolution of the offering model through the integration of insurance solutions with value-added services, both physical and digital, capable of best supporting customers as their needs and habits evolve; within this context lies the new telematic solution introduced at the end of 2024;
- the solid Governance of pricing and product, through the development of risk models based on predictive logic of price sophistication and optimisation;
- the promotion of experimental initiatives, also through SARA Services, with reference to solutions in the field of mobility and distribution agreements with new partners;
- the continuation of investments aimed at increasing efficiency in the claims management process and containing costs through the integration of telematic, digital, and Artificial Intelligence-based solutions.

The Parent Company reaffirms the central role of technological innovation and digital and omnichannel transformation in its strategy, with a particular focus on strengthening cybersecurity protection services, developing solutions in the field of Generative AI, and enhancing the Company's digital properties, including tools in support of intermediaries.

In the Life segment, the Group will continue to pursue the commercial objectives set out in the Industrial Plan, aiming for a balanced development of both traditional and high financial-content products, capable of offering clients an optimal combination of security and return. In line with recent strategies, the offering of innovative and personalised solutions for personal risk coverage will be further strengthened, with increasing attention to sustainability and digitalisation—key elements for meeting the needs of a constantly evolving market.

Regarding investments, the main forecasts indicate a growing concern about an acceleration of inflation in the U.S., which could lead to a reduction in the number of interest rate cuts compared to the current levels. Conversely, in Europe, fears of stagflation are resurfacing, characterized by slow growth and inflation, although declining still above 2%. The key drivers of concern are the services sector, rising commodity prices and the protectionist policies of the new Trump administration. Stock market forecasts suggest that major stock indices in Europe will remain close to current levels, while in the U.S. they are expected to rise. In this scenario, insurance portfolios, which are heavily allocated to European government bonds and only marginally to equities, will primarily be exposed to the potential process of interest rate cuts.

CONSOLIDATED SUSTAINABILITY REPORTING

General Information

ESRS 2 – General Disclosures

Reporting Criteria

BP-1 – General criteria for the preparation of sustainability statements

This Sustainability Reporting has been prepared on a consolidated basis pursuant to Legislative Decree 125/2024, which transposes the Corporate Sustainability Reporting Directive (CSRD).

The scope of the sustainability reporting covers the parent company Sara Assicurazioni S.p.A., the subsidiaries Sara Vita S.p.A., Sara Services S.r.l., and the Fondo Helios, coinciding with the scope of the financial statements, and refers to the period from 1 January to 31 December 2024. Any scope limitations regarding specific data or information are clearly indicated in the document and justified on the basis of materiality criteria. No subsidiary companies have been exempted from sustainability reporting pursuant to Article 29-bis, paragraph 8 of Directive 2013/34/EU.

The information provided in the 2024 Consolidated Sustainability Reporting has been expanded to include impacts, risks, and opportunities relevant to the Sara Assicurazioni Group (hereinafter also referred to as the “Sara Group” or the “Group”) through its business relationships along the upstream and downstream value chain. Specifically, upstream information includes data related to suppliers, while downstream information concerns the agency network, retail and corporate clients, and the financial market.

This document includes relevant impacts and opportunities connected to the upstream and downstream value chain based on the results of the double materiality assessment, in accordance with the specific obligations related to the value chain, net of any use of the phase-in approach, applicable due to the size of the organisation, for disclosures listed in Appendix C of ESRS 1. Details on the extent to which policies, actions, targets, and metrics cover or include value chain data are highlighted within the thematic chapters.

Regarding the option to omit sensitive information—even if considered material—the Group has exercised this option in relation to targets concerning the speed of claims settlement, as such information is considered trade secrets of commercial value, as well as the current financial effects of the opportunity linked to settlement speed.

Lastly, the Group has not exercised the option to withhold disclosure of information regarding imminent developments or matters subject to negotiation under Article 19-bis, paragraph 3, and Article 29-bis, paragraph 3, of Directive 2013/34/EU.

BP-2 – Disclosure in Relation to Specific Circumstances

Time Horizons

The Sara Group, in line with the definitions of short, medium, and long-term for reporting purposes as set out by the European Sustainability Reporting Standards (ESRS), prepared by the European Financial Reporting Advisory Group (EFRAG) (see ESRS 1, section 6.4), adopts the following time horizons:

- short-term: one year, corresponding to the period used as the reference for its financial statements;

- medium-term: up to five years from the end of the short-term reference period;
- long-term: beyond five years.

Estimates Concerning the Value Chain

For this reporting year, the Sara Group has not included data related to the value chain, with the exception of Scope 3, category 3 emissions data – “Fuel- and energy-related activities (not included in Scope 1 or 2)”. However, no estimates were used for the calculation of these emissions. The calculation methodologies are detailed under disclosure E1-6, to which reference is made.

Sources of Uncertainty in Estimates and Results

As described under disclosure E1-6, estimates were used to determine a residual portion of energy consumption related to ten local offices without direct utility contracts. In this case, data were estimated based on the actual consumption of a sample office, proportionally allocated according to the number of staff consistently working there.

Disclosures Required by Other Regulations or Generally Accepted Sustainability Reporting Frameworks

The Consolidated Sustainability Reporting is prepared in accordance with Delegated Regulation (EU) 2772/2023 concerning sustainability reporting standards (ESRS). In addition, the reporting includes information required under Regulation (EU) 852/2020 (EU Taxonomy Regulation and its Delegated Acts). No further disclosures from additional frameworks are included in this document.

Inclusion by Reference

The Group includes by reference in another section of the Financial Report the information required under disclosure IRO-1, particularly with regard to the decision-making process and related internal control procedures, as well as the extent and manner in which the process of identifying, assessing and managing impacts and risks is integrated into the company’s overall risk management process and is used to assess the overall risk profile and related risk management procedures.

Use of Transitional Provisions in Accordance with Appendix C of ESRS 1

As part of the double materiality assessment, topics relating to Workers in the value chain (ESRS S2) and Affected communities (ESRS S3) were found to be material from an impact materiality perspective. Given the Group’s size (fewer than 750 employees), it has opted to apply the phase-in approach allowed under Appendix C of ESRS 1 for reporting on FY 2024.

S2 – Workers in the Value Chain (Agents)

The topic of Workers in the value chain, with specific reference to the category “agents”, has been identified as material in relation to working conditions, equal treatment and opportunities for all, and other work-related rights. Agents represent a key stakeholder for the Group, serving as the main channel of contact with clients. The Group has therefore established specific organisational structures responsible for the selection, management, and supervision of the sales network, supported in particular by the Commercial Division and the Internal Audit Division. Finally, the Group governs the relationship with the agency network through the agency contract and the supplementary agreement with the network until its expiry, which includes, among other things, the provision of incentive schemes and a welfare system for agents.

All agents conducting insurance intermediation for the Sara Group must comply with the principles contained in the Code of Ethics, as specified in the appointment letter for agents operating under the free management model (which includes an explicit clause binding them to respect and observe Sara’s ethical principles), as well as the Organisation, Management and Control Model pursuant to Legislative Decree

231/01 (MOG 231). The management of the relationship with the agency network is also governed by the Policy for the organisation, management and control of distribution, which sets out the guidelines for the distribution of products and services, and by the Agency selection procedure and the Procedure for the management of agency collaborators, as well as, more generally, by the Company's applicable Circulars in force from time to time.

The negative impacts identified in relation to agents are potential in nature and relate to the exploitation of child or forced labour within the network. As these matters are closely linked to human rights, they were deemed material despite the low probability of occurrence. In order to prevent such impacts, the Group requires agents to accept the Code of Ethics and has included in the appointment letter the obligation for the agent to comply with the application of laws and regulations, contractual agreements, and local practices towards personnel, sub-agents, and any other collaborators. Inspections are also envisaged at agency offices which, although primarily aimed at accounting and administrative checks, may be extended to all areas and aspects relating to business management.

With specific reference to the sub-topic "Equal treatment and opportunities for all", the Group has identified a positive and actual impact related to the training and professional development of the agency network. The Group recognises the importance of training for the professional development of its agents, sub-agents and collaborators. For this reason, each year it provides them with a catalogue of training content of various kinds, which is also monitored for the purpose of IVASS annual reporting. Mandatory training for new collaborators complies with IVASS Regulation no. 40/2018 and covers legal, technical, administrative and IT areas. Courses were also provided to strengthen technical and commercial skills, along with two advanced training programmes on Territorial Marketing and Finance.

In particular, during 2024, the agency network was provided with 16,202 hours of classroom/webinar training and 82,676 hours of e-learning training. Given the importance attached to training, the Group has defined, for 2025, objectives regarding the training of agents on ESG topics, which includes content on inclusive leadership aimed at younger agents as part of a dedicated training programme. In particular, the Group has planned:

- di erogare un minimo di 360 ore di formazione in aula;
- un incremento di almeno il 6% di agenti formati;
- 1.700 ore di web-based training per il 35% di risorse della rete distributiva (agenti e risorse di agenzia).

S2 – Workers in the Value Chain (Suppliers)

The topic of Workers in the value chain, with specific reference to the category "suppliers", has been identified as material in relation to working conditions, equal treatment and opportunities for all, and other labour-related rights. All identified impacts are of a potential nature.

The Group provides, within its organisational structure, a Function for the management of procurement and the Suppliers Register, responsible for overseeing the supplier selection and qualification process, including ESG criteria for certain product categories. Moreover, it assigns specific responsibilities to supply owners regarding the assessment of risks associated with each supply, including, by way of example but not limited to, occupational safety issues.

The Group has adopted a Procurement Procedure for the management of goods and services procurement, which defines, among other aspects, the process for supplier selection and qualification within the relevant Register. The new Suppliers Register, for specific product categories, has introduced among the "Optional Qualification Requirements" certain ESG parameters, including:

- preparation of a Non-Financial Statement or Social Report, or in any case a self-declaration of the initiatives undertaken on corporate social responsibility matters;

- possession of a recognised environmental certification (UNI EN ISO 14001 or EMAS or equivalent), or in any case a self-declaration of the initiatives undertaken on environmental protection matters;
- possession of an occupational health and safety certification (OHSAS 18001 or equivalent), or in any case a self-declaration of the initiatives undertaken on occupational safety matters beyond those required by law.

This information is provided voluntarily by the supplier and is currently based on the supplier's self-declaration. In this regard, the Group has included in its 2025–2027 Sustainability Plan an enhancement of the procurement process based on ESG criteria.

In order to prevent potential negative impacts related to workers in its supply chain, the Group relies on contractual instruments, requiring acceptance of the MOG 231 and the Code of Ethics, as well as submission of the DURC and the self-declarations necessary for ESG qualification. Should evidence emerge of violations of the accepted ethical and behavioural principles, the Group foresees the termination of the business relationship with the supplier where the incident occurred.

Within the MOG, in particular, is the “Protocol on Contractual Clauses 231 in Negotiations with Third Parties”, which states that whenever a written contract is formalised for the supply of goods or services, it must include an obligation for the contractor to review the ethical and behavioural principles set out in the Sara Group Code of Ethics and in the General Part of the MOG adopted by the Company, as well as a commitment to comply with and observe them, except in specific and justified cases. The same Protocol also contains a provision regarding the appropriateness of the price, considering that in the offering of goods or services it may serve as an indicator of possible offences relevant under Legislative Decree 231/01, such as violations of occupational health and safety regulations or the exploitation of undeclared labour.

In contracts and tenders where the award criterion is the lowest price, the Group requires that the price be carefully assessed, also by comparing it with that proposed in similar bids and, where available, by consulting tools for measuring labour costs (e.g. sector tables, collective agreements, mandatory tariffs, safety costs, raw material costs, etc.). Group Companies may also request the supplier to justify the cost of the personnel to be employed, based on the applicable national collective labour agreement (CCNL).

S3 – Involved Communities

The topic of involved communities has been identified as material from an impact perspective, with reference to the area of economic, social, and cultural rights of communities. In particular, two positive impacts have emerged, relating to safe mobility and insurance literacy—core elements of the Company's mission and strongly interconnected.

The Group is committed to promoting a culture of safe mobility, as stated in its Code of Ethics, also thanks to its synergy with ACI (Automobile Club d'Italia), its main shareholder, through educational initiatives such as Sara Safe Factor, a travelling project developed in collaboration with ACI Sport and aimed at students of driving age. With the involvement of professional drivers sharing their direct experience—based on strict rules and the use of personal safety systems—young people are taught the importance of responsible and proper driving.

Additionally, economic incentives are provided to careful drivers (particularly through the Guido Bene product, a behavioural telematics policy where the renewal premium is determined by discounts linked to the customer's driving behaviour). Moreover, Sara is the title sponsor of the ACI Safe Driving Centres, cutting-edge European facilities that employ the best instructors and the most advanced technologies to train drivers, in line with the Group's mission of providing protection—and therefore safety—at every stage of life.

Safe mobility is also defined as one of the Group's strategic objectives. Beyond Safe Factor, the Group is engaged in other awareness and training initiatives on this topic. Furthermore, the Group aims to

develop and promote initiatives focused on raising awareness and enhancing financial education for savers.

Governance

GOV-1 – Role of the Administrative, Management and Supervisory Bodies

The Group companies have adopted a traditional model of administration and control. The Board of Directors of Sara Assicurazioni is composed of ten members, including 2 with executive roles and 8 without executive roles, 3 of whom are independent and 7 non-independent. The Board of Statutory Auditors is composed of three standing members and two alternates. Below is a representation of diversity within the administrative and supervisory bodies.

GENDER DIVERSITY IN GOVERNANCE AND OVERSIGHT BODIES		
	BOARD OF DIRECTORS	SUPERVISORY BOARD
Men	60%	67%
Women	40%	33%

Employee and worker representation is not envisaged within the Sara Assicurazioni Group. Specifically, the Company does not implement employee shareholding schemes that include special mechanisms for the exercise of voting rights, nor does it adopt mechanisms for the representation of employees and other workers within the corporate bodies.

With regard to the educational and professional background of its administrative, management, and supervisory bodies, the Group has defined evaluation policies concerning the fulfilment of fitness and propriety requirements, in accordance with the criteria set forth by the Ministerial Decree no. 88 of 2 May 2022, IVASS Regulation no. 38/2018, and European regulations (Solvency II).

In particular, an assessment of the professional skills of the members of the Board of Directors was carried out, focusing on twelve dimensions, through a “skills matrix” as required by the relevant regulation:

- financial markets (80% of members);
- regulation in the insurance, banking and financial sectors (90% of members);
- strategic guidance and planning (70% of members);
- organisational structures and corporate models (90% of members);
- risk management (80% of members);
- internal control systems and other operational mechanisms (60% of members);
- insurance, banking and financial activities and products (90% of members);
- statistical and actuarial sciences (30% of members);
- accounting and financial reporting (60% of members);
- information technology (20% of members);
- coordination, guidance and management of human resources (60% of members);
- anti-money laundering risks (10% of members).

For the purpose of diversifying the composition of the administrative and supervisory body, pursuant to Article 10, paragraph 2, letter a), the geographical origin of the members was not taken into account, as the company does not operate in international markets.

ESG topics applied to the banking and insurance sectors are, in any case, among the areas of expertise developed by some members of the Board of Directors through their professional experience. Moreover, given the growing importance of ESG topics among the competencies of the Board of Directors, the Group held an induction session during 2024 for all directors and statutory auditors. The training session covered:

- general concepts on sustainability;
- implications for the insurance sector;

- main regulatory frameworks on sustainability applicable to the sector;
- key contents of the CSRD and the ESRS;

With regard to the supervisory body, in order to ensure the maintenance of an adequate level of expertise and professionalism, the members of the Board of Statutory Auditors attend training and professional development courses suitable for the performance of their role. Moreover, the Board of Statutory Auditors, in carrying out its verification duties, may request the collaboration of all departments responsible for control functions.

During the annual self-assessment process, the statutory auditors individually evaluate their professional characteristics, experience, and competence with reference to the areas indicated in the standards of the National Council of Chartered Accountants and Accounting Experts (CNDCEC), which have been supplemented to reflect the professional requirements set forth in Ministerial Decree MISE 88/2022. The following areas of expertise are assessed:

- business management and organisational processes;
- internal control systems and other operational mechanisms;
- corporate governance processes;
- risk management (identification, assessment, monitoring, control, and mitigation of main types of risks);
- legal domain;
- accounting and financial reporting;
- sustainability;
- finance and functioning of markets;
- regulation in the insurance, banking and financial sectors;
- strategic guidance and planning;
- statistical and actuarial sciences;
- remuneration policies;
- Information Technology and Cyber Security;
- insurance, banking and financial activities and products.

The 2024 assessment revealed a broadly adequate level of professionalism, as all technical profiles received a rating of at least “sufficient” (score 3), with most areas of evaluation falling between “satisfactory” (score 4) and “very satisfactory” (score 5). The self-assessment process also highlighted that, overall, the Board of Statutory Auditors possesses satisfactory competencies in the field of sustainability.

Sustainability is expected to become an increasingly widespread competency, and will be promoted through specific training programmes dedicated to Board members and Statutory Auditors. The content of such training will be developed in line with the sustainability topics that are material for the Group, such as sustainability and decarbonisation strategies, scientific approaches to climate risk management, and multi-stakeholder self-regulation initiatives.

The Board of Directors as a whole is responsible for the oversight of impacts, risks, and opportunities that are material to the Group. In this responsibility, it is supported by the Board Committee for Internal Controls and Risks, which has advisory and propositional functions, as well as the role—assigned by Article 6 of IVASS Regulation no. 38 of 2018—of assisting the administrative body in setting the guidelines for the internal control and risk management system, including ESG risks. It also monitors its adequacy and effective functioning, and supports the identification and management of the Group’s principal risks. The Board of Statutory Auditors as a whole, within the broader scope of its supervisory duties regarding compliance with the law and the Company’s Articles of Association and adherence to the principles of sound management, verifies the adequacy and effective functioning of the organisational, administrative, and accounting structure adopted by the company. It also evaluates the efficiency and effectiveness of the corporate governance system. The Board attends the meetings of the Board of Directors and maintains regular information exchanges with the Heads of Key Functions and other senior figures

considered relevant for the corporate governance system (e.g., the Officer in charge of financial reporting, the Data Protection Officer, the Head of Cyber Security).

In this context, the Board of Statutory Auditors systematically reviews the outcomes of the activities of the Key Functions and other governance-relevant functions, including to analyse the risk assessments provided and to evaluate the presence of appropriate remediation plans—implemented over time—in the event of significant deficiencies or areas identified for improvement.

With specific regard to sustainability, the Board of Statutory Auditors oversees compliance with the legal requirements concerning sustainability reporting and supervises the process of preparing and publishing the sustainability report.

The Corporate Governance Policy, updated in the course of 2024, introduced several revisions aimed at greater integration of ESG aspects within governance. In particular, this led to:

- the formal inclusion of ESG risks within the mandate of the Internal Controls and Risk Committee, which plays a role in defining the guidelines for the internal control and risk management system, including ESG-related risks;
- an adjustment of the duties and responsibilities of the Group Investment Committee with regard to ESG matters;
- the introduction of references to the activities for verifying the implementation of the measures adopted by the Board of Directors, including in the area of sustainability, by the Executive Management.

With regard to the Board of Statutory Auditors, the aforementioned Corporate Governance Policy recalls its supervisory duties concerning compliance with the law and the Articles of Association, and adherence to the principles of sound management. Furthermore, it assigns—among other responsibilities—the task of monitoring the financial reporting process and overseeing the effectiveness of the Company's internal control systems for quality, risk management, and internal audit, as far as financial reporting is concerned. The Corporate Governance Policy delegates to the Executive Management the responsibility for implementing, maintaining, and monitoring the corporate governance system, in line with the directives of the administrative body. With reference to company policies approved by the administrative body, the Executive Management ensures their effective implementation by verifying compliance with the established operational limits, the proper execution of activities by all parties involved in the relevant processes, and by ensuring monitoring of the level of risk exposure. It also verifies and reports on the actual implementation of the measures and initiatives adopted by the Board of Directors, including those related to sustainability.

Company procedures and controls, as defined by the applicable policies, establish decision-making processes that integrate sustainability issues in the management of impacts, risks, and opportunities. Each relevant Division is responsible for the proper management of impacts, risks, and opportunities within its thematic area and reports to the administrative and supervisory bodies through the Executive Management, with the exception of the Key Control Functions and the Privacy and Sustainability Function, which report directly to the Board of Directors.

The Board of Directors annually approves the strategic guidelines, which define corporate objectives, including those related to sustainability. Furthermore, starting in 2025, the Group has adopted a sustainability plan, developed based on the guidelines identified by the Board. The objectives defined within this plan, derived from the relevant IROs, are approved by the administrative body, which will oversee their implementation.

With specific regard to risks, the Board of Directors defines a solvency objective for the Group and the Insurance Companies, expressed as the ratio of eligible own funds to the Solvency Capital Requirement. The determination of the solvency target takes into account the results of the Own Risk and Solvency Assessment (ORSA) and is therefore aligned with strategic planning assessments, the guidelines set out in the capital management plan, and market expectations. Based on this target, a minimum solvency objective is calibrated, corresponding to the maximum acceptable risk. In line with the risk profile of each Insurance Company, the Risk Appetite Statement sets out tolerance limits for material risks in correspondence with the defined minimum solvency objective.

Within its supervisory role concerning adherence to the principles of sound management, the Board of Statutory Auditors acquires information on the integration of sustainability into the company's strategies and culture and on related activities through participation in Board meetings and periodic meetings with the Sustainability Function, the Key Functions, other relevant corporate officers, and the Supervisory Body pursuant to Legislative Decree 231.

The preparation of the Consolidated Sustainability Reporting is governed by a specific internal procedure, which has been updated to incorporate the changes introduced by Legislative Decree 125/2024 and Delegated Regulation (EU) 2023/2772 regarding the sustainability reporting standards (ESRS).

ESRS G1. GOV-1 Business conduct

In order to provide the Board of Directors with specialized support on matters of business conduct, the internal Audit and Risk Committee has been established, which assists the administrative body in determining the guidelines of the internal control system - as well as the risk management system (including those relating to ESG) - in the periodic verification of its adequacy and effective functioning. The internal control system, consisting of the set of rules, procedures and organizational structures aimed at ensuring the correct functioning and smooth operation of the company, is based on the principles of integrity, independence and prevention of illegal or deviant activities from ethical standards. Within the Board of Directors, there is also a director appointed, as required by legislation, with specific skills in anti-money laundering matters.

The Board of Statutory Auditors, on the other hand, by definition incorporates in its role the areas relating to business conduct, which it also oversees by systematically reviewing the results of the activities of the Fundamental Functions and the other Functions relevant to corporate governance and maintaining constant information liaison with the Supervisory/Oversight Body 231 and the Data Protection Officer. It also has adequate skills regarding business conduct by virtue of its knowledge of the relevant regulatory framework.

GOV 2 – Information provided to the company's administrative, management and supervisory bodies and sustainability issues addressed by them

The administrative body, the internal board committees and the supervisory body periodically receive (quarterly, semi-annually or annually based on what is defined within the various policies) information from the fundamental control functions, the Supervisory Body and Senior Management on the performance of the Companies with respect to various issues, including those of sustainability.

Some information also requires approval by the Board of Directors, which deliberates taking into account the relevant impacts and any risks. In this context, the Board of Statutory Auditors exercises the expected control of conformity of the resolutions of the administrative body with applicable laws and the articles of association.

In 2024, the Board of Directors of Sara Assicurazioni, in which the Board of Statutory Auditors also participates, met 13 times. Ten meetings included, on the agenda, issues related to sustainability. In particular, the topics covered included:

- Climate change □ approval of the document "the Sara Group for the climate";
- Own workforce □ Approval of the Gender Equality Policy and report of the head of the prevention and protection service (RSPP);
- Affected communities □ Renewal of the sponsorship contract of Sara SafeFactor;
- Consumers and end users □ Renewal of the sponsorship contract of the safe driving centers, update of the Policy on complaint management and semi-annual reports on complaints and related statistical reports;
- Business conduct □ information on anti-fraud activity and report pursuant to IVASS regulation 44/2012, annual report of the Head of Compliance and Anti-Money Laundering, report of the Supervisory Body, update of the MOG pursuant to Legislative Decree 231/2001, update of the

Code of Ethics, update of the Policy on the protection of persons reporting violations of EU law and national regulations, Information from Senior Management pursuant to IVASS Regulation No. 38,

- ESG risks □ approval of risk identification, risk monitoring, approval of risk appetite and the ORSA Report, which includes the scenario analysis on climate risk.

Furthermore, among the issues reported to the Board of Directors is Privacy, an area that concerns both workers and consumers/end users, with reference to the updating of the Privacy Organizational Model (POM) and the information from the Data Protection Officer.

Finally, with reference to sustainability reporting activities, the 2023 Non-Financial Declaration (DFD), the 2024 double materiality analysis and the update of the Sustainability Policy were presented for approval.

The Board of Statutory Auditors also meets monthly with the Fundamental Functions and other company representatives relevant from the point of view of internal control with whom, among other things, it reviews the reporting made by them to the administrative body and acquires specific certifications relating to any significant events occurring in the period.

GOV-3 – Integration of sustainability performance in incentive schemes

The Sara Group does not have an incentive system aimed at the administrative, management and control bodies that is connected to sustainability issues.

ESRS E1.GOV-3 – Integration of sustainability performance in incentive schemes

To date, the variable remuneration of the members of the Board of Directors and the Board of Statutory Auditors does not take into account climate-related considerations, also given the absence, to date, of a climate transition plan with decarbonization objectives.

GOV-4 – Due diligence statement

The Group is aware of the potential direct and indirect negative impacts that its activities can generate in its operations and in the value chain and, therefore, substantially incorporates into its internal regulations a due diligence process aimed at identifying and assessing these impacts, preventing, mitigating or remedying and monitoring them, as well as providing appropriate reporting channels.

The table below provides a mapping of the paragraphs that, within the consolidated Sustainability Report, highlight the location of information relating to the application of the various aspects and phases of the due diligence process.

KEY ELEMENTS OF DUE DILIGENCE	SECTIONS IN SUSTAINABILITY REPORTING
<p>a) Integrate the duty of due diligence into governance, strategy, and the business model</p>	<ul style="list-style-type: none"> • ESRS 2 GOV-2 "Information provided to the company's administrative, management and supervisory bodies and sustainability matters addressed by them" • ESRS 2 GOV-3 "Integration of sustainability performance in incentive schemes" • ESRS 2 SBM-3 "Material impacts, risks and opportunities and their interaction with strategy and business model"
<p>b) Involve stakeholders in all fundamental phases of due diligence</p>	<ul style="list-style-type: none"> • ESRS 2 GOV-2 "Information provided to the company's administrative, management and supervisory bodies and sustainability matters addressed by them" • ESRS 2 SBM-2 "Interests and views of stakeholders" • ESRS 2 IRO-1 "Description of the processes to identify and assess material impacts, risks and opportunities" • ESRS 2 MDR-P "Policies adopted to manage material sustainability matters" • ESRS E1-2 "Policies related to climate change mitigation and adaptation" • ESRS S1-1 "Policies related to the own workforce" • ESRS S1-2 "Processes for engaging with the own workers and workers' representatives about impacts"

	<ul style="list-style-type: none"> • <i>ESRS S1-3 "Processes to remediate negative impacts and channels enabling the own workers to raise concerns"</i> • <i>ESRS S4-1 "Policies related to consumers and end-users"</i> • <i>ESRS S4-2 "Processes for engaging with consumers and end-users about impacts"</i>
c) Identify and evaluate negative impacts	<ul style="list-style-type: none"> • <i>ESRS 2 IRO-1 "Description of the processes to identify and assess material impacts, risks and opportunities"</i> • <i>ESRS E1.IRO-1 "Description of the processes to identify and assess climate-related material impacts, risks and opportunities"</i> • <i>ESRS 2 SBM-3 "Impacts, risks and opportunities and their interaction with strategy and business model"</i>
d) Take measures to address negative impacts	<ul style="list-style-type: none"> • <i>ESRS 2 MDR-A "Actions and resources related to material sustainability matters"</i> • <i>ESRS E1-3 "Actions and resources related to climate change policies"</i> • <i>ESRS S1-3 "Processes to remediate negative impacts and channels enabling the own workers to raise concerns"</i> • <i>ESRS S1-4 "Actions on material impacts for the own workforce and approaches to mitigate material risks and pursue material opportunities related to the own workforce, as well as the effectiveness of those actions"</i> • <i>ESRS S4-4 "Actions on material impacts for consumers and end-users and approaches to mitigate material risks and pursue material opportunities related to consumers and end-users, as well as the effectiveness of those actions"</i>
e) Monitor the effectiveness of actions and communicate	<ul style="list-style-type: none"> • <i>ESRS 2 MDR -M "Metrics related to material sustainability matters"</i> • <i>ESRS 2 MDR -T "Monitoring the effectiveness of policies and actions through targets"</i> • <i>ESRS E1- "Targets related to climate change mitigation and adaptation"</i> • <i>ESRS E1-5 "Energy consumption and energy mix"</i> • <i>ESRS E1-6 "Gross scope 1, 2, 3 GHG emissions and total GHG emissions"</i> • <i>ESRS S1-5 "Targets related to the management of material negative impacts, the enhancement of positive impacts and the management of material risks and opportunities"</i> • <i>ESRS S4-5 "Targets related to the management of material negative impacts, the enhancement of positive impacts and the management of material risks and opportunities"</i> • <i>ESRS S1-12 "Persons with disabilities"</i> • <i>ESRS S1-14 "Health and safety metrics"</i> • <i>ESRS S1-17 "Incidents, complaints and severe human rights impacts"</i>

GOV-5 – Risk management and internal controls over sustainability reporting

Sara Assicurazioni has defined a structured sustainability reporting process that defines the roles and responsibilities of the actors involved in reporting with particular reference to the double materiality analysis process, the collection of data to be reported and the preparation of reporting on the matter. The process also includes control activities of the data used for reporting. For the formal phases of approval, filing and transmission, reference is made to what is already governed for the financial statements in the specific procedure in force.

The process, built in accordance with the current Sustainability Policy and Sustainability Reporting Procedure, ensures:

- the management of risks connected to data collection and validation, to prevent inaccurate or incomplete information;
- the implementation of specific internal controls, both manual and automated, to monitor the quality and reliability of the information reported;
- the assignment of clear roles and responsibilities to the functions involved in reporting, ensuring a structured approach to data verification and approval;
- the periodic monitoring of data quality, as provided for by the current data governance process, and the verification of the reporting process and reporting by the Manager in charge of Financial Reporting and the auditing firm to ensure continuous improvement and adaptation to regulatory standards and sector best practices.

The analysis of the risks connected to the sustainability reporting preparation process is based on the following key principles:

- identification of risks in the process of collection, processing and reporting of sustainability information;
- assessment and prioritization of risks based on their criticality and the impact on information quality, with particular regard to the quantitative data presented in the reporting;
- definition of controls to ensure compliance with reporting standards and the main risks taken into account in the preparation of the operating process concern:
 - risk of incompleteness and inaccuracy of data;
 - risk of inconsistency and lack of traceability of information;
 - risk of regulatory and reputational non-compliance;
 - operational risk in the management of reporting;
 - risk of lack of controls and governance in data management.

In order to manage the main risks connected to reporting, the process includes the standardization of data collection, validation and consolidation processes, the implementation of preventive and corrective internal controls, both manual and automated, the clear definition of roles and responsibilities to ensure consistency and reliability of information, and the monitoring of data quality, in addition to process checks to ensure the improvement of the control system.

This approach makes it possible to guarantee transparent, reliable and compliant sustainability reporting.

Sara has a reporting system on the results of the internal control and risk management process of sustainability reporting. In particular, the administrative body receives the following information flows:

- information from Senior Management, which confirms the substantial soundness of operating processes and the absence of significant operational failures. Therefore, any critical issues, anomalies or failures in the data collection, validation and consolidation processes, if present, would be reported to the Board of Directors for the adoption of any corrective measures;
- results of the checks on data quality by the Business Factory Department: starting from 2025, the scope of the Data Governance Policy is expected to be extended to sustainability reporting data. Following this expansion, the Business Factory Department will provide the Board of Directors with the results of the data quality process used in sustainability reporting. This reporting identifies any actions to improve the quality level of such data.
- Internal Audit report on the reporting process, based on the planning approved by the administrative body, with particular attention to compliance with current regulations and company standards. The results of the audit activities indicate any areas for improvement or operational risks.
- results of the checks by the Manager in charge of Financial Reporting and the Auditing Firm, within the competences defined at regulatory level.

The company is committed to progressively enhancing the control framework and strengthening the sustainability governance framework, to ensure increasingly robust, reliable and compliant reporting with international standards.

Strategy

SBM-1 – Strategy, business model and value chain

Sara - Società Assicuratrice Rischi Automobilistici - was founded in 1946 with the aim of providing Autoists with a wide range of insurance services. Sara is the official company of the Automobile Club d'Italia - ACI and aims to be a point of reference for families thanks to a range of insurance products that respond to all needs related to personal, property and living standard security.

The Group, with its registered office in Rome, operates throughout the national territory, through a distribution network composed of Agencies and Sub-Agencies. In 2024, the Group had 642 employees, most of whom were employed at the Rome headquarters, while some of the employees belonging to the Claims Department and the Commercial Department operate at the territorial offices, present in all regions of Italy. In 2024, the Group had approximately 1.1 million customers, mainly consisting of individuals and belonging to the non-life insurance sector. A peculiar element of the Group's offer is the relationship with the Automobile Club d'Italia, which brings together Italian Autoists. The strategic nature of the relationship with ACI is proven by the number of Sara customers who are also ACI members, equal to 43% of the total in 2024.

The Group, founded for the protection of Autoists' safety, has over time expanded its offer to respond to the various security and protection needs of individuals, families and businesses with a view to enhancing the Sara brand in the "non-Auto" sector, qualifying today as a point of reference to satisfy all insurance needs. The Group in fact offers a wide range of insurance proposals thanks to Sara Assicurazioni, a company specialized in insurance products dedicated to the Auto line and non-life branches, and Sara Vita, a company specialized in the area of savings, pensions and protection, with an articulated offer in the investment area.

In 2024, the new company Sara Services, wholly owned by Sara Assicurazioni, also operated, representing a key strategic innovation in the group's landscape, outlining a new course for the future of insurance and related services. The primary objective of Sara Services is to enrich the Group's offer with value-added services that go beyond the traditional boundaries of the insurance business.

Regarding the assessment of current or expected benefits for customers, investors and local communities in the territories where Sara operates, the Group attaches particular importance to products with environmental purposes, designed to support adaptation to climate change, better described in disclosure E1, to which reference is made, as well as Article 8 products pursuant to Regulation 2088.

The product plan, relating to the non-life, life and services offer through the subsidiary Sara Services, is monitored annually and adjusted in light of market evidence to best respond to emerging needs. In 2024, the most significant changes concerned:

- with reference to non-life insurance, the marketing of the natural disaster dimension;
- with reference to life insurance, the adaptation of Life products as Light Green products (following the certification of Separate Accounts - ex Article 8 of EU Regulation SFDR 2019/2088) which are based on Separate Account at least 50%.

The Group, in fact, recognizes its role in contributing to adaptation to climate change; therefore, considering the increase in extreme natural events, it sets objectives related to the design, maintenance and management of this type of offer, which represents - beyond related regulatory obligations - a point of maximum attention both from the Company's perspective and from the customer's perspective, towards whom it is necessary to create a new awareness as well as manage the needs connected to it. In particular, the Group aims to:

- guarantee correct and efficient management of natural disaster coverage portfolios for businesses;
- optimize natural event coverage rates for civil risks, such as homes and buildings, through sophisticated pricing;
- maintain guarantees and products in order to intercept the new needs related to this requirement;
- set up cross-selling activities for portfolio development.

The Group, for the three-year period 2025-2027, has set itself the goal of increasing products aligned with the taxonomy.

Furthermore, it continues its strategic objective which aims to develop the offer model through the integration of insurance solutions with value-added services, physical and digital, which can best support customers in the evolution of their needs and habits. In this context, in addition to the development of the Natural Disaster Dimension product, to provide protection against increasingly frequent extreme climatic events, there is also the expansion of telematics products (e.g. Ruota Libera Revolution and Guido Bene).

In general, the Group's strategy pays great attention to ESG issues. While the Group adopted a sustainability plan starting from 2025, the 2024-2026 strategic guidelines already contain ESG elements. In particular, these connections concern:

- the optimization of tariffs and underwriting policies for products most exposed to the effects of extreme natural events;
- the continuous definition of clear and defined development paths in order to increase attractiveness to the external market and the retention mechanism of key resources;
- a growing focus on promoting inclusion and respect for diversity, also through the path to certification on gender equality;
- the expansion of the penetration of the offer of non-life and life insurance products with positive impacts in environmental and social terms;
- a growing commitment in containing direct and indirect environmental impacts, with the ultimate goal of reducing CO₂eq emissions;
- the involvement in initiatives in the field of road user protection and in favor of spreading the culture on road safety, expanding the offer of products that encourage virtuous behavior, also through synergies with the ACI.

Business model and value chain

The Sara Group's business model represents the way in which resources are used, through insurance activities, in order to achieve strategic objectives and create value over time. In detail, Sara's main business processes can be identified as:

- product development, launch and management;
- policy issuance and management;
- asset management;
- claims management and service provision;
- passive reinsurance activity."

The Group's value chain includes all the activities, resources and relationships connected to the business model and the external context in which it operates. In order to identify its business relationships, the Sara Assicurazioni Group considers both its commercial relationships and its shareholdings or investments. Starting from the activities of the value chain and referring to the Group's most relevant processes, it identifies the following main actors:

- **Shareholders:** ACI – Automobile Club d'Italia at 80%; Società Reale Mutua Assicurazioni at 14.65%; Generali Italia SpA at 5%, in addition to a minimal percentage of treasury shares and shares held by the Provincial Automobile Clubs (equal to 0.35%);

- **Suppliers** of insurance and non-insurance goods and services. These are mainly active in the following sectors: programming, IT consulting and related activities, administrative-management consulting activities; data processing, hosting and related activities; advertising agencies; travel agencies; wholesale of ICT equipment; postal and courier activities; other auxiliary activities of financial services; telecommunications;
- **Workers** and their representatives;
- **Agents**, sub-agents and other intermediaries, responsible for the distribution of products and services. In 2024, the agents, who represent the predominant channel, were 699 (in addition to sub-agents and agency collaborators) operating in 630 agencies distributed in the twenty Italian regions:

Total number of agencies per Region	
Region	2024
Abruzzo	22
Basilicata	11
Calabria	26
Campania	52
Emilia-Romagna	46
Friuli-Venezia Giulia	12
Lazio	63
Liguria	20
Lombardia	69
Marche	19
Molise	7
Piemonte	50
Puglia	58
Sardegna	23
Sicilia	43
Toscana	50
Trentino-Alto Adige	8
Umbria	9
Valle d'Aosta	2
Veneto	40
Total	630

- Network of trustees, which in 2024, consisted of 212 loss adjusters, 128 forensic doctors, 226 lawyers and 1,143 affiliated body shops;
- Retail customers, who represent 92.6% of the total;
- Corporate customers, who represent 7.4% of the total.

The Sara Assicurazioni Group's value chain is divided into four main phases, as described below.

The "upstream" phase concerns the procurement of goods and services, insurance and non-insurance; the main actors in this phase are mainly suppliers.

The "own operations" phase concerns the internal activities and processes that the Group companies manage directly to provide their services. This phase includes the management of daily operations, risk management, the implementation of technologies and information systems, as well as the monitoring of operating performance. Its main actors are the employees.

Finally, the "downstream" phase is divided into two further sub-phases:

- service distribution and delivery: the main actors in this phase include insurance intermediaries and their collaborators and the network of trustees;
- relations with customers (Life and Non-Life branches) and Investment Management: the main actors in this phase include Retail Customers and Corporate Customers. In particular, the distribution of customers by branch shows a preponderance of Non-Life customers, and in particular Auto insurance.

In order to determine its value chain, it considers data extractions, in particular from the management system containing information and data relating to active suppliers, agents and trustees of the Group and relating to the Group's premium collection.

SBM-2 – Interests and views of stakeholders

The Sara Group considers it essential to listen to its stakeholders to understand their expectations, also in order to identify the relevant areas for the Group's strategy and policies. For these reasons, the Group periodically carries out listening and dialogue actions aimed at the main categories of stakeholders, which it identifies by distinguishing between actors in the value chain, subjects who may suffer or benefit from the impacts, and users of the sustainability report. Overall, the mapping of the Group's stakeholders is composed of the following categories: workers and their representatives, suppliers, customers, agents, trustees, communities, shareholders, trade associations and supervisory authorities, the financial community, media, institutions and regulators.

In addition to the engagement activities aimed at workers and customers described below, the Group also carries out listening activities towards the network of agents. In particular, also in 2024, it participated in a new edition of the Agent and Sub-Agent satisfaction survey (so-called Agent Satisfaction), with the aim of measuring the quality indicators of the relationship with the network. The evidence that emerged is confirmed to be positive, with all the main indicators increasing compared to recent years. Finally, the network's perception of the services provided by the company showed significant results in all the main areas of relationship (IT, innovation, marketing, underwriting, training, etc.), confirming the positive trend and consolidating its positions of excellence in the most strategic areas.

Depending on the stakeholder concerned, engagement activities may directly involve the parties concerned, or be carried out through legitimate representatives. The general objective of these activities is to collect the interests and opinions of stakeholders in different areas. The definition of specific activities may vary and depend on specific and occasional needs, and the structures use the feedback received according to the purposes for which the engagement was implemented. In 2024, no changes to the Group's strategy or business model directly resulting from the outcome of stakeholder engagement were noted.

Dialogue with the stakeholders involved also guides the materiality assessment. The company can in fact involve stakeholders or their representatives (such as employees or trade unions), together with users of the sustainability report and other experts, inviting them to provide feedback and contributions on impacts, risks and opportunities relevant to the company. For this year, however, the engagement process aimed at double materiality involved the internal structures of the organization; the extension of external engagement is however an action planned for the coming years.

Within the periodic reports to the Board of Directors, there are some activities related to the significant impacts on the stakeholders identified by the Group. In particular:

- with reference to complaints, Internal Audit reports semi-annually on the verification activities carried out on the Complaints Function, reporting the numbers and particular evidence to the Board of Directors;
- with reference to whistleblowing, the Compliance and Anti-Money Laundering Function produces a semi-annual report that also includes this aspect;
- with reference to Privacy, the Data Protection Officer prepares an annual report on the processing of personal data;
- The results of the engagement activity, where carried out for the purposes of the double materiality analysis, are reported to the Board of Directors for approval.

ESRS S1.SBM-2 – Interests and views of stakeholders

The strategy and business model consider the interests of workers primarily through tools such as the Workers' Statute, the National Collective Labor Agreement (CCNL) and the Company Collective Agreement (CCIA). These interests are also satisfied through committees where, periodically, some contents are verified; this is not solely a monitoring activity, as they also represent a forum for prospective discussion. Furthermore, the joint committees that ANIA promotes at a national level are recalled, where driving elements for individual Companies are monitored, which then serve to define guidelines at the sector level. At a local level, a further element is the organizational climate analysis, aimed at employees, the latest edition of which was carried out in 2022. The Group has scheduled a new analysis for 2025.

ESRS S4.SBM-2 – Interests and views of stakeholders

The group recognizes the centrality of the customer among its principles, therefore their experience and feedback are considered essential for the management of the Group's general and marketing initiatives. The Group operates within a regulated market, where some elements are imposed by the legislator, such as the existence of complaint channels or a reserved area, thus having customer listening and engagement requirements predefined by the regulator itself. Regardless of these, the Group has increased in recent years the methods of listening and engaging the customer through a progressive voice of customer architecture whose results have been the subject - based on specific priorities, importance and context - also of fine-tuning or consolidation actions within the marketing plan or at the corporate level.

SBM-3 – Relevant impacts, risks and opportunities and their interaction with strategy and business model

From the double materiality analysis conducted, the process of which is described in the following Disclosure Requirement IRO-1, the following impacts and opportunities were found to be material.

Specifically, in terms of impact relevance, the following aspects have emerged.

Topic	Sub-Topic	Sub-Sub-Topic	Impact	Direction	Category	Value Chain Stage
Climate change	Climate change adaptation		Contribution to climate change adaptation by offering insurance products dedicated to protection from environmental and catastrophic events	Positive	Effective	Own operations Downstream
Climate change	Climate change adaptation		Contribution to climate change adaptation by offering insurance products dedicated to protection from environmental and catastrophic events (Auto)	Positive	Effective	Own operations Downstream
Climate change	Climate change adaptation		Contribution to climate change adaptation by offering insurance products dedicated to protection from environmental and catastrophic events (corporate)	Positive	Effective	Own operations Downstream
Climate change	Climate change mitigation		Generation of direct and indirect energy-related GHG emissions (Scope 1 and 2) with a resulting contribution to climate change	Negative	Effective	Upstream Own operations
Climate change	Climate change mitigation		Generation of indirect GHG emissions (Scope 3) with a resulting contribution to climate change	Negative	Effective	All
Climate change	Climate change mitigation		Contribution to more sustainable consumption by raising customer awareness of virtuous behaviors (e.g., GuidoBene)	Positive	Effective	Own operations Downstream
Climate change	Climate change mitigation		Contribution to the reduction of GHG emissions through products and services that promote green mobility	Positive	Effective	Own operations Downstream
Climate change	Energy		Counteracting climate change through the purchase of green energy and/or the reduction of	Positive	Effective	Own operations

			energy consumption in company buildings through efficiency improvements			
Own workforce	Working conditions	Secure employment	Job security through the use of permanent contracts	Positive	Effective	Own operations
Own workforce	Working conditions	Work hours	Protecting workers' rights by offering full-time or part-time contracts tailored to individual employee needs (e.g., such as to balance the family commitments of new parents)	Positive	Effective	Own operations
Own workforce	Working conditions	Fair wages	Employees' economic stability ensured through compensation terms exceeding the market average	Positive	Effective	Own operations
Own workforce	Working conditions	Social dialogue	Adequacy of channels and opportunities that foster social dialogue within the organization	Positive	Effective	Own operations
Own workforce		Collective bargaining, including the percentage of workers covered by collective agreements	Increase in benefits and improvement of working conditions through the conclusion of second-level company agreements	Positive	Effective	Own operations
Own workforce	Working conditions	Work-life balance	Work-life balance of employees through the provision of tools that facilitate reconciliation	Positive	Effective	Own operations
Own workforce	Working conditions	Health and safety	Improvement of the psycho-physical well-being of employees by activating health support tools and services (e.g., discount agreements with medical centers, supplementary health funds/insurance, ...).	Positive	Effective	Own operations
Own workforce	Working conditions	Health and safety	Injuries and occupational diseases (work-related) arising from the inadequate application of preventive measures and procedures.	Negative	Potential	Own operations
Own workforce	Equal treatment and opportunities for all	Gender equality and equal remuneration for work of equal value	Equal pay for equal work and skills between men and women (gender pay gap)	Positive	Potential	Own operations
Own workforce	Equal treatment and opportunities for all	Gender equality and equal remuneration for work of equal value	Gender equality in access to leadership roles and/or professional development within the company	Positive	Effective	Own operations
Own workforce	Equal treatment and opportunities for all	Skills training and development	Development of employee skills and capabilities through training and professional development activities	Positive	Effective	Own operations
Own workforce	Equal treatment and opportunities for all	Skills training and development	Enhancement of individual performance through adequate performance evaluation systems and professional development plans	Positive	Effective	Own operations
Own workforce	Equal treatment and opportunities for all	Inclusion and employment of people with disabilities	Lack of integration of workers with disabilities	Negative	Potential	Own operations
Own workforce	Equal treatment and opportunities for all	Measures against violence and harassment in the workplace	Employee insecurity upon the occurrence of harassment incidents due to the absence of measures to protect workers and awareness initiatives	Negative	Potential	Own operations
Own workforce	Equal treatment and opportunities for all	Diversity	Equal treatment and inclusion of diversity in the workplace	Positive	Effective	Own operations
Own workforce	Other work-related rights	Privacy	Employee data breach (in terms of loss of integrity, availability, and confidentiality) resulting from inadequate security measures or processing of employee data for purposes unrelated to the employment relationship	Negative	Potential	Own operations
Workers in the value chain	Working conditions		Ensuring the application of fair working conditions for agents, sub-agents, and agency collaborators	Positive	Effective	Downstream

Workers in the chain	value	Working conditions		Agents' individual benefits provided by supplementary welfare instruments (e.g., pension, health, and care coverage)	Positive	Effective	Downstream
Workers in the chain	value	Working conditions	Safe employment	Violation of workers' rights through the use of suppliers that do not protect job security	Negative	Potential	Upstream
Workers in the chain	value	Working conditions	Working hours	Violation of workers' rights through the use of suppliers that do not guarantee adequate working hours for their employees (e.g., compliance with national collective bargaining agreement hours, failure to respect daily or weekly rest periods, etc.)	Negative	Potential	Upstream
Workers in the chain	value	Working conditions	Fair wages	Violation of workers' rights through the use of suppliers that do not guarantee adequate wages for their workers	Negative	Potential	Upstream
Workers in the chain	value	Working conditions	Fair wages	Adequacy of agents' commissions thanks to the integration of incentive systems, generalized and/or dedicated	Positive	Effective	Downstream
Workers in the chain	value	Working conditions	Social dialogue	Violation of workers' rights through the use of suppliers who have ongoing disputes with social partners due to non-compliance with collective bargaining agreements	Negative	Potential	Upstream
Workers in the chain	value	Working conditions	Freedom of association, including the existence of company committees	Violation of workers' rights through the use of suppliers that do not respect freedom of association	Negative	Potential	Upstream
Workers in the chain	value	Working conditions	Collective bargaining	Violation of workers' rights by engaging suppliers whose employees are not covered by contractual forms compliant with national labor regulations	Negative	Potential	Upstream
Workers in the chain	value	Working conditions	Collective bargaining	Increase in benefits and improvement of working conditions for agents through the conclusion of second-level agreements	Positive	Effective	Downstream
Workers in the chain	value	Working conditions	Work-life balance	Violation of workers' rights through the use of suppliers that do not guarantee their employees work-life balance	Negative	Potential	Upstream
Workers in the chain	value	Working conditions	Health and safety	Violation of workers' rights through the use of suppliers that do not implement adequate management systems, procedures, preventive actions, and measures to protect the health and safety of workers	Negative	Potential	Upstream
Workers in the chain	value	Equal treatment and opportunities for all	Gender equality and equal pay for work of equal value	Violation of workers' rights through the use of suppliers that do not promote gender equality, including in terms of equal pay.	Negative	Potential	Downstream
Workers in the chain	value	Equal treatment and opportunities for all	Training and skills development	Professional development of agents, sub-agents, and collaborators thanks to the breadth of the training offer provided by the Company	Positive	Effettivo	Downstream
Workers in the chain	value	Equal treatment and opportunities for all	Employment and inclusion of persons with disabilities	Violation of workers' rights through the use of suppliers that do not ensure the integration of workers with disabilities	Negative	Potential	Upstream
Workers in the chain	value	Equal treatment and opportunities for all	Measures against violence and harassment in the workplace	Violation of workers' rights through the use of suppliers that do not provide tools for protection against harassment and/or violence in the workplace	Negative	Potential	Upstream

Workers in the chain	in value	Equal treatment and opportunities for all	Diversity	Violation of workers' rights through the use of suppliers that do not promote an inclusive and non-discriminatory culture	Negative	Potential	Upstream
Workers in the chain	in value	Other work-related rights	Child Labor	Violation of human rights through the use of suppliers that exploit child labor	Negative	Potential	Upstream
Workers in the chain	in value	Other work-related rights	Child Labor	Violation of human rights through the use of agents that exploit child labor	Negative	Potential	Downstream
Workers in the chain	in value	Other work-related rights	Forced Labor	Violation of human rights through the use of suppliers that exploit forced labor	Negative	Potential	Upstream
Workers in the chain	in value	Other work-related rights	Forced Labor	Violation of human rights through the use of agents that exploit forced labor	Negative	Potential	Downstream
Workers in the chain	in value	Other work-related rights	Adequate housing	Violation of workers' rights through the use of suppliers that do not provide their workers with adequate housing	Negative	Potential	Upstream
Workers in the chain	in value	Other work-related rights	Water and sanitation	Violation of workers' rights through the use of suppliers that do not guarantee their workers access to water and sanitation	Negative	Potential	Upstream
Stakeholders Community		Economic, social, and cultural rights of communities	Safety-related impacts	Contribution to the improvement of insurance culture through communication activities and the presence of the agency network in the territory	Positive	Effective	Own operations Downstream
Stakeholders Community		Diritti economici, sociali e culturali delle comunità	Safety-related impacts	Spreading a road safety culture with a positive impact on communities	Positive	Effective	Own operations
Consumers and end-users		Impacts related to information for consumers and/or end-users	Privacy	Customer data breach (in terms of loss of integrity, availability, and confidentiality) resulting from inadequate security measures or processing of customer data for purposes unrelated to customer relationship management	Negative	Potential	Downstream
Consumers and end-users		Impacts related to information for consumers and/or end-users	Freedom of expression	Protecting customer rights by providing effective reporting/complaint systems	Positive	Effective	Own operations
Consumers and end-users		Impacts related to information for consumers and/or end-users	Freedom of expression	Creating a quality relationship with customers through effective engagement and feedback listening methods	Positive	Effective	Own operations
Consumers and end-users		Impacts related to information for consumers and/or end-users	Access to information (quality)	Ensuring the quality and usability of the offering thanks to the accessibility of information.	Positive	Effective	Own operations Downstream
Consumers and end-users		Personal safety of consumers and/or end-users	Health and safety	Individual benefits for customers thanks to products dedicated to personal health and well-being and/or the protection of specific needs (e.g., health, elderly)	Positive	Effective	Own operations
Consumers and end-users		Personal safety of consumers and/or end-users	Health and safety	Customer security thanks to the offering of insurance products that protect them against damages.	Positive	Effective	Own operations
Consumers and end-users		Personal safety of consumers and/or end-users	Personal safety	Promoting a road safety culture and raising customer awareness of attentive and responsible driving, leading to a consequent reduction in road accidents	Positive	Effective	Own operations Downstream
Consumers and end-users		Social inclusion of consumers and/or end-users	Access to products and services	Customer satisfaction in relation to claim settlement timelines	Positive	Effective	Own operations Downstream
Corporate conduct.		Corporate culture		Contribution to the spread of a culture of fairness and ethics through the establishment of dedicated policies and procedures.	Positive	Effective	Upstream Own operations Downstream

Corporate conduct.	Whistleblower protection		Protection of whistleblowers through the establishment of dedicated channels that are secure against retaliation and discrimination	Positive	Effective	Upstream Own operations Downstream
Corporate conduct.	Active and passive corruption	Prevention and detection, including training	Preventing and fighting corruption through the implementation of management systems and training for all staff levels	Positive	Effective	Own operations
Corporate conduct.	Active and passive corruption	Prevention and detection, including training	Countering corruption offenses by providing direct training opportunities to agents	Positive	Effective	Downstream
Corporate conduct.	Active and passive corruption	Incidents	Absence of corrupt practices detrimental to the market and the community	Positive	Effective	Upstream Own operations Downstream

From a financial materiality perspective, the following material opportunity has been identified:

Topic	Sub-Topic	Sub-sub-Topic	Opportunity	Value Chain Stage
Consumers and end-users	Social inclusion of consumers and/or end-users	Access to products and services	Access to incentives due to rapid payout	Own operations

No material risks were identified in relation to the ESG issues identified by ESRS 1, Appendix A, RA 16, nor IROs related to specific entity issues.

The Group manages the current and expected effects of its relevant impacts and opportunities by integrating them into the business model through the regulatory and procedural controls and actions applicable from time to time and described in the thematic chapters. In this regard, as regards operating and capital expenditure (Opex and Capex) connected to the actions through which the impacts are managed, no significant amounts were identified.

Also in 2024, the Group benefited from the economic incentives connected to CARD performance provided for by IVASS provision no. 18 of 2014, among whose parameters is the settlement speed, an element with respect to which the Group simultaneously generates an impact and benefits from an opportunity. The value of the incentive is not explicitly stated as it represents sensitive information for the Group.

Environmental topics

With reference to climate aspects, the Group has defined an initial commitment useful for implementing a climate transition plan that concerns both direct impacts and those related to its value chain. Regarding direct impacts, this commitment is realized, by way of example but not exhaustive, through interventions to improve the energy efficiency of instrumental properties or the hybridization of the company car fleet. With reference to the value chain, on the other hand, through - for example - the evolution of the purchasing process based on ESG criteria or the offer of insurance products to protect against extreme climatic events.

Social topics

The employees constitutes a key resource for the Group, which operates in order to understand the needs and provide concrete answers to people, in full respect of the dignity of the individual and equal opportunities. On these bases, the Group is committed to developing skills, also through continuous training, and promotes initiatives of concrete support for employees, as provided for by the current Company Collective Agreement and internal management procedures and systems.

The Group, in synergy with the agency and claims settlement network, is committed to listening to the customer and their needs to find the most appropriate solutions to their requirements. In the relationship

with customers, it bases its approach on transparent communication, which puts the insured in a position to understand the characteristics and value of the services they purchase or that are offered to them, through unambiguous and understandable contractual clauses and providing all the necessary information, both in the pre- and post-sales phases. Furthermore, Sara, founded on the initiative of the Automobile Club d'Italia, in synergy with it, carries out numerous initiatives in the field of road user protection and in favor of spreading the culture on road safety and protecting the assets of its insured.

Governance topics

The Sara Group recognizes and promotes the importance of integrity and rigor in corporate conduct, through a transparent implementation of Corporate Governance principles and with the adoption of measures aimed at ensuring maximum correctness in the pursuit of company policies.

The impacts generated by the Sara Assicurazioni Group, whether positive or negative, have a direct influence on people and the environment. For example, greenhouse gas (GHG) emissions, which have a negative impact on the environment by contributing to climate change, do not derive exclusively from the Group's direct operations, but also, for example, from investment activities.

On the social level, the Sara Assicurazioni Group generates various positive impacts towards its workers, linked to working conditions and equal treatment, contributing to the improvement of the quality of life and the well-being of employees. At the same time, there are potential negative impacts relevant to the workforce, relating to privacy, the inclusion of people with disabilities and the occurrence of episodes of harassment in the workplace and health and safety. This aspect in particular, if not managed correctly, could lead to accidents or occupational diseases, with direct repercussions on the physical and psychological well-being of workers. In parallel, the initiatives that link the Group to the reference territories generate positive impacts on local communities, promoting greater involvement and social well-being.

Overall, all impacts, both positive and negative, are closely linked to the Group's corporate strategy and arise from specific strategic directions implemented through the Industrial Plan and the policies adopted by the Group to manage relevant sustainability issues. By way of example, working conditions and inclusiveness depend directly on strategic choices and internal policies for human resource management, just as the impacts on communities and customers arise from strategic decisions concerning the products offered, the management of the distribution network and the implementation of the Industrial Plan, aimed at ensuring sustainability and economic-social development.

The Sara Assicurazioni Group, in classifying and analyzing the impacts deriving from its activities, has identified the prevailing time horizon, taking as a reference the end of the reporting period. Depending on the different impacts, and also as a function of the reference time horizon, the Group can contribute to the relevant impacts directly through its activities or through its business relationships. Three time horizons have been identified: the short term, which coincides with the reference period of the company financial statements; the medium term, which extends up to five years from the end of the short term; and the long term, which refers to a time span of more than five years.

The environmental impacts generated by the Group's activities are distributed along these time intervals as a function of their nature and their location along the value chain. The short and medium-term climate-related impacts mainly concern the contribution to adaptation through the offer of specific products and the improvement of the energy efficiency of buildings through interventions or the purchase of green energy; long-term impacts, on the other hand, relate to Scope 1 and Scope 2 emissions, directly linked to the Group's operations and energy supply, and Scope 3 emissions, which instead affect the value chain.

With reference to social impacts, those relating to the own workforce are placed in a predominantly short-term time horizon, with the exception of the impacts connected to training and professional development and the offer of welfare tools to support the psycho-physical well-being of workers; the same approach applies to impacts relating to workers in the value chain. The impacts relating to affected communities are placed in a medium-long term horizon, while those relating to consumers and end users mainly in a

short-term horizon. The exceptions are the impacts related to building a relationship with the customer and spreading the culture of road safety among customers, which, due to the very nature of the impact, occur over longer horizons.

The Group manages the relevant impacts through company processes, substantiated by the related policies and procedures. With reference to risks, although the double materiality process did not identify relevant sustainability risks, the Group carried out stress tests within the ORSA Report in order to assess the resilience of the Group's Companies in the face of extremely negative external scenarios. In particular, among the scenarios considered, those connected to:

- climate change;
- cyber risk;
- geopolitical tensions, increased inflation and interest rates.

Mitigation actions were identified, where necessary, in line with the results of the stress test. The monitoring of impacts, risks and opportunities is functional to identify strategies for mitigating and/or preventing negative impacts, appropriately managing risks in order to mitigate potential adverse effects and seizing the opportunities that may emerge from the context in which the Group operates.

Management of impacts, risks and opportunities

IRO-1 – Description of the processes to identify and assess relevant impacts, risks and opportunities

The relevant impacts and opportunities identified derive from the double materiality process carried out in 2024, which incorporates the innovations introduced by the new Legislative Decree 125/2024 (i.e. the legislative decree that adopts the CSRD within the Italian legal system). The Sara Assicurazioni Group also conducted a double materiality analysis taking into account the indications contained in the new ESRS reporting standards referred to in Delegated Regulation (EU) 2023/2772. The methodological approach followed also integrates the indications provided by EFRAG in the Implementation Guidance relating to the double materiality analysis and the value chain (respectively, “EFRAG IG 1: Materiality Assessment Implementation Guidance” and “EFRAG IG 2: Value Chain Implementation Guidance”).

This approach highlights, in accordance with the provisions of IG 1 Materiality Assessment, three phases:

- Phase A) Understanding the context;
- Phase B) Identification of actual and potential impacts, risks and opportunities;
- Phase C) Assessment and determination of relevant IROs relating to sustainability issues.

Firstly, therefore, an analysis was conducted aimed at understanding the external and internal context of the Group. To carry out the analysis, both a qualitative and quantitative approach was adopted. The Sara Assicurazioni Group examined its value chain and the actors involved, using documentary sources and conducting a benchmark analysis. In particular, the activity was mainly based on industry trends and peer and competitor analysis, as well as some internal analyses based on the evaluation of the Group's products and analysis of the Investment Portfolio.

The main categories of stakeholders were also identified, subsequently categorized among value chain actors, subjects who may suffer or benefit from the impacts or users of the sustainability report.

Impact materiality

Following this analysis, a list of positive and negative impacts was drawn up, consistent with the structure proposed by ESRS 1, Appendix A, RA16 (topic, sub-topic and sub-sub-topic); subsequently, the phases

and actors of the value chain, as well as the reference legal entity, were associated with each impact. The impacts were assigned to the owner functions for assessment, which was conducted through interviews according to a principle of competence. The assessment was carried out applying the parameters provided for by ESRS 1:

- regarding the assessment of actual negative impacts, relevance is assessed based on the severity of the impact, while for potential negative impacts, the severity and likelihood of the impact are assessed. Severity is based on the following elements: a) magnitude; b) scope; and c) remediability of the impact. In the case of a negative impact that could imply violations of human rights, moreover, the severity of the impact prevails over its likelihood;
- regarding positive impacts, relevance is assessed based on the magnitude and scope of the impact for actual impacts; and based on magnitude, scope and likelihood of the impact for potential impacts;
- impacts with a materiality score equal to or greater than 3 (on a scale of 1 to 5) were considered relevant. This threshold was identified starting from the provisions of ESRS 1 and IG 1 Materiality Assessment, which provide for the possibility for companies to set appropriate qualitative or quantitative materiality thresholds, without however prescribing specific elements to be taken into account in determining the value. IG 1 Materiality Assessment also establishes that the company can take as a reference the logics used in the ERM field; in this regard, the threshold adopted for the current year aims to ensure an approximation and consistency with the methodology adopted by Risk Management for the determination of the materiality threshold applied to risks.

This process led to the identification of 62 material impacts.

Financial materiality

The financial materiality dimension consists of risks and opportunities. The assessment of sustainability risks was carried out taking into account the regulatory indications of the CSRD. The assessment concerned, in particular, the potential impacts suffered by the Group Companies ("financial materiality") related to the various sustainability factors identified by the legislation. The process involved the identification and assessment of events that can generate an impact in the short, medium and long term at an asset and financial level. Specifically, the main phases envisaged by this process are the identification of sustainability risks to be assessed, through the analysis of the catalog of sustainability risks to which the Sara Group Companies may potentially be exposed, with the reclassification of the different types of risk to the sustainability topics provided for by the ESRS, and the assessment of sustainability risks with a qualitative-quantitative approach depending on the category of risk analyzed. In particular:

- underwriting, strategic and reputational risks were assessed using a mainly qualitative approach through interviews with the competent structures;
- market risk was assessed using a mainly quantitative approach, using, for medium-term assessments, the evidence provided by an information provider, and for short and long-term assessments, the results of interviews with the Investment and Finance Department.

Operational risk was excluded from the assessments, as it is subject to a specific assessment by the Risk Management Function. Within this assessment, specific risk events attributable to cases related to sustainability risks were assessed.

The risk assessment described was carried out using a 5x5 frequency/impact matrix, taking into account the guidelines defined by EFRAG regarding double materiality. The assessment results showed no critical issues and, overall, indicated a very low exposure of the Companies to sustainability risks; therefore, no relevant sustainability risks were identified.

Regarding opportunities, during meetings with the Impact Assessment Functions, possible opportunities for the Group were explored, consistent with the list of sustainability matters defined in Appendix A, RA 16 of the ESRS, and evaluated according to the parameters indicated by ESRS 1, namely probability and potential magnitude. The materiality threshold, consistent with the other dimensions analyzed, was set at 3. From this analysis, one opportunity emerged as material.

The analysis conducted on risks and opportunities also considered possible connections with the impacts generated and any dependencies of the organization on elements such as human and intellectual capital.

The double materiality assessment (DMA) process, as previously described, was conducted for the first time in 2024 for the purposes of consolidated sustainability reporting under the CSRD and Legislative Decree 125/2024. The Sara Group had already conducted an impact materiality analysis consistent with ESRS 1 AR 16 for the previous reporting (NFD 2023), which was refined in light of the guidance provided by the EFRAG Implementation Guidance and supplemented with reference to financial materiality. The Group plans to update the double materiality process annually.

The Sara Group, with a progressive approach, has integrated risks related to non-financial issues (so-called ESG or sustainability risks - Environmental, Social, and Governance) arising from the company's activities, its products, services, or business relationships, including supply and subcontracting chains, into its risk assessment and management system. It has also structured its risk management system proactively to be able to promptly capture changes in the macroeconomic context and the evolution of corporate policies to protect itself from the emergence of new risks and seize new opportunities in advance. Sustainability risks have not been prioritized over risks of other nature.

The Group's risk management system consists of structured processes aimed at maximizing the return to be achieved based on the risk appetite defined by the Board of Directors of the Group Companies, and whose guidelines are defined in specific policies. The Group's internal control system, also part of the broader corporate governance system, is based on principles of integrity, clear assignment of roles and responsibilities, and adequate levels of independence and authorization oversight. The internal control system also includes the Control Functions, which, to achieve the level of independence and autonomy necessary to exercise their responsibilities with objective judgment, report directly to the Administrative Body of the Group's insurance companies. The sustainability risk analysis is fully integrated into the risk management system, as required by the Sara Group's Risk Management Policies. Impacts, on the other hand, are identified and assessed within the double materiality process, and their management is regulated by the relevant policies and procedures.

For further information regarding internal control procedures and how sustainability risks are integrated into the overall management process, please refer to section H "Information on Risks" of the Consolidated Financial Statements.

In general, within the ordinary context analyses and, where conducted, stakeholder engagement activities, which are useful to the Group for determining its action priorities, the Departments may identify potential opportunities that are assessed by Senior Management and discussed within managerial working groups, to determine how to pursue them.

ESRS E1.IRO 1 Climate change (Specific disclosure, see Appendix C of the ESRS)

The process of identifying and assessing climate change impacts is part of the broader double materiality process conducted by the Sara Assicurazioni Group.

In particular, through discussions with the main involved corporate functions, business activities were examined and, in light of the Group's specific business, climate impacts were traced back to direct and indirect greenhouse gas emissions generated by company operations (Scope 1 and Scope 2) and the entire value chain (Scope 3), including investment and savings management areas.

The climate risk assessment process initially involved the identification of a catalog of potential risks, identified by considering the impact of climate-related hazards on:

- The loss ratios of the various lines of business (underwriting risks)
- Business volumes (strategic risks)
- The Group's image with customers, investors, business partners, and employees (reputational risks);
- The value of assets held in the portfolio (market risks)
- The Group's operational activities (operational risks).

In constructing the catalog, physical hazards, both acute and chronic, and transition events of a political and legal nature, related to technology, market dynamics, and reputation, were considered.

CLIMATE RISKS		
Type	Description	
Physical	acute	Risks arising from extreme weather events such as storms, floods, fires, or heatwaves
	chronic	Risks related to long-term climate change such as temperature variations, changes in the type and level of precipitation, land degradation, etc.
Transition	political	Risks arising from the introduction of energy efficiency requirements and carbon-pricing mechanisms that increase the price of fossil fuels
	legal	Risk of sanctions or legal disputes arising from the failure to prevent or minimize negative climate impacts or the failure to adapt to the effects of climate change
	technological	Risks related to the adoption of a low-climate-impact technology that replaces a more climate-damaging technology
	market	Risks related to changes in the choices/preferences of consumers, commercial clients, and creditors towards products and services that are less harmful to the climate
	reputational	Risks due to the difficulty of attracting and retaining customers, employees, business partners, and investors if the Company were to have a reputation for harming the climate

Potential risks have been identified in the catalog as represented in the following table:

TYPE OF RISKS						
Type of Risks	Underwriting	Market	Strategics	Operational	Reputational	
Physical	acute	X	X	X	X	
	chroni	X	X	X	X	
Transition	political	X	X	X		
	legal	X	X	X	X	
	technological	X	X	X		
	market		X	X		
	reputational		X			X

Starting from the catalog of potential risks, risks deemed insignificant or not applicable given the Group's operational characteristics were excluded. Once the risks applicable to the Group were identified, they were assessed in terms of probability of occurrence and impact on net equity over a short, medium, and long-term horizon. The Sara Group defined the time horizons as follows: short term within one year, medium term within 2-5 years, long term beyond 5 years. These definitions are consistent with those used in planning and capital allocation policy, which specifically identify a medium-term horizon of three years. With reference to assets, which for the Group are mainly represented by securities and real estate, they have variable durations but are always consistent with the definitions adopted.

For the assessment, both a qualitative and a quantitative approach was followed. The qualitative assessment was carried out mainly through an expert judgment approach by interviewing the relevant specialist structures, which provided an indication of the possible impact of risks associated with climate events. The qualitative assessment covered:

- with reference to the short, medium, and long term, certain types of underwriting risks, reputational risks, and strategic risks;
- with reference to the short and long term, market risks.

The quantitative approach, on the other hand, was used to evaluate:

- market risks, over a medium-term horizon, using a specific tool provided by a leading info-provider;
- underwriting risks, using historical data, budget data, and reports from leading industry operators, related to unexpected increases in claims related to:

- damage to property and vehicles related to the increased frequency and magnitude of acute physical events such as fires, intense hailstorms, and flood phenomena;
- damage to property and people related to the use of emerging technologies for greenhouse gas emission reduction (transition risks) such as electric or hybrid car batteries.

Despite the fact that the sustainability risk assessment did not reveal significant exposures to climate risk, the Group, as part of the latest ORSA process, conducted, based on EIOPA recommendations, an analysis related to potential adverse medium-to-long-term climate scenarios on the assets and liabilities of the insurance companies. In these analyses, the following were considered:

- for assets, a "disorderly transition" scenario, in which it is assumed that new climate risk policies are not adopted until 2030, with consequent adverse effects on the real economy and financial markets;
- for liabilities, both damages and life insurance, the adverse scenario (increase in global average temperature up to approximately 4-5°C by 2100) RCP 8.5, developed by the Intergovernmental Panel on Climate Change (IPCC), to assess the impact on the solvency situation of the Group's companies.

The findings of these analyses, which showed no critical issues, were taken into account in the most recent sustainability risk assessment, with particular reference to the evaluation of climate risks.

Climate risks will be progressively considered, where applicable, among the assumptions used for determining technical reserves under IFRS 17, ensuring consistency with the scenarios used in ORSA and in the assessment of climate-related impacts, risks, and opportunities.

Furthermore, with reference to opportunities, some related to market sentiment, including those related to climate change, were identified and submitted for evaluation by the specialist internal functions in terms of probability and potential magnitude of financial effects.

In the process of identifying transition risks and opportunities, the Group has not yet identified any assets or business activities incompatible with the transition to a climate-neutral economy or requiring significant efforts to be compatible with such transition, as it initiated GHG inventory activities in 2024 to calculate its Corporate Carbon Footprint (CCF), preparatory to the definition of a transition plan for climate change mitigation.

ESRS E2.IRO 1 Pollution (Specific Disclosure, see ESRS Appendix C)

To identify the impacts, risks, and opportunities related to topic E2 – Pollution, both internal activities and those related to upstream and downstream activities, including those subject to investment, were considered. To make the analysis as comprehensive as possible, the supplier base and the investment and securities portfolio were also analyzed, in addition to public databases and authoritative sources to estimate any direct and indirect effects related to the topics in question. For the purpose of identifying this type of IRO, no consultations with interested communities were planned. Following the evaluation, no relevant impacts, risks, or opportunities related to pollution emerged.

ESRS E3.IRO 1 Water and Marine Resources (Specific Disclosure, see ESRS Appendix C)

To identify the impacts, risks, and opportunities related to topic E3 – Water and Marine Resources, both internal activities and those related to upstream and downstream activities, including those subject to investment, were considered. To make the analysis as comprehensive as possible, the supplier base and the investment and securities portfolio were also analyzed, in addition to public databases and authoritative sources to estimate any direct and indirect effects related to the topics in question. For the purpose of identifying this type of IRO, no consultations with interested communities were planned.

Following the evaluation, no relevant impacts, risks, or opportunities related to water and marine resources emerged.

ESRS E4.IRO 1 Biodiversity and Ecosystems (Specific Disclosure, see ESRS Appendix C)

To identify the impacts, risks, and opportunities related to topic E4 – Biodiversity and Ecosystems, both internal activities and those related to upstream and downstream activities, including those subject to investment, were considered. To make the analysis as comprehensive as possible, the supplier base and the investment and securities portfolio were also analyzed, in addition to public databases and authoritative sources to estimate any direct and indirect effects related to the topics in question.

The Group's offices are not located within or in the immediate vicinity of areas sensitive from a biodiversity perspective. Consequently, the activities carried out in these offices are not capable of causing negative effects on these areas, nor of causing the deterioration of natural habitats and species habitats, nor of disturbing species for which protected areas have been designated. Therefore, the Group did not consider it necessary to adopt biodiversity mitigation measures.

The issue of biodiversity was therefore considered, by virtue of the Group's specific business, with reference to investment activity. From the analysis and considerations carried out, with reference to impacts, risks, and opportunities, it did not emerge as relevant to the Group.

For the purpose of identifying relevant IROs for FY 2024, the Group adopted the methodology described above, which also integrated evidence from the external reference context. However, a specific analysis concerning systemic risks was not conducted and no consultations with interested communities were planned.

ESRS E5.IRO 1 Resource Use and Circular Economy (Specific Disclosure, see ESRS Appendix C)

To identify the impacts, risks, and opportunities related to resource use and the circular economy, with reference to both incoming and outgoing resource flows and waste management, the Group conducted a thorough analysis aimed at mapping the potential IROs related to E5. This analysis covered both the Group's internal operations and activities along the value chain. To make the analysis as comprehensive as possible, the supplier base and the investment and securities portfolio were also analyzed, in addition to public databases and authoritative sources to estimate any direct and indirect effects related to the topics in question. For the purpose of identifying this type of IRO, no consultations with interested communities were planned. The evaluation did not lead to the identification of relevant impacts, risks, or opportunities in relation to resource use and the circular economy.

ESRS G1.IRO 1 Business Conduct (Specific Disclosure, see ESRS Appendix C)

To identify the impacts, risks, and opportunities related to topic G1 – Business Conduct, the organization's own operations were considered. To make the analysis as comprehensive as possible, internal monitoring data and systems were analyzed, in addition to public databases and authoritative sources to estimate any direct and indirect effects related to the topics in question.

The topic was found to be relevant from an impact perspective; for details, please refer to paragraph SBM-3 of this section.

IRO-2 – ESRS Reporting Requirements Subject to the Company's Sustainability Statement.

The Sara Group has determined the relevant information to be reported starting from the specific results of the materiality process, considering the characteristics of the relevant IROs (e.g., positive/negative, actual/potential impacts), also verifying the existence of the conditionalities provided for in some information requests. The sustainability reporting therefore contains information on policies, actions, metrics, and targets related to the management of IROs that have obtained a score above the identified

materiality threshold, disclosed in accordance with the thematic ESRS and related information items. In determining the relevant information, the Group also referred to the tools made available by EFRAG, including the clarifications "Mapping of sustainability matters to topical disclosures (Q&A ID 177)". Finally, as prescribed by ESRS 1, section 3.2, regardless of the results of the double materiality assessment, the Group discloses the information required by ESRS 2 "General Information" and the reporting obligations contained in the thematic ESRS listed in ESRS 2 Appendix C "Reporting/application obligations in thematic ESRS applicable jointly with ESRS 2 general disclosures."

Section	Disclosure requirement	Section
ESRS 2 - General Information	BP-1 – General criteria for the preparation of sustainability statements	General Information – Reporting Criteria
	BP-2 – Information in relation to specific circumstances	General Information – Reporting Criteria
	GOV-1 – Role of the administrative, management and supervisory bodies	General Information – Governance
	GOV-2 – Information provided to the company's administrative, management and supervisory bodies and sustainability issues addressed by them.	General Information – Governance
	GOV-3 – Integration of sustainability performance into incentive schemes	General Information – Governance
	GOV-4 – Statement on due diligence	General Information – Governance
	GOV-5 – Risk management and internal controls over sustainability reporting	General Information – Governance
	SBM-1 – Strategy, business model and value chain	General Information – Strategy
	SBM-2 – Stakeholders' interests and views	General Information – Strategy
	ESRS S1 SBM-2 – Stakeholders' interests and views	General Information – Strategy
	ESRS S4 SBM-2 – Stakeholders' interests and views	General Information – Strategy
	SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	General Information – Strategy
	IRO-1 – Description of the processes to identify and assess material impacts, risks and opportunities	General information – Management of impacts, risks and opportunities
	ESRS E1 IRO 1 Climate change	General information – Management of impacts, risks and opportunities
	ESRS E2 IRO 1 Pollution	General information – Management of impacts, risks and opportunities
	ESRS E3 IRO 1 Water and marine resources	General information – Management of impacts, risks and opportunities
	ESRS E4 IRO 1 Biodiversity and ecosystems	General information – Management of impacts, risks and opportunities
	ESRS E5 IRO 1 Resource use and circular economy	General information – Management of impacts, risks and opportunities
	ESRS G1 IRO 1 Corporate Conduct	General information – Management of impacts, risks and opportunities
	IRO-2 – ESRS disclosure requirements included in the company's sustainability statement	General information – Management of impacts, risks and opportunities
E1 – Climate Change	ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	Environmental information - Strategy
	E1-1 – Transition plan for climate change mitigation	Environmental information - Strategy
	E1-2 – Policies related to climate change mitigation and adaptation	Environmental information – Management of impacts, risks and opportunities
	E1-3 – Actions and resources related to climate change policies	Environmental information – Management of impacts, risks and opportunities
	E1-4 – Targets related to climate change mitigation and adaptation	Environmental information – Metrics and objectives

	E1-5 Energy consumption and mix	Environmental information– Metrics and objectives
	E1-6 Gross Scope 1, 2 and 3 GHG emissions and total GHG emissions	Environmental information – Metrics and objectives
S1 – In-house workforce	SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	Social Information – S1 In-house workforce
	S1-1 – Policies related to own workforce	Social Information – S1 In-house workforce – working conditions Social Information – S1 In-house workforce– Equal treatment and opportunity for all Social Information – S1 In-house workforce– Other work-related rights
	S1-2 – Processes for engaging own workers and workers' representatives on impacts	Social Information – S1 In-house workforce Social Information – S1 In-house workforce– Other work-related rights
	S1-3 – Processes to remediate negative impacts and channels enabling own workers to raise concerns	Social Information – S1 In-house workforce – Condizioni di lavoro Social Information – S1 In-house workforce– Equal treatment and opportunity for all Social Information – S1 In-house workforce– Other work-related rights
	S1-4 – Actions on material impacts for own workforce and approaches to mitigate material risks and pursue material opportunities related to own workforce, and effectiveness of those actions	Social Information – S1 In-house workforce– Condizioni di lavoro Social Information – S1 In-house workforce– Equal treatment and opportunity for all Social Information – S1 In-house workforce– Other work-related rights
	S1-5 – Targets related to managing material negative impacts, enhancing positive impacts, and managing material risks and opportunities	Social Information – S1 In-house workforce – Condizioni di lavoro Social Information – S1 In-house workforce – Equal treatment and opportunity for all Social Information – S1 In-house workforce – Other work-related rights
	S1-6 – Company's employee characteristics	Social Information – S1 In-house workforce – Working conditions
	S1-7 – Characteristics of non-employees in the company's own workforce	Social Information – S1 In-house workforce – Working conditions
	S1-8 – Collective bargaining coverage and social dialogue"	Social Information – S1 In-house workforce – Working conditions
	S1-9 – Diversity metrics	Social Information – S1 In-house workforce – Equal treatment and opportunity for all
	S1-10 – Adequate wages	Social Information – S1 In-house workforce – Working conditions
	S1-11 – Social Protection	Social Information – S1 In-house workforce – Working conditions
	S1-12 – People with disabilities	Social Information – S1 In-house workforce – Equal treatment and opportunity for all
	S1-13 – Training and skills development metrics	Social Information – S1 In-house workforce – Equal treatment and opportunity for all
	S1-14 – Health and safety metrics	Social Information – S1 In-house workforce– Working conditions
	S1-15 – Work-life balance metrics	Social Information – S1 In-house workforce – Equal treatment and opportunity for all
	S1-16 – Metriche di retribuzione	Social Information – S1 In-house workforce– Equal treatment and opportunity for all
S1-17 – Human rights incidents, complaints, and severe impacts	Social Information – S1 In-house workforce– Working conditions	

S4 – Consumers and end-users	ESRS 2 SBM-3 – Material impacts, risks, and opportunities and their interaction with the business strategy and model	Social Information – S4 Consumers and end-users - Strategy
	S4-1 – Policies related to consumers and end-users	Social information – S4 Consumers and end-users – Strategy Social information – S4 Consumers and end-users – Privacy Social information – S4 Consumers and end-users – Freedom of expression Social information – S4 Consumers and end-users – Access to quality information Social information – S4 Consumers and end-users – Health and safety Social information – S4 Consumers and end-users – Personal safety Social information – S4 Consumers and end-users
	S4-2 – Processes for engaging consumers and end-users on impacts	Social information – S4 Consumers and end-users – Strategy Social information – S4 Consumers and end-users - Privacy
	S4-3 – Processes to remedy negative impacts and channels that enable consumers and end-users to express concerns	Social information – S4 Consumers and end-users – Privacy
	S4-4 – Actions on material impacts for consumers and end-users and approaches for mitigating material risks and pursuing material opportunities in relation to consumers and end-users, as well as the effectiveness of such actions	Social information – S4 Consumers and end-users – Privacy Social information – S4 Consumers and end-users – Freedom of expression Social information – S4 Consumers and end-users– Access to quality information Social information – S4 Consumers and end-users– Health and safety Social information – S4 Consumers and end-users - Sicurezza della persona Social information – S4 Consumers and end-users – Accesso a prodotti e servizi
	S4-5 – Goals related to the management of material negative impacts, the enhancement of positive impacts, and the management of material risks and opportunities	Social information – S4 Consumers and end-users– Privacy Social information – S4 Consumers and end-users– Freedom of expression Social information – S4 Consumers and end-users– Access to quality information Social information – S4 Consumers and end-users– Health and safety Social information – S4 Consumers and end-users - Personal safety Social information – S4 Consumers and end-users – Access to products and services
G1 – Condotta delle imprese	G1-1 – Corporate culture policies	Governance information – G1 Business conduct – Corporate culture Governance information – G1 Business conduct– Whistleblower protection

		Governance information – G1 Business conduct– Active and passive corruption
	G1-3 – Prevention and identification of active and passive corruption	Governance information – G1 Business conduct – Active and passive corruption
	G1-4 – Confirmed cases of active or passive corruption	Governance information – G1 Business conduct – Active and passive corruption

Disclosure requirement and corresponding data point	SFDR reference	third pillar reference	reference to the benchmark regulation	reference to EU climate legislation	Materiality	Paragraph
ESRS 2 GOV-1 Gender diversity in the board, paragraph 21, letter d)	X		X		Material	General Information - Governance
ESRS 2 GOV-1 Percentage of independent members of the Board of Directors, paragraph 21, letter e)			X		Material	General Information - Governance
ESRS 2 GOV-4 Due diligence statement, paragraph 30	X				Material	General Information - Governance
ESRS 2 SBM-1 Involvement in activities linked to fossil fuel activities, paragraph 40, letter d), point i)	X	X	X		Non - material	
ESRS 2 SBM-1 Involvement in activities linked to chemical production, paragraph 40, letter d), point ii)	X		X		Non - material	
ESRS 2 SBM-1 Involvement in activities related to controversial weapons, paragraph 40, letter d), point iii)	X		X		Non - material	
ESRS 2 SBM-1 Involvement in activities linked to tobacco farming and production, paragraph 40, letter d), point iv)			X		Non - material	
ESRS E1-1 Transition plan for achieving climate neutrality by 2050, paragraph 14				X	Not applicable	
ESRS E1-1 Companies excluded from Paris Agreement-aligned benchmarks, paragraph 16, letter g)"		X	X		Not applicable	
ESRS E1-4 Greenhouse gas (GHG) emission reduction targets, paragraph 34	X	X	X		Not applicable	
ESRS E1-5 Fossil fuel energy consumption disaggregated by source (high climate impact sectors only), paragraph 38 Disclosure requirement and corresponding data point	X				Not applicable	
ESRS E1-5 Energy consumption and energy mix, paragraph 37	X				Material	Environmental information – Metrics and targets (E1)
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors, paragraphs 40 to 43	X				Not applicable	
ESRS E1-6 Gross scope 1, 2, 3 emissions and total GHG emissions, paragraph 44	X	X	X		Material	Environmental information – Metrics and targets (E1)
ESRS E1-6 Gross GHG emission intensity, paragraphs 53 to 55	X	X	X		Omitted (phase-in)	

ESRS E1-7 GHG removals and carbon credits, paragraph 56				X	Not applicable	
ESRS E1-9 Exposure of benchmark portfolio to climate-related physical risks, paragraph 66			X		Not applicable	
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk, paragraph 66, letter a)		X			Omitted (phase-in)	
ESRS E1-9 Location of significant assets at relevant physical risk, paragraph 66, letter c)		X			Omitted (phase-in)	
ESRS E1-9 Breakdown of the carrying amount of its real estate assets by energy efficiency classes, paragraph 67, letter c)		X			Omitted (phase-in)	
ESRS E1-9 Degree of portfolio exposure to climate-related opportunities, paragraph 69			X		Omitted (phase-in)	
ESRS E2-4 Quantity of each pollutant listed in Annex II of the E-PRTR (European Pollutant Release and Transfer Register) regulation released into air, water and soil, paragraph 28	X				Non - material	
ESRS E3-1 Water and marine resources, paragraph 9	X				Non - material	
ESRS E3-1 Dedicated policy, paragraph 13	X				Non - material	
ESRS E3-1 Ocean and sea sustainability, paragraph 14	X				Non - material	
ESRS E3-4 Total recycled and reused water, paragraph 28, letter c)	X				Non - material	
ESRS E3-4 Total water consumption in m3 compared to net revenues from own operations, paragraph 29	X				Non - material	
ESRS 2 IRO-1 – E4 paragraph 16, letter a), point i)	X				Material	General information – Management of impacts, risks, and opportunities
ESRS 2 IRO-1 – E4 paragraph 16, letter b)	X				Material	General information – Management of impacts, risks, and opportunities
ESRS 2 IRO-1 – E4 paragraph 16, letter c)	X				Material	General information – Management of impacts, risks, and opportunities
ESRS E4-2 Sustainable agriculture/land use policies or practices, paragraph 24, letter b)	X				Non - material	
ESRS E4-2 Sustainable sea/ocean use policies or practices, paragraph 24, letter c)	X				Non - material	
ESRS E4-2 Policies aimed at addressing deforestation, paragraph 24, letter d)	X				Non - material	
ESRS E5-5 Non-recycled waste, paragraph 37, letter d)	X				Non - material	
ESRS E5-5 Hazardous waste and radioactive waste, paragraph 39	X				Non - material	
ESRS 2 – SBM3 – S1 Risk of forced labor, paragraph 14, letter f)	X				Material	
ESRS 2 – SBM3 – S1 Risk of child labor, paragraph 14, letter g)	X				Material	
ESRS S1-1 Human rights policy commitments, paragraph 20	X				Material	Social information – S1 Own workforce – Working conditions

ESRS S1-1 Due diligence policies regarding issues covered by ILO core conventions 1 to 8, paragraph 21			X		Material	Social information – S1 Own workforce – Working conditions
ESRS S1-1 Procedures and measures to prevent human trafficking, paragraph 22	X				Non - material	
ESRS S1-1 Occupational injury prevention policy or management system, paragraph 23	X				Material	Social information – S1 Own workforce – Working conditions
ESRS S1-3 Grievance/complaint handling mechanisms, paragraph 32, letter c)	X				Material	Social information – S1 Own workforce – Working conditions Social information – S1 Own workforce – Equal treatment and opportunities for all
ESRS S1-14 Number of fatalities and number and rate of work-related injuries, paragraph 88, letters b) and c)	X		X		Material	Social information – S1 Own workforce – Working conditions
ESRS S1-14 Number of days lost due to injuries, accidents, fatalities, or illnesses, paragraph 88, letter e)	X				Material	Social information – S1 Own workforce – Working conditions
ESRS S1-16 Incorrect gender pay gap, paragraph 97, letter a)	X		X		Material	Social information – S1 Own workforce – Working conditions
ESRS S1-16 Excessive pay gap in favor of the CEO, paragraph 97, letter b)	X				Omitted (phase in)	
ESRS S1-17 Discrimination-related incidents, paragraph 103, letter a)	X				Material	Social information – S1 Own workforce – Working conditions
ESR S1-17 Failure to respect the UN Guiding Principles on Business and Human Rights and the OECD Guidelines, paragraph 104, letter a)	X		X		Material	Social information – S1 Own workforce – Working conditions
ESRS 2 SBM-3 – S2 Severe risk of child labor or forced labor in the labor chain, paragraph 11, letter b)	X				Omitted (phase-in)	
ESRS S2-1 Human rights policy commitments, paragraph 17	X				Omitted (phase-in)	
ESRS S2-1 Policies related to workers in the value chain, paragraph 18	X				Omitted (phase-in)	
ESRS S2-1 Failure to respect the UN Guiding Principles on Business and Human Rights and the OECD Guidelines, paragraph 19	X		X		Omitted (phase-in)	
ESRS S2-1 Due diligence policies regarding issues covered by ILO core conventions 1 to 8, paragraph 19			X		Omitted (phase-in)	
ESRS S2-4 Human rights issues and incidents in its upstream and downstream value chain, paragraph 36	X				Omitted (phase-in)	
ESRS S3-1 Human rights policy commitments, paragraph 16	X				Omitted (phase-in)	
ESRS S3-1 Failure to respect the UN Guiding Principles on Business and Human Rights, ILO principles or the OECD Guidelines, paragraph 17	X		X		Omitted (phase-in)	
ESRS S3-4 Human rights issues and incidents, paragraph 36	X				Omitted (phase-in)	

ESRS S4-1 Policies related to consumers and end-users, paragraph 16	X				Material	Social information – S4 Consumers and end-users (Sections: Privacy, Freedom of expression, Access to quality information, Health and safety, Personal safety, Access to products and services)
ESRS S4-1 Failure to respect the UN Guiding Principles on Business and Human Rights and the OECD Guidelines, paragraph 17	X		X		Material	Social information – S4 Consumers and end-users - Strategy
ESRS S4-4 Human rights issues and incidents, paragraph 35	X				Material	Social information – S4 Consumers and end-users- Privacy
ESRS G1-1 United Nations Convention against Corruption, paragraph 10, letter b)	X				Material	Governance information – G1 Business conduct – Active and passive corruption
ESRS G1-1 Whistleblower protection, paragraph 10, letter d)	X				Material	Governance information – G1 Business conduct – Whistleblower protection
ESRS G1-4 Fines imposed for violations of laws against active and passive corruption, paragraph 24, letter a)	X		X		Material	Governance information – G1 Business conduct – Active and passive corruption
ESRS G1-4 Rules for combating active and passive corruption, paragraph 24, letter b)	X				Material	Governance information – G1 Business conduct – Active and passive corruption

Environment Information

Environment Information Disclosure pursuant to Article 8 of Delegated Regulation (EU) 2020/852 (Taxonomy Regulation)

The European Taxonomy, as defined by Regulation (EU) 852/2020 (EU Taxonomy Regulation) and related Delegated Acts, establishes a classification system for economic activities as environmentally sustainable from a climate and environmental perspective, defining specific scientific and performance criteria for the identification of these activities.

Regulation (EU) 852/2020 requires insurance companies, which are obliged to prepare a Sustainability Report, to publish information on environmentally sustainable economic activities related to investments and underwriting activities, based on the provisions of Regulation (EU) 2021/2178.

In compliance with these regulatory requirements, the Sara Group has established two cross-functional working groups – one for the preparation of information relating to the Group's investments and one for the definition of taxonomic information relating to non-life underwriting activity, supported by the Privacy and Sustainability Function – which, for the purposes of this disclosure, have proceeded to analyze and interpret the legislation and implement the respective Key Performance Indicators (KPIs).

The following are therefore reported:

- the disclosure relating to investments;
- the disclosure relating to underwriting activity.

Investment Disclosure

The investment KPIs relate to the Sara Group's investment policy for funds collected from underwriting activities and indicate, as of December 31, 2024, the proportion of investments in EU Taxonomy sustainable activities within total assets, where investments refer to all direct and indirect investments, including those in collective investment undertakings and equity interests, loans and mortgages, real estate, plant and machinery, and, where applicable, intangible assets.

The following presents information on how and to what extent the Group's activities are aimed at financing sustainable exposures that contribute to the objectives of:

- climate change mitigation;
- climate change adaptation;
- sustainable use and protection of water resources;
- transition to a circular economy;
- pollution prevention and reduction;
- protection of biodiversity.

The disclosure, consistent with regulatory requirements, is prepared on the basis of the templates in Regulation (EU) 2021/2178 and considering the interpretive and/or clarification documents published from time to time by the Regulator.

Template: The proportion of the insurance or reinsurance undertaking's investments that are directed at funding, or are associated with, Taxonomy-aligned in relation to total investments

The weighted average value of all the investments of insurance or reinsurance undertakings that are directed at funding, or are associated with Taxonomy-aligned economic activities relative to the value of total assets covered by the KPI, with following weights for investments in undertakings per below:		The weighted average value of all the investments of insurance or reinsurance undertakings that are directed at funding, or are associated with Taxonomy-aligned economic activities, with following weights for investments in undertakings per below:	
<i>Turnover-based: %</i>	2,32%	<i>Turnover-based: [monetary amount]</i>	44.121.708,53
<i>Capital expenditures-based: %</i>	4,83%	<i>- Capital expenditures-based: [monetary amount]</i>	91.740.847,25
The percentage of assets covered by the KPI relative to total investments of insurance or reinsurance undertakings (total AuM). Excluding investments in sovereign entities.		The monetary value of assets covered by the KPI. Excluding investments in sovereign entities.	
<i>Coverage ratio %</i>	58,00%	<i>Coverage: [monetary amount]</i>	1.897.710.539,45

Additional, complementary disclosures: breakdown of denominator of the KPI

Percentage of derivatives relative to total assets covered by the KPI		The value in monetary amounts of derivatives.	
<i>X %</i>	0,02%	<i>[monetary amount]</i>	304.754,69
The proportion of exposures to financial and non-financial undertakings not subject to Articles 19a and 29a of Directive 2013/34/ EU over total assets covered by the KPI:		Value of exposures to financial and non-financial undertakings not subject to Articles 19a and 29a of Directive 2013/34/EU:	
<i>For non-financial undertakings:</i>	30,03%	<i>For non-financial undertakings: [monetary amount]</i>	569.886.429,92
<i>For financial undertakings:</i>	1,50%	<i>For financial undertakings: [monetary amount]</i>	28.462.679,15

The proportion of exposures to financial and non-financial undertakings from non-EU countries not subject to Articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI:		Value of exposures to financial and non-financial undertakings from non-EU countries not subject to Articles 19a and 29a of Directive 2013/34/EU:	
<i>For non-financial undertakings:</i>	15,56%	<i>For non-financial undertakings: [monetary amount]</i>	295.369.984,64
<i>For financial undertakings:</i>	3,86%	<i>For financial undertakings: [monetary amount]</i>	73.233.404,47
The proportion of exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI:		Value of exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU:	
<i>For non-financial undertakings: X %</i>	22,45%	<i>For non-financial undertakings: [monetary amount]</i>	426.128.808,49
<i>For financial undertakings: X %</i>	11,30%	<i>For financial undertakings: [monetary amount]</i>	214.497.450,17
The proportion of exposures to other counterparties and assets over total assets covered by the KPI:		Value of exposures to other counterparties and assets:	
<i>X %</i>	15,27%	<i>[monetary amount]</i>	289.827.027,91
The proportion of the insurance or reinsurance undertaking's investments other than investments held in respect of life insurance contracts where the investment risk is borne by the policy holders, that are directed at funding, or are associated with, Taxonomy-aligned economic activities:		Value of insurance or reinsurance undertaking's investments other than investments held in respect of life insurance contracts where the investment risk is borne by the policy holders, that are directed at funding, or are associated with, Taxonomy-aligned economic activities:	
<i>X %</i>	25,80%	<i>[monetary amount]</i>	489.588.493,93
The value of all the investments that are funding economic activities that are not Taxonomy-eligible relative to the value of total assets covered by the KPI:		Value of all the investments that are funding economic activities that are not Taxonomy-eligible:	
<i>Turnover-based: %</i>	20,07%	<i>Turnover-based: [monetary amount]</i>	380.902.369,51
<i>Capital expenditures-based: %</i>	17,55%	<i>Capital expenditures-based: [monetary amount]</i>	333.078.590,27
The value of all the investments that are funding Taxonomy-eligible economic activities, but not Taxonomy-aligned relative to the value of total assets covered by the KPI:		Value of all the investments that are funding Taxonomy-eligible economic activities, but not Taxonomy-aligned:	
<i>Turnover-based: %</i>	17,41%	<i>Turnover-based: [monetary amount]</i>	330.375.180,62
<i>Capital expenditures-based: %</i>	17,42%	<i>Capital expenditures-based: [monetary amount]</i>	330.579.821,13

Additional, complementary disclosures: breakdown of numerator of the KPI

The proportion of Taxonomy-aligned exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI:		Value of Taxonomy-aligned exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU:	
For non-financial undertakings:		For non-financial undertakings:	
<i>Turnover-based: %</i>	2,14%	<i>Turnover-based: [monetary amount]</i>	40.516.585,37
<i>Capital expenditures-based: %</i>	4,57%	<i>Capital expenditures-based: [monetary amount]</i>	86.708.940,09

For financial undertakings:		For financial undertakings:	
Turnover-based: %	0,19%	Turnover-based: [monetary amount]	3.605.123,16
Capital expenditures-based: %	0,27%	Capital expenditures-based: [monetary amount]	5.031.907,16
The proportion of the insurance or reinsurance undertaking's investments other than investments held in respect of life insurance contracts where the investment risk is borne by the policy holders, that are directed at funding, or are associated with, Taxonomy-aligned: Turnover-		Value of insurance or reinsurance undertaking's investments other than investments held in respect of life insurance contracts where the investment risk is borne by the policy holders, that are directed at funding, or are associated with, Taxonomy-aligned:	
Turnover-based: %	2,30%	Turnover-based: [monetary amount]	43.682.997,40
Capital expenditures-based: %	4,79%	Capital expenditures-based: [monetary amount]	90.877.601,49
The proportion of Taxonomy-aligned exposures to other counterparties and assets over total assets covered by the KPI:		Value of Taxonomy-aligned exposures to other counterparties and assets over total assets covered by the KPI:	
Turnover-based: %	0,00%	Turnover-based: [monetary amount]	0,00
Capital expenditures-based: %	0,00%	Capital expenditures-based: [monetary amount]	0,00

Breakdown of the numerator of the KPI per environmental objective

Taxonomy-aligned activities – provided 'do-not-significant-harm'(DNSH) and social safeguards positive assessment:

1) Climate change mitigation			
Turnover: %	2,14%	Transition activities: % (Turnover)	0,10%
		Enabling activities: % (Turnover)	1,27%
CapEx: %	4,54%	Transition activities: % (CapEx)	0,18%
		Enabling activities: % (CapEx)	2,16%
2) Climate change adaptation			
Turnover: %	0,00%	Enabling activities: % (Turnover)	0,00%
CapEx: %	0,01%	Enabling activities: % (CapEx)	0,00%
3) The sustainable use and protection of water and marine resources			
Turnover: %	0,06%	Enabling activities: % (Turnover)	0,00%
CapEx: %	0,12%	Enabling activities: % (CapEx)	0,00%
4) The transition to a circular economy			
Turnover: %	0,00%	Enabling activities: % (Turnover)	0,00%
CapEx: %	0,00%	Enabling activities: % (CapEx)	0,00%

5) Pollution prevention and control			
Turnover: %	0,00%	Enabling activities: % (Turnover)	0,00%
CapEx: %	0,00%	Enabling activities: % (CapEx)	0,00%
6) The protection and restoration of biodiversity and ecosystems			
Turnover: %	0,00%	Enabling activities: % (Turnover)	0,00%
CapEx: %	0,00%	Enabling activities: % (CapEx)	0,00%

The Taxonomy-aligned exposures, which for the 2024 financial year contribute exclusively to the objective of climate change mitigation, are equal to:

- 2.32% of covered assets, taking into account the counterparties' turnover KPIs for the purpose of alignment assessment;
- 4.83% of covered assets, taking into account the counterparties' Capex KPIs for the purpose of alignment assessment.

Starting from January 1, 2024, the reference legislation also required financial enterprises to provide information on their potential exposures to certain specific sectors of economic activity related to nuclear and fossil gases.

The specific tables on nuclear and fossil gas activities, as required by Regulation (EU) 2022/1214, are reported in the "Other sustainability information" section.

Methodological Details

Exposures in economic activities" were calculated starting from the gross carrying amount of total balance sheet assets, considering the indications of paragraphs 1, 2, 3 of Article 7 of Regulation (EU) 2021/2178. The percentage values reported are calculated by relating the gross carrying amount of exposures, respectively aligned/eligible and not aligned/not eligible in terms of Turnover and Capital Expenditures, to Total investments. From the gross carrying amount of Total investments, exposures to central governments, central banks, and supranational issuers were excluded.

Specifically, the following is a detailed description of the methodology used:

Identification of exposures in economic activities: The Group identified companies subject to CSRD obligations through the database made available by the info-provider MSCI. Within this subset, again using MSCI, the fields and the respective percentages of alignment and eligibility published by the counterparties for the year 2023, as required by the reference legislation, were identified; these values were then used as a weighting factor for the gross carrying amount of the instruments in the portfolio. The percentages used are as follows:

For non-financial companies, financial companies, and collective investment schemes (OICR):

- the share of turnover obtained from products or services associated with taxonomy-aligned/eligible economic activities. Where available, the objective to which the specific counterparty contributes and the related shares of transition/enabling activities were also considered;
- the share of capital expenditures (Capex) related to taxonomy-aligned/eligible economic activities. Where available, the objective to which the specific counterparty contributes and the related shares of transition/enabling activities were also considered;
- the share of turnover obtained from products or services associated with taxonomy-ineligible economic activities;

- the share of capital expenditures related to taxonomy-ineligible economic activities;
- the share of turnover obtained from products or services associated with taxonomy-eligible but not aligned economic activities (calculated as the difference between eligible and aligned shares);
- the share of capital expenditures related to taxonomy-eligible but not aligned economic activities (calculated as the difference between eligible and aligned shares).

Exposures in economic activities" were calculated starting from the gross carrying amount of total balance sheet assets, considering the indications of paragraphs 1, 2, 3 of Article 7 of Regulation (EU) 2021/2178. The percentage values reported are calculated by relating the gross carrying amount of exposures, respectively aligned/eligible and not aligned/not eligible in terms of Turnover and Capital Expenditures, to Total investments. From the gross carrying amount of Total investments, exposures to central governments, central banks, and supranational issuers were excluded.

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For non-financial companies, financial companies, and collective investment schemes (OICR):

- the share of turnover obtained from products or services associated with taxonomy-aligned/eligible economic activities. Where available, the objective to which the specific counterparty contributes and the related shares of transition/enabling activities were also considered;
 - the share of capital expenditures (Capex) related to taxonomy-aligned/eligible economic activities. Where available, the objective to which the specific counterparty contributes and the related shares of transition/enabling activities were also considered;
 - the share of turnover obtained from products or services associated with taxonomy-ineligible economic activities;
 - the share of capital expenditures related to taxonomy-ineligible economic activities;
 - the share of turnover obtained from products or services associated with taxonomy-eligible but not aligned economic activities (calculated as the difference between eligible and aligned shares);
 - the share of capital expenditures related to taxonomy-eligible but not aligned economic activities (calculated as the difference between eligible and aligned shares).
-
- With specific reference to investments in collective investment schemes (OICR) and liquid instruments, it is also specified that:
 - where required to provide the value of exposures to Third Countries, all non-EU countries were considered;
 - in the case of exposures to controlled companies that do not publish a Sustainability Report, but belong to Groups that do publish one, the KPI reported by the parent company is used;
 - based on recent regulatory clarifications, the value of investments relating to taxonomy-ineligible economic activities and investments eligible but not aligned with the Taxonomy has been allocated on the basis of the eligible/eligible but not aligned turnover and Capex shares of the counterparties themselves;

In the presence of indirect investments, the following procedure was followed:

- for alternative investment funds (FIA), following a verification with the fund managers, it was ascertained that approximately 8.8% are subject to CSRD, with an alignment percentage of approximately 0.2%;
- Real Estate Funds were considered 100% eligible for the EU taxonomy, but not aligned;
- direct "Income" real estate was included in the "Share of exposures to other counterparties relative to total assets covered by the KPI" and considered eligible for the taxonomy, while instrumental real estate was considered non-eligible exposures. Following an analysis of the real estate portfolio aimed at verifying the compliance of the properties with the requirements of the substantial contribution criteria referred to in Regulation (EU) 2021/2178, it emerged that no property meets the requirements for alignment with the Taxonomy.
- The following are the additional decision-making approaches chosen (for FIA and Real Estate):
 - following the look-through analysis of NACE codes, all alternative and real estate funds were considered "non-financial," with the absolute majority belonging to this category;
 - for the EU/non-EU geographical breakdown, the absolute majority of the geographical focus of the funds was used as a proxy to define them as 100% EU or non-EU.

Insurance Underwriting Activity Disclosure

The underwriting activity KPIs relate to the insurance business.

Insurance activity is included in the Taxonomy as an economic activity that can make a substantial contribution to the climate change adaptation objective, as indicated in Annex II, points 10.1 and 10.2, of the climate delegated act.

In particular, Annex II of the delegated act identifies the following insurance services as activities that can contribute to the adaptation objective and contain the underwriting of climate-related hazards:

a) medical expenses insurance; b) income protection insurance; c) workers' compensation insurance; d) third-party liability insurance resulting from the circulation of Auto vehicles; e) other Auto vehicle insurance; f) marine, aviation, and transport insurance; g) fire and other property damage insurance; h) assistance.

To understand the share of gross written premiums aligned with the taxonomy on the total non-life premium collection, Sara analyzed the premiums resulting from individual guarantees and selected, in the first instance, as eligible according to the Taxonomy, the guarantees relating to climate-related hazards coverage and for which it is able to accurately determine the related premium.

The guarantees considered aligned according to the Taxonomy identified by the Sara Group refer to the following Lines of Business (LoB):

(e) Other Auto vehicle insurance – related to Ministerial Branch 3 ("Land vehicle bodies") (g) Fire and other property damage insurance – Related to Ministerial Branches 8 and 9 ("Fire" and "Other Property Damage")

As for the remaining six LoBs, among those indicated by the Climate Delegated Act, no guarantees covering climate-related hazards that potentially meet the technical screening criteria of Annex II of the delegated act have been identified at this time.

Annex II of the delegated act identifies specific technical screening criteria that must be strictly complied with to consider underwriting activities aligned with the taxonomy. Sara has carried out an analytical verification of these criteria for the guarantees in the perimeter, verifying full compliance exclusively for those contained in the products:

- Natural Disasters Dimension - Flood/Inundation/Overflow Guarantee
- Guido Bene – Atmospheric events guarantee
- Ruota Libera Revolution - Atmospheric events guarantee
- Ruota Libera Grandi Veicoli - Atmospheric events guarantee

In the calculation of premiums aligned with the taxonomy, with reference to legal persons, only those relating to policyholders for which it could be excluded, based on the analysis of Ateco codes, operations in the extraction, storage, transport or production of fossil fuels were included; this is to ensure compliance with the do no significant harm criterion to the climate change mitigation objective.

Furthermore, to take into account compliance by customers with the minimum safeguards (respect for human rights, fight against corruption, tax fairness, fair competition) in the calculation, for auto products, only contracts referring to retail customers were included, and for the elementary branches product, contracts referring to joint-stock companies that did not declare, in the pre-contractual phase, to guarantee compliance with the minimum safeguards were excluded.

The table referred to in Annex X to Delegated Regulation EU 2021/2178 is shown below:

Economic activities (1)	Substantial contribution to climate change adaptation			Do No Significant Harm" (DNSH)					
	Absolute premiums, year t (2)*	Share of premiums, year t (3)*	Share of premiums, year t-1 (4)	Climate change mitigation (5)	Water and marine resources (6)	Circular economy (7)	Pollution (8)	Biodiversity and ecosystems (9)	Minimum safeguards (10)
	Currency	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N
A.1. Non-life insurance and reinsurance underwriting – Taxonomy-aligned (environmentally sustainable)	2.899.080	0,4%	0,0%	Si	Not relevant	Not relevant	Not relevant	Not relevant	Y
A.1.1 Of which reinsured	2.899.080	0,4%	0,0%	Si	Not relevant	Not relevant	Not relevant	Not relevant	Y
A.1.2 Of which arising from reinsurance activity	0	0,0%	0,0%	-	-	-	-	-	-
A.1.2.1 Of which reinsured (retrocession)	0	0,0%	0,0%	-	-	-	-	-	-
A.2 Non-life insurance and reinsurance underwriting – Taxonomy-eligible but not environmentally sustainable activities (non-taxonomy-aligned activities)	21.621.979	2,9%	1,3%						
B. Non-life insurance and reinsurance underwriting – Non-taxonomy-eligible activities	714.422.081	96,7%	98,7%						
Total (A.1 + A.2 + B)	742.943.140	100%	100%						

* The premiums reported in columns (2) and (3) refer to the gross written premiums from Sara.

The gross written premiums reported in the Underwriting KPI table are based on current and precise data.

Compared to the disclosure related to FY 2023, the exposure for 2024 of a share of premiums aligned with the Taxonomy is highlighted, having, as mentioned, perfected the precise compliance with the technical screening criteria for some products during the year; furthermore, an increase in the share of premiums eligible for the Taxonomy is noted, due to a revision of the methods of identifying the shares of non-life premiums to be considered eligible, which allowed for a more detailed identification, for 2024, of the share of premiums in the taxonomic perimeter.

The Taxonomy Regulation establishes (art. 3 letter C) that, to be considered environmentally sustainable, an economic activity must be carried out in compliance with the minimum safeguards provided for in art. 18 of the aforementioned Regulation; these safeguards are procedures implemented by a company to ensure its compliance with the OECD guidelines for multinational enterprises and with the United Nations Guiding Principles on Business and Human Rights, including the principles and rights established by the eight fundamental conventions identified in the International Labour Organization's declaration on fundamental principles and rights at work and by the International Bill of Human Rights.

The contents of the Minimum Safeguards are further detailed in the "Final Report on Minimum Safeguards" published in October 2022 by the Platform on Sustainable Finance. Based on the contents of the document, to ensure compliance with the minimum safeguards, companies must:

- establish an adequate human rights due diligence process as indicated in the United Nations Guiding Principles (UNGPs) and the OECD guidelines for multinationals;
- have anti-corruption processes in place;
- adequately consider tax governance;
- have appropriate tax risk management strategies and processes;
- promote awareness of compliance with competition rules.

In this regard, the Group has a Code of Ethics aimed at anchoring corporate conduct to precise ethical values and promotes, in its Sustainability Policy, the principles of integrity and rigor in corporate conduct: in particular, the Sara Group undertakes to carry out its activities in compliance with the highest ethical standards and does not tolerate acts of active or passive corruption. It considers honesty to be the basis of the trust necessary to interact both with external and internal customers and, more generally, with all people with whom it interacts in carrying out its activities. Personal and professional relationships must be founded on honesty. It also undertakes to guarantee the truthfulness, completeness and timeliness of tax returns and to correctly fulfill tax obligations. The Group operates in compliance with all applicable laws and regulations. To ensure compliance with the legislation, the Group prepares internal rules, procedures and controls, ensures periodic training activities and carries out verification activities.

In the Sustainability Policy, in particular, the Sara Group affirms its commitment to promoting and respecting human rights, universally recognized and enshrined in the main international instruments, including the United Nations Universal Declaration of Human Rights, the United Nations Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises and the fundamental conventions of the International Labour Organization (ILO). This commitment is based on the conviction that respect for and promotion of human rights represent essential values not only at an ethical level, but also as a pillar for the sustainability and resilience of the company itself. The Group is aware of the potential direct and indirect negative impacts on human rights that its activities may generate within its operations and through its value chain and, therefore, has provided a due diligence process aimed at identifying and assessing these impacts (in particular through the results of the double materiality assessment), preventing, mitigating or remedying them and monitoring them, as well as making appropriate reporting channels available; these safeguards are more specifically described in the specific Declaration on human rights published on the Company's institutional website.

Among the internal documents aimed at regulating the areas in question are: the Gender Equality Policy, the Occupational Health and Safety System, the Personal Data Protection Organizational Model, the Responsible Investment Policy, the Organizational Model 231, the Conflict of Interest Discipline, the Tax Risk Management Policy.

It is also emphasized that the Sara Group has established reporting channels through which the various stakeholders can report violations of the rules of conduct. In particular, the Whistleblowing channel is mentioned through which, for example, the following can be reported:

- cases of corruption and collusion between private individuals;
- violation of Anti-Money Laundering and Counter-Terrorism Financing legislation;
- obstruction of the exercise of the functions of public supervisory authorities;
- violation of tax regulations;
- violation of health and safety at work regulations, including any event or condition, related to the employment relationship, which may compromise the physical or mental health, safety and well-

being of workers or third parties who access work environments, including, for example, structural criticalities of work environments, deficiencies in risk assessment and prevention measures, harassing behavior (to be understood as any unwanted behavior that has the purpose or effect of making a work environment offensive, humiliating or degrading and which can occur in physical, verbal or digital form), violent or discriminatory behavior, etc.;

- other violations of Model 231;
- violations of the Code of Ethics;
- violation of the rules for the protection of the security of networks and information systems;
- violation of the rules governing insurance and distribution activities (CAP).

The reported violations are analyzed, evaluated and managed by the Whistleblowing referents identified on the basis of their technical-professional skills (Director of Legal and Corporate Affairs, Director of Internal Audit, Compliance and Anti-Money Laundering Manager) ensuring the confidentiality of the reporting subject's identity and protecting them from any form of retaliation.

Finally, it is emphasized that in 2024 the Group's companies were not definitively convicted of corruption, human rights violations, labor, tax and competition law violations, nor are there any proceedings or investigations underway by Authorities (such as the Italian Antitrust Authority - AGCM) or International Organizations (such as the Business & Human Rights Resource Centre - BHRRC).

ESRS E1 Climate Change

In the double materiality process, with reference to the topic of climate change, the Group has identified the following impacts:

- Contribution to climate change adaptation through the offer of insurance products dedicated to protection from environmental and catastrophic events (positive impact – actual)
- Contribution to climate change adaptation through the offer of insurance products dedicated to protection from natural events (Auto) (positive impact – actual)
- Contribution to climate change adaptation through the offer of insurance products dedicated to protection from catastrophic events (corporate) (positive impact – actual)
- Generation of direct and indirect energy-related GHG emissions (Scope 1 and 2) with consequent contribution to climate change (negative impact – actual)
- Generation of indirect GHG emissions (Scope 3) with consequent contribution to climate change (negative impact – actual)
- Contribution to the spread of virtuous behavior among customers through awareness of more sustainable consumption models (e.g., GuidoBene) (positive impact – actual)
- Contribution to the reduction of GHG emissions through products and services that incentivize green mobility (positive impact – actual)
- Contrast to climate change through the purchase of green energy and/or the reduction of energy consumption of instrumental properties through efficiency measures (positive impact – actual)

Strategy

E1-1 Climate Change Mitigation Transition Plan

To date, the Sara Assicurazioni Group has not defined a transition plan compatible with the goal of limiting global warming to 1.5°C in line with the Paris Agreement, so as to contribute to achieving climate neutrality by 2050. However, aware of its role in addressing the challenges posed by climate change, the Group has initiated a process in this direction, with the aim of defining its climate change transition plan by 2027.

The Group has, in fact, made a commitment that is oriented towards defining an action plan to progressively reduce its carbon footprint, both with reference to direct emissions and those generated

along the value chain, involving customers, partners and stakeholders in the transformation necessary to face the climate crisis; furthermore, the Group undertakes to govern climate risks by integrating innovative and advanced risk assessment models that include medium-long term climate scenarios, in order to protect its financial stability and ensure customer protection even in a context of increasing unpredictability.

The Group has set itself the goal of significantly reducing carbon emissions along the entire corporate value chain, a commitment that implies, among other things, the adoption of sustainable solutions for the energy efficiency of structures, the promotion of the use of renewable energy sources and the selection of suppliers and partners who share the same sustainability values.

The roadmap identified by the Group, which outlines the steps necessary for the definition of the climate change mitigation transition plan, includes:

- the involvement and training of company functions that, in various capacities, participate in the transition path,
- the progressive accounting of GHG emissions, including the different categories of indirect Scope 3 emissions, a central element for identifying the areas with the greatest impact,
- the development of a decarbonization strategy consistent with the targets of the Paris Agreement that integrates the analysis of climate scenarios (e.g. those provided by the IPCC or the IEA) and establishes short, medium and long-term reduction targets based on scientific evidence,
- the definition of the transition plan that translates the strategy elements into actions, identifying the main decarbonization levers to act on, identifying for each activity, times, resources and KPIs for monitoring,
- the implementation of the plan and the monitoring of the actions, central to identify and correct any deviations, accompanied by a clear and periodic reporting of progress and critical issues encountered.

ESRS 2 SBM-3 Relevant Impacts, Risks and Opportunities and their Interaction with Strategy and Business Model

The legislation governing the internal risk and solvency assessment process mandates that risks identified as significant be subjected to a sufficiently broad range of stress tests or scenario analyses in order to provide an adequate basis for assessing the overall solvency needs and evaluating the Group's resilience in the face of adverse events.

The results of the ESG risk assessment, utilized for the double materiality analysis, showed no critical issues and, overall, indicated a low exposure of the Group's insurance companies to sustainability risks, including climate risks. The Group has therefore not identified relevant climate-related risks.

Nevertheless, it was decided to develop during 2024, as also suggested by EIOPA, an analysis related to potential adverse medium-long term climate scenarios, consistent with the time horizons adopted by the Group, on the assets and liabilities of the insurance companies as of 12/31/2023, reported within the ORSA reporting. In this context, the following analyses were performed:

- Assets: the scenario calibrated by EIOPA as part of the "2022 IORP Climate Stress Test", i.e. the stress test exercise defined for the pension sector in 2022, was applied. For the purposes of this exercise, EIOPA, with the contribution of the European Systemic Risk Board ("ESRB"), calibrated a series of stress factors, to be applied to the various asset classes in the portfolio, related to a "disorderly transition" climate scenario (i.e. a possible future in which the transition to a low-carbon economy occurs in a chaotic and unplanned manner). In particular, it is assumed that new climate risk policies are not adopted until 2030, with consequent adverse effects on the real economy and financial markets.
 - The shocks applied, both at the level of individual company and of the group, concern:
 - the rise in the risk-free rate curve;

- the increase in government bond yields, applied based on the issuing country and the duration of the bond;
 - the increase in corporate bond yields, applied based on the duration and sector of each instrument;
 - the decrease in the value of equity instruments, applied based on the sector of each instrument;
 - the decrease (or increase) in the value of real estate exposures, determined based on the country in which the property is located and its intended use (residential or commercial).
- Damage Liabilities: the impact on the solvency situation of Sara Assicurazioni and the Group of a climate change scenario based on the projection of a specific “greenhouse gas emission scenario” (or Representative Concentration Pathways, RCP) was assessed. For this purpose, the open source tool “CLIMATE IMPACT EXPLORER” was used, through which the RCP 8.5 scenario was considered (i.e. the most extreme scenario among those available) was considered and the expected adverse trend, to 2050, of the level of precipitation (by geographical area) and flood damage at the national level was estimated. Using appropriate parameters derived from the tool, the claim cost value at 12/31/2023 was recalibrated and the best premium and claim estimates of Sara Assicurazioni were recalculated for the LoBs affected by the natural events mentioned above (FDP, OMI and MAT).
- Life Liabilities: the impact on the solvency situation of Sara Vita and the Group of the same scenario used for damage liabilities was assessed, but in this case - again using the open source tool “CLIMATE IMPACT EXPLORER”, by means of which the RCP 8.5 scenario (i.e. the most extreme scenario among those available) was considered - the expected adverse trend, to 2050, of an indicator, representative of heat waves, which expresses an estimate of the absolute variations of the daily maximum temperature in the summer months that will occur in the various Italian regions compared to the reference period 1986-2006, was estimated. It was therefore possible, also in consideration of the evidence of a report by the Ministry of Health, to obtain an estimate of the increase in mortality rates for the population aged 65 or over and to construct a new II° order mortality table with which the Life Best Estimates were recalculated.

The results of the analyses showed a level of solvency of the Companies and the Group that, even in situations of strong stress related to climate change risks, is well above the risk appetite limits set. In light of these results, no mitigation actions were identified to adapt the strategy or business model.

Nevertheless, it was decided to develop during 2024, as also suggested by EIOPA, an analysis related to potential adverse medium-long term climate scenarios, consistent with the time horizons adopted by the Group, on the assets and liabilities of the insurance companies as of 12/31/2023, reported within the ORSA reporting. In this context, the following analyses were performed:

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 - The shocks applied, both at the level of individual company and of the group, concern:
 - the rise in the risk-free rate curve;
 - the increase in government bond yields, applied based on the issuing country and the duration of the bond;
 - the increase in corporate bond yields, applied based on the duration and sector of each instrument;
 - the decrease in the value of equity instruments, applied based on the sector of each instrument;
 - the decrease (or increase) in the value of real estate exposures, determined based on the country in which the property is located and its intended use (residential or commercial).

- **Damage Liabilities:** the impact on the solvency situation of Sara Assicurazioni and the Group of a climate change scenario based on the projection of a specific “greenhouse gas emission scenario” (or Representative Concentration Pathways, RCP) was assessed. For this purpose, the open source tool “CLIMATE IMPACT EXPLORER” was used, by means of which the RCP 8.5 scenario (i.e. the most extreme scenario among those available) was considered and the expected adverse trend, to 2050, of the level of precipitation (by geographical area) and flood damage at the national level was estimated. Using appropriate parameters derived from the tool, the claim cost value at 12/31/2023 was recalibrated and the best premium and claim estimates of Sara Assicurazioni were recalculated for the LoBs affected by the natural events mentioned above (FDP, OMI and MAT).
- **Life Liabilities:** the impact on the solvency situation of Sara Vita and the Group of the same scenario used for damage liabilities was assessed, but in this case - again using the open source tool “CLIMATE IMPACT EXPLORER”, by means of which the RCP 8.5 scenario (i.e. the most extreme scenario among those available) was considered - the expected adverse trend, to 2050, of an indicator, representative of heat waves, which expresses an estimate of the absolute variations of the daily maximum temperature in the summer months that will occur in the various Italian regions compared to the reference period 1986-2006, was estimated. It was therefore possible, also in consideration of the evidence of a report by the Ministry of Health, to obtain an estimate of the increase in mortality rates for the population aged 65 or over and to construct a new II° order mortality table with which the Life Best Estimates were recalculated.

The results of the analyses showed a level of solvency of the Companies and the Group that, even in situations of strong stress related to climate change risks, is well above the risk appetite limits set. In light of these results, no mitigation actions were identified to adapt the strategy or business model.

Management of Impacts, Risks, and Opportunities

E1-2 Policies related to Climate Change Mitigation and Adaptation

The issue of climate change is present in the internal regulations; in particular, the Group's climate commitment "Sara Group for the climate," a document preparatory to the realization of a transition plan for climate change mitigation, the responsible investment policy, and the non-life underwriting policy are mentioned. The policies are made available to the interested personnel through the company intranet, and their implementation is entrusted to the responsibility of Senior Management.

«Sara Group for the climate» Towards the construction of a transition plan for climate change mitigation

The document "Sara Group for the climate - Towards the construction of a transition plan for climate change mitigation" aims to represent the approach and vision of the Sara Assicurazioni Group with respect to the issue of climate change, defining in particular the roadmap for the realization of the "transition plan for climate change mitigation" in response to emerging regulations such as CSRD. The document broadly analyzes the current climate change and the role of insurance companies in addressing it, and then outlines the climate commitment of Sara Assicurazioni.

With reference to the transition plan, the regulatory framework, the main guidelines and decarbonization metrics are recalled. The reference framework is then defined and the roadmap for the realization of the first decarbonization plan of the Sara Group is outlined. Finally, the initiatives already implemented by the Sara Assicurazioni Group to address climate change and those under evaluation for the near future are described.

The document refers to the Sara Group, taking into account the implications in the conduct of the business and in relations with the various subjects involved in company life, also in order to safeguard and strengthen the long-term value of the companies.

The EU Directive 2464/2022 (CSRD) and Delegated Regulation (EU) 2772/2023 (ESRS), which require companies to describe "the company's plans, including implementation actions and related financial and investment plans, to ensure that the business model and strategy are compatible with the transition to a sustainable economy¹ and with the limitation of global warming to 1.5°C in line with the Paris Agreement."

- Legislative Decree 125/2024, which transposes EU Directive 2464/2022 (CSRD);
- EU Regulation 852/2020 (European Taxonomy), which, by supporting the direction of investments towards certain economic activities, can provide useful metrics for monitoring the transition plan;
- Directive 2009/138/EC (Solvency II), which, with a risk-based and forward-looking approach, also takes into account climate risks—of increasing relevance for the underwriting and investment activities of insurance companies—and allows for the assessment of overall solvency in order to ensure adequate protection for policyholders.

Following its approval, the document was not only made available to the entire company population through publication on the company intranet but was also shared with all the Directorates involved in the implementation process.

Responsible Investment Policy

The document defines the Sara Group's guidelines for responsible investment activities and regulates the evaluation of new investments through an approach that integrates the analysis of economic-financial performance with the assessment of environmental, social and governance (ESG) criteria. The principles contained in the Responsible Investment Policy are adopted for all investment activities carried out by both Group Companies (Sara Assicurazioni and Sara Vita).

In particular, the Company implements the sustainable investment strategy through:

- the evaluation of compliance with the main international standards and norms of countries for government issuers;
- the adoption of exclusion lists that limit the investable universe and the evaluation of environmental, social and governance performance for corporate issuers;
- the preference of SGR adhering to the PRI principles for investments in UCITS and AIFs.

For securities issued by government issuers, the Sara Group invests in countries that comply with the main international standards and norms in order to enhance the commitment of nations on environmental, social and governance issues. Compliance with the following international standards and norms is verified:

- Universal Declaration of Human Rights;
- ILO Convention – International Labour Organization;
- UNFCCC – United Nations Framework Convention on Climate Change;
- Convention for the Protection of the Ozone Layer;
- Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal.
-

For the selection of corporate issuers, and with regard to the environmental dimension, the Group considers relevant, among other elements, for example, the attention paid to climate change, fossil fuel emissions and the waste of natural resources. Finally, with reference to UCITS and AIFs, the Sara Group verifies for new investments, during the due diligence phase, that the managers and/or funds to be purchased are signatories of the PRI principles, an element that represents a preference factor during selection.

In order to verify the actual adherence of the invested portfolio to the principles set out in the policy, the portfolio is analyzed at least annually.

For corporate investments, based on the results of the analyses conducted, issuers are placed in three different lists:

- white list, which includes issuers whose analysis results demonstrate robust adherence to ESG principles;
- watching list, which includes companies for which the analysis is incomplete but not prohibitive;
- black list, which includes issuers whose analysis results demonstrate non-adherence to ESG principles.

Evidence of control is provided to the Group Investment Committee and the Board of Directors.

The Policy is updated whenever it is deemed necessary or appropriate to modify the Board of Directors' directives on the matters in question, or whenever necessary following changes in the strategic, institutional, regulatory and organizational context.

The Responsible Investment Policy refers, in addition to the legislation in force from time to time, to the main elements of national and international legislation relating to the scope, including, by way of example and not limitation, Regulation (EU) 2019/2088 (SFDR), Regulation (EU) 2020/852 (EU Taxonomy) and the Communication from the Commission to the European Parliament, the European Council, the Council, the European Central Bank, the European Economic and Social Committee and the Committee of the Regions of 8 March 2018, "Action Plan: Financing Sustainable Growth".

Non-Life Underwriting Policy

The Policy defines the guidelines for the direction of the underwriting activity of Sara Assicurazioni's insurance contracts and the management of the related risks in the Sara Group and its related governance. With reference to the areas of direct relevance of the Parent Company, the main objectives of the Policy are:

- to define the strategic orientation of the Company for the assumption of insurance risks;
- to define the standards of compliance with the insurance risk underwriting process;
- to ensure the appropriate management of underwriting processes;
- to represent the methods with which the Company ensures that underwriting risks are in line with the overall risk management system;
- to define the processes that ensure compliance with regulatory requirements;
- to define the organizational and governance model, as well as the roles and responsibilities of the company structures involved in the underwriting activities of Non-Life Branches contracts;
- to describe the reporting procedures applied and the communication flows between the Functions involved in the process.

It is specified that within the underwriting activity and the evaluation of product content, in compliance with the legislation (IVASS Provision 131 2023), the Company, where possible, is gradually integrating sustainability risks into products or guarantees. In this context, particular attention is paid to the tariff activity:

- the addition of forward-looking climate scenarios that integrate and exceed traditional pricing based on past experience;
- the enhancement of any prevention measures put in place by the insured in order to mitigate risk exposure, guaranteeing the necessary information to policyholders.

Furthermore, the analysis of some products has been started with the aim of evaluating the contribution to the mitigation or adaptation to climate risks in coherence with the technical screening criteria and with the intention of identifying the relative Taxonomy Aligned premiums.

The trend of existing tariffs is periodically monitored by the Actuarial Department, based on specific indicators to highlight any need for corrective actions. It is noted in this latter area that the Company makes its information regarding atmospheric events available to public authorities with the aim of contributing to climate change adaptation.

The Policy will be reviewed and - if necessary - modified, at least annually and in any case whenever regulatory updating needs, interventions by the Supervisory Authority, business strategies or context changes (significant changes to company processes, significant structural reorganizations, significant changes to the IT platforms used) require it.

The document was prepared in compliance with current sector legislation, referring mainly to the regulations of the Supervisory Authorities. The Policy also takes into account the following international legislation:

- Directive 2016/97/EU on insurance distribution (IDD);
- Directive no. 138 (so-called Solvency II) and subsequent amendments, on access to and exercise of insurance and reinsurance activities;
- Commission Delegated Regulation no. 2015/35 (so-called Delegated Acts), which integrates the Solvency II Directive;
- EIOPA - Guidelines on the Governance System no. 253/2014.

E1-3 Actions and resources related to climate change policies

Actions and resources related to the document «The Sara Group for the climate» Towards the construction of a transition plan for climate change mitigation

Within the commitment document, the actions through which the Sara Assicurazioni Group will be able to reduce its carbon footprint are defined. Some of these actions were initiated in 2024, others have been identified and will be implemented, in accordance with the time horizons defined by the sustainability plan, by 2027.

In 2024, in particular, the Group initiated the process of calculating the Corporate Carbon Footprint (CCF), through the "GHG Inventory" activity for the progressive mapping of Scope 3 emissions as a necessary first step to realize a transition plan for climate change mitigation.

Regarding facility management, the Group has initiated restructuring interventions (the overall duration of which is multi-year, concluding by 2026) on most of the properties used for business, which include energy efficiency improvements that will limit direct CO₂ eq emissions. The interventions carried out in 2024, specifically, concerned the lighting system, with the installation of a high-efficiency LED lighting system.

The Group has also implemented a process of hybridization of the company car fleet with the goal, within the plan, of having at least 90% of the vehicles in the company fleet be hybrids.

The Sara Group is also evaluating the evolution of its supplier qualification model, including further ESG criteria. This would allow for a more precise identification of suppliers operating in sectors considered "carbon intensive," facilitating more targeted management. In parallel, a more personalized methodology for measuring the ESG (Environmental, Social, Governance) performance of suppliers will be studied, including specific climate parameters.

Actions and resources related to the Investment policy

The Responsible Investment Policy is implemented through the following actions, carried out continuously and relating to both the activities of the Parent Company and the subsidiary Sara Vita:

- Government issuers: in case of non-adherence to at least two of the listed conventions, the investment is not made, while for existing positions, the position in the portfolio is monitored, with a prohibition of increasing or renewing it unless subsequent changes occur;
- Corporate issuers: for securities on the white list, there are no investment restrictions; for securities on the black list, new investments are prohibited and existing positions must be sold, evaluating timing and methods also based on the impact on the balance sheet; for securities on the watching list, positions are monitored in order to transfer them to one of the other two lists if new and further information becomes available.

With the support of the info-provider MSCI, an ESG analysis was carried out in 2024 on each issuer in the portfolio. Regarding the issuers for which it was not possible to find information on the MSCI platform, the Investments and Finance Department carried out a qualitative analysis in order to assess the issuer's ESG risk profile.

ESG analyses were conducted on the portfolios of Sara Assicurazioni and Sara Vita, with a separate analysis for the Class D portfolios. For each portfolio, an average rating was identified, calculated as the weighted average for the Market Value (MV) of all corporate and equity instruments held in the portfolio. Furthermore, a screening of bonds was conducted to evaluate the percentage of bonds in the portfolio linked to sustainable projects or positive social impact. The results of the analyses carried out are reported below:

- Corporate Bonds and Equities (Sara Assicurazioni): out of 98 total issuers, 90 were mapped using MSCI, for an overall coverage of 97% of the MV and an average rating of AA-, an increase compared to the previous year. During the year, the Investments and Finance Department further increased investments in ESG bonds compared to last year and as of the date of the analysis, approximately 25% of the MV of corporate bonds falls into these categories.
- Corporate Bonds and Equities (Sara Vita): out of 122 total issuers, 113 were mapped using MSCI, for an overall coverage of 94% of the MV and an average rating of AA-, an increase compared to the previous year. During the year, the Investments and Finance Department further increased investments in ESG bonds compared to last year and as of the date of the analysis, approximately 23% of the MV of corporate bonds falls into these categories.
- Corporate Bonds and Equities (Class D): out of 97 total issuers, 81 were mapped using MSCI, for an overall coverage of 94% of the MV and an average rating of A+.
- Securities issued by government issuers: as of October 31, 2024, the totality of direct investments in government bonds in the portfolios of Sara Assicurazioni and Sara Vita are issued by the Italian State and, to a residual extent, in French short-term government bonds, both of which adhere to the main international standards and norms. The Class D portfolios also include bonds issued by Belgium, France, the Netherlands, Portugal, Austria, Spain and Germany, which comply with the aforementioned standards and conventions.
- UCITS: as of October 31, 2024, all managers of the funds present in the portfolio are signatories of the PRI and in line with the Responsible Investment Policy. Three funds are also classified as Article 8 products under the SFDR regulation. The managers of the funds present in the Class D portfolios as of October 31, 2024 are also signatories of the PRI.
- AIFs: the resulting analysis was predominantly positive: the majority of AIF managers have signed the PRI and the portfolio complies with the ESG standards dictated by the Responsible ESG investment policy.

The Group also plans, for the three-year period 2025-2027, to strengthen its sustainable investment strategies.

Actions and resources in the Non-Life Underwriting Policy

Sara Assicurazioni has long developed innovative insurance solutions that support both mitigation and adaptation to climate change.

In particular, with regard to mitigation, a car product that rewards customers for the sustainable and safe use of the vehicle through favorable pricing policies stands out (GuidoBene), the offer of which was maintained in 2024 and confirmed for 2025. In parallel, the Company aims to incentivize the use of zero-

emission cars by customers, implementing personalized pricing policies, with the aim of promoting the transition to more sustainable mobility and reducing, at the same time, the transition risk for the Company.

With regard to adaptation and more specifically the guarantees that cover risks related to climatic events, Sara has an ongoing project aimed at progressively aligning the non-life products with the criteria provided for by the Taxonomy Regulation (Regulation (EU) 2020/852). In this context, the Auto retail products, Natural Events guarantee, have been aligned with the technical screening criteria defined by the taxonomy (Delegated Regulation (EU) 2021/2139) Annex II point 10.1, starting from September 2024.

Furthermore, using the same alignment criteria, the new CAT NAT product ("Natural Disasters Dimension"), in the catalog since November 2024, has been created in accordance with Law 213/2023.

Prospectively, the possibility of also aligning other non-catastrophic Natural Events guarantees relating to the Elementary Branches product catalog will be evaluated.

As already indicated, the Group has not yet adopted a transition plan for climate change mitigation. Consequently, the related decarbonization levels have not yet been identified, an activity that can take place once the mapping of Scope 3 emissions is completed. For the same reasons, to date, a system for monitoring the emissions saved connected to the actions carried out for which the Group has used the internal resources available has not been implemented, as it will do for the implementation of the planned actions.

Metrics and Objectives

E1-4 Objectives related to climate change mitigation and adaptation

In the absence of a climate transition plan, the Group has not adopted measurable objectives for reducing its emissions to date. However, it monitors their trend with reference to Scope 1 and 2 and has initiated the process for monitoring Scope 3 emissions.

E1-5 Energy consumption and energy mix

The following is a detailed report of the energy consumption of the Sara Assicurazioni Group, relating to buildings over which the Sara Group has direct control (management and territorial offices, buildings used as warehouses and archives, company car fleet).

The Group does not have companies within the scope belonging to the sectors with a high climate impact as defined in sections A to H and in section L of the NACE.

ENERGY CONSUMPTION* (MWh)	
Type	2024
Total energy consumption from fossil fuels	2.502,2
Share of fossil fuels in total energy consumption	65,4%
Total energy consumption from nuclear sources	9,2
Share of nuclear energy in total energy consumption	0,2%
Total energy consumption from renewable sources	1.316,9
Share of renewable sources in total energy consumption	34,4%
Total renewable fuel consumption, including biomass.	-
Total consumption of purchased or acquired electricity, heat, steam and cooling from renewable sources	1.294,6
Total self-generated renewable energy consumption without the use of fuels.	22,3
Total energy consumption.	3.828,3

*Reported consumption values are precise data based on billing documents, net of ten territorial offices for which, in the absence of direct utilities, data were estimated based on the actual consumption of a sample office in relation to the number of people continuously present.

ENERGY PRODUCTION (MWh)	
Type	2024
Energy production from non-renewable sources	-
Energy production from renewable sources	22,3
Total energy production from renewable and non-renewable sources	22,3

Compared to 2023, in 2024 the consumption of fossil fuel for the heating systems of instrumental offices remained constant; electricity consumption, on the other hand, recorded a decrease, attributable to the energy efficiency interventions on the lighting equipment still in progress at the offices in via Po 20 in Rome and via della Chiusa 15 in Milan, as well as an 85.3% increase in energy production from the two photovoltaic systems active at the offices in via Po 20 and via Agri 2/A in Rome, resulting in a reduction in purchased electricity. Finally, electricity consumption connected to the charging of company vehicles has doubled compared to the previous year, as a result of the greater number of company plug-in hybrid cars and the greater consistency of their charging.

E1-6 – Gross GHG Emissions of Scope 1, 2, 3 and Total GHG Emissions

The Group has started monitoring the emissions related to its consumption, according to the international classification proposed by the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard (GHG Protocol). In detail, Sara Group measures:

- **Scope 1:** direct GHG emissions from installations owned or controlled by the organization.
- **Scope 2:** indirect GHG emissions, resulting from the generation of electricity, steam, heating and cooling energy, imported and consumed within the organization.

As described, the reporting perimeter of consumption, and therefore of the related emissions, has been defined based on the "operational control" approach, i.e., the set of processes controlled by the organization, as required by the GHG Protocol, and therefore does not correspond to the financial perimeter, thus excluding properties owned and leased to third parties, over which the Group does not exercise control.

The activities included in the calculation specifically concern:

- **Scope 1:**
 - Combustion: Emissions from the combustion of fuels in sources owned or controlled by the company. In this case, the consumption of gasoline and diesel of the company fleet and the consumption of natural gas and diesel for heating are included.
 - Refrigerants: Emissions from the purchase of R-32 refrigerants during maintenance operations of cooling systems.
- **Scope 2:**
 - Electricity: Emissions associated with the generation of purchased electricity. These are calculated based on both market-based and location-based approaches, as explained previously.
- **Scope 3:**
 - Fuel and energy-related activities: Emissions from the extraction, refining and transport of fuels not included in Scopes 1 and 2.

In essence the text is explaining how the Sara group are measuring and reporting their GHG emissions. In relation to the three scopes defined by the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard.

GREENHOUSE GAS (GHG) EMISSIONS (tCO ₂ e)	
Type	2024
GHG Emissions Scope 1*	561,2
GHG Emission Scope 2* (location based)	395,3
GHG Emissions Scope 2* (market based)***	157,8
GHG Emissions Scope 3**	227,9
3.3 Fuel and energy-related activities (not included in Scope 1 or 2)	227,9
Total GHG emission (location based)	1.184,4
Total GHG emission (market based)	947,0

**Scope 1 and 2 CO₂e emissions were calculated using primary consumption data of the Sara Assicurazioni Group and applying emission factors from DEFRA, IPCC, and Ecoinvent 3.10.

**For Scope 3 category 3 emissions, DEFRA and Ecoinvent 3.10 emission factors were used.*

**For the calculation of Scope 2 emissions according to the market-based approach, specific emission factors for purchased electricity were used, considering Guarantees of Origin certificates for the purchase of green energy. 100% of the energy purchased by the Group, classified as renewable, derives from supplies certified with Guarantees of Origin.

The calculation carried out, which is based on the GHG Protocol guidelines, falls within the scope of the Corporate Carbon Footprint (CCF) analysis that the Group has initiated, and considers all relevant greenhouse gases according to the IPCC Assessment Report: carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulfur hexafluoride (SF₆), and nitrogen trifluoride (NF₃).¹ This is because each gas has a different capacity to warm the Earth's atmosphere, and each remains in the atmosphere for a different period of time. To make their effects comparable, they are converted into CO₂ equivalents (CO₂e) as a base unit and multiplied by their global warming potential (GWP), which expresses a gas's ability to warm the atmosphere relative to CO₂ over a time horizon generally of 100 years.

Social Information

ESRS S1 Own Workforce

Strategy

ESRS 2 SBM-3 - Relevant Impacts, Risks and Opportunities and their Interaction with Strategy and Business Model

When reporting on the workers on whom it may have relevant impacts, Sara Assicurazioni Group considers all workers who are part of its workforce, unless otherwise specified.

In particular, this includes employees, i.e., those who have a direct employment relationship with the Group by virtue of current legislation and the National Collective Labor Agreement for the Insurance sector (CCNL), and non-employees, including temporary workers, workers who have a collaboration contract with the Group and who carry out their activities independently, and service providers.

The impacts generated on the own workforce can be positive or negative. The negative impacts identified by the Group, related to health and safety, employment and inclusion of people with disabilities, measures against violence and harassment in the workplace, and confidentiality, are not systemic in nature but, if they were to occur, would be connected to individual episodes related to the performance of daily activities. By virtue of the Group's sector of activity and its geographical location, no operations or areas particularly at risk of child labor or forced or compulsory labor have been identified.

Depending on the different negative impacts identified, some workers may be more exposed to the risk of suffering consequences if the impact were to occur. To avoid or mitigate the risk of negative impact, Sara has provided for the adoption of specific safeguard and intervention policies. In particular:

- regarding health and safety, in accordance with Legislative Decree 81/2008, differentiated health surveillance is provided for video terminal operators (biennial frequency) and for traveling personnel (annual frequency), as well as differentiated examinations for the two categories;

- with reference to the lack of integration of people with disabilities, the reserve quota is guaranteed in compliance with Law 68/1999, also through agreements with the placement services to plan its coverage, if necessary. These quotas are currently guaranteed also through Article 14 of Legislative Decree 276/2003 (Biagi Law), which introduces a partial exemption mechanism for companies subject to the obligations of Law 68/1999, allowing them to fulfill these obligations through agreements with social cooperatives;
- regarding measures against violence and harassment in the workplace, starting from 2025 the Group has planned, within the review of the risk assessment document (DVR) for work-related stress, a focus on abuse and harassment in the workplace;
- finally, with respect to privacy, although all workers are exposed to negative impacts connected to the possible violation of their personal data, workers for whom data falling within the categories of special data (data suitable to reveal information on health status, trade union membership, philosophical-religious beliefs, ethnic origin, political opinions, etc.) and judicial data (data relating to criminal convictions and security measures) are processed are particularly exposed. Regarding the processing of such personal data of workers, Sara Group complies with the provisions of Articles 9 and 10 of the GDPR, respectively dedicated to the processing of special and judicial data, in order to subject the processing of this information, which if violated could expose the workers to whom such data refers to greater risk, to an additional protection regime. In this perspective, Sara Group ensures that only personnel assigned to specific tasks (e.g., those belonging to the Function responsible for personnel administration) can access, only when necessary, this type of information which, by virtue of their "delicacy," are subject to additional security measures compared to common data, to protect the workers to whom they refer.

The Group, in parallel, is engaged in activities that can generate positive impacts on its workforce, strengthening its protection beyond the provisions of the National Collective Labor Agreement. In fact, it regulates specific areas within the Company Collective Agreement (CCIA), in particular with reference to issues such as working hours, work-life balance, health and safety, diversity, and harassment in the workplace. These provisions apply to all Group employees.

With specific reference to the adequacy of remuneration, in particular, the Group participates in market surveys (e.g., the Ania-Deloitte remuneration survey) in order to verify its positioning. From the latest survey carried out on the average gross annual salaries (RAL) of 2024 compared to the 2023 market, the remuneration for the different job levels resulted on average higher than the market. The company disseminates this data to top management through the remuneration policies and related information presented to the Board of Directors (CdA) during the approval phase of the policies themselves.

S1-2 – Processes for Involving Own Workers and Workers' Representatives Regarding Impacts

The Group involves its employee workforce both directly and through worker representatives in various ways. The operational responsibility for ensuring the involvement and that the results guide the company's approach lies with the Human Resources Department.

Regarding direct involvement, the Group conducts a climate survey aimed at employees within its own workforce. This analysis is typically carried out every three years, unless there is a need to perform it more frequently. This initiative involves administering an online questionnaire, answered anonymously, to investigate employees' perceptions of the company. Based on the results obtained, action plans are identified to address areas for improvement; these action plans will be implemented with the help of Change Ambassadors, elected through spontaneous applications, who, together with the Management, formalize the action plans based on the analysis.

Furthermore, a meeting open to all employees, the HR Question Time, is organized monthly, during which participants can request clarifications, explanations, or share proposals, both on their employment relationship and their role within the organization.

The Group regulates the involvement of worker representatives within the Company Collective Agreement (CCIA) stipulated between the Group and the trade union representatives, which covers, among other things, aspects related to workers' rights. The involvement of trade union representatives, as provided by the CCIA, allows the Group to understand the perspectives of employees. Given the growing importance of preventive, engaging, and rapid information in the profound renewal of internal relations, in which Sara Assicurazioni and Sara Vita Companies are currently involved, the Company Management is committed to enhancing interaction with Worker representatives. To this end:

- the Management holds meetings with the RSAs (Company Union Representatives) every six months to provide general information on the performance of Sara Assicurazioni Spa and Sara Vita Spa, with particular reference to issues concerning workers, including work organization, application of current contracts, and training programs;
- the Management provides the data on the semi-annual financial statements of these Companies once a year;
- other meetings are convened for preventive information purposes whenever significant changes occur in the areas of responsibility assigned to each work sector, when information on the Industrial Plan or initiatives that could have a significant impact on the current and future budget of these Companies needs to be provided, or when significant organizational changes need to be communicated to the RSAs.

During each meeting, the RSAs can also express evaluations and suggestions to contribute to the better resolution of the issues discussed. Sector meetings of employees, with the participation of a limited RSA delegation, can also be convened during working hours whenever significant changes occur in work procedures. The RSAs are also entitled to report problems and request specific information to the Management, even outside the meetings provided for in the preceding paragraphs, on the organization of company training courses and employee participation therein, requests for job rotation and their acceptance, employee transfers, classifications, turnover problems, early retirements, fixed-term contracts, overtime, incentive systems, and performance evaluations.

Further tools for involving the own workforce include bilateral Commissions, provided for in the National Collective Agreement, including the Joint Commission on Equal Opportunities, which aims to promote gender equality and monitor the application of equal opportunity regulations, as well as to analyze company policies on gender discrimination, inclusion, and work-life balance. There is also the Commission on Labor Policies and the Labor Market, which aims to monitor employment trends in the insurance sector through the study of labor market developments and the application of contractual flexibility measures. Finally, the Joint Commission for Safety and Health in the Workplace analyzes issues related to safety and prevention in the workplace and proposes guidelines to improve employee health and safety. The Commissions verify compliance with national regulations and supplementary provisions and prepare a report outlining any corrective actions.

Finally, in 2025, the "Suggestion Box" initiative will also be launched, which will be used not only as a reporting channel but also as an engagement tool, representing a digitized and continuous equivalent of the HR Question Time.

In general, involvement in its various forms aims to share any areas for improvement and provide answers to issues concerning employees.

The climate survey and the activities of the Equal Opportunities Commission, specifically, provide a useful opportunity to gather the perspectives of workers who may be more exposed to negative impacts. In this regard, in the new CCIA 2024, company tools and policies have been implemented to protect vulnerable workers and promote equal opportunities. In addition to the anonymous reporting system for employees to report any discrimination or unfair/inequitable treatment currently in place, the evolution of the current Equal Opportunities Commission towards a Joint Diversity, Equity, and Inclusion (DEI) Committee is also planned, to ensure that the voices of vulnerable people are heard at the decision-making level. The DEI Committee will produce reports on diversity and inclusion in the workplace, identifying and defining, in agreement with the Social Parties, the KPIs useful for monitoring the effectiveness of initiatives and ensuring continuous improvement.

Working Conditions

In the context of the double materiality process, with reference to the working conditions of its workforce, the Group has identified the following impacts:

- **Job security** through the use of permanent contracts (positive impact – actual)
- **Protection of workers' rights** through the use of full-time or part-time contractual forms in line with the needs of individual workers (e.g., also to reconcile the family commitments of new parents) (positive impact – actual)
- **Economic stability of employees** thanks to remuneration conditions above the market average (positive impact – actual)
- **Adequacy of channels and opportunities** that foster social dialogue within the organization (positive impact – actual)
- **Increase in benefits and improvement of working conditions** through the conclusion of second-level company agreements (positive impact – actual)
- **Balance between professional and private life of employees** through the provision of tools that facilitate reconciliation (positive impact – actual)
- **Increase in the psycho-physical well-being of employees**, thanks to the activation of tools and services to support health (e.g., agreements for concessions with medical centers, additional funds/insurance for health protection, ...) (positive impact – actual)
- **Accidents and occupational diseases** resulting from ineffective application of procedures and preventive actions (negative impact – potential)

Management of Impacts, Risks, and Opportunities

S1-1 – Policies Related to the Own Workforce

Sara Group articulates the values that define its relationship with its employees within the Code of Ethics and the Sustainability Policy, the implementation of which is entrusted to the responsibility of Senior Management, while explicitly stating the guidelines through which it fulfills its commitments. In particular, it works to understand the needs and provide concrete responses to people, in full respect of individual dignity and equal opportunities. On this basis, the Group is committed to developing skills, including through continuous training, and stimulating individual potential. Furthermore, it promotes initiatives to provide concrete support to employees, including the corporate welfare system and actions to support parenthood, as provided by the current Company Collective Agreement (CCIA).

The following is a summary description of the internal regulatory elements relating to personnel. In particular, in addition to the Code of Ethics and the Sustainability Policy, the Procedure for the Management of the Personnel Remuneration System and the Management System for Health and Safety at Work are mentioned. The documents are made available to employees through publication on the company intranet, with the exception of the Code of Ethics, which is published on the website.

Code of Ethics

The Group, aware of the effects of its activity on the context in which it operates, on economic and social development, on the general well-being of the community, and on the ecosystem, acts by orienting its choices and activities taking into account the demands of all those who are directly or indirectly impacted and aims to combine profitability, social justice, and environmental protection in a long-term sustainable business development and value creation perspective (in line with the indications of the UN 2030 Agenda). The Group's values (imagination, innovation, excellence, enthusiasm, integrity, humanity, ACI synergy, climate), which shape the way the Group works and interacts with others, are encapsulated in the Code of Ethics. For further information, please refer to information G1 – Business Conduct. The Code of Ethics applies to employees, agents (and their collaborators), and members of the Corporate Bodies of the Group's companies. In carrying out its activities, Sara undertakes to remind counterparties (consultants, suppliers, trustees, etc.) of compliance with the rules of the Code of Ethics that concern and bind them, also through the preparation, where necessary, of specific contractual clauses. Acceptance of the Code is also required of third parties acting on behalf of Sara, which therefore undertakes to

disseminate the Code of Ethics to all its recipients and to promote its correct application, starting with dissemination through the Company's institutional website and, for employees, on the company intranet. Sara also ensures that the principles and rules contained in the Code of Ethics are the subject of continuous communication and training initiatives.

Sustainability Policy

The objective of the Policy is to define the guidelines for the Group's main sustainability areas, in order to guide its choices and activities by considering social and environmental implications and taking into account the demands of all those who are directly or indirectly impacted, as well as to define the governance of the ESG issues reporting process. The Board of Directors therefore recognizes the importance of identifying impacts, risks, and opportunities throughout the value chain and of defining the guiding principles to which activities for the management of environmental, social, and governance (ESG) impact issues of the Group must refer. The Policy applies to the Sara Group in its entirety, in harmony with the Code of Ethics, MOG231, and all other policies, procedures, directives, and provisions related to the areas covered by this Policy, defined at Group level and locally. The document, drafted in accordance with current legislation on the matter and, in particular, Directive (EU) 2022/2464 (CSRD) on corporate sustainability reporting (CSRD), the related national transposition decree Legislative Decree 125/2024, and Delegated Regulation (EU) 2023/2772 regarding sustainability reporting standards (ESRS), is made available to employees through communication and dissemination on the company intranet. Sara Group considers it fundamental for its development to adopt an approach based on dialogue and involvement of its stakeholders, always ensuring respect for their interests and points of view. The Group is committed to constant engagement with key stakeholders, organizing dialogue initiatives that allow an understanding of mutual expectations based both on the availability of dedicated channels to collect reports (e.g., whistleblowing, complaints) and on the preparation of structured engagement initiatives using, depending on objectives and expectations, the various engagement tools and strategies available (information, consultation, negotiation, collaboration, involvement, empowerment). In particular, the Group strives to provide rapid responses to requests, concerns, or criticisms raised by stakeholders, constantly demonstrating a commitment to resolving the highlighted issues. The Policy also contains the Group's commitment to promote and respect human rights, universally recognized and enshrined in the main international instruments, including the United Nations Universal Declaration of Human Rights, the United Nations Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises,¹ and the fundamental conventions of the International Labour Organization (ILO),² implicitly including reference to trafficking in human beings, forced or compulsory labor, and child labor.

Procedure for the Management of the Personnel Remuneration System

The procedure intends to regulate roles, responsibilities, and main activities related to the process of managing the personnel remuneration system, as well as to describe the process related to the variable remuneration components linked to the allocation of the participatory financial instrument provided by the Policy. The procedure is divided into sections covering the verification and definition of the remuneration policy for relevant personnel, the definition of the incentive system, the definition of the meritocratic system objectives, performance evaluation, and the provision of incentive system interventions. In addition to ensuring that, annually and due to organizational changes, company remuneration policies comply with the evaluation criteria indicated by Regulation 38, it also annually defines the allocation of economic resources to be allocated to the incentive system for all company personnel, formalized in the operating budget. In particular, the allocation is differentiated between:

- MBO for managerial personnel or personnel contractually subject to MBO;
- variable linked to business results, for some technical roles that are incentivized with a variable closely linked to results measurable through quantitative indicators;
- variable payable to the remaining company population.

The Executive Support and Organization Department collects, on an annual basis, any needs for updating the procedure and, if necessary, based on the feedback obtained, prepares the annual planning of the procedure, sharing it with Senior Management, responsible for its implementation, for approval and reporting to it on the activities carried out with respect to what was planned.

Management System for Health and Safety at Work

Regarding the protection of health and safety at work, Sara Group is committed to providing suitable work environments and has equipped itself with Health and Safety Management Systems compliant with the UNI-INAIL guidelines. All workers are represented in company-worker health and safety committees, in accordance with the provisions of the relevant legislation, thanks to the figures of the Workers' Safety Representatives (RLS) who operate on behalf of the company's workforce. The safety culture towards employees is also promoted through communication, continuous training, and health protection in compliance with the provisions of Legislative Decree 81/08 (an annual free check-up is also provided for employees). The structure, characteristics, purposes, and operation of the Health and Safety Management System (SGSL) that Sara Assicurazioni S.p.a. has defined and implemented since March 2012, in accordance with the UNI-INAIL Guidelines of September 28, 2001, are contained in a dedicated document that is an integral part of the regulatory corpus and refers to Legislative Decree 231/2001 and Legislative Decree 81/08. The SGSL is adopted voluntarily by the Sara Group insurance companies, after its approval by the General Manager (Employer), in order to integrate health and safety objectives and policies into company management. Sara Assicurazioni is committed to:

- consolidating and disseminating a health and safety culture within its organization;
- ensuring the physical and moral integrity of all its collaborators, ensuring the maximum technical, organizational, and procedural safety that is realistically possible;
- observing and ensuring compliance with laws, technical standards, company provisions, as well as any good practices, guidelines, and agreements on workplace safety and hygiene;
- preserving safe and healthy working conditions and places that respect the individual dignity of people.

The SGSL applies to the activities carried out by the company in all its offices, central and peripheral, involving all subjects operating within Sara Assicurazioni and Sara Vita: employer, managers, supervisors, workers, RLS, SPP, and all those external subjects who have established a collaboration relationship with it in the field of occupational health and safety (e.g., competent doctor, temporary workers, interns, consultants, etc.). All recipients of the document have the responsibility to observe its contents and to report any needs for updates or modifications or any information on possible violations. The realization and policy of the SGSL, the objectives of maintenance and/or improvement, the organization, and the technical and economic resources aimed at the realization of the system and the achievement of the objectives remain within the attributions and exclusive responsibilities of the Employer (General Manager). The Employer, in accordance with the provisions of the UNI – INAIL Guidelines, has identified a person, with adequate capacity and authority in the company, to whom to entrust the task, independently of other company responsibilities, of coordinating the SGSL and verifying that it is implemented in compliance with these Guidelines (RSGSL). In the Sara Group, the responsibility for coordinating the SGSL and verifying that it is constantly updated, suitable, and compliant with the provisions of the reference legislation and the Guidelines has been assigned to the holder of the Compliance and Anti-Money Laundering Function, who possesses the required professional qualifications (technical skills and sufficient authority). The responsibility for managing occupational health and safety concerns the entire company organization, from the Employer to each worker, each according to their own attributions and skills. The Company is committed to giving its occupational health and safety policy, as well as its management objectives and implementation programs, the widest possible dissemination within the company. The safety culture towards employees is also promoted through communication, continuous training, and health protection in compliance with the provisions of Legislative Decree 81/08. All recipients of the document have the responsibility to observe its contents and to report any needs for updates or modifications or any information on possible violations.

S1-3 – Processes to Remedy Negative Impacts and Channels that Allow Own Workers to Raise Concerns

In order to prevent and remedy the negative impacts generated, the Group has first of all provided tools useful for collecting reports and procedures for following them up. The objective of the reporting assessment activities is to proceed with more in-depth analysis and specific evaluations regarding the validity or otherwise of the reported facts, as well as to formulate any recommendations regarding the

adoption of the necessary corrective actions on the company areas and processes affected by the report, aimed at strengthening the internal control and risk management system.

The channels available to the Group to allow its own workforce to express concerns and/or needs, made available by the organization, are whistleblowing and, with specific reference to workplace safety, the provision of the CARL system which, through a tracked trouble ticketing system, allows workers to report malfunctions and/or any potential risk situation in the workplace.

Furthermore, as part of the process for Gender Equality Certification, the whistleblowing portal has been updated to include a channel dedicated to reports concerning abuse and discrimination. For other issues, formal open channels such as emails and the company portal remain active – in addition to what has already been reported.

The entire process of managing whistleblowing reports is carried out separately for Sara Assicurazioni and Sara Vita, providing for two segregated and autonomous environments for managing the reports of the two Companies. With reference to the IT application used, considering that it is managed, under an outsourcing arrangement, by an external supplier and that this service is subject to the control of Sara Assicurazioni, the intra-group service contract between Sara and Sara Vita provides for the outsourcing of the service of provision, development, and testing of the external supplier's application by the parent company Sara Assicurazioni.

The whistleblowing portal is accessible to employees through the company portal and its availability is supported by the organization also through specific training.

The Whistleblowing referents ensure that all appropriate checks are carried out on the reported facts, guaranteeing that they are carried out within the established deadlines and in compliance with the completeness and accuracy of the investigation activities. In particular, the Whistleblowing referents ensure:

- the issuance of the acknowledgment of receipt within 7 days of the report made;
- the response to the report within 3 months of the issuance of the acknowledgment of receipt or within 3 months of the expiry of the 7-day deadline from the submission of the report.

During the management of the report, the Whistleblowing referents maintain contact with the reporting person and, if necessary, may request additions in order to diligently follow up the report itself. The following activities are therefore carried out:

- Preliminary verification: carried out within 7 days aimed at a first assessment of the admissibility of the report. If not archived due to the cases provided for, the WB referents proceed to the subsequent phase of the assessment. In both cases, the report and the first outcome must be recorded in the appropriate register.
- Assessment: the objective of the reporting assessment activities is to proceed with more in-depth analysis and specific evaluations regarding the validity or otherwise of the reported facts, as well as to formulate any recommendations regarding the adoption of the necessary corrective actions on the company areas and processes affected by the report aimed at strengthening the internal control and risk management system. The checks can be carried out using the appropriate internal organizational structures, or also by using external consultants, always protecting the confidentiality of the checks and the identity of the reporting person. In the event that the alleged illegal behaviors found are deemed potentially liable to disciplinary measures, the Whistleblowing referents send a summary note to the Head of the Human Resources Department in the case of a violation committed by employees. The note must summarize the progress of the checks carried out and the elements collected, state the conclusions reached and provide any indications on actions to be taken to remedy the violations found and reduce the risk of them occurring again in the future. It must not contain the identity of the reporting person, if known, nor elements that can easily lead to the identity of the reporting person.
- Monitoring the effectiveness of corrective actions: the Whistleblowing referents monitor that the appropriate corrective actions identified on the company areas and processes affected by the report have been effectively implemented over time and that they prove effective for the purposes

of strengthening the internal control system. Monitoring is also aimed at identifying any retaliatory actions against the author of the report.

For further information regarding the internal system for reporting any illegal conduct within the Group, including the elements introduced by Legislative Decree no. 24/2023 (so-called Whistleblowing Decree), please refer to the section dedicated to it in information G1-1 "Policies on corporate culture and business conduct".

S1-4 – Interventions on Significant Impacts for the Own Workforce and Approaches for Mitigating Relevant Risks and Pursuing Significant Opportunities in Relation to the Own Workforce, as well as Effectiveness of Such Actions

Actions for managing negative impacts in the context of working conditions.

With reference to significant negative impacts, Sara Group provides for a series of actions aimed at their prevention and mitigation, also through the work of committees that have, among other things, the task of suggesting amendments to policies and promulgating actions that are also functional to avoid the occurrence of negative impacts.

The constant improvement of conditions for the protection of health and safety in the workplace is an integral part of Sara Assicurazioni's activity and represents a strategic commitment of the company. To this end, the Company is committed, among other things, to carrying out monitoring and safety checks at all levels, giving immediate and incisive follow-up to the corrective/improvement actions resulting from the audits carried out, as provided for by the SGSL.

Second-level monitoring aims to verify the validity and reliability of the system and highlight the company's ability to develop SSL policies and improve risk control, with particular reference to the collection of data relating to incidents, accidents and occupational diseases, with the analysis of immediate and underlying causes, as well as trends and common characteristics.

The need and urgency to define corrective actions is assessed according to a risk score (probability x damage). The results of the risk assessment, the criteria adopted, the prevention and protection measures, the planning of improvement interventions, and the procedures and roles for the implementation of the measures to be carried out are reported in the risk assessment document drawn up by the employer with the support of the RSPP and the competent doctor. In particular, the identification of the prevention and protection actions implemented is carried out in accordance with the provisions of the SGSL and the PGSS06 protocol "Management of accidents, incidents and dangerous behaviors". In the event of an accident, in fact, this protocol provides that the RSPP and the Human Resources Department receive a report relating to the event itself, drawn up by the injured party or the supervisor, which the RSPP analyzes in order to determine any corrective actions to be adopted which he notes, through the Facility Management Function, in the "Implementation Plan of Interventions" using the IT application dedicated to this. Accidents are examined not only at the time of the event, for the implementation of appropriate corrective interventions, but also at the time of the system review, for further analysis and verification of the solutions adopted and for the improvement of the SGSL.

In general, the effectiveness of the actions is monitored in accordance with the provisions of the SGSL, which provides for the assignment of responsibilities and the definition of procedures for constant monitoring of the effectiveness and efficiency of the prevention and protection measures implemented for the risks identified. Based on the assessments of the competent Commissions, in 2024, no actions were implemented other than those provided for by the reference legislation and certified by the Commission itself.

Actions for Managing Positive Impacts in the Context of Working Conditions

In parallel, the Group promotes actions that aim to produce positive effects for its workers. In particular, the new company collective agreement sees the company welfare system strengthened through the provision and updating of benefits and work-life balance solutions. 100% of Sara Group employees are hired on the basis of the ANIA national collective labor agreement for employees of insurance companies.

For non-managerial employees, in addition to the national collective labor agreement, Sara applies the Company Collective Integrative Agreement (CCIA), renewed on July 8, 2024, which has provided for some important improvement elements, including:

- application of minimum salaries improved compared to what is provided by the national collective labor agreement;
- strengthening of all company welfare and improved conditions for travel and temporary assignment allowances, supplementary welfare and assistance;
- improvement of the conditions contained in the health insurance policy;
- improvement of the conditions, maximum limits and types of loans for employees (including one for the purchase of the first home);
- performance-based bonus that can be tax-exempt or, at the employee's choice, used as additional welfare credit;
- increase in days of leave and types thereof, with reference to the introduction of leave for those who carry out voluntary activities and the maintenance of leave for student workers. For workers with children, in addition to the cases established by current legislation, five days of paid leave are provided – in total over 3 years – as leave for the child's illness and/or for insertion into nursery/kindergarten up to 3 years (use in full days, half days or hours). Furthermore, there is an increase in the days for the birth of a child in the amount of ten days of paid leave (with use within fifteen days of birth, extended to adoption).

The actions introduced are assessed in the specific Committees responsible for the treatment of the different areas, and their effectiveness is monitored through the effective use of goods/services and the absence of appeals or reports from employees. The Company Collective Agreement applies to Sara Group employees and provides that some benefits, including the welfare system, are applicable only to permanent employees, who represent almost all employees in Sara. In some cases, benefits can be extended to families (spouse and children). The actions related to the Company Collective Agreement, even if they formally present an effective date and a duration date, in reality, even in the event of cancellation, are still effective until the next renewal.

Furthermore, also in 2024, actions were carried out as part of the #Conciliamo call, aimed at employees and, in some cases extended to temporary workers, which concerned:

- investment and enhancement of internal resources through coaching and English language programs, with a view to reward and employability;
- setting up a stimulating work environment, through the creation of high-tech spaces for company co-working, the renewal of devices for employees and the zero-impact electric company car sharing service - in order to promote mobility and corporate transport;
- installation of drinking water dispensers on the floors of Sara offices and smart lockers for the delivery and collection of personal shipments;
- implementation of the people care program through a counseling service, a company nutritionist, a personal and motivational trainer in the company gyms. The program also includes:
 - additional leave for support to family members with disabling pathologies, used by 10 employees in 2024, consists of the possibility of using three additional days of leave per year and is intended for employees who are beneficiaries of law 104 in validity.
 - reimbursement of expenses for assistance/residential centers for family members over 75, used by 5 employees in 2024. Employees who have a spouse or relative (within the second degree) over 75 who needs to attend assistance/residential centers have the possibility to access a reimbursement of €2.000 to cover the expenses incurred for these centers for their family members (priority to relatives over 75 beneficiaries of law 104 in validity).

The actions undertaken as part of the #Conciliamo call had a reference time horizon of the two-year period 2023-2024. The Group has however evaluated to maintain some of these actions, by way of example the water dispensers, the personal trainer service and the anonymous counseling desk are mentioned.

During 2025, the "Suggestion Box" will be activated, a tool available to all employees to share reports and proposals on topics of interest. Accessible through the company portal, it will allow you to select a

scope among DE&I, Facility, Company portal, Environmental sustainability, Business ideas or a generic category "Other", offering the possibility to enter ideas or suggestions in an open field. Each employee can choose whether to send their contribution anonymously or not. Suggestions will be taken over by the MondoSara team, which will evaluate them and, if appropriate, forward them to the competent Function referents. In case of positive outcome and visible identity, feedback will be provided within 30 days. Finally, for 2025, a new organizational climate survey has also been planned.

The Group, in order to address these impacts, has established specific Commissions. The resources allocated to their management do not deal exclusively with these aspects: they are internal resources that, by virtue of their knowledge of the organization and company processes, can effectively contribute to the management of impacts and the identification of any mitigation actions.

Metrics and Objectives

S1-5 – Objectives Related to the Management of Significant Negative Impacts, the Enhancement of Positive Impacts, and the Management of Significant Risks and Opportunities

The Group has not yet defined measurable objectives with reference to the "Working Conditions" topic, but the monitoring of actions is nevertheless carried out by the activities of the Commissions.

Only with respect to the issue of health and safety at work, the SGSL provides that annually the Employer, on the proposal of the RSGSL in comparison with the RSPP, RLS and managers of the company functions involved, defines objectives to prevent, reduce or eliminate significant risks. The achievement of the objectives is kept under control through the monitoring of the resulting SSL program and performance indicators and through the annual review by Senior Management.

The metrics reported below have not been subjected to verification by an external body. They express the quantitative information on the Group's workers in number of people and at the end of the reference period.

S1-6 – Characteristics of company employees

TOTAL EMPLOYEES BY GENDER (N.)	
	2024
Women	264 41,1%
Men	378 58,9%
Total employees by gender	642

The data are consolidated for Sara Assicurazioni, Sara Vita and Sara Services as of December 31, 2024 and correspond to what is reported in the financial statements.

TOTAL EMPLOYEES BY CONTRACT TYPE, WORKING HOURS AND GENDER

	Women	Men	Total
Number of permanent employees	260	375	635
	98,5%	99,2%	0%
Number of fixed-term employees	4	3	7
	1,5%	0,8%	0%
Number of full-time employees	244	377	621
	92,4%	99,7%	96,9%
Number of part-time employees	20	1	21
	7,6%	0,3%	3,1%
Number of employees with flexible hours	0	0	0
	0,0%	0,0%	0,0%
Total number of employees	264	378	642

EMPLOYEES WHO LEFT THE ORGANIZATION AND TURNOVER

	2024
Total number of employees who left the organization during the reporting period	22
Turnover rate	3,4%

S1-7 – Characteristics of independent contractors in the company's workforce

Independent contractors in the company's workforce	
	2024
Temporary agency workers	5
	41,7%
Freelancers with collaboration contract	6
	50,0%
Service providers	1
	8,3%
Total independent contractors within the company's own workforce	12

S1-10 – Adequate Salaries

The Group, through participation in market surveys, periodically verifies its positioning in terms of remuneration. All employees receive an adequate salary; in fact, the Group, within the Company Collective Agreement, applies an economic treatment higher than that provided for by the National Collective Labor Agreement.

S1-11 – Social Protection

100% of employees are covered by social protection against loss of income due to significant life events through public programs that in some cases are integrated with benefits offered by the Group. The events considered concern:

- illness;
- unemployment from the moment the employee works for the company;
- workplace accident and acquired disability;
- parental leave;
- retirement.

S1-14 – Health and safety metrics

HEALTH AND SAFETY METRICS	
	2024
Percentage of own workers covered by the company's health and safety management system	100,0%
Number of own worker fatalities due to work-related injuries and illnesses	0
Number of fatalities of other workers operating on company sites (e.g., value chain workers if operating on company sites) due to work-related injuries and illnesses	0
Number of recordable work-related injuries of own workers	7
<i>of which commuting accidents</i>	7
Recordable work-related injury rate of own workers	6,2
Number of recordable work-related illnesses	0
Number of workdays lost due to occupational injuries, work-related illnesses, and fatalities among employees.	209

The injury rate was calculated by dividing the number of cases by the total number of hours worked by own workers and multiplied by 1,000,000. It therefore represents the number of cases corresponding to one million hours worked. The number of hours worked by own workers was determined using the weekly contractual hours stipulated by the National Collective Labor Agreement (CCNL), multiplied by the working weeks net of non-working weeks for the use of vacations and legal permits, quantified as 5 weeks per year. The result is multiplied by the number of own workers, including in the calculation only those with a fixed working schedule.

S1-15 – Work-life balance metrics

USE OF LEAVE FOR FAMILY REASONS, BY GENDER	
	2024
Employees entitled to leave for family reasons	642 100,0%
Employees entitled to and having used leave for family reasons, by gender	67 10,4%
Women	40 59,7%
Men	27 40,3%

S1-17 – Incidents, Complaints, and Severe Human Rights Impacts

In 2024, no episodes of discrimination, including harassment, were reported, nor were any complaints filed through the designated channels. Similarly, there are no reports of serious human rights incidents.

Equal Treatment and Opportunities for All

Within the double materiality process, with reference to equal treatment and opportunities for all of its workforce, the Group has identified the following impacts:

- **Equal pay for equal work and skills between men and women (gender pay gap)** (positive impact – potential)
- **Equality in access to senior positions and/or professional growth processes between men and women in the company** (positive impact – actual)
- **Development of staff skills and abilities through training and professional development activities** (positive impact – actual)
- **Enhancement of individual performance through appropriate performance evaluation systems and professional development plans** (positive impact – actual)
- **Failure to integrate workers with disabilities** (negative impact – potential)
- **Employee insecurity in the event of harassment due to the absence of measures to protect workers and awareness initiatives** (negative impact – potential)
- **Equal treatment and inclusion of diversity in the workplace** (positive impact – actual)

Management of Impacts, Risks, and Opportunities

S1-1 – Policies Relating to the Own Workforce

The internal regulations of the Group contain policies for the management of issues such as equal opportunities, and in particular gender equality, and the training and professional development of people. These tools are briefly described below.

Gender Equality Policy

The Group supports the principle according to which career development and any recognitions (assignments, awards, incentives), as well as the hiring of personnel, must always be related to individual merits and results achieved, abilities and commitment, without discrimination based on gender, religion, age, ethnic origin, political or trade union opinions, sexual orientation, disability or health status.

In confirmation of this, the company has started a structured path towards gender equality, based on respect and enhancement of diversity in all its forms and attentive to female empowerment. In addition to specific provisions aimed at ensuring respect for equal opportunities and preventing phenomena of mobbing and/or bossing, a key element of the path is the adoption of the Gender Equality Management System compliant with the UNI/PdR 125:2022 standard, aimed at promoting an inclusive culture and equal opportunities for all staff. The path has among its objectives the achievement of certification that represents a starting point to consolidate and systematize the Diversity, Equity and Inclusion (DE&I) actions already started and promote continuous improvement.

This path aims to actively promote an inclusive culture of workers who constitute groups at risk of vulnerability in the own workforce, and is aimed at ensuring that every process – from recruitment to training, from performance evaluation to supplier management – includes objective criteria of diversity and inclusion.

The Group has defined the general Gender Equality Policy, which applies to the two insurance companies, and is integrated into a structured process that involves various company functions and is based on a continuous approach of revision and evaluation. The Gender Equality Steering Committee supervises the application of the policy, periodically assessing progress and identifying areas for improvement. Implementation is supported by a reporting system, which includes the collection and analysis of key performance indicators (KPIs); this makes it possible to measure the effectiveness of the actions taken and ensure transparency in the results achieved. Company functions actively contribute to monitoring through data collection and continuous feedback, while the policy is updated periodically to ensure its alignment with current regulations and company objectives. An essential element is the continuous training of personnel, aimed at raising awareness on issues of gender equality and female empowerment.

The document defines the general framework within which strategies and objectives are identified with reference to gender equality issues in accordance with current legislation and practices, including, in particular, the UNI/PdR 125:2022 reference practice.

The general Gender Equality Policy is integrated into a structured process that involves various company functions and is based on a continuous approach of revision and evaluation. The Gender Equality Steering Committee (composed of the General Manager, Human Resources Director, Executive Support and Organization Director, Marketing, Brand and Custom Relationship Director, Privacy and Sustainability Function Manager and Compliance and Anti-Money Laundering Function Manager) supervises the application of the policy, periodically assessing progress and identifying areas for improvement. Implementation, for which responsibility is assigned to the Steering Committee jointly with Senior Management, is supported by a reporting system, which includes the collection and analysis of key performance indicators (KPIs); this makes it possible to measure the effectiveness of the actions taken and ensure transparency in the results achieved. Company functions actively contribute to monitoring through data collection and continuous feedback, while the policy is updated periodically to ensure its alignment with current regulations and company objectives.

The gender equality policy of the Sara Assicurazioni Group is communicated and disseminated through various channels to ensure that all personnel and interested parties are aware of it. Internally, it is conveyed through internal communication, which includes periodic updates, awareness sessions and specific training programs, and is made available on the company intranet. Externally, the policy is accessible to all stakeholders through publication on the institutional website.

In parallel, Sara has adopted a Gender Equality Management System, which describes the organizational model with which the Sara Assicurazioni Group has equipped itself with reference to gender equality issues in accordance with the UNI/PdR 125:2022 reference practice, and is under the responsibility of Senior Management. The document, available to employees through the company intranet, also describes Sara's organizational structure, the roles and responsibilities of the subjects involved in the gender equality management system. In addition to the document in question, the Gender Equality System also includes all Policies, Regulations, Procedures and Operational Manuals that provide information on the topic.

Procedure for Training and Internal Communication

Sara Group constantly invests in the development of its employees' skills, through continuous training as well as involvement in the sharing of development guidelines and the managerial model in order to strengthen the company culture. Employees, in fact, represent one of the main success factors for the Sara Group and, through their skills, contribute directly to the evolution of the company to offer a qualitatively ever higher service that corresponds to customer needs.

In confirmation of this commitment, the Group identifies learning and development needs through the collection of training needs, the design and implementation of courses, the management of participation and, where possible, access to calls financed by Interprofessional Funds. The objective is to structure training plans capable of interpreting company strategic guidelines and responding to identified needs. Furthermore, Sara Group promotes the dissemination of values, ideas and information through company events and dedicated digital tools, such as the company portal.

In 2024, in continuity with previous training plans, the resources of the Group's companies were involved in initiatives aimed at strengthening technical skills, with particular attention to regulatory updates and the evolution of the reference context, as well as in managerial training courses. Mandatory training is organized in compliance with the various reference regulations. In particular, mandatory training on health and safety at work was provided through e-learning platforms, webinars and face-to-face sessions, ensuring effective and flexible access to content. In order to manage the topic, the Group has equipped itself with the appropriate procedure PRO-SA-97-V03, whose main purpose is to define the operational methods with reference to:

- the activities of identifying and satisfying training and development needs, designing and implementing courses, managing delivery and participation;
- the planning of training interventions for the various professional figures, defining recipients, duration, content and methods of participation based on business development priorities. The annual training interventions can be declined for different roles and carried out through internal or external teachers or in face-to-face or remote mode;

- the activities aimed at ensuring that staff possess the skills and knowledge required by current regulations (e.g. Anti-money laundering legislation, Legislative Decree 231/2001, Directive EU 2016/97 on Insurance Distribution, Legislative Decree no. 81/2008 on Health and safety at work, European Privacy Regulation 2016/679, IVASS Regulation 40, Business Continuity, etc.);
- the activation of any tenders available through Interprofessional Funds in order to prepare plans capable of interpreting the strategic guidelines of the company and accommodating the identified training needs;
- the activities aimed at ensuring the dissemination of values, the circulation of ideas and information within the company through company events and dedicated digital tools, such as the company portal.

The Executive Support and Organization Department collects, on an annual basis, any needs for updating the procedure, which applies to the Group's insurance companies, and, if necessary, prepares, based on the feedback obtained, the annual planning of the procedure, sharing it for approval with Senior Management, responsible for its implementation, and reporting to Senior Management on the activities carried out with respect to what was planned.

The procedure is located within the company portal; furthermore, following updates, the Executive Support and Organization Department shares the updated version with the Management Committee before publication.

The processes for defining the objectives of the meritocratic system and for reporting on performance, differentiated for the General Manager and related direct reports, Managers and Holders of fundamental functions and objectives of the remaining personnel, are described in the aforementioned Personnel Remuneration Management procedure. The Performance Evaluation system for employees is managed through the Evaluation and Development System, a continuous annual process aimed at:

- evaluating employee performance and ensuring that everyone within the organization has a clear understanding of their role, responsibility and expected results;
- promoting personal and professional growth, providing tools for monitoring their professionalism;
- promoting exchange between managers and collaborators on the essential aspects of work;
- directing people's behavior towards the company's key values and in line with company strategies.

In 2024, the Group, in continuity with the previous year, managed the Evaluation and Development System through the SAP-Successfactor management system, guaranteeing complete digitization of the entire process.

S1-3 – Processes to Remedy Negative Impacts and Channels that Allow Own Workers to Raise Concerns

Within the Gender Equality Policy, there is a section dedicated to the prevention of all forms of physical, verbal, digital (harassment) abuse in the workplace. In this regard, the company has implemented prevention, training and awareness policies for staff to avoid harmful or offensive conduct and has introduced safe and protected channels that allow employees and collaborators to report any abuse with maximum confidentiality. As part of the Gender Equality Certification process, the whistleblowing portal has been updated, the general operation of which was described in the "Working Conditions" section, to include a channel dedicated to reports concerning abuse and discrimination. Monitoring of a series of KPIs – referring only to employees – is also planned to assess the effectiveness of the actions implemented.

For other issues, formal open channels such as emails and the company portal, made available directly by the company, remain active – in addition to what has already been reported.

S1-4 – Interventions on Relevant Impacts for the Own Workforce and Approaches for Mitigating Relevant Risks and Pursuing Relevant Opportunities in Relation to the Own Workforce, as well as Effectiveness of Such Actions

The Group has proceduralized the protection of equal opportunities in its internal regulations, within documentation that is cross-functional. Furthermore, in general terms, the committees have, among other things, the task of suggesting amendments to policies and promulgating actions that are also functional to avoid the occurrence of negative impacts.

Actions to Manage Negative Impacts on Equal Treatment and Opportunities for All

The continued adoption of the Gender Equality Management System allows the Group to pursue the development of an organizational model that promotes gender equality and, more generally, enhances equity and inclusiveness. To this end, the Group is committed to adopting tools to prevent all forms of discrimination, in particular related to gender, but also to constantly monitoring operating practices to ensure that every organizational and strategic decision, in any company area, respects gender equality and personal dignity. The company's commitment includes the creation of clear policies and mandatory periodic training to strengthen a corporate culture based on respect and integrity.

The actions through which the Group intends to support, starting from 2025, the commitment to Gender Equality concern:

- **Selection and hiring:** use of a standardized methodology for personnel selection based on skills and professional experience and training aimed at personnel responsible for selection to prevent any cognitive biases during the process;
- **Career management:** commitment to ensuring that all personnel are provided with the same opportunities for development, economic incentives and career advancement, regardless of gender, age, religious orientation, ethnicity, sexual orientation and disability, basing them exclusively on skills and professional levels;
- **Guarantee** that in the processes of professional growth, internal mobility and succession to managerial positions, there is an equal selection of candidates, with the aim of achieving gender balance in managerial positions, in line with the principles of an inclusive organization that respects gender equality;
- **Pay equity:** commitment to ensuring fair and transparent remuneration treatment, based on meritocratic criteria such as skills, experience and performance, without discrimination;
- **Parenthood and care:** promotion of welfare policies that respond equitably to the needs of all, without gender distinctions;
- **Work-life balance:** promote the reconciliation between professional and personal life through flexible measures, such as smart working, flexible hours, part-time, teleworking;
- **Prevention activities** of any form of physical, verbal, digital (harassment) abuse in the workplace: prevention policies, training and awareness of staff and anonymous and confidential channels to make reports.

The actions described, provided for in the UNI PdR 125/2022 practice, have Sara Assicurazioni and Sara Vita as their scope of application and a short-medium term time horizon that, depending on the specific action, can vary from one to three years. The certification also includes a process of monitoring the actions and key performance indicators (KPIs) for the purpose of maintaining it.

With reference also to the negative impacts relating to the integration of disabilities and episodes of harassment or violence in the workplace, during 2024, on the International Day for the Elimination of Violence against Women, a webinar was held for the entire company population and agency network whose contents concerned:

- inclusive language;
- inequalities (including gender inequalities);
- discrimination and forms of violence in the workplace.

The identification of appropriate actions for the management of any episodes of harassment and violence in the workplace are identified starting from reports via the whistleblowing portal according to the provisions of the gender equality management system. Added to this are all the initiatives such as the climate analysis and the other reporting channels made available to workers that allow the identification of the need to intervene with respect to specific reports.

Actions Relating to Positive Impacts Related to Equal Treatment and Opportunities for All

The actions already described in the "Working conditions" section relating to the people care program and the increase in the types of leave aimed at promoting the balance between private life and work also go in the direction of promoting gender equality. To these, moreover, are added the actions relating to the Training and development of personnel, which involve all employees, net of the mandatory training that extends to temporary workers and are placed within the annual planning carried out by the Function.

During 2024, among the training courses provided by internal teachers, it is possible to cite, by way of example, the financial literacy training open to the entire company population with the aim of providing the basic skills for the evaluation of an investment and the understanding of the related risks. Another example is represented by the "Artificial intelligence" training, offered in order to build skills in this area and have a vision of the potential that these technologies can bring to insurance processes and business. Within the Funded Training Plans, moreover, there are always courses in line with company strategies, of reconversion and acquisition of new professionalism. In particular, in 2024 a program dedicated to the Claims Department was active to facilitate the acquisition of the skills necessary to cover the role of liquidator. This training is part of a broader internal mobility program, aimed at the development of new professionalism as well as the satisfaction of organizational needs that arise over time; in this sense also in 2024 colleagues involved in internal mobility were supported with whom, through a dedicated tool, the technical and behavioral training interventions functional to the acquisition of the skills provided for the new role were shared. Furthermore, to reconcile the need to acquire linguistic content with personal and professional ones, distance language training was provided through a dedicated platform.

In relation to the resources that the Group dedicates to the management of the issues in question, in the context of gender equality, there is a Steering Committee (made up of 6 people) and a working group made up of 27 people to support (not full time on this activity). Regarding the management of training and professional development, the Group dedicates 3 full-time people. Furthermore, the training is managed by using internal resources, duly trained, to cover the role of "Internal Trainers" who provide courses on technical industry topics both in favor of other Departments and towards the Agency Network; on the other hand, by using external suppliers.

Metrics and Objectives

S1-5 – Objectives Related to the Management of Significant Negative Impacts, the Enhancement of Positive Impacts, and the Management of Significant Risks and Opportunities

Within the process for Gender Equality Certification, the Group has planned to adopt the objectives defined by the UNI/PdR 125 practice, for which monitoring is foreseen according to the reference practice. The objectives foreseen for Gender Equality Certification are defined by the reference practice in accordance with the organization's ATECO code and periodically reviewed and updated. Therefore, the Group has not defined a process for setting them nor the involvement of workers for this purpose, as it adopts the indications of the practice. To date, since the achievement of the certification is foreseen during 2025, these objectives have not yet been integrated by the Group nor, much less, has the related monitoring begun.

Regarding the area of Training and professional development, it is not possible to foresee a target as exogenous elements influence the trend of the training provided annually; the irregular frequency of mandatory training as well as the variability of individual training needs and organizational needs have a particular impact.

The metrics reported below have not been subjected to verification by an external body. They express the quantitative information on the Group's employees in number of people and at the end of the reference period.

S1-9 – Diversity metrics

DISTRIBUTION BY NUMBER, PERCENTAGE AND AGE BRACKETS OF SENIOR MANAGEMENT	
	2024
Women	0 0%
Men	1 100%
Total senior management by gender	1
Less than 30 yo	30 4,7%
30-50 yo	230 35,8%
More than 50 yo	382 59,5%
Total employees by age	642

The concept of Senior Management within the Sara Group coincides with the figure of the General Manager

S1-12 – People with disabilities"

PERCENTAGE OF OWN EMPLOYEES WITH DISABILITIES	
	2024
Total employees with disabilities	37 7%
<i>of which women</i>	17 45,9
<i>of whom men</i>	20 54,1%

The calculation includes people with disabilities and excludes other protected categories. The total employees reported is the 'national taxable base' calculated, according to the provisions of Law 68/1999, excluding managerial staff, disabled staff and proportionally adjusting the FTEs of active part-time employees.

Therefore, the national taxable base is 554 employees. The mandatory reserve quota is achieved through the use of the Article 14 agreement provided for by Legislative Decree 276/2003 for two units.

S1-13 – Skills training and development metrics

EMPLOYEES WHO PARTICIPATED IN PERIODIC PERFORMANCE AND CAREER DEVELOPMENT REVIEWS, BY GENDER	
	2024
Women	96,6%
Men	98,4%
Total	97,7%

In 2024, a total of 21,526 training hours were delivered. The average number of training hours per employee, divided by gender and job classification, is shown below

AVERAGE TRAINING HOURS PER EMPLOYEE BY GENDER	
	2024
Average training hours per gender:	33,5
Women	35,4
Men	32,2

AVERAGE TRAINING HOURS PER EMPLOYEE BY JOB CLASSIFICATION	
Required details	2024
Average training hours per category:	33,5
Manager	53,8
Officers	37,3
Employees	30,3

S1-16 – Remuneration Metrics (Pay Gap and Total Remuneration)

The gender pay gap, calculated as the difference between the average pay levels paid to female workers and those paid to male workers, in relation to the average pay level of male workers, within the Group is 23.1%.

Privacy

Within the double materiality process, with reference to the confidentiality of its workforce, the Group has identified the following impact:

- Violation of employee data (in terms of loss of integrity, availability and confidentiality) resulting from inadequate security measures or processing of employee data for purposes not related to the performance of the employment relationship (negative impact – potential)

Management of Impacts, Risks, and Opportunities

S1-1 – Policies Relating to the Own Workforce

The Group regulates the management of privacy through the internal reference legislation whose implementation is entrusted to the responsibility of Senior Management as well as to the subjects specifically delegated to this where explicitly provided by the specific policy.

The body of law in this area is drawn up in accordance with the national and international legislative instruments in force from time to time and considering the main applicable Guidelines. For example, but not exhaustively, the EU Regulation 2016/679 on the protection of individuals with regard to the processing of personal data, as well as on the free movement of such data and repealing Directive 95/46/EC (GDPR), Legislative Decree 196/2003 ss.mm. (Privacy Code) and the Delegated Regulation (EU) 2024/1774, which integrates the DORA Regulation as regards the RTS that specify the instruments, methods, processes and policies for managing IT risks and the simplified framework for managing IT risks.

The internal regulatory system is aimed at protecting the fundamental rights and freedoms of data subjects (including workers), as required by the entire regulatory system on the protection of personal data. The concrete implementation of the international principles on the protection of personal data is guaranteed within the Sara Group by the adoption within its regulatory body of the GDPR which, as recalled in recital 1, states that the protection of individuals with regard to the processing of personal data is a fundamental right, referring to article 8(1) of the Charter of Fundamental Rights of the European Union and article 16(1) of the Treaty on the Functioning of the European Union (TFEU). By virtue of this adoption, the Sara Group implements a cycle of identification-monitoring-remedy of possible situations that, even only potentially, may be in contrast with the principles mentioned above, formally committing itself to placing at the center of its operations the protection of the rights and fundamental freedoms of those whose personal data is processed.

The main contents and objectives of the internal regulatory instruments of the Group in this area, which are made available to employees through publication on the company intranet, are described below.

Group Personal Data Protection Organizational Model

The document, which applies to all employees and collaborators of Sara, describes the organizational model adopted by the Sara Assicurazioni Group with reference to the processing of personal data of natural persons, in accordance with current legislation. Furthermore, the document outlines the roles and responsibilities of those who carry out the processing, as well as the principles that regulate and govern the methods of execution of the personal data processing activities carried out by Sara Assicurazioni and/or Sara Vita, respectively for the purposes of processing for which they are Data Controllers.

Data Breach Regulation

This document, applicable to Sara Assicurazioni and Sara Vita, is aimed at regulating the phases of analysis, evaluation, and management and, where applicable, notification to the Privacy Authority and/or the data subjects, of personal data breaches, to be understood, pursuant to art. 4 paragraph 12 of the GDPR, as "a breach of security leading to the accidental or unlawful destruction, loss, alteration, unauthorised disclosure of, or access to, personal data transmitted, stored or otherwise processed".

ICT Security Policy

The policy aims to define guidelines and directions regarding information security management, regardless of the storage, processing, and transmission support used. It also determines the organizational and technological measures necessary to ensure information protection, understood as guaranteeing the integrity, confidentiality, and availability of data and company resources with which they are managed. The principles contained in the policy are applicable to all information systems, to human resources involved in the management of IT resources, and to all users who, in various capacities, access the information systems of the Sara Group insurance companies (employees, external consultants, suppliers, agents, customers, trustees, appraisers, and affiliated body shops).

Data Protection Impact Assessment Regulation

The Regulation illustrates the operational tools that Sara Assicurazioni S.p.A. and Sara Vita S.p.A. have adopted to comply with the provisions of art. 35 of the GDPR regarding the performance of the Impact

Assessment relating to the processing of personal data which, considering the nature, object, context, and purposes of the processing or the use of new technologies, may present a high risk to the rights and freedoms of natural persons.

Incident Management Procedure

The procedure describes roles, responsibilities, and main activities related to the process of managing problematic events, incidents, and problems occurring on the information systems and networks of the Sara Group, identified through automatic instrumentation or reported by internal or external personnel, as well as by actors external to the Sara Group, and is applicable to the insurance companies of the Group.

Data Subject Rights Management Regulation

The Regulation describes the methods by which data subjects can exercise their rights recognized by Regulation (EU) 2016/679, relating to the "protection of natural persons with regard to the processing of personal data, as well as the free circulation of such data" (GDPR), with regard to personal data processed by Sara Assicurazioni and Sara Vita when they operate as Data Controllers or Joint Controllers, as well as the operating procedure for processing the related requests.

S1-2 – Processes of involvement of own workers and workers' representatives regarding impacts

With reference to the privacy scope, an additional process of workforce involvement is foreseen, beyond what has already been described. This consultation process, which takes place through the trade unions present within the Sara Group, is initiated when the Sara Group intends to install tools that result in the possibility of remote monitoring of workers' activities. The use of these tools, in fact, is possible within the Sara Group exclusively upon agreement with the workers' trade union representatives. The conduct, on the Sara Group side, of the trade union consultation tables and the possible signing of agreements are the responsibility of the Human Resources Department. Reaching an agreement with the trade union representatives allows the Group to measure the effectiveness of the involvement. In the privacy field, the Group uses the tool of the Impact Assessment to better understand and enhance the fundamental rights and freedoms of data subjects (including workers) in cases of processing that potentially expose them to high risks. Furthermore, workers' interests are carefully weighed in the context of the Balancing Test when the Sara Group uses the legal basis of legitimate interest.

S1-3 – Processes for remedying negative impacts and channels that allow own workers to raise concerns

In the event of personal data breaches, the competent company functions - in collaboration with the Cybersecurity Function if it has an impact on IT data - take action to collect as quickly as possible all the elements necessary to understand the extent of the event in terms of impacts on the rights and freedoms of data subjects, in order to identify all measures to contain, counteract, and resolve such impacts on workers, and to assess the need to notify the event to the Data Protection Authority and, in specific cases, to the data subjects. Following these assessments, actions are taken to investigate the factors that caused the breach to prevent similar events in the future.

The Sara Group has established various channels for receiving data subjects' requests, specifying them in the various information notices pursuant to Articles 13 and 14 of the GDPR provided to the data subjects and highlighting them in the privacy section of its company website:

- the e-mail address rpd@sara.it of the Data Protection Officer, through which data subjects can exercise their rights by sending the relevant requests electronically;
- the address of the companies' registered offices, to which data subjects can send requests regarding the exercise of their rights by sending them in paper form (e.g., by registered mail);
- the PEC address saraassicurazioni@sara.telecompost.it of Sara Assicurazioni, through which data subjects can send their requests in Certified Electronic Mail format;

- the PEC address saravita@sara.telecompost.it of Sara Vita, through which data subjects can send their requests in Certified Electronic Mail format.

Furthermore, the Sara Group has implemented a specific whistleblowing communication channel, governed by a dedicated Policy, through which data subjects can submit their reports. For further details, please refer to information notice G1. The Group supports the availability of contact channels by advertising them on the MondoSara intranet; Furthermore, through the persons delegated to do so, it ensures that, upon hiring, each employee and/or collaborator receives a copy of the information notice on the processing of employees' personal data, which refers to these channels. It is understood that the Sara Group, while favoring the channels and methods of sending requests by data subjects indicated above and while encouraging data subjects to use these channels, cannot refrain from considering and responding to requests received in any form that concern the exercise of rights under current personal data protection legislation. For the processing of complaints and reports concerning the processing of personal data, the Sara Group has identified a specific management process described in the Data Subject Requests Management Regulation, which provides for the channeling of complaints to the Data Protection Officer who is responsible for processing them with the collaboration of the interested Functions and for responding to the requests within the terms established by Article 12 of the GDPR. At the end of the handling of complaints, the Data Protection Officer identifies possible problems, formulating any useful recommendations to mitigate them; the effectiveness of the communication channels prepared is demonstrated by the ease with which data subjects can contact the DPO. On the merits, it is also specified that the handling of data subjects' complaints/requests and the effectiveness of the related control measures are subject to periodic reporting to the Board of Directors.

S1-4 – Interventions on relevant impacts for own workforce and approaches for mitigating relevant risks and pursuing relevant opportunities in relation to own workforce, as well as effectiveness of such actions

The Sara Group's actions to ensure the protection of workers' personal data are preventive in nature and are implemented over the reference time frame through the continuous supervision of the Cybersecurity Function, as well as through continuous monitoring by the Data Protection Officer. Furthermore, the Group integrates the risk scenario related to cybersecurity into the IT Risk Assessment.

If, on the other hand, an incident occurs, the data breach management process provides, after analyzing the event, for the identification of remedial actions, as well as actions to prevent the same event from happening again.

As part of the actions implemented to prevent negative impacts related to privacy, the Group in 2024 carried out the following, aimed at the employees of Sara Assicurazioni and Sara Vita and concluded within a 12-month time frame:

- training activities aimed at Privacy referents (for a total of 220 hours delivered to 45 employees);
- training activities in the field of privacy and cybersecurity (for a total of 484 hours delivered to 120 employees);
- continuous monitoring of threats and vulnerabilities of the IT systems adopted by the Group in order to prevent the violation of the data stored in them;
- information and awareness activities through the Privacy section of MondoSara;
- impact assessments related to employee data processing activities and video surveillance activities.

The training actions do not include a system for monitoring effectiveness, for example, by verifying the skills acquired; the effectiveness of preventive actions, in general, is assessed based on their suitability to prevent cases of personal data breaches of workers; in the event – which did not materialize in the reference time frame – of data breaches, corrective actions are identified for which a monitoring system is provided to verify their correct implementation.

For the management of potential privacy-related impacts, the Group dedicates three full-time and one part-time resources (the Function manager) within the Privacy and Sustainability Function, and three full-time resources within the Cybersecurity Function.

Metrics and Objectives

S1-5 – Objectives related to the management of relevant negative impacts, the enhancement of positive impacts, and the management of relevant risks and opportunities

The qualitative nature of the activity does not inherently provide for the definition of measurable objectives. However, the Function monitors the progress of activities, including breach incidents (notified and not) and complaints, and reports to the Board of Directors in an annual report. ESRS S4 final users.

Strategy

ESRS 2 SBM-3 – Relevant impacts, risks and opportunities and their interaction with strategy and business model

All end-users who may experience relevant impacts from the company, including impacts directly related to the company's own operations and value chain, are included in the scope of disclosure under ESRS 2 and have been considered in the double materiality analysis. The Group has not identified any particularly at-risk targets within its customer base; the product offering, in fact, is transversal, although specific products/guarantees may be more relevant for certain segments. Only with reference to the privacy area, it considers final consumers for whom data falling within the categories of special data (to be understood as data suitable to reveal information on health status, trade union membership, philosophical-religious beliefs, ethnic origin, political opinions, etc.) and judicial data (to be understood as data relating to criminal convictions and security measures) are processed to be more vulnerable.

The Sara Group, in fact, responds with its offering to the various security and protection needs: it distributes insurance products dedicated to individuals, families, and businesses; it provides solutions for every need for the protection of assets and goods, accompanying its customers in every phase of their lives. The products and services offered, due to the very nature of the business, do not have hazardous characteristics that could cause harm to the people who use them. However, the clarity and accessibility of product information, while not functional to avoiding incorrect use that could cause potential harm to the user, is nevertheless fundamental in order to meet the specific needs of customers.

As part of the double materiality process, the Group has identified some positive impacts on its customers, relating in particular to the range of products offered and the accessibility of information; to the quality of the relationship with customers thanks to the processes of listening and responding to any reports and/or complaints; to the dissemination of a road safety culture through dedicated initiatives, to the timing of claims settlement. The activities that determine these impacts are partly intrinsic to the insurance business, which offers customers protection against unforeseen events, and partly dependent on initiatives that the Group promotes, such as those that the Group, in collaboration with ACI, advocates in the area of safe mobility in order to raise customer awareness of a more responsible driving style, including through products that encourage it in this way.

The speed of claims settlement, which determines positive impacts related to customer satisfaction, also represents an element of opportunity for the Group, connected to access to incentive systems provided by IVASS based on performance, as well as speed of settlement, also in terms of average paid and anti-fraud.

This opportunity is aimed at users who are insured by the Group, but the incentive element connected to it concerns specific types of claims, identified as CARD GEST claims (management of damage suffered by one's own insured). Efficient management of these claims, in addition to what has been described, is functional to compliance with regulations (Ania Agreement CARD Convention; IVASS Provision 18 of 2014, internal procedures SA45; SA103), helping to prevent sanctions/penalties.

S4-1 Policies related to consumers and end-users

Consumer-related policies are based on general principles of transparency and high quality of service and product, which represent, for the Group, the cornerstones of the relationship with customers. For this reason, the Group attaches maximum importance to their satisfaction and pursues high standards of quality of products and services provided, combining technological evolution with customer needs. The Group also guarantees access to due information, always having a behavior based on proximity, transparency, and professionalism.

These principles are enunciated in the Code of Ethics, whose formal characteristics are described in information notice G1 – Business Conduct, in which the Group recognizes the centrality of the customer, always creating value for its insureds, and commits to listening and analyzing their needs in order to be able to design its products and processes in such a way as to always offer an adequate proposal capable of satisfying their requests. It also commits to ensuring all insureds the presence of professional advice through all channels, allowing them to personalize their purchase/relationship experience in both physical and digital modes. Finally, it commits to offering a continuously improving customer experience, which is based on clear and comprehensive communications, allowing adequate understanding of the characteristics of the products and services offered and allowing customers to have facilitated access to all the services they need.

The sector and the Group incorporate the current international, European, and national regulations on the matter, as well as the codes (e.g., consumption, competition, personal data processing, etc.) in force. Furthermore, in the context of the sustainability policy, the Group has defined its commitment to promote and respect human rights, universally recognized and enshrined in the main international instruments, including the United Nations Universal Declaration of Human Rights, the United Nations Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises, and the fundamental conventions of the International Labor Organization (ILO). This commitment is based on the conviction that respect for and promotion of human rights represent essential values not only at an ethical level, but also as a pillar for the sustainability and resilience of the company itself. By virtue of this, the Sara Group undertakes to adopt company policies and procedures to prevent any form of human rights violation against any individual who comes into contact with the Company. It is specified that to date no episodes of human rights violations against consumers/end-users have been detected.

With particular reference to the privacy area, with respect to which the Group has identified a potential negative impact, the entire regulatory framework governing personal data protection, and consequently the internal regulatory acts of transposition, is based on respect for fundamental human rights. It, in fact, refers to Regulation (EU) 2016/679 (GDPR), which, in recital 1, states that the protection of natural persons with regard to the processing of personal data is a fundamental right, referring to Article 8(1) of the Charter of Fundamental Rights of the European Union and to Article 16(1) of the Treaty on the Functioning of the European Union (TFEU). In the event that events occur that may generate negative impacts for users in this regard, the Group has identified, within the Data breach Regulation, the Incident Management Procedure, and the Data Subject Requests Management Regulation, the measures aimed at remedying these negative impacts.

S4-2 – Processes of involving consumers and end-users regarding impacts

The current customer engagement strategy, also in terms of an omnichannel relationship model, is carried out in compliance with the rules and regulations in force and is mainly carried out directly with the customer/end-user.

As part of the listening activities, a customer satisfaction survey was conducted in January 2024. During the year, two further surveys were conducted, one on the perception of the roadside assistance service and one on the perception of the quality of access to the Health network service (both designed, managed, and monitored internally).

2024 also allowed the analysis of the data from the first test year of the NPS model, an international standard indicator that measures the experience actually lived by the customer on one or more touchpoints, allowing the identification of areas for improvement that have led to a project to review the system itself in order to ensure greater solidity of the indicator, in a test & learn logic.

Furthermore, the involvement of the end customer who has used certain services is foreseen; in particular, customers who have benefited from the "Self Assessment" tool and who have had their car repaired at an affiliated body shop are given a survey via direct contact at the end of the service in order to assess their satisfaction and, if necessary, take action.

Consumer involvement is managed according to the planning provided by the "Research Plan," which consists of qualitative-quantitative research of an institutional type (e.g., customer satisfaction), specific type (e.g., perception of specific services provided), or customer experience measurement (NPS). The frequency varies depending on the type of survey, except for on-demand surveys. If significant insights emerge from the research that suggest adopting intervention measures in terms of resolution or enhancement (based on negative or particularly positive results), these are discussed in various forums depending on the level of intervention.

The operational responsibility for ensuring the carrying out of the engagement and the consideration of the results in strategic decisions lies with the Marketing, Brand and Customer Relationship Department, net of the survey relating to Self Assessment services and interventions through affiliated body shops, which is the responsibility of the Appraisers & Body Shops office of the Claims Department.

The design of models for measuring the effectiveness of consumer/end-user engagement is not predefined, but will take place based on the specificity of the sector and the individual areas of business operation.

Privacy

Within the double materiality process, with reference to the "Privacy" area of its consumers and end-users, the Group has identified the following impact:

- Violation of customer data (in terms of loss of integrity, availability and confidentiality) resulting from inadequate security measures or processing of customer data for purposes not related to customer relationship management (potential negative impact)

Management of Impacts, Risks and Opportunities

S4-1 – Policies related to consumers and end-users

The Group regulates privacy management through the relevant internal regulations, whose main references, described in the "Privacy" section of ESRs S1, are also applicable to consumers/end-users as data subjects.

S4-2 – Processes of involving consumers and end-users regarding impacts

In relation to the privacy area, all consumers and end-users are potentially exposed to negative impacts related to the possible violation of their personal data. Particularly exposed, however, may be those final consumers for whom data belonging to the categories of special and judicial data are processed. With respect to the processing of such data, the Sara Group complies with the provisions of Articles 9 and 10 of the GDPR, respectively dedicated to the processing of special and judicial data, in order to subject the processing of this information, which, if violated, could expose consumers to whom such data refers to greater risk, to a further protection regime. In this perspective, the Sara Group ensures that only personnel assigned to specific tasks (e.g., claims adjusters) can access, only if necessary, this type of information which, by virtue of their "sensitivity," are subject to further security measures compared to common data, to protect consumers and end-users to whom they belong.

S4-3 Processes to remedy negative impacts and channels enabling consumers and end-users to voice concerns.

The processes for intervening and remedying the occurrence of personal data breaches of the Group's consumers/users are defined within the privacy regulatory framework and coincide with what is already described in the S1 (Privacy) information. In fact, the privacy system recognizes individuals who may suffer impacts as data subjects, transcending the role of employees or consumers.

An element that differs concerns the ways in which the Group supports the availability of channels for receiving requests from data subjects. In the case of consumers, this is done on one hand by advertising the channels in the information accessible from the website, and on the other by making them known in all personal data processing information provided to end-users and consumers at the time of their personal data collection, which can occur at any stage of the relationship (e.g., quote, contract signing, etc.). This advertising regime ensures that all consumers are aware of the existence of the channels.

S4-4 – Actions on relevant impacts for consumers and end-users and approaches for mitigating relevant risks and achieving relevant opportunities in relation to consumers and end-users, as well as the effectiveness of such actions.

Actions to prevent or mitigate negative impacts on consumers in the area of privacy.

Within its Privacy Organizational Model, the Group outlines the principles of 'privacy by design' and 'privacy by default'. Article 25 of the GDPR, in fact, places an obligation on Sara to:

- implement appropriate technical and organizational measures to protect personal data both at the time of determining the means of processing and at the time of the processing itself (i.e., the 'Privacy by Design' principle), and aimed at effectively implementing data protection principles and integrating necessary safeguards into the processing to protect the rights of data subjects;
- implement appropriate technical and organizational measures to ensure that, by default, only personal data necessary for the specific purposes for which they are collected and for the period strictly necessary for that purpose are processed (i.e., the 'Privacy by Default' principle)

Due to the intrinsic characteristics of the privacy domain, the actions taken by the Group are primarily aimed at preventing negative impacts. To this end, in 2024, the following actions were carried out, aimed at employees of Sara Assicurazioni and Sara Vita and the agency network, and completed within twelve months. In addition to the training and continuous monitoring activities already described in the S1 (Privacy) information, the following are mentioned:

- cataloging of privacy training modules on the Omnia agency portal (for a total of 150 hours delivered to 121 members of the agency network)
- information and awareness activities through the Privacy section of the Omnia agency portal
- impact assessment relating to fraud prevention relating to claims.

The effectiveness of preventive actions, in general, is assessed based on their suitability to prevent cases of personal data breaches of consumers and end-users; in the event – which did not occur within the reference time frame – of data breaches, corrective actions are identified for which a monitoring system is provided to verify their correct implementation.

In addition to prevention actions, the Sara Group ensures the protection of personal data of end-users and consumers through the continuous oversight of the Cybersecurity Function, as well as through ongoing monitoring by the Data Protection Officer. Furthermore, the Group integrates the cybersecurity risk scenario into the IT Risk Assessment.

The Group has defined specific internal policies and procedures to remedy any episodes that may cause negative impacts on consumers. In particular, within the data breach management process, following the analysis of the event, the identification of remedial actions is foreseen, as well as actions to prevent the same event from recurring.

It is noted that, in 2024, no human rights incidents related to privacy were reported.

Metrics and Objectives

S4-5 – Objectives related to the management of relevant negative impacts, the enhancement of positive impacts, and the management of relevant risks and opportunities.

The qualitative nature of the activities carried out in the privacy sector does not inherently involve the definition of measurable objectives. However, the Function monitors the progress of activities, including breach incidents (notified and not) and complaints, and reports to the Board of Directors in an annual report.

Freedom of Expression

As part of the double materiality process, with reference to the "freedom of expression" of its consumers and end-users, the Group has identified the following impacts:

- Protection of customer rights through the provision of effective reporting/complaint systems (positive impact – actual)
- Creation of a quality relationship with customers through effective engagement and feedback listening methods (positive impact – actual)

Impact, Risks and Opportunities Management

S4-1 – Policies related to consumers and end-users.

With reference to the theme of 'Freedom of Expression', the Group adopts the policies and procedures described below, to ensure effective management. The documents, applicable to the Group's insurance companies, are prepared in compliance with the applicable legislation in force from time to time, including that issued by the Supervisory Authority. Their implementation is the responsibility of Senior Management, which ensures their dissemination to the relevant parties through publication on dedicated company channels.

Complaints Management Policy

The Policy aims to ensure proper and timely handling of complaints. It is inspired by the principle of fair treatment of insureds, policyholders, beneficiaries, and injured parties.

The management of individual complaints, therefore, must be based on strict compliance with contractual and legal rules in the interest of customers, whose requests must be handled fairly and therefore evaluated with objectivity, balance, and impartiality. Fair treatment also means taking action to remove general problems that led to the complaint.

The principles and provisions of the Policy are implemented through a specific procedure issued by the General Management, which:

- ensures the proper and timely handling of complaints, whether they are sent to the Company and/or the network of Intermediaries;
- ensures the collection of relevant information/evidence regarding the complaint, in order to ensure a comprehensive, clear, truthful, and timely response; and
- provides for the identification of products and business processes affected by complaints;

The Policy is reviewed at least annually in accordance with Article 7 bis of IVASS Regulation 24/2008.

Customer Assistance Request Handling Procedure

The main purpose of the procedure is to clearly and unambiguously define the operational responsibilities adopted by the Company with reference to the processes described below:

- information requests received in writing pursuant to IVASS Regulation 41/2018, or other written requests received from customers/prospects through various channels (social media, e-mail, institutional website, webchat, etc.);
- telephone assistance requests;
- outbound contacts for business process support.

The procedure excludes the Telephone Claim Opening process, managed by the Customer Center organizational unit, provided for in the claims opening process.

The procedure, together with current legislation and the operational procedures drawn up and used by the Claims Assistance and Policy and Product Assistance Functions, represents a comprehensive framework of the rules for customer assistance request management activities.

Whenever an activity is identified as a "control activity" in the procedure, it is the responsibility of the Function responsible for the activity to document the controls carried out and retain the evidence. It is also the responsibility of each manager of the identified organizational unit to verify the actual performance of the assigned activities.

S4-3 – Processes to remedy negative impacts and channels enabling consumers and end-users to voice concerns.

"The Group provides consumers/end-users with various channels for reporting concerns and/or needs. Regarding complaints, it is possible to contact the Complaints Management Office, whose contact details are available on the website, as well as in the policy documents. The available channels include ordinary mail, PEC (Certified Email), ordinary mail, fax server, and the website's complaints section.

There are also additional channels for users, including Customer Assistance, reachable by phone, email, chat, and a dedicated form. Finally, the agency network represents an additional contact channel. The Group promotes the publicity and accessibility of complaint channels according to regulations and, as for customer care, the publicity of channels on the Company's website and in the product information. With reference to agencies, their distribution across the territory is indicated on the Company's website.

The Group has also adopted a whistleblowing channel, though not directly accessible to customers, and a related Policy, also aimed at protecting people who use this tool from any retaliation; for more information, please refer to the disclosure related to ESRS G1.

The management of complaints, based on compliance with contractual and legal rules, handles customer requests fairly, with objectivity, balance, and impartiality. It is, in fact, managed within the Legal and Corporate Affairs Department, which, having no direct responsibility in business activities, can guarantee impartial judgment. In this sense, Sara provides:

- the proper and timely handling of complaints, whether they are sent to the Company and/or the network of Intermediaries;
- the collection of relevant information/evidence regarding the complaint to ensure a comprehensive, clear, truthful, and timely response;
- the identification of products and business processes affected by complaints;
- the identification of the root causes of complaints and the assessment of their possible impact on other products or processes;

- avoiding any conflict of interest with the structures or individuals whose behavior is the subject of the complaint;
- normally sending a communication of taking charge of the complaint to the complainant;
- adopting simple and easily understandable language in communications to the complainant;
- informing the complainant, if the requests submitted cannot be accepted, of the possibility, if not satisfied with the response received, to contact IVASS (Institute for the Supervision of Insurance).

The Internal Audit verifies the correctness of complaint management procedures and handles relations with IVASS for issues concerning complaint management; upon receiving the semi-annual reports containing data on complaints received, it prepares a report that is submitted, together with the reports themselves, to senior management and the administrative and control body.

The effectiveness of the Customer Assistance channel (which operates both in the policy/product sector and in the claims sector) is monitored by specific numerical KPIs in terms of the quantity of requests, processing times, contacts with individual customers, tracking, etc., for all activities and all assistance channels (phone, chat, mail, and call booking from the app). Information requests received by paper require, according to current regulations, a response by the same means. Finally, a satisfaction survey is sent for each contact, managed and monitored by the same structure. The Internal Audit, in any case, has the right to check the correct observance of customer Assistance procedures.

S4-4 – Actions on relevant impacts for consumers and end-users and approaches for mitigating relevant risks and achieving relevant opportunities in relation to consumers and end-users, as well as the effectiveness of such actions.

Actions to achieve positive impacts regarding listening to and feedback from end-users

The Marketing, Brand, and Customer Relationship Department conducts annual activities aimed at listening to customers. To this end, a 'research plan' is prepared annually, included in the Marketing Plan and modifiable from time to time according to needs, context, or individual business priorities.

In particular, during 2024, a follow-up session of interviews on the perceived quality of roadside assistance service and one on access to the healthcare service network were carried out, and the analysis phase of the first transactional NPS system was completed, as already partly described in the S4-2 information, which – starting from 2025 – will be remodelled to evolve the model.

Compared to the 2024 plan, the 2025 plan estimates being able to carry out customer satisfaction surveys annually and to prepare a precise number of quality surveys on roadside assistance services and access to the healthcare network.

Regarding complaint management activities, being highly regulated, the Group complies with regulatory requirements through the ordinary activity of the Function and has not planned further specific actions.

The methods for evaluating the effectiveness of actions vary depending on the type of listening carried out. In general terms, evaluation criteria may include, among others, the response rate, the degree of representativeness or the size of the sample according to the type and objectives of the research.

The Group has dedicated multiple figures to customer listening. In particular, for complaint management, it has provided a specific Function, equipped with a dedicated application and six resources, including a manager and five collaborators. The Function is part of the Legal Department, whose Manager is ultimately responsible. Furthermore, the Group dedicates fourteen people within the Marketing, Brand, and Customer Relationship Department to customer listening and engagement activities, including three in the Market Research and Data Insight Function and eleven in the Customer Assistance area (policies and claims).

Metrics and Objectives

S4-5 – Objectives related to the management of relevant negative impacts, the enhancement of positive impacts, and the management of relevant risks and opportunities.

Listening activities contribute to the general objective of creating and developing a quality relationship with the customer. The Group does not set measurable objectives with reference to the outcomes of these activities, but monitors their progress in order to identify actions to be implemented in the strategy.

Regarding complaint management, as already described, this is a highly regulated area. By virtue of this, the Group has not deemed it necessary to equip itself with further specific objectives for the management of the issue. The monitoring of complaint trends is, however, regularly observed, particularly by the Internal Audit Function, which prepares a specific semi-annual report.

Access to quality information

As part of the double materiality process, with reference to the "access to quality information" of its consumers and end-users, the Group has identified the following impact:

- Guarantee of the quality and usability of the offer thanks to the accessibility of information (positive impact – actual)

Impact, Risk, and Opportunity Management

S4-1 – Policies related to consumers and end-users

The transparency of products has always been a decisive element for the Sara Group to convey reliability to all stakeholders. For this reason, the Group is committed to acting by providing its interlocutors with comprehensive, understandable, and timely information, following clear and objective rules of conduct and selection criteria and adopting unambiguous and verifiable procedures.

These principles are described in the Sustainability Policy, within which the Group states that it guarantees the proper treatment of the customer, avoiding the adoption of marketing and product development practices that are not oriented to meeting people's needs and the use of non-transparent communication tools. In its relationship with customers, it bases its approach on transparent communication, which puts the insured in a position to understand the characteristics and value of the services they purchase or are offered, through unambiguous and understandable contractual clauses and providing all appropriate information, both pre-sales and post-sales, as well as reporting any changes as required by current legislation. The Sara Group follows a path that sees omnichannelity as one of the innovation factors of the customer experience, in the awareness that the increasing diffusion of new technologies and the widespread availability of connection allow to also meet the needs of a more "mobile" and connected user base. All this while ensuring security in information management and respect for individual rights and freedoms. Finally, customer focus translates into offering products that are appropriate from time to time to emerging needs, with attention to environmental and social aspects but also by working to encourage a culture of risk prevention, with particular reference to "climate change" and "safe mobility", and by developing products that encourage the reduction of customers' environmental impacts."

S4-4 – Actions on relevant impacts for consumers and end-users and approaches for mitigating relevant risks and achieving relevant opportunities in relation to consumers and end-users, as well as the effectiveness of such actions.

Actions to generate positive impacts in terms of access to information

Customer access to information, both for damage and life insurance, is regulated within the regulatory provisions relating to product information. In some cases, in addition to this information, the Group provides for the sending of marketing communications (DEM) illustrating the product or specific features related to it. Furthermore, it provides for the availability of much information through the Sara Con Me (SCM) app or, specifically with reference to the Guido Bene product, through the dedicated app.

These initiatives, already undertaken by the Group, do not have a deadline and are therefore placed within a long-term horizon. For them, a specific monitoring activity related to the reading of the information documentation is not currently planned.

For the management of these aspects, the Insurance Directorate and the Life Directorate respectively dedicate resources also to the definition of product information.

Metrics and Objectives

S4-5 – Objectives related to the management of relevant negative impacts, the enhancement of positive impacts, and the management of relevant risks and opportunities.

Considering the high degree of regulation in the area of customer information access, the Group has not deemed it necessary to define specific objectives in this regard.

Health and Safety

As part of the double materiality process, with reference to the "access to quality information" of its consumers and end-users, the Group has identified the following impact:

- Individual benefits for customers thanks to products dedicated to personal health and well-being and/or the protection of specific needs (e.g., health, elderly) (positive impact – actual).

Impact, Risk, and Opportunity Management

S4-1 – Policies related to consumers and end-users

Health products are handled within the policies and procedures provided for all other types of products, without any specific internal regulations on the subject (except for circulars).

The Group has established a POG (Product Oversight and Governance) Committee that has decision-making prerogatives for each new or significantly modified product as defined by the policies on product governance and control, Damage and Life. In particular, it is responsible for:

- approving the annual proposed Product Plan, identifying priorities and evaluating the activities to be developed during the year;
- approving any revisions to the Product Plan, based on evidence emerged during implementation;
- approving the marketing of new products or those significantly modified as defined by the policies on product governance and control, based on the results of POG activities;
- approving proposals for tariff interventions if they constitute a significant change within the meaning of the policies on product governance and control;
- approving any remedial actions following the results of the monitoring provided by the POG regulations or other regulatory and/or regulatory evidence.

The following describes policies and procedures relating to the governance of Sara Assicurazioni and Sara Vita products. These have been defined in accordance with the legislation in force from time to time, including, by way of example, EU Directive 2016/97 on Insurance Distribution, Delegated Regulation (EU) 2021/1257 as regards the integration of sustainability factors, sustainability risks and sustainability preferences in the product oversight and governance requirements for insurance undertakings and insurance distributors and the recommendations of the Supervisory Authority. The dissemination of internal regulations on the subject is ensured by publication on the company intranet and by the distribution to the agency network of the Distributor POG Guidelines through a specific circular, and the responsibility for its implementation lies with Senior Management."

Product Governance and Control Policy (Damage and Life)

The Policy's objective is to define the guidelines and direction on product governance and control (POG) in implementation of EU Directive 2016/97 and related updates to ensure adequate customer protection measures in the design, monitoring, and revision phases of insurance products.

The POG framework, in line with current legislation, provides for a monitoring process on the effectiveness of the guidelines contained in the policy. The purpose is to continuously verify the existence of adequate product value for the target customers, for whom it was developed. This involves the implementation of specific tests consistent with the testing methodology used during product development, as well as specific indicators required by legislation to monitor any symptoms of value deficiency for the customer. In case of a negative outcome, remedial action is evaluated. The Boards of Directors review the Policy at least once a year and in any case where they see the need, independently, on a proposal from Senior Management or the Group Internal Control and Risks Committee. The purpose of the review is to continuously ensure its compliance with current legislation and its consistency with the company's organizational structure.

Product Range Governance Procedure

The procedure is intended to regulate the roles, responsibilities, and main activities concerning the governance and control process of the development and maintenance of the product range. The procedure, together with the board policies and the operational manual, represents a comprehensive framework of the rules and principles of reference for the activities of managing product/tariff development.

The activities described to oversee the POG process, in compliance with the principle of proportionality to the level of complexity and the risks related to the products, as well as the nature, scope, and complexity of the relevant activity of the Company, also find differentiated application as provided by the POG policy and based on the scheme contained in the Product Range operational manual depending on the type of product. The scope of the procedure covers:

Products/Initiatives:

- new products and significant product changes as defined by the 'Product Governance and Control Policy'
- simple product restyling and commercial initiatives (by initiative we mean a temporary commercial promotion applied to one or more products to achieve a specific purpose such as, by way of example, sales, loyalty, adoption objectives, etc.)
- product/initiative disposals.

Auto and Elementary Branches Tariffs:

- new tariff definition
- introduction of new variables

In the event of a revision of tariff coefficients intended as ordinary maintenance of the tariff (which therefore do not involve significant changes under the policy), the owner will assess whether to proceed with the activities of the procedure based on the principle of proportionality, without prejudice to the provisions of the POG Committee regulation.

Special Affairs (Damage only):

- significant deviations from the tariff (beyond the Insurance Director's autonomy)
- significant process changes or impacts on management systems
- lack of a technical protection mechanism (e.g., Reinsurer)
- offering non-standardized coverage (beyond the Insurance Director's autonomy).

With reference to the monitoring process, the Executive Support and Organization Department collects any needs for updating the procedure from the Function on an annual basis and, if necessary, based on the findings obtained, develops the annual planning of the procedure, sharing it with Senior Management for approval and reporting to Senior Management on the activities carried out with respect to the planned activities.

S4-4 – Actions on relevant impacts for consumers and end-users and approaches for mitigating relevant risks and achieving relevant opportunities in relation to consumers and end-users, as well as the effectiveness of such actions.

The Group's attention to customer needs translates into offering products, both non-life and life, tailored to emerging needs and market requirements, also considering any different contexts, with attention to social aspects. Actions related to the offering of products and services do not have a predefined timeframe, but follow the evolutions of the context in which the Group operates. The quality of the products is, however, assessed annually as part of the POG KPI monitoring, to which are added further interviews on the quality of service provided by partners (specifically on roadside assistance and access to the health network).

During 2024, no specific actions were taken in the area of product offerings related to the 'health and safety' theme. However, during the year, the Company conducted an analysis and review of the SaraCheckUp product, defining the changes that will be implemented in 2025. The restyling will aim to enhance the family with a core formula and to strengthen preventive medicine and healthcare services.

The development of products, in order to best meet customer needs and generate benefits for them, is assigned to activities belonging to different Directorates and Group companies. With specific reference to measuring satisfaction with car, home, accident and life products, the Group dedicates three resources within the Market Research and Data Insight Function.

Metrics and Objectives

S4-5 – Objectives related to the management of relevant negative impacts, the enhancement of positive impacts, and the management of relevant risks and opportunities.

The Group has not currently set objectives for the management of impacts related to the health and safety area with reference to the product offering. However, it does monitor the technical and sales performance of products.

Personal Safety

As part of the double materiality process, with reference to the 'personal safety' of its consumers and end-users, the Group has identified the following impacts:

- Customer safety through the offering of insurance products that protect against damages (positive impact – actual)

- Dissemination of a road safety culture and customer awareness of careful and responsible driving, resulting in a reduction of road accidents (positive impact – actual).

Management of impacts, risks, and opportunities

S4-1 – Policies related to consumers and end-users.

The Group describes its commitment to road safety within the Code of Ethics, where the topic is addressed within the Group's values. Furthermore, with reference to policies relating to the product offering, reference is made to the Product Governance and Control Policy (Damage and Life) and the Product Range Governance Procedure, described in the 'Health and Safety' section of this report.

S4-4 – Actions on relevant impacts for consumers and end-users and approaches for mitigating relevant risks and achieving relevant opportunities in relation to consumers and end-users, as well as the effectiveness of such actions.

In 2024, the mobility offering was characterized by the revision of the Auto offering range, in particular with the launch of the Ruota Libera Revolution product, which promotes the adoption of non-behavioral telematics solutions, aimed at assuming more prudent profiles. Regarding Guido Bene, a behavioral telematics policy, the driving style measurement monitor was incorporated into the Sara Con Me app, to which - with a view to rewarding a virtuous driving style - any premium reduction upon renewal is linked.

It is also confirmed that Guido Bene, also for 2024, received the Bureau Veritas independent certification institute's label on the product claim regarding the Environment, Responsibility and Convenience themes: 'The car insurance policy with concrete benefits. ENVIRONMENT: encourages you to drive fewer kilometers and improve your driving style, favoring emission containment. RESPONSIBILITY: guides you to adopt responsible behavior and contribute to greater road safety. CONVENIENCE: rewards you if you use your car less and drive responsibly, obtaining a reduction in the policy premium upon renewal.' This certification allows monitoring of the product's effectiveness in spreading a road safety culture.

The value of the offering in terms of sustainability was also recognized in November 2024 through the Insurance Connect Awards, for the category 'Best car solutions for sustainability' – 'Ruota Libera Revolution and Guido Bene' with the following motivation: 'For the Guido Bene product, the first RCA policy in Italy with concrete benefits on the themes of environment, responsibility and convenience verified by a third party. This is accompanied by Ruota Libera Revolution, which expands the telematics offering with prevention and safety services.'

The actions described, which have the non-life branch as their reference area, are currently in progress and can be considered long-term, not having a predefined timeframe for completion.

Furthermore, the Group's commitment to continuously promoting awareness initiatives on issues related to road safety is also confirmed for 2024, supported by the sponsorship of the Vallenga and Lainate Safe Driving Centers, state-of-the-art facilities in Europe that use the most modern technologies to train drivers of all types of vehicles. During the courses, the main danger situations encountered in everyday driving (sudden obstacles, skidding, aquaplaning or other) are simulated in maximum safety, in which participants learn to control their reactions, to know the vehicle's behavior and to intervene in the best way to control the vehicle. Participation in safe driving courses is an incentive tool also made available to its customers: Sara, in fact, guarantees discounts on car liability policies to all those who present the certificate of participation in the Safe Driving Course at the Agency.

For the implementation of road safety promotion actions, in 2024 the Group commits about 1% of Sara Assicurazioni's 2023 net profit.

Metrics and Objectives

S4-5 – Objectives related to the management of relevant negative impacts, the enhancement of positive impacts, and the management of relevant risks and opportunities.

To date, the Group does not foresee objectives related to the effects on road safety, as it is not possible to directly link the actions promoted by the Group to the trends of this complex social phenomenon, which is dependent on numerous external variables.

Access to products and services

As part of the double materiality process, with reference to the "access to products and services" for its consumers and end-users, the Group has identified the following impacts and opportunities:

- Customer satisfaction with claim settlement times (positive impact – actual)
- Access to incentives through rapid settlement (opportunity)

Management of impacts, risks, and opportunities

S4-1 – Policies related to consumers and end-users.

The Group does not have a policy related to the speed of claim settlement, an element that nevertheless represents a central aspect of the claim management strategy dictated by the company's general budget policy. The budget objectives, linked to the incentive system of the claim settlement network, are contained in a document approved by the Planning and Control Department and presented at the annual kick-off meeting, with an indication of the budget rules relating to the objectives assigned to the claim settlement network.

The Group, in order to promote the speed of claim settlement and the management of data accuracy, which is functional both to improve the impact in terms of costs and quality for the Company, and to ensure greater satisfaction for the end customer, pays particular attention to the optimization of internal procedures, in some cases even simplified thanks to AI.

S4-4 – Actions on relevant impacts for consumers and end-users and approaches for mitigating relevant risks and achieving relevant opportunities in relation to consumers and end-users, as well as the effectiveness of such actions.

"For the Sara Group, the speed of claims settlement (VL) is linked both to a positive impact on its customers, improving their satisfaction, and to an opportunity, allowing access to the incentive system governed by IVASS, which monitors it along with other parameters.

The following are the main actions taken in 2024, related to Sara Assicurazioni (non-life branch) and with a long-term time horizon:

- Self-assessment, consisting of digital damage estimation through Artificial Intelligence;
- crash opening: aimed at users who have the black box, it ensures that the detection of the crash automatically opens the claim;
- collection of opinion on the extent of injuries through a digital application that allows the insertion of medical data for the prediction of injuries, shortening the appointment times of the medical examiner, without replacing them;
- claim opening from the customer center;
- channeling repairs to affiliated body shops, which affects the reduction of conflicts and therefore settlement times; this tool includes an incentive on the policy cost if you opt for affiliated body shops;
- automation of the glass claim settlement process;
- agency incentive system, which indirectly affects VL;

The effectiveness of these actions is monitored by maintaining and/or improving settlement times compared to the objectives that the Group identifies year on year.

For 2025, moreover, the start of the claim settlement process through Artificial Intelligence is planned, the conclusion of which is expected for 2026.

In addition to the actions described, and to what is specific to the ordinary activities of the Claims Department, the Group has prepared some initiatives that contribute to creating benefits for end users. Among these, in particular, the recall by Contact Center/provider/expert towards the insured for the management of the claim is recalled.

The Claims Department, responsible for the management of the topic, operates on two perimeters: RCA perimeter and Elementary Branches perimeter. Within the RCA there are ten Car Claims Centers (CLA). Among these, there is the office dedicated to the sole management of CARD GEST 2F claims (consisting of ten resources employed in Milan), as well as a mixed Card Task Force (with resources from the Department and various claim settlement offices).

Metric and Objectives

S4-5 – Objectives related to the management of relevant negative impacts, the enhancement of positive impacts, and the management of relevant risks and opportunities

The Group annually defines, within the budget planning, the objectives related to the speed of claims settlement, with a monthly monitoring system based on specific indicators managed by the relevant Functions. The setting of these objectives, let alone their monitoring, does not involve customers. However, the administration of questionnaires aimed at investigating satisfaction with the CARD settlement service is planned. These objectives constitute sensitive information and therefore the Group considers not to disclose them.

Governance Information

ESRS G1 Business conduct

G1-1 – Company culture policies

Corporate culture is a fundamental element of the Sara Group's action, committed daily to ensuring integrity in the conduct of those operating within it. Identifying, assessing, preventing and managing conduct not in line with the Group's reference values is therefore fundamental to guarantee all stakeholders and improve relationships with them. To this end, the Sara Group has prepared internal regulations, management systems and tools useful in determining a working environment based on transparency and responsibility, also capable of guaranteeing the protection of whistleblowers.

The approach with which the Group promotes and manages its corporate culture is mainly based on: Code of Ethics, Organization and Management Model pursuant to Legislative Decree 231/2001, Damage and Life Conflict of Interest Policy, Policies for the management of risks related to money laundering and financing, Tax Risk Assessment and Management Policy.

In order to prevent and eventually remedy possible impacts generated by those who operate within the Group and/or in the name and on behalf of Sara, internal regulations are periodically verified and updated and are also made known within the organization and to interested parties.

Company culture

As part of the double materiality analysis, the Sara Group identified the following impacts related to the 'corporate culture' sub-theme:

- Contribution to the dissemination of a culture of correctness and ethical behavior through the preparation of dedicated policies and procedures (positive impact – actual)

The code of ethics

"The Code of Ethics represents the charter of moral rights and duties and, as such, must reflect the profound change and narrate the vision and new corporate values, contributing concretely to the definition and improvement of the Sara Group's image. Not a normative document, therefore, but a guide that inspires and favors the effective implementation of the Company's values, which applies to all Group entities and whose implementation is the responsibility of Senior Management.

Integrity is part of the Group's values, which is committed to building a long-term relationship of trust with people, whether they are employees, agents, customers or other stakeholders. Sara, in fact, promotes and recognizes as cornerstones the values of honesty, transparency, integrity, responsibility, loyalty, impartiality and respect for people. Honesty, understood also as acting and communicating in a straightforward and sincere way, as a means to create empathy, is recognized as a value preparatory to the generation of trust, which pushes towards continuous improvement, avoiding attitudes aimed at procuring undue advantage.

In 2021, to create a solid structure that clearly and simply expresses the brand values, new drivers representing Sara's Direction were used, such as storytelling as a method of narration, a warmer and more friendly tone of voice - but also authoritative - that could reach the reader in a more engaging and effective way, a graphic narrative aligned with the rebranding that expresses and anticipates, even with images, what is told in the text. In this context, in order to make the new drafting of the Code truly representative of Sara, an internal working group was formed, transversal to the various company Directorates. The working group, organized in two teams, through training interventions related to sprint thinking logics, discussed various thematic areas such as the digitization of company processes and the qualification of production processes. During the creation phase, the working group paid particular attention to stakeholders – including employees, agents, customers – and to all those aspects that regulate the human ecosystem: work, environment, personal life and values. Furthermore, benchmarks and interviews further guided the creation of the new Code of Ethics.

Any revisions are foreseen based on the evolution of the Group and social and market trends; in this regard, it is highlighted that, in the last meeting of the Board of Directors last July 2024, a marginal update of the Group's code of ethics was approved with reference to the new contact points for Whistleblowing reports.

Within the Code of Ethics, reference is made to the United Nations 2030 Agenda in the declaration that Sara sets itself the goal of combining profitability, social justice and environmental protection in a perspective of sustainable business development and long-term value creation.

Furthermore, national and European legislation, the provisions of the Supervisory and Market Regulatory Authorities are recalled.

The Code of Ethics identifies the Group's stakeholders, each of whom accepts and undertakes to maintain conduct in compliance with the regulations in force at national and European level, with the provisions of the Supervisory and Market Regulatory Authorities. In detail, with reference to this commitment, the following categories of stakeholders are identified: corporate bodies, employees,

agents, other distributors and their collaborators, external collaborators, consultants, business partners.

The Group also requires third parties acting on its behalf (consultants, suppliers, trustees, etc.) to carefully adhere to the principles contained in the Code. Therefore, it is committed to disseminating the Code of Ethics to all its recipients and to promoting its correct application, starting with its dissemination through the Company's institutional website. Sara guarantees that the principles and rules contained in the Code of Ethics are the subject of continuous communication and training initiatives. In the performance of its activity, it also undertakes to remind counterparties of compliance with the rules of the Code of Ethics that concern and bind them, also through the preparation, where necessary, of specific contractual clauses.

All Group employees, as well as Agents and their collaborators, have access, through their respective company platforms "MondoSara" and "Omnia", to the relevant internal company regulations, including the Code of Ethics.

In the event that a presumed violation of the Code of Ethics becomes known, it is the responsibility of the Sara Group stakeholders to report it to the company contacts responsible for managing reports: Director of Legal and Corporate Affairs (for Sara Assicurazioni only), Director of Internal Audit and Compliance and Anti-money Laundering Manager. The Sara Group provides several reporting channels, included in the text of the Code and, therefore, made public through the publication of the Code itself.

The Group verifies violations of the Code of Ethics through the company contacts appointed for this purpose, who can take action directly or by making use, if necessary, of the support company Functions. If the report received, in the opinion of the appointed company contacts, also falls within the scope of competence of the Supervisory Body established pursuant to Legislative Decree 231/2001, it is promptly transmitted to this Body for the activities of its competence. The results of these checks are communicated to the interested company representatives or to the appointed company bodies. The disciplinary process is activated by the identified subjects who take care to document also the reasons for which it is decided, if necessary, not to proceed with the activation of the sanctioning process. The objection of the infringement must be made promptly and immediately with respect to the moment in which the presumed violation of the Code of Ethics became known.

Sustainability Policy

Also within the Group's Sustainability Policy, already mentioned in the S1 - Working Conditions information, which is referred to, Sara's commitment to carry out its activities in compliance with the highest ethical standards is recalled, refusing acts of active or passive corruption.

The Group, in fact, adopts fair commercial practices and does not seek competitive advantages with anti-competitive behaviors such as cartel agreements, abuse of dominant position or misleading practices. It considers honesty to be the basis of the trust necessary to interact with all the people with whom it interfaces in carrying out its activities and on this value it bases personal and professional relationships. It also undertakes to guarantee the veracity, completeness and timeliness of tax returns and to correctly fulfill tax obligations.

The Group operates in compliance with all applicable laws and regulations. In order to ensure compliance with legislation, the Group prepares internal rules, procedures and controls, ensures periodic training activities and carries out verification activities. Furthermore, it implements all the initiatives and activities necessary for adequate awareness of all personnel on the matter. In relation to this objective, all Function Managers are involved in the management of non-compliance risk. In particular:

- everyone must comply with the laws, regulations, guidelines and procedures, as well as the codes of ethics adopted or issued by the Group Companies;

- compliance with laws and regulations is a responsibility of all those who operate within the Group, as an integral part of their function;
- it is everyone's responsibility to take appropriate knowledge of the laws and regulations applicable to their activity;
- ignorance of laws and regulations is not an excuse; every employee and collaborator of the Group has the obligation, in case of doubt, to consult with their direct manager and with the designated Functions.

Finally, Sara, also through the adoption of the Code of Ethics, promotes the sharing of principles of honesty, correctness and respect not only of the letter, but also of the spirit of the rules, to prevent illegal or non-compliant behavior with regulations and legislation.

Non-life Conflict of Interest Policy

The objective of the Conflict of Interest Policy - applicable to Sara Assicurazioni - is to define the guidelines to ensure the identification, prevention and management of any conflicts of interest in the distribution of insurance products and in the creation and execution of non-life insurance contracts, also in compliance with the provisions of sector legislation.

The Policy, prepared in light of the relevant regulatory references in force from time to time, is corroborated by the Regulation for the discipline of employee conflicts of interest within company processes involving intermediaries and trustees.

The Policy is scheduled to be updated annually, by analogy with the provisions of the legislation regarding the Life Conflict of Interest Policy, while the Regulation is not subject to scheduled periodic revision; it has recently been updated and its issuance is expected during 2025. The implementation of both the Policy and the Regulation is the responsibility of Senior Management.

The defined guidelines apply to all non-life insurance products, without distinction of branch or distribution channel. The Policy is intended to apply to all subjects who, in various capacities, contribute to the distribution of insurance products; in particular, at present, the Company uses the following distribution channels: agency network, both single-mandate and multi-mandate, located throughout the national territory with identified Agency Offices; Brokers; direct sales through the Management Agency, employees responsible for selling insurance products and through remote sales techniques; intermediaries registered in Section D of the RUI. The provisions contained in the document will also be applied in the event of the opening of further direct sales channels or in the event that the Company operates as a "de facto distributor" of third-party products.

In identifying the perimeter and in preventing and managing potential conflicts of interest, the Company has identified potentially interested parties and identified potential conflict of interest situations.

The safeguards of the Policy include the information provided to all company recipients through publication on the company intranet. Regarding the agency network, a circular containing an abstract of the Policy is shared.

The Company establishes and updates a register in which to record the individual cases in which a conflict of interest has arisen, or in the case of ongoing services or activities, may arise, relating to the distribution of insurance products. The management of the distribution register is handled by the Compliance and Anti-money Laundering Function which, as part of the periodic communications to the Administrative Body and Senior Management, reports on any reports received and the consequent activities carried out. Regarding the Regulation, however, a further owner is foreseen in the Human Resources Department relating to employee reports. The control functions can carry out checks on the decisions taken and recorded in the conflict of interest register.

The Group provides specific training delivered to Intermediaries - registered in the register, as required by current legislation - in the initial marketing phase of a new product.

Life Conflict of Interest Policy

The objective of the Life Conflict of Interest Policy – applicable to Sara Vita – is to define the guidelines to ensure the identification, prevention and management of any conflicts of interest in the distribution of insurance products and in the creation and execution of life insurance contracts, also in compliance with the provisions of sector legislation in force from time to time..

"The Policy also defines specific guidelines for the prevention and management of any conflicts of interest relating to the distribution of insurance-based investment products pursuant to articles 27 et seq. of the IDD directive, to Delegated Regulation (EU) 2017/2359 and to the related internal implementing legislation: the IDD directive, in fact, provides for a set of specific rules concerning insurance-based investment products, in addition to further rules of conduct valid, in general, for all insurance products. Having said this, the aforementioned Policy incorporates what is defined, in general, by the Parent Company regarding the identification and management of conflicts of interest, also taking into account the specific circumstances and situations that could harm the interests of policyholders, insureds and beneficiaries, both actual and potential, in the distribution of insurance-based investment products, such as, for example, cases where the insurance intermediary or the insurance company can achieve for itself or for others a financial gain or avoid a financial loss to the detriment of one or more customers.

The Policy is subject to periodic review at least annually, as well as upon the occurrence of changes in company operations, market conditions and the reference legislation such as to determine new cases of conflicts of interest, or the need to proceed with the elimination of previously identified cases of conflict, with the aim of adopting all appropriate measures to fill any gaps.

The guidelines governed by the Policy, whose implementation is the responsibility of Senior Management, apply to all life insurance products, without distinction of branch or distribution channel, including investment ones. Pension products are excluded from the Policy. The Policy applies to all subjects who, in various capacities, contribute to the distribution of life insurance products.

In identifying the perimeter and in preventing and managing potential conflicts of interest, the Company considers the following factors relevant:

- organizational structure and governance processes;
- intra-group operations;
- distribution model;
- financial transactions;
- creation and execution of contracts.

The safeguards of the Policy include the information provided to all company recipients through publication on the company intranet. Regarding the agency network, a circular containing an abstract of the Policy is shared.

The Company, consistent with the provisions of the non-life conflict of interest policy, establishes and updates a register in which to record the individual cases in which a conflict of interest has arisen, or in the case of ongoing services or activities, may arise, which implies the risk of harming customer interests. This register is managed according to the procedures already described.

The Group provides specific training delivered to Intermediaries - registered in the register, as required by current legislation - in the initial marketing phase of a new product.

Policies for the management of risks related to money laundering and terrorist financing

"With the Policy for the management of risks related to money laundering and terrorist financing, Sara Assicurazioni, in its capacity as the Italian parent company of the Group, pursuant to art. 23, co. 1, of Regulation 441 and subsequent amendments, has proceeded to define and formalize the main strategic decisions for the management of money laundering risk and the fight against terrorist financing: the guidelines were drawn up in compliance with the principles of proportionality and a risk-based approach, also taking into account what was highlighted in the annual self-assessment of money laundering risk.

The Compliance and Anti-money Laundering Functions of the Group companies, in coherence with the reference legislation, are also assigned, among others, the responsibilities of collaborating in the identification of the internal control system and procedures aimed at preventing money laundering risk, of continuously verifying the adequacy of the risk management process and the suitability of the internal control system and adopted procedures, and of proposing the organizational and procedural changes necessary to ensure adequate supervision of money laundering risk.

The annual revision of the Policy is mandatory; IVASS also requires a dedicated annual risk assessment (so-called self-assessment) on the anti-money laundering system of which the Policy is a fundamental element. The policy is applicable to Sara Assicurazioni and Sara Vita. Sara Services is excluded as it is not subject to anti-money laundering legislation. The highest management level in the company organization responsible for the implementation of the Policy is Senior Management.

The anti-money laundering policy was prepared on the basis of the current national sector legislation, as well as in compliance with the relevant international legislation and in light of the guidelines disseminated by the Supervisory Authorities.

In the drafting of the Policy, no specific stakeholders were identified, since it is aimed at collective benefit. In fact, the reinvestment of illicit proceeds in legal activities and the presence of operators and economic bodies colluded with crime, or simply not very attentive to compliance with legal obligations, profoundly alter market mechanisms, undermine the efficiency and correctness of financial activity and weaken the economic system itself.

The safeguards of the Policy include the information provided to all company recipients through publication on the company intranet. Regarding the agency network, a circular containing an abstract of the Policy itself is shared.

The administrative bodies of Sara Assicurazioni and Sara Vita have designated, as the sole Group delegate for the reporting of suspicious transactions, the head of the Parent Company's Compliance and Anti-money Laundering Function. The process of managing suspicious transaction reports must ensure certainty of reference and uniformity in behavior in order to ensure maximum confidentiality on the identity of the authors of the same, as well as suitable instruments for the detection of suspicious transactions. The Compliance and Anti-money Laundering Function must ensure that the internal violation reporting procedures, adopted pursuant to the Anti-money Laundering Decree, are brought to the attention of all staff.

The reporting process must be timely and, as a rule, concluded before the transaction is completed. It can be initiated by intermediaries, by the parent company's or Sara Vita's directorates/functions or even by corporate bodies.

The Group, for each of the Companies, has prepared a specific "Form for reporting a suspicious transaction" through which to direct reports to the Delegate for suspicious transactions.

The Compliance and Anti-money Laundering Function annually indicates, to the company Functions competent in training matters, the specific training needs to ensure the continuous updating of staff and collaborators, also taking into account:

- training activities carried out in previous years;
- any regulatory changes;

- any changes in the organizational or productive structure, also with reference to the possible launch of new products.

Furthermore, the operational Marketing and channel training Function, upon the occurrence of the inclusion of a new resource in the agency network, activates the required anti-money laundering training to be completed within 60 days of inclusion.

Tax Risk Assessment and Management Policy

The Sara Group Companies have decided to voluntarily adopt a tax risk management tool in order to protect themselves from any financial and reputational risks, as these Companies do not fall under the 'conditions for access' established by Legislative Decree 128/15, entitled 'Provisions on certainty of law in relations between tax authorities and taxpayers, implementing articles 5, 6 and 8, paragraph 2, of Law 11 March 2014, No. 23.' The Policy is defined in accordance with the regulations in force from time to time on the matter.

The Tax Risk Assessment and Management Policy aims to define the principles and rules that govern tax processes in Sara Assicurazioni and Sara Vita, to which it applies, and to outline the elements of the tax risk management system.

Proper management of tax compliance is fundamental for the Sara Group, for its shareholders, and for all parties involved in operations. Sara Assicurazioni and Sara Vita, whose Boards of Directors have approved the Policy document, undertake to manage tax compliance based on the principles of integrity and fairness and to operate in full compliance with applicable laws and regulations, the Code of Ethics, and their respective Organization, Management, and Control Models pursuant to Legislative Decree 231/2001. The responsibility for the implementation of the Policy remains with Senior Management. The Companies promote the dissemination of a culture of diligence, professionalism, and transparency among management and all employees. To this end, the Tax Risk Assessment and Management Policy:

- defines the scope of application and identifies the subjects to whom it applies;
- identifies and prescribes the general principles and rules that govern the process of managing tax compliance;
- illustrates the concepts of 'risks' and 'control' in the tax field;
- describes the essential elements of the tax risk management system ('tax control framework');
- establishes roles and responsibilities of the main parties involved in the tax process and in tax risk management.

The ultimate goal of the Policy is, therefore, to ensure proper management of tax risk, or, in other words, to prevent unnecessary disputes.

This is only possible by adopting a prudent approach, supporting and documenting the tax positions taken and considering their impact on the short and long term, establishing cooperative relationships with the Tax Administration, and adopting procedures that guarantee accurate and complete tax returns.

Consistent with the most recognized risk management frameworks, the types of tax risk that prevent the achievement of business objectives can be traced back to the following areas:

- errors or delays in the preparation and submission of returns;
- incorrect calculation of taxes;
- failure/delay/incorrect payment of taxes.

The identification of tax risks is defined by the managers identified within the Tax Office and in the other company Functions involved in the processes of tax relevance, who are entrusted with the management of the specific risk ('risk owner'), with reference to their areas of competence.

In the case of particular, new, and non-recurring transactions (e.g., financial transactions, acquisitions/disposals of assets, development of new products), the managers of the Functions involved must identify and assess any additional related tax risks and ensure an adequate level of risk mitigation.

The Sara Group carries out an activity of identifying and assessing the tax risks of the two companies and the related controls in place to mitigate the risks. This activity is formalized within a 'Risk-Control-Matrix,' which constitutes the main instrument for the tax risk management system. The updating and alignment of the Risk-Control-Matrix is the operational responsibility of the Tax Office.

The Tax Function also operationally produces an annual report, presented by the Administration and Financial Statements Director to Senior Management and the Administrative Body, regarding the adequacy of the tax risk management measures, as resulting from the ordinary annual update of the Risk-Control-Matrix, its semi-annual monitoring activities (including verification of the effective implementation of the agreed remediation activities and the timely reporting of delays or rescheduling of deadlines), and the further monitoring actions carried out by the fundamental Functions affected by the Policy.

The Internal Audit Department and the Compliance and Anti-Money Laundering and Risk Management Functions communicate, in addition to the Tax Function and the Administration and Financial Statements Department, also to the Boards of Directors of the Group Companies and company Management the results of their monitoring activities carried out with reference to tax issues, within the defined periodic reporting system.

The principles and rules of conduct outlined must be respected by all internal (employees, collaborators, corporate bodies) and external (tax advisors) parties who are or may be involved in the management of activities with tax relevance ('persons involved in the tax process').

The Group provides for the sharing of the content of the Policy with internal stakeholders whose contribution is functional to the performance of the activities and controls reported in the procedure itself, through publication on the company intranet.

For personnel engaged in processes with tax relevance, the Sara Group ensures the continuous development of skills and knowledge through participation in internal and external specialized training courses. To this end, it makes available an adequate budget and organizes work commitments in order to allow the effective and regular participation in training courses. The identification of training needs, the selection of participants and training methods are the responsibility of the Heads of company functions, in agreement with the Human Resources Department.

G1.MDR-A and T – Actions or action plans associated with corporate culture and objectives

Actions or action plans associated with the Code of Ethics

Among the main actions related to corporate culture and connected to the Code of Ethics are:

- the Training Plan (training is mandatory for new employees, while for the entire company population it is mandatory in the event of significant changes);
- the Code dissemination plan.

The Group administers to newly hired employees the e-learning course entitled "The organizational model ex 231 and the Code of Ethics of the Sara Assicurazioni Group" through the company intranet MondoSara and, since July 2024, also a specific e-learning course entitled "The Code of Ethics of Sara Assicurazioni". Similar training courses are also provided for Agents and agency collaborators.

The Training Plan is prepared annually and represents a cyclical and recurring process whenever significant changes to the document occur. The same applies with reference to the dissemination plan.

The Group has not foreseen to date any further specific actions with reference to corporate culture and, in particular, to the Code of Ethics as, to date, no episodes of violation of the same have emerged.

Also, the Group has not foreseen specific objectives with reference to corporate culture: the absence of episodes of violation of the Code of Ethics has in fact led the Group to believe that the determination of specific objectives is not necessary, in addition to that of maintaining a zero level of reports.

Actions or action plans associated with the Conflict of Interest Policy for Non-Life and Life

With reference to the Conflict of Interest Policies, respectively Non-Life and Life, the main action consists of the Annual Reporting to the Supervisory Body on conflicts of interest (an indication not explicitly required by legislation, but included on a voluntary basis).

The Policy also regulates the realization, by the Companies, and the making available to Intermediaries of pre-contractual and contractual information for policyholders that also covers the issue of conflicts of interest.

The actions described have as their scope respectively the non-life branch and the life branch and are carried out annually.

The Group pursues the general objective of absence of conflicts of interest. Given the absence, in the recent period, of any cases found, the Group does not currently consider it appropriate to define further actions than what is provided for by the reference legislation.

Monitoring is carried out towards the Board of Directors through the periodic reporting provided by the Compliance and Anti-Money Laundering Function.

Actions or action plans associated with the Policies for the management of risks related to money laundering and terrorist financing

Considering the high degree of regulation of the thematic area, the Group adopts second and third level internal controls and has not planned actions different from what is necessary for the implementation of the Policy and the consequent satisfaction of regulatory requirements. Given the absence, during these controls, of evidence of critical issues, it was not considered necessary to identify specific objectives beyond the general one of continuous process improvement. Monitoring is however carried out towards the Board of Directors through the periodic information provided by the Compliance and Anti-Money Laundering Function.

Actions or action plans associated with the Tax Risk Assessment and Management Policy

With reference to tax matters, the Group has not found it necessary to activate further actions in addition to the training already described.

While not providing for specific measurable objectives, the Group operates in pursuing the general objective of minimizing tax risk. The Internal Audit Department and the Compliance, Anti-Money Laundering and Risk Management Functions, however, carry out monitoring with reference to tax issues and report on them.

Protection of whistleblowers

"As part of the double materiality analysis, the Sara Group identified the following impact related to the 'protection of whistleblowers' sub-theme:

- Protection of whistleblowers thanks to the establishment of dedicated channels that are safe against retaliation and discrimination (positive impact – actual)

With reference to whistleblowers, Sara has adopted the Policy for the Protection of individuals reporting breaches of EU law and national provisions (Whistleblowing) which constitutes, with reference to the regulations referred to in Legislative Decree No. 231/2001, a necessary but not sufficient condition for the suitability of the Organization, Management, and Control Model, and intends to contribute to the identification and fight against possible offenses, the dissemination of the culture of ethics and legality and the creation of a climate of transparency and participation within the organization. In this way, the Group regulates:

- the scope and characteristics of possible reports;
- the subjects in charge of receiving and managing the reports and those who can send reports, in addition to the forms of protection for them;
- the methods of sending a report;
- the methods and process of managing the reports;
- the responsibilities of the subjects in charge of managing the reports;
- external reports and public disclosures;
- the information flows on the process of managing the report to the corporate bodies and to the author of the report and any persons mentioned in the report.

In 2018, the Sara Group had equipped itself with a specific IT Whistleblowing system, managed, to protect the confidentiality of the reporting person, by a third-party provider. In 2023, the Sara Group, to comply with the provisions of Legislative Decree 10 March 2023, No. 24, which transposed EU Directive 2019/1937 on whistleblowing, decided to replace the IT application used since 2018 with a multidisciplinary platform made available by another provider. With this new IT platform, with regard to Whistleblowing management, the possibility is guaranteed, both to subjects internal to the company (workers, volunteers and interns, shareholders, members of the Board of Directors) and to external subjects who have become aware of an offense by virtue of existing commercial and contractual relationships (agents, suppliers, consultants), to send reports relating to any violations (potential or actual) of important legal provisions or company regulations, including anti-corruption provisions.

During 2024, as already happened in 2023, with reference to training on corruption prevention for employees, a specific mandatory e-learning course on Whistleblowing was provided, with the aim of providing an update on the rules, the methods of reporting unlawful conduct (including corruption), the protection measures to protect reporting persons and the channels made available by the Sara Assicurazioni Group. Furthermore, also for agents, in 2024, as in 2023, the specific mandatory e-learning course on Whistleblowing was provided, with the aim of providing the sales network with an update on the rules and methods for reporting any unlawful conduct.

The company contact persons responsible for managing reports (hereinafter also referred to as "Whistleblowing contact persons"), and all others provided for by Legislative Decree No. 24/2023 implementing Directive (EU) 2019/1937 of the European Parliament and of the Council on the protection of persons reporting breaches of Union law and national legislation, are identified as the Director of Legal and Corporate Affairs (for Sara Assicurazioni only), the Director of Internal Audit and the Head of Compliance and Anti-Money Laundering. This designation was made on the basis of the technical-professional skills and the requirements of autonomy and independence of these resources, which also derive from their organizational position. The management of reports relating to violations of Legislative Decree No. 231/2001 and the Organization Model is handled by the Whistleblowing contact persons in close information coordination with the Supervisory Body.

The Group also provides that internal reports can be sent in writing or orally. Written reports can be made using the dedicated IT channel or by traditional mail. Oral reports can be made following a specific request for a meeting with the Whistleblowing contact persons or by telephone contact. Reports made orally are the subject of a specific report shared with the reporting person. The diversification of the channels available allows all authorized subjects the possibility to make the report.

The IT channel is administered and managed by a third-party provider and is accessible both from the company intranet portal and through the company's website. The contents relating to the report are known only to the Whistleblowing contact persons.

The IT system must allow the reporting person to send, at their choice:

- a report in total anonymity;
- a report in relation to which the identity of its author is obscured from the Whistleblowing contact persons and known only to the system provider;
- a report in relation to which the identity of its author is known both to the system provider and to the Whistleblowing contact persons.

Although the IT application is the same at Group level, the reporting channels are separate for Sara Assicurazioni and its subsidiary Sara Vita.

With reference to the protection of reporting persons, Sara ensures the confidentiality of the reporting person and prohibits any retaliation or discrimination against those who make the report. Anyone involved in the Whistleblowing process is obliged to guarantee the confidentiality of the information received. The identity of the reporting person cannot be disclosed to subjects other than the Whistleblowing Contact Persons, unless they provide express consent; all those involved in the management of the report are required to protect its confidentiality (external provider of the IT channel; Whistleblowing Contact Persons, etc.).

This applies to all possible reporting persons, including Group workers. In particular, no form of retaliation or discrimination, direct or indirect, having effects on working conditions for reasons related to the complaint is allowed against the worker who makes a report pursuant to the Policy. Discriminatory measures include unjustified disciplinary actions, workplace harassment and any other form of retaliation that creates intolerable working conditions (including but not limited to: demotion, change of duties, termination of employment). Confidentiality and protection of the reporting person must also be guaranteed in the event of reports (internal or external) or disclosures that later prove to be unfounded if the reporting person had valid reasons to believe that the violations were true; protection ceases if unfounded reports are accompanied by willful misconduct or gross negligence.

Active and passive corruption

As part of the double materiality analysis, the Sara Group identified the following impacts related to the sub-theme 'active and passive corruption':

- Combating corruption offenses through the preparation of management systems and training aimed at all company levels (positive impact - actual)
- Combating corruption offenses through the preparation of direct training moments for agents (positive impact - actual)
- Absence of corruptive episodes to the detriment of the market and the community (positive impact - actual)

G1-1 – Policies on the prevention and detection of active and passive corruption

The Group's commitment, in particular against corruption offenses, is based on the adoption and effective implementation of the Group's Code of Ethics and Organization, Management, and Control Model (MOG) in accordance with the provisions of Legislative Decree 231/2001. The MOG refers to further internal regulations to which it applies in a transversal manner; by way of example and not exhaustively, in addition to the aforementioned Board Policy relating to the protection of persons reporting breaches of Union law and national regulatory provisions (Whistleblowing), the following documents are highlighted: Regulation for the discipline of Conflicts of Interest; 231 Protocol Management of investigations and audits by inspection bodies; Regulation Gifts, donations and sponsorships; 231 Protocol Small cash management, General Management expenses fund and revenue stamps; Purchasing Procedure; 231 Contractual clauses 231 in relations with third parties; 231 Clauses 231 in granting the mandate to Agents; 231 Litigation Management Protocol; Personnel Selection Procedures; Agent Selection Procedure; Broker Selection Procedure; Tender procedure for insurance services; Property management procedure for income.

This allows to limit the risk of committing the offense, in its active and passive forms, through the consolidation of a structured and organic system of procedures and control activities.

Also to protect against corruption offenses, the Compliance and Anti-Money Laundering Function has been assigned the responsibility to:

- ensure the updating and dissemination of the Organization, Management and Control Model provided for by Legislative Decree 231/01 and the adoption of adequate protocols for the prevention of the offenses in question;
- perform the function of technical secretariat of the 231 Supervisory Body, reporting functionally to it and supporting it in typical activities, with particular reference to the verification of compliance and effectiveness of the 231 Organization Model through the performance of specific compliance programs.

Three resources of the Compliance and Anti-Money Laundering Function present in the Group have specific skills with reference to Legislative Decree 231/2001 and the prevention of corruption offenses.

Organization, Management and Control Model (MOG) according to Legislative Decree 231/2001

The Group's commitment, in particular against corruption offenses, is based on the adoption and effective implementation of the Group's Code of Ethics and Organization, Management, and Control Model (MOG) in accordance with the provisions of Legislative Decree 231/2001.

Although the adoption of the 231 Model constitutes, from a regulatory point of view, the exercise of a "power" and not compliance with a mandatory precept, Sara Assicurazioni has decided to proceed with its preparation and adoption in the firm belief that this system represents an important opportunity to promote the dissemination of a corporate culture based on the principles of legality, honesty, fairness and respect for ethical and legal rules, as well as useful to strengthen its Corporate Governance, optimize control processes and improve, at the same time, also business processes.

On the impulse of the Parent Company, also the subsidiary Sara Vita has adopted and progressively maintained the organization, management and control model provided for by Legislative Decree 231/2001.

Sara has also made particular efforts to make the 231 MOGs and related control systems homogeneous and adequate, also through the use of specialized skills at the Parent Company.

As a rule, every year the Compliance and Anti-Money Laundering Function, which oversees the updating of the 231 MOG for both Sara Assicurazioni and Sara Vita, carries out a risk assessment to identify the company processes exposed to the risk of committing offenses pursuant to Legislative Decree 231/2001, including corruption, also in the case of corruption among private individuals.

100% of the company processes are included and subject, within the risk assessment activities, to evaluation with reference to the risks related to corruption.

Sara Assicurazioni has identified the subjects from whose unlawful conduct the extension of liability to the Company may arise. In more detail:

- the members of the Board of Directors and the General Manager fall among the subjects considered in a senior position with reference to art. 5, co. 1, lett. a) of the Decree;
- the Managers as well as the further personnel with delegated powers can also fall (depending on the powers and formal and substantial autonomies exercised) among the subjects in a senior position;
- the remaining personnel, operating under the direction or supervision of one of the subjects referred to above, are included within the subjects referred to in art. 5, co. 1, lett. b) of the Decree.

With reference to the existence of the subjective requirements for the application of the rule also towards subjects external to the company organization, but with whom the Company maintains stable and

continuous relationships, it is necessary to carry out a case-by-case verification, in order to ascertain the possible and concrete existence, on the part of the Company and towards these subjects, of:

- powers of direction, i.e., specific orders and directives regarding the execution of the assignment and the methods of implementation;
- powers of control of the various phases of performance of the work;
- any disciplinary and censure power.

These subjects include, in particular, the intermediaries of the sales network (agents and brokers), the consultants (e.g., lawyers, claims management trustees, anti-fraud investigators, competent doctors, strategic consultants, etc.), the outsourcers and the suppliers.

For these subjects, even if with methodologies and instruments sometimes different from those used for the subjects "internal" to the Company, appropriate preventive measures have been defined, even if within the limits of respecting their independence and organizational autonomy.

The highest management level in the company organization responsible for the implementation of the 231 MOG is the Board of Directors.

The Model has been prepared also taking into account the guidelines suggested by the Category Associations. Particular account has been taken of the content of the following documents:

- "Guidelines for the construction of organization, management and control models", by Confindustria, approved on 07 March 2002 and updated, most recently, in June 2021;
- "Consolidated principles for the drafting of organizational models and the activity of the supervisory body and prospects for revision of Legislative Decree 8 June 2001, n. 231", by the National Council of Chartered Accountants and Accounting Experts, February 2019;
- "Guidelines for the insurance sector ex art. 6, co. 3, Legislative Decree 08.06.2001 n. 231", by ANIA, 14 February 2003, updated in 2008.

Sara Assicurazioni believes that the adoption of the Model, together with the adoption of the Code of Ethics, constitutes, beyond the legal requirements, a further valid instrument for raising awareness among all Sara's employees and collaborators and all other parties involved with it. All this so that the aforementioned subjects follow, in the performance of their activities, correct and transparent behavior in line with the ethical-social values to which Sara is inspired in the pursuit of its corporate purpose, and in any case such as to prevent the risk of committing the offenses contemplated by the Decree.

The Group, in order to effectively implement the Model, intends to ensure a correct dissemination of its contents within and outside its organization, extending the communication of the contents of the Model not only to its employees, but also to subjects who, even if not formally qualified as employees, operate - even occasionally - for the achievement of the Company's objectives by virtue of contractual relationships.

All Group employees have access, through the company Intranet "MondoSara", to the relevant internal company regulations and, in particular, to the Code of Ethics, MOG, protocols and procedures on the matter, including those for anti-corruption.

A specific section has also been created in the Portal dedicated to Agents, where to make available the company documents most relevant for 231 purposes.

The Organization, Management and Control Model of Sara Assicurazioni and Sara Vita - General Part is published and made available also on the institutional website.

Sara Assicurazioni, as already described, has adopted a "Whistleblowing" system to allow the reporting of the commission or reasonable danger of commission of offenses relevant for the purposes of the administrative liability of entities and in any case of those behaviors that, in any case, may determine a violation of the 231 MOG, including corruption. For details on the operating mechanisms, please refer to the previous section "Protection of Whistleblowers".

Sara has also formalized a company procedure aimed at directly informing the Supervisory Body (Information Flows Procedure), which allows employees to report any conduct in contrast with the 231 legislation and therefore also those behaviors in contrast with anti-corruption precepts.

According to the provisions of the 231 MOG, the Sara Group intends training as an essential element to disseminate the contents of the Model and/or other relevant company rules on the matter to employees and, where appropriate, to third parties; to raise awareness among these subjects of compliance with the principles of conduct indicated therein; to give effectiveness to these rules. This also applies to the provisions on active and passive corruption. Once the training needs have been identified, the Human Resources Department and the Marketing, Brand and Customer Relationship Department prepare the Training Plan to be carried out during the year. The planning defines the training needs; identifies the recipients of the training; identifies the training interventions; defines the methods of management/delivery of the training intervention (e-learning; classroom; workshop; etc.).

In 2024, the Group continued to administer to newly hired employees an e-learning course on the administrative liability of entities (Legislative Decree 231/2001) entitled "The 231 organization model and the Code of Ethics of the Sara Assicurazioni Group" through the company intranet MondoSara, a part of which is focused on corruption offenses. Newly hired employees also continued to be administered the mandatory e-learning course on Whistleblowing. The staff of the Compliance Function also participated, during the year, in various professional development training initiatives, also in the field of anti-corruption.

Finally, the specific mandatory e-learning course on Whistleblowing was continued to be provided to new agents, with the aim of providing them with information relating to the rules and methods for reporting any unlawful conduct, including corruption.

100% of the company processes are subject, within the risk assessment activities, to evaluation with reference to the risks related to corruption. The latest assessment concluded has shown an adequate level of control to mitigate the risk of corruption; in particular:

- in Sara Assicurazioni, the general residual risk was, in most of the processes, analyzed "very low" and, residually, "low" on a five-class scale ("very low", "low", "medium", "medium high", "high");
- in Sara Vita, the general residual risk was, for all processes, "very low".

G1-3 Prevention and detection of active and passive corruption

As already indicated, as a rule, every year the Compliance and Anti-Money Laundering Function, which oversees the updating of the 231 Model for both Sara Assicurazioni and Sara Vita, carries out a risk assessment to identify the company processes exposed to the risk of committing offenses pursuant to Legislative Decree 231/2001, including corruption, including the instance of corruption among private individuals.

In line with the provisions of Legislative Decree 231/2001, Sara Assicurazioni and Sara Vita have entrusted the task of supervising the operation and observance of the 231 Model to a collegial Supervisory Body, equipped with autonomous powers of initiative and control.

The Supervisory Body is granted the powers of initiative and control necessary to ensure effective and efficient supervision of the functioning and observance of the Model. In particular, the Supervisory Body is entrusted, for the performance and exercise of its functions, with the following powers:

- Autonomy of action: the activities carried out by the Supervisory Body cannot be reviewed by any other body or structure of the Company; the management body is in any case called upon to carry out a supervisory activity on the adequacy of its work, as the ultimate responsibility for the functioning and effectiveness of the Model rests with the management body;
- Financial autonomy: at the beginning of the year, the Supervisory Body presents, for subsequent approval by the Board of Directors, a budget that includes the resources strictly functional to the activity of the Supervisory Body itself (e.g., consultancies on specific areas); the Supervisory Body has the

right to independently dispose of and without any prior consent of the allocated financial resources in order to carry out the assigned activity, with the obligation to comply with the current company procedures regarding purchases and to proceed with subsequent regular annual reporting;

- Access autonomy: the Supervisory Body can freely access or summon any organizational structure/unit, representative or employee of the Company - without the need for any prior consent - to request and acquire information, documentation and data, deemed necessary for the performance of the tasks provided for by Legislative Decree 231/2001, from all employees and managers; it can also request relevant information from collaborators, consultants, agents, and representatives external to the Company;
-
- Use of company Functions: the Supervisory Body can make use - under its direct supervision and responsibility - in carrying out the tasks entrusted to it, of the collaboration of all Functions and structures established within the Company or that provide their activities in favor of the Company based on service contracts in force from time to time;
- Suitable information flows: the Supervisory Body must be promptly informed about those acts, behaviors or events that may lead to a violation of the Model or that, more generally, are relevant for the purposes of Legislative Decree 231/2001. The Supervisory Body has access to the acts of the Administrative Body and the relevant Committees where established.

The Supervisory Body periodically informs the administrative body about the checks planned for the reference year by transmitting the audit plan contained in the annual report to the Board of Directors and the Board of Statutory Auditors.

The Supervisory Body also reports to the company bodies on the results of the activities carried out by sending the periodically prepared report to both the administrative and control bodies.

In addition to the ordinary information flows provided by the Supervisory Body to the company bodies, the body also provides immediate communication to these bodies in the event of extraordinary situations, relating, for example, to any reports of violations of the principles contained in the Model that have come to its attention.

Among the tasks of the Supervisory Body is the promotion, through the competent company Functions, of suitable initiatives for the dissemination of knowledge and understanding of the principles of the 231 Model, verifying that the specific information/training programs provided for by the Model itself are implemented.

With specific reference to information initiatives relating to the prevention of 231 risks, the following is provided:

- Publication on the company intranet: the relevant legislation on the matter is published within the company regulations; a specific section has also been created where in-depth documents and training materials used for training, as well as the reporting form to the Supervisory Body, are made available.
- Communication through specific News on the company intranet in the event of changes to the Model or the reference legislation: the publication on the company intranet of specific news is also provided for in the event of changes or updates to the 231 Model describing and disseminating the changes made, or significant changes in the reference legislation.
- New employees and collaborators, upon joining the company, are always asked by the Human Resources Department to read the Code of Ethics and the Model and to certify their specific observance of their contents.

PREVENTION AND DETECTION OF ACTIVE AND PASSIVE CORRUPTION IN TRAINING MATTERS				
Extension of training	2024			
	High-risk functions	Manager	Boards of administration, management, and control	Other company workers
Total	631	23	25	0
Total number of training participants	27	0	0	0
	4,3%	0,0%	0,0%	0,0%
Provision methods and duration				
Classroom training	0	0	0	0
E-learning	68,5	0	0	0
Voluntary e-learning	0	0	0	0

Training on corruption offenses is part of the broader annual Training Plan provided for the dissemination of the contents of the 231 Model.

It is not carried out with a standard frequency, but is delivered obligatorily upon hiring and in the event of significant changes to internal or external regulations. The training carried out in 2024 included, among its contents, the definition of corruption, policies and procedures regarding suspicion/detection. It also covered both the provisions of Legislative Decree 24/2023 regarding the protection of persons who report violations of regulatory provisions (Whistleblowing) and the provisions of the Group Code of Ethics and the Organization Models ex Legislative Decree 231 of the Sara Assicurazioni and Sara Vita Companies.

The training activity aimed at spreading awareness of the legislation referred to in Legislative Decree 231/2001 is differentiated, in terms of content and delivery methods, according to the qualification of the recipients, the risk level of the area in which they operate, and whether or not the recipients have representative functions in Sara Assicurazioni. Among the recipients, it is possible to distinguish the following macro-areas:

- newly hired workers;
- employees;
- collaborators (temporary workers; project contracts; internships; etc.);
- managers and Officers who hold organizational positions particularly exposed to the "crime risk";
- corporate bodies (Board of Directors and Board of Statutory Auditors);
- intermediaries;
- any other recipients (e.g., consultants; suppliers; etc.), where expressly provided.

Training can be carried out in the classroom, or with workshop methods; with e-learning methods. It is delivered by internal or external Trainers with proven experience and an appropriate professional curriculum.

All employees and collaborators are given, once, by the Human Resources Department, a basic self-training course on Legislative Decree 231/01 and on the contents of the Model adopted by the Company in e-learning mode, curated by leading specialized suppliers and previously checked by the Compliance and Anti-Money Laundering Function. New hires and new collaborators receive the course at the beginning of the employment/collaboration relationship.

For personnel engaged in the company in the operational management of the various obligations resulting from the adoption of the Model (e.g., updating of the Model; updating of the risk assessment; internal training; internal controls; support to the Supervisory Body; etc.) continuous professional development and consolidation of training is provided through attendance at specialist courses at Universities or leading training institutes external to the company, or participation in Conferences and Seminars on the subject, also in light of the involvement of some resources in carrying out "internal training" activities for employees.

The Training Plan also includes mandatory training activities for insurance Intermediaries on the legislation referred to in Legislative Decree 231/01, on the Organization Model and on the Code of Ethics adopted by the Company, and on specific predicate offenses included in Legislative Decree 231/2001.

The training initiatives aimed at the corporate bodies are of fundamental importance, as these bodies are called upon, more than all other company subjects, to make decisions or to manage or control the processes at risk, in the awareness of the high exposure of these bodies to profiles of responsibility and risk of committing offenses. For the specific training of corporate bodies, the Training Plan may include targeted interventions through the organization of Seminars/Conferences dedicated to them or, alternatively, "training spaces" to be provided during the meetings of these bodies by the company representatives competent on the subject or by consultants/experts external to the company.

A further usable tool may be the preparation and illustration to the corporate bodies of explanatory documents of the Model adopted by the Company, of the Code of Ethics and of the predicate offenses of greatest interest for them, also in light of the evidence emerging in the performance of the periodic risk assessment activity.

G1-4 Cases of active or passive corruption

In 2024, no cases of active or passive corruption were identified within the Group.

G1.MDR-A – Actions or action plans associated with the prevention and detection of active and passive corruption

Actions or action plans associated with the prevention and detection of active and passive corruption.

Among the main actions associated with the prevention and detection of active and passive corruption, Sara identifies:

- training on offenses under Legislative Decree 231 (including corruption);
- risk assessment activities.

For the training provided by the Group in 2024, please refer to what has already been described in the previous sections.

The scope of the main actions implemented pertains to the Sara Assicurazioni Group; the actions indicated are normally carried out on an annual basis.

G1.MDR-T – Targets associated with the prevention and detection of active and passive corruption

The scope of active and passive corruption is heavily regulated; given the absence of corruptive incidents in the last three years, the Group has not identified the need to define further specific targets beyond maintaining the number of incidents at zero. Monitoring is carried out towards the Board of Directors (CdA) through periodic reporting provided by both the Compliance and Anti-Money Laundering Function and the Supervisory Body.

Other sustainability information

The information required under Regulation (EU) 2022/1214 concerning economic activities in certain gas and nuclear energy sectors is provided below

Template 1 - Nuclear energy-related activities

Row	Nuclear energy related activities	YES/NO
1	The company conducts, finances, or has exposures towards research, development, demonstration, and construction of innovative power generation plants that produce energy from nuclear processes with minimal nuclear fuel cycle waste.	YES
2	The company conducts, finances, or has exposures towards the construction and safe operation of new nuclear power plants for the generation of electricity or process heat, including for district heating or industrial processes such as the production of hydrogen, and improvements to their safety, with the aid of the best available technologies.	YES
3	The company conducts, finances, or has exposures towards the safe operation of existing nuclear power plants that generate electricity or process heat, including for district heating or industrial processes such as the production of hydrogen from nuclear energy, and improvements to their safety.	YES
	Fossil gas related activities	YES/NO
4	The company conducts, finances, or has exposures towards the construction or operation of power plants that use fossil gaseous fuels.	YES
5	The company conducts, finances, or has exposures towards the construction, refurbishment, and operation of combined heat/cooling and power generation plants that use fossil gaseous fuels.	YES
6	The company conducts, finances, or has exposures towards the construction, refurbishment, and operation of heat generation plants that produce heat/cooling using fossil gaseous fuels.	YES

The following are the templates illustrating amounts and shares of taxonomy-aligned economic activities with reference to revenues:

Template 2 – Taxonomy-aligned economic activities (denominator)

Row	Economic activities	Amount and proportion (give information in monetary amounts and percentages)					
		CCM+CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1	Amount and proportion of Taxonomy-aligned economic activity as per section 4.26 of Annexes I and II of Delegated Regulation (EU) 2021/2139 within the denominator of the applicable KPI	8.203	0,00%	8.203	0,00%	-	0,00%
2	Amount and proportion of Taxonomy-aligned economic activity as per section 4.27 of Annexes I and II of Delegated Regulation (EU) 2021/2139 within the	9.281	0,00%	9.281	0,00%	-	0,00%

	denominator of the applicable KPI						
3	Amount and proportion of Taxonomy-aligned economic activity as per section 4.28 of Annexes I and II of Delegated Regulation (EU) 2021/2139 within the denominator of the applicable KPI	130.268	0,01%	130.239	0,01%	29	0,00%
4	Amount and proportion of Taxonomy-aligned economic activity as per section 4.29 of Annexes I and II of Delegated Regulation (EU) 2021/2139 within the denominator of the applicable KPI	100	0,00%	100	0,00%	-	0,00%
5	Amount and proportion of Taxonomy-aligned economic activity as per section 4.30 of Annexes I and II of Delegated Regulation (EU) 2021/2139 within the denominator of the applicable KPI	174.202	0,01%	92.503	0,00%	81.698	0,00%
6	Amount and proportion of Taxonomy-aligned economic activity as per section 4.31 of Annexes I and II of Delegated Regulation (EU) 2021/2139 within the denominator of the applicable KPI	7.064	0,00%	7.064	0,00%	-	0,00%
7	Amount and proportion of other Taxonomy-aligned economic activities not included in lines 1 to 6 within the denominator of the applicable KPI	43.792.592	2,31%	43.792.592	2,31%	-	0,00%
8	Total applicable KPI	1.897.710.539	100,00%	1.897.710.539	100,00%	1.897.710.539	100,00%

Template 3 – Taxonomy-aligned economic activities (numerator)

Row	Economic activities	Amount and proportion (give information in monetary amounts and percentages)					
		CCM+CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1	Amount and share of taxonomy-aligned economic activity from section 4.26 of Annexes I and II of Delegated Regulation (EU) 2021/2139 to the numerator of the applicable KPI	65	0,00%	65	0,00%	-	0,00%
2	Amount and share of taxonomy-aligned economic activity from section 4.27 of Annexes I and II of Delegated Regulation (EU) 2021/2139 to the numerator of the applicable KPI	2.466	0,01%	2.466	0,01%	-	0,00%
3	Amount and share of taxonomy-aligned economic activity from section 4.28 of Annexes I and II of Delegated Regulation (EU) 2021/2139 to the numerator of the applicable KPI	1.939.629	4,40%	1.939.629	4,40%	-	0,00%
4	Amount and share of taxonomy-aligned economic activity from section 4.29 of Annexes I and II of Delegated Regulation (EU) 2021/2139 to the numerator of the applicable KPI	533	0,00%	533	0,00%	-	0,00%
5	Amount and share of taxonomy-aligned economic activity from section 4.30 of Annexes I and II of Delegated Regulation (EU) 2021/2139 to the numerator of the applicable KPI	154.452	0,35%	9.047	0,02%	145.404	0,33%
6	Amount and share of taxonomy-aligned economic activity from section 4.31 of Annexes I and II of Delegated Regulation (EU) 2021/2139 to the numerator of the applicable KPI	583	0,00%	583	0,00%	-	0,00%
7	Amount and share of other Taxonomy-aligned economic activities not included in rows 1 to 6 in the numerator of the applicable KPI	42.023.981	95,25%	42.023.981	95,25%	-	0,00%
8	Total amount and share of Taxonomy-aligned economic activities in the numerator of the applicable KPI	44.121.709	100,00%	43.976.304	99,67%	145.404	0,33%

Template 4 – Taxonomy-eligible but not Taxonomy-aligned economic activities

Row	Economic activities	Amount and proportion (give information in monetary amounts and percentages)					
		CCM+CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1	Amount and share of taxonomy-eligible but non-taxonomy-aligned economic activity from section 4.26 of Annexes I and II of Delegated Regulation (EU) 2021/2139 to the denominator of the applicable KPI	4.291	0,00%	4.291	0,00%	-	0,00%
2	Amount and share of taxonomy-eligible but non-taxonomy-aligned economic activity from section 4.27 of Annexes I and II of Delegated Regulation (EU) 2021/2139 to the denominator of the applicable KPI	4.321	0,00%	4.321	0,00%	-	0,00%
3	Amount and share of taxonomy-eligible but non-taxonomy-aligned economic activity from section 4.28 of Annexes I and II of Delegated Regulation (EU) 2021/2139 to the denominator of the applicable KPI	16.868	0,00%	16.868	0,00%	-	0,00%
4	Amount and share of taxonomy-eligible but non-taxonomy-aligned economic activity from section 4.29 of Annexes I and II of Delegated Regulation (EU) 2021/2139 to the denominator of the applicable KPI	6.854.363	0,36%	6.854.358	0,36%	6	0,00%
5	Amount and share of taxonomy-eligible but non-taxonomy-aligned economic activity from section 4.30 of Annexes I and II of Delegated Regulation (EU) 2021/2139 to the denominator of the applicable KPI	10.349.683	0,55%	10.267.984	0,54%	81.698	0,00%
6	Amount and share of taxonomy-eligible but non-taxonomy-aligned economic activity from section 4.31 of Annexes I and II of Delegated Regulation (EU) 2021/2139 to the denominator of the applicable KPI	337.092	0,02%	337.092	0,02%	-	0,00%
7	Amount and share of other taxonomy-eligible but non-taxonomy-aligned economic activities not included in rows 1 to 6 to the denominator of the applicable KPI	312.808.564	16,48%	312.808.564	16,48%	-	0,00%
8	Total amount and share of taxonomy-eligible but non-taxonomy-aligned economic activities to the denominator of the applicable KPI	330.375.181	17,41%	330.293.477	17,40%	81.704	0,00%

Template 5 – Non-taxonomy-eligible economic activities

Row	Economic activities	Amount	Percentage
1	Amount and share of economic activity from row 1 of model 1 that is not taxonomy-eligible in accordance with section 4.26 of Annexes I and II of Delegated Regulation (EU) 2021/2139 to the denominator of the applicable KPI	2.075.410	0,11%
2	Amount and share of economic activity from row 2 of model 1 that is not taxonomy-eligible in accordance with section 4.27 of Annexes I and II of Delegated Regulation (EU) 2021/2139 to the denominator of the applicable KPI	43.386.678	2,29%
3	Amount and share of economic activity from row 3 of model 1 that is not taxonomy-eligible in accordance with section 4.28 of Annexes I and II of Delegated Regulation (EU) 2021/2139 to the denominator of the applicable KPI	56.117.653	2,96%
4	Amount and share of economic activity from row 4 of model 1 that is not taxonomy-eligible in accordance with section 4.29 of Annexes I and II of Delegated Regulation (EU) 2021/2139 to the denominator of the applicable KPI	163	0,00%
5	Amount and share of economic activity from row 5 of model 1 that is not taxonomy-eligible in accordance with section 4.30 of Annexes I and II of Delegated Regulation (EU) 2021/2139 to the denominator of the applicable KPI	81.543	0,00%
6	Amount and share of economic activity from row 6 of model 1 that is not taxonomy-eligible in accordance with section 4.31 of Annexes I and II of Delegated Regulation (EU) 2021/2139 to the denominator of the applicable KPI	2.075.414	0,11%
7	Amount and share of other non-taxonomy-eligible economic activities not included in rows 1 to 6 to the denominator of the applicable KPI	277.165.508	14,61%
8	Total amount and share of non-taxonomy-eligible economic activities to the denominator of the applicable KPI	380.902.370	20,07%

The following are the templates illustrating amounts and shares of taxonomy-aligned economic activities with reference to capex

Template 2 – Taxonomy-aligned economic activities (denominator)

ROW	Economic activities	Amount and proportion (give information in monetary amounts and percentages)					
		CCM+CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1.	Amount and share of taxonomy-aligned economic activity from section 4.26 of Annexes I and II of Delegated Regulation (EU) 2021/2139 to the denominator of the applicable KPI	475	0,00%	475	0,00%	-	0,00%
2.	Amount and share of taxonomy-aligned economic activity from section 4.27 of Annexes I and II of Delegated Regulation (EU) 2021/2139 to the denominator of the applicable KPI	145.596	0,01%	145.596	0,01%	-	0,00%
3.	Amount and share of taxonomy-aligned economic activity from section 4.28 of Annexes I and II of Delegated Regulation (EU) 2021/2139 to the denominator of the applicable KPI	45.532	0,00%	45.532	0,00%	-	0,00%
4.	Amount and share of taxonomy-aligned economic activity from section 4.29 of Annexes I and II of Delegated Regulation (EU) 2021/2139 to the denominator of the applicable KPI	398.686	0,02%	398.686	0,02%	-	0,00%
5.	Amount and share of taxonomy-aligned economic activity from section 4.30 of Annexes I and II of Delegated Regulation (EU) 2021/2139 to the denominator of the applicable KPI	233.115	0,01%	233.115	0,01%	-	0,00%
6.	Amount and share of taxonomy-aligned economic activity from section 4.31 of Annexes I and II of Delegated Regulation (EU) 2021/2139 to the denominator of the applicable KPI	87.156	0,00%	87.156	0,00%	-	0,00%
7.	Amount and share of other taxonomy-aligned economic activities not included in rows 1 to 6 to the denominator of the applicable KPI	90.830.287	4,79%	90.830.287	4,79%	-	0,00%
8.	Total applicable KPI	1.897.710.539	100,00%	1.897.710.539	100,00%	1.897.710.539	100,00%

Template 3 – Taxonomy-aligned economic activities (numerator)

Row	Economic activities	Amount and proportion (give information in monetary amounts and percentages)					
		CCM+CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1	Amount and share of taxonomy-aligned economic activity from section 4.26 of Annexes I and II of Delegated Regulation (EU) 2021/2139 to the numerator of the applicable KPI	63	0,00%	63	0,00%	-	0,00%
2	Amount and share of taxonomy-aligned economic activity from section 4.27 of Annexes I and II of Delegated Regulation (EU) 2021/2139 to the numerator of the applicable KPI	77.196	0,08%	77.196	0,08%	-	0,00%
3	Amount and share of taxonomy-aligned economic activity from section 4.28 of Annexes I and II of Delegated Regulation (EU) 2021/2139 to the numerator of the applicable KPI	646.189	0,70%	646.189	0,70%	-	0,00%
4	Amount and share of taxonomy-aligned economic activity from section 4.29 of Annexes I and II of Delegated Regulation (EU) 2021/2139 to the numerator of the applicable KPI	461.366	0,50%	461.366	0,50%	-	0,00%
5	Amount and share of taxonomy-aligned economic activity from section 4.30 of Annexes I and II of Delegated Regulation (EU) 2021/2139 to the numerator of the applicable KPI	182.698	0,20%	182.698	0,20%	-	0,00%
6	Amount and share of taxonomy-aligned economic activity from section 4.31 of Annexes I and II of Delegated Regulation (EU) 2021/2139 to the numerator of the applicable KPI	2.010	0,00%	2.001	0,00%	9	0,00%
7	Amount and share of other taxonomy-aligned economic activities not included in rows 1 to 6 to the numerator of the applicable KPI	90.371.325	98,51%	90.371.325	98,51%	-	0,00%
8	Total amount and share of taxonomy-aligned economic activities to the numerator of the applicable KPI	91.740.847	100,00%	91.740.838	100,00%	9	0,00%

Template 4 Taxonomy-eligible but not taxonomy-aligned economic activities

Row	Economic activities	Proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM+CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1	Amount and share of taxonomy-eligible but non-taxonomy-aligned economic activity from section 4.26 of Annexes I and II of Delegated Regulation (EU) 2021/2139 to the denominator of the applicable KPI	1.196	0,00%	1.196	0,00%	-	0,00%
2	Amount and share of taxonomy-eligible but non-taxonomy-aligned economic activity from section 4.27 of Annexes I and II of Delegated Regulation (EU) 2021/2139 to the denominator of the applicable KPI	15	0,00%	15	0,00%	-	0,00%
3	Amount and share of taxonomy-eligible but non-taxonomy-aligned economic activity from section 4.28 of Annexes I and II of Delegated Regulation (EU) 2021/2139 to the denominator of the applicable KPI	1.714	0,00%	1.714	0,00%	-	0,00%
4	Amount and share of taxonomy-eligible but non-taxonomy-aligned economic activity from section 4.29 of Annexes I and II of Delegated Regulation (EU) 2021/2139 to the denominator of the applicable KPI	6.484.788	0,34%	6.429.354	0,34%	55.434	0,00%
5	Amount and share of taxonomy-eligible but non-taxonomy-aligned economic activity from section 4.30 of Annexes I and II of Delegated Regulation (EU) 2021/2139 to the denominator of the applicable KPI	7.440.825	0,39%	7.440.825	0,39%	-	0,00%
6	Amount and share of taxonomy-eligible but non-taxonomy-aligned economic activity from section 4.31 of Annexes I and II of Delegated Regulation (EU) 2021/2139 to the denominator of the applicable KPI	574.770	0,03%	574.770	0,03%	--	0,00%
7	Amount and share of other taxonomy-eligible but non-taxonomy-aligned economic activities not included in rows 1 to 6 to the denominator of the applicable KPI	316.076.513	16,66%	316.076.513	16,66%	--	0,00%
8	Total amount and share of taxonomy-eligible but non-taxonomy-aligned economic activities to the denominator of the applicable KPI	330.579.821	17,42%	330.524.387	17,42%	55.434	0,00%

Template 5 Taxonomy non-eligible economic activities

Row	Economic activities	Amount	Percentage
1	Amount and share of economic activity from row 1 of model 1 that is not taxonomy-eligible in accordance with section 4.26 of Annexes I and II of Delegated Regulation (EU) 2021/2139 to the denominator of the applicable KPI	2	0,00%
2	Amount and share of economic activity from row 2 of model 1 that is not taxonomy-eligible in accordance with section 4.27 of Annexes I and II of Delegated Regulation (EU) 2021/2139 to the denominator of the applicable KPI	254.421	0,01%
3	Amount and share of economic activity from row 3 of model 1 that is not taxonomy-eligible in accordance with section 4.28 of Annexes I and II of Delegated Regulation (EU) 2021/2139 to the denominator of the applicable KPI	52.125.504	2,75%
4	Amount and share of economic activity from row 4 of model 1 that is not taxonomy-eligible in accordance with section 4.29 of Annexes I and II of Delegated Regulation (EU) 2021/2139 to the denominator of the applicable KPI	5	0,00%
5	Amount and share of economic activity from row 5 of model 1 that is not taxonomy-eligible in accordance with section 4.30 of Annexes I and II of Delegated Regulation (EU) 2021/2139 to the denominator of the applicable KPI	85.160	0,00%
6	Amount and share of economic activity from row 6 of model 1 that is not taxonomy-eligible in accordance with section 4.31 of Annexes I and II of Delegated Regulation (EU) 2021/2139 to the denominator of the applicable KPI	4	0,00%
7	Amount and share of other non-taxonomy-eligible economic activities not included in rows 1 to 6 to the denominator of the applicable KPI	280.613.495	14,79%
8	Total amount and share of economic activities not eligible under the taxonomy at the denominator of the applicable KPI	333.078.590	17,55%

SOLVENCY RATIOS

With reference to the requirements set out by the Solvency II prudential supervision framework, which came into force on 1 January 2016, the Group's solvency position as at 31 December 2024 shows own funds amounting to 1.035,0 million Euro (compared to 1.035,3 million Euro at the end of 2023), a capital requirement of 281,1 million Euro (279,1 million Euro at the end of 2023), and a solvency ratio of 368,3% (slightly down from 370,9% as at 31 December 2023).

Below is the information required pursuant to Article 7, paragraph 4-bis, of Regulation 7/2007:

Values in thousands of Euro	Eligible own funds classified by tiers				
	Tier 1		Tier 2	Tier 3	Total
	Unrestricted	restricted			
Eligible own funds to cover the SCR	1.013.492	6.075	15.441	-	1.035.008
Eligible own funds to cover the SCR	1.013.492	6.075	15.441	-	1.035.008

Values in thousands of Euro	Solvency Ratios
Eligible own funds to cover the SCR	1.035.008
Solvency Capital Requirement (SCR)	281.001
SCR Coverage Ratio	368,3%
Eligible own funds to cover the MCR	1.035.008
Minimum Capital Requirement (MCR)	140.903
MCR Coverage Ratio	734,5%

Roma, 19 March 2025

THE BOARD OF DIRECTORS

Consolidated Financial Statement
Balance Sheet - Activities

		31.12.2024	31.12.2023
1.	INTANGIBLE ASSETS	6.983.923	7.300.686
	of which: goodwill	-	-
2.	TANGIBLE ASSETS	69.484.700	51.442.868
3.	INSURANCE ASSETS	39.073.303	52.850.530
3.1	Issued insurance contracts that constitute assets	-	-
3.2	Reinsurance assignments that constitute assets	39.073.303	52.850.530
4.	INVESTMENTS	2.750.086.064	2.536.625.501
4.1	Real estate investments	66.739.125	85.626.094
4.2	Investments in associates and joint ventures	-	-
4.3	Financial assets measured at amortized cost	27.814.965	45.795.658
4.4	Financial assets measured at fair value with an impact on comprehensive income	1.791.345.793	1.565.246.452
4.5	Financial assets measured at fair value through profit or loss	864.186.180	839.957.297
	a) Trading financial assets	-	-
	b) Financial assets designated at fair value	72.068.858	58.866.017
	c) Other financial assets mandatorily measured at fair value	792.117.322	781.091.281
5.	OTHER FINANCIAL ASSETS	262.751.478	324.192.152
6.	OTHER ASSET ITEMS	91.539.122	109.230.615
6.1	Assets held for sale or disposal groups held for sale	11.252.656	15.280.192
6.2	TAX ASSETS	63.474.741	80.845.077
	a) Current	33.744.935	36.416.756
	b) Deferred	29.729.806	44.428.321
6.3	OTHER ASSETS	16.811.726	13.105.347
7.	CASH AND CASH EQUIVALENTS	130.527.930	153.889.624
	TOTAL ASSETS	3.350.446.519	3.235.531.976

Company: Sara
Assicurazioni S.p.A.Consolidated Financial Statement
Balance Sheet - Liabilities

		31.12.2024	31.12.2023
1.	EQUITY	975.423.070	905.548.211
1.1	Capital	54.675.000	54.675.000
1.2	Other equity instruments	-	-
1.3	Capital reserves	-	-
1.4	Profit reserves and other equity reserves	828.507.727	761.326.795
1.5	Own shares (-)	(85.846)	(85.846)
1.6	Revaluation reserves	11.378.473	6.545.085
1.7	Equity attributable to non-controlling interests (+/-)	-	-
1.8	Profit (Loss) for the year attributable to the parent company (+/-)	80.947.716	83.087.177
1.9	Profit (Loss) for the year attributable to non-controlling interests (+/-)	-	-
2.	PROVISIONS FOR RISK AND CHARGES	16.140.421	18.232.817
3.	INSURANCE LIABILITIES	2.179.217.642	2.108.877.654
3.1	Issued insurance contracts that constitute liabilities	2.179.217.642	2.108.877.654
3.2	Reinsurance assignments that constitute liabilities	-	-
4.	FINANCIAL LIABILITIES	11.868.284	3.864.763
4.1	Financial liabilities measured at fair value through profit or loss	-	-
	a) trading financial liabilities	-	-
	b) financial liabilities designated at fair value	-	-
4.2	Financial liabilities measured at amortized cost	11.868.284	3.864.763
5.	DEBTS	70.310.286	101.737.743
6.	OTHER LIABILITIES	97.486.816	97.270.788
6.1	Liabilities held for sale or disposal group held for sale	-	-
6.2	Tax liabilities	77.113.746	77.913.272
	a) current	27.824.618	19.938.700
	b) deferred	49.289.128	57.974.572
6.3	Other liabilities	20.373.070	19.357.515
TOTAL EQUITY AND LIABILITIES		3.350.446.519	3.235.531.976

Consolidated Financial Statement
Profit&Loss

		31.12.2024	31.12.2023
1.	Insurance revenues from issued insurance contracts	741.387.510	689.507.440
2.	Costs for insurance services deriving from issued insurance contracts	(655.378.192)	(660.910.392)
3.	Revenues from reinsurance assignments	(439.636)	45.585.519
4.	Costs for insurance services deriving from reinsurance assignments	(16.928.156)	(18.779.582)
5.	Result of insurance services	68.641.526	55.402.985
6.	Income/expenses from financial assets and liabilities measured at fair value through profit or loss	55.029.475	72.557.153
7.	Income/expenses from equity investments in associates and joint ventures	-	-
8.	Income/expenses from other financial assets and liabilities and from real estate	64.441.733	58.726.778
8.1	- Interest calculated with the effective interest method	56.673.086	47.311.773
8.2	- Other interest expenses	(254.176)	(380.540)
8.3	- Other revenues/expenses	5.519.668	6.397.148
8.4	- Realized profits/losses	1.917.359	4.133.730
8.5	- Revaluation gains/losses	585.796	1.264.666
	- Gains/Losses from impaired financial assets	-	-
9.	Result of investments	119.471.208	131.283.931
10.	Net insurance income/expenses related to issued insurance contracts	(68.108.125)	(63.580.153)
11.	Net insurance income/expenses related to reinsurance assignments	913.594	121.129
12.	Net financial result	52.276.677	67.824.907
13.	Other revenues/expenses	9.864.466	13.420.576
14.	Operating expenses:	(15.806.253)	(15.896.411)
14.1	- Management expenses	(4.162.332)	(3.613.051)
14.2	- General and administrative expenses	(11.643.921)	(12.283.360)
15.	Accruals net of provisions for risks and charges	1.093.920	(74.963)
16.	Adjustments/Reversals of value on material assets	(2.387.151)	(3.812.318)
17.	Adjustments/Reversals of value on intangible assets	(5.443.991)	(6.240.126)
	of which: adjustments to goodwill	-	-
18.	Other operating revenues/expenses	-	-
19.	Operating result before taxes	108.239.194	110.624.651
20.	Taxes	(31.257.458)	(30.414.812)
21.	Profit (Loss) for the year before taxes	76.981.736	80.209.840
22.	Profit (Loss) from discontinued operations	3.965.980	2.877.337
23.	Consolidated profit (Loss)	80.947.716	83.087.177
	of which: attributable to the parent company	80.947.716	83.087.177
	of which: attributable to non-controlling interests	-	-

Company: Sara Assicurazioni
S.p.A.Consolidated Financial Statement
Comprehensive Income Statement

		31.12.2024	31.12.2023
1.	Consolidated Profit (Loss)	80.947.716	83.087.177
2.	Other comprehensive income net of taxes without reclassification to the	(108.255)	(84.141)
2.1	Share of revaluation reserves of equity investments measured at fair value through equity	-	-
2.2	Revaluation of intangible assets	-	-
2.3	Revaluation of tangible assets	-	-
2.4	Revenues and costs from financial liabilities related to issued insurance contracts	-	-
2.5	Income and other items related to non-current assets or disposal groups held for sale	-	-
2.6	Actuarial profits and losses and adjustments to defined benefit plans	(148.398)	(88.504)
2.7	Profits and losses from financial instruments measured at fair value with an impact on comprehensive income	40.143	4.363
2.8	Revaluation of own credit risk on financial liabilities designated at fair value through profit or loss	-	-
2.9	Other items	-	-
3.	Other comprehensive income net of taxes with reclassification to the income	4.941.643	13.802.266
3.1	Revaluation of reserves for exchange rate differences	-	-
3.2	Profits and losses from financial assets (other than equity instruments) measured at fair value with an impact on comprehensive income	25.638.290	74.328.295
3.3	Profits and losses from hedging instruments	-	-
3.4	Profits and losses from hedging a net investment in a foreign operation	-	-
3.5	Share of revaluation reserves of equity investments measured at fair value through equity	-	-
3.6	Revenues and costs from financial liabilities related to issued insurance contracts	(20.777.609)	(61.096.381)
3.7	Revenues and costs from financial liabilities related to reinsurance assignments	80.962	570.352
3.8	Income and other items related to non-current assets or disposal groups held for sale	-	-
3.9	Other items	-	-
4.	TOTAL OTHER COMPONENTS OF COMPREHENSIVE INCOME	4.833.388	13.718.125
5.	TOTAL CONSOLIDATED COMPREHENSIVE INCOME (Item 1+4)	85.781.104	96.805.302
5.1	of which: attributable to the parent company	85.781.104	96.805.302
5.2	of which: attributable to non-controlling interests	-	-

	Items/Sectors of activity	Non-Life		Life		Intersector eliminations		Total	
		31.12.2024	31.12.2023	31.12.2024	31.12.2023	31.12.2024	31.12.2023	31.12.2024	31.12.2023
1	Insurance revenues from issued insurance contracts	710.953.607	662.128.291	30.433.903	27.379.149	-	-	741.387.510	689.507.440
2	Costs for insurance services deriving from issued insurance contracts	(639.033.021)	(644.408.044)	(16.345.170)	(16.502.348)	-	-	(655.378.191)	(660.910.392)
3	Revenues from reinsurance assignments	(704.851)	45.313.997	265.215	271.522	-	-	(439.636)	45.585.519
4	Costs for insurance services deriving from reinsurance assignments	(15.117.865)	(18.334.173)	(1.810.290)	(445.409)	-	-	(16.928.155)	(18.779.582)
5	Result of insurance services	56.097.870	44.700.071	12.543.658	10.702.914	-	-	68.641.528	55.402.985
6	Income/expenses from financial assets and liabilities measured at fair value through profit or loss	26.963.990	37.502.823	28.065.485	35.054.331	-	-	55.029.475	72.557.153
7	Income/expenses from equity investments in associates and joint ventures	-	-	-	-	-	-	-	-
8	Income/expenses from other financial assets and liabilities and from real estate investments	31.856.064	32.546.352	32.585.669	26.180.426	-	-	64.441.733	58.726.778
9	Result of investments	58.820.054	70.049.174	60.651.154	61.234.757	-	-	119.471.208	131.283.931
10	Net insurance income/expenses related to issued insurance contracts	(14.399.181)	(6.391.081)	(53.708.945)	(57.189.072)	-	-	(68.108.126)	(63.580.153)
11	Net insurance income/expenses related to reinsurance assignments	913.594	121.129	-	-	-	-	913.594	121.129
12	Net financial result	45.334.467	63.779.222	6.942.209	4.045.685	-	-	52.276.676	67.824.907
13	Other revenues/expenses	8.867.523	9.908.466	996.943	3.512.110	-	-	9.864.466	13.420.576
14	- Management expenses	(14.294.675)	(14.994.513)	(1.511.578)	(901.898)	-	-	(15.806.253)	(15.896.411)
15	Other income/expenses	(5.898.693)	(9.254.071)	(838.529)	(873.335)	-	-	(6.737.222)	(10.127.406)
	Profit (Loss) for the year before taxes	90.106.492	94.139.176	18.132.703	16.485.476	-	-	108.239.195	110.624.652

	Amount	
	31.12.2024	31.12.2023
Net cash generated/absorbed from:		
- Profit (loss) for the year (+/-)	76.981.736	80.209.840
- Revenues and costs related to issued insurance contracts and reinsurance assignments (+/-)	(6.572.831)	1.452.852
- Increase/decrease in financial assets measured at fair value through profit or loss (+/-)	(21.033.963)	(38.073.008)
- Other revenues and non-monetary costs from financial instruments, real estate investments, and equity investments (+/-)	7.245.346	10.895.230
- Provisions net of risks and charges (+/-)	1.093.920	(74.963)
- Interest due, dividends, interest paid, taxes (+/-)	(63.633.617)	(55.577.213)
- Other adjustments (+/-)	(18.173.687)	(8.681.846)
- Interest received (+)	60.001.798	51.346.323
- Dividends received (+)	32.331.981	32.247.292
- Interest paid (-)	(153.793)	(169.325)
- Taxes paid (-)	(16.298.916)	(24.445.583)
Net cash generated/absorbed from other monetary items related to operating activities		
- Issued insurance contracts that constitute liabilities/assets (+/-)	58.213.011	41.141.399
- Reinsurance assignments that constitute liabilities/assets (+/-)	2.559.940	3.301.593
- Credits and financial liabilities from insurance companies (+/-)	-	-
- Credits from controlled banks (+/-)	-	-
- Liabilities from controlled banks (+/-)	-	-
- Other liabilities and financial assets measured at fair value through profit or loss (+/-)	(1.346.001)	99.601.522
- Other changes (+/-)	54.712.246	(3.286.332)
Total net cash generated/absorbed from operating activities	165.927.170	189.887.782
Net cash generated/absorbed from:		
- Sale/purchase of real estate investments (+/-)	2.070.376	17.633.520
- Sale/purchase of equity investments in associates and joint ventures (+/-)	-	-
- Dividends received from equity investments (+) - -	-	-
- Sale/purchase of financial assets measured at amortized cost (+/-)	17.980.693	(54.220)
- Sale/purchase of financial assets measured at fair value through comprehensive income (+/-)	(169.260.113)	(121.857.221)
- Sale/purchase of tangible and intangible assets (+/-)	(9.069.325)	(6.306.914)
- Sale/purchase of subsidiaries and other groups of assets (+/-)	-	-
- Other financial asset changes (+/-)	5.088.183	9.655.681
Total net cash generated/absorbed from investment activities	(153.190.186)	(100.929.155)
Net cash generated/absorbed from:		
- Issuance/purchase of capital instruments (+/-)	-	-
- Issuance/purchase of own shares (+/-)	-	-
- Dividends paid (+/-)	(43.906.860)	(43.263.081)
- Sale/purchase of non-controlling interests (+/-)	-	-
- Issuance/purchase of subordinated liabilities and financial instruments (+/-)	-	-
- Other financial liabilities measured at amortized cost (+/-)	7.808.184	(2.925.806)
Total net cash generated/absorbed from financing activities	(36.098.676)	(46.188.887)
NET CASH GENERATED/ABSORBED DURING THE YEAR	823.361.692	42.769.740

Legend:

(+) generated

(-) absorbed

T = reference year of the balance sheet

	Capital	Other equity instruments	Capital reserves	Profit reserves and other equity reserves	Own shares	Revaluation reserves	Profit (Loss) for the year	Group equity	Equity attributable to the parent company	Total equity
Balance as of 1.1.2023	-	-	-	-	-	-	-	-	-	-
Opening balance adjustments	-	-	-	-	-	-	-	-	-	-
Allocation profit 2022										
Reserves	-	-	-	-	-	-	-	-	-	-
Dividends and other allocations	-	-	-	-	-	-	-	-	-	-
Changes during the year										
Issuance of new shares	-	-	-	-	-	-	-	-	-	-
Purchase of own shares	-	-	-	-	-	-	-	-	-	-
Changes in equity investments	-	-	-	-	-	-	-	-	-	-
Comprehensive income	-	-	-	-	-	13.718.125	83.087.177	96.805.302	-	96.805.302
Other changes (+)	-	-	-	-	-	-	-	-	-	-
Other changes (-)	-	-	-	(28.000.616)	-	-	-	(28.000.616)	-	(28.000.616)
Balance as of 31.12.2023	-	-	-	(28.000.616)	-	13.718.125	83.087.177	68.804.687	-	68.804.687
Opening balance adjustments	-	-	-	-	-	-	-	-	-	-
Allocation profit 2023										
Reserves	-	-	-	49.693.298	-	-	(49.693.298)	(0)	-	(0)
Dividends and other allocations	-	-	-	-	-	-	-	-	-	-
Changes during the year										
Issuance of new shares	-	-	-	-	-	-	-	-	-	-
Purchase of own shares	-	-	-	-	-	-	-	-	-	-
Changes in equity investments	-	-	-	-	-	-	-	-	-	-
Comprehensive income	-	-	-	-	-	4.833.388	80.947.716	85.781.104	-	85.781.104
Other changes (+)	-	-	-	-	-	-	-	-	-	-
Other changes (-)	-	-	-	-	-	-	-	-	-	-
Balance as of 31.12.2024	-	-	-	21.692.682	-	18.551.513	114.341.595	154.585.790	-	154.585.790

ILLUSTRATIVE NOTES

PART A – GENERAL PREPARATION CRITERIA

The Sara Group, composed of the Parent Company Sara Assicurazioni, a joint-stock company with registered office in Rome, via Po no. 20, and its subsidiaries, carries out insurance and reinsurance activities in all non-life and life branches, and may issue investment contracts. The Group operates in two business segments: non-life insurance, through the Parent Company and the subsidiary Sara Services, which provides services related to the Parent Company's business; and life insurance, through the subsidiary Sara Vita. The Parent Company, both directly and indirectly through the Helios Fund, manages the Group's real estate assets, which are considered ancillary to the investment activities of the insurance companies.

The Consolidated Financial Statements of the Parent Company Sara Assicurazioni S.p.A. have been prepared in accordance with the International Financial Reporting Standards issued by the IASB, endorsed by the European Union pursuant to EC Regulation No. 1606/2002, and effective as of the financial year ending 31 December 2005.

The application of IAS/IFRS in the preparation of the Consolidated Financial Statements is based on the domestic legal source set out in Article 3, paragraph 1 of Legislative Decree 38/2005, which establishes that companies falling within the scope of Legislative Decree No. 173 of 26 May 1997 (insurance companies) must prepare their Consolidated Financial Statements in accordance with international accounting standards as from the financial year ending or in progress as of 31 December 2005.

"International Financial Reporting Standards" ("IFRS") refers to all international accounting standards issued by the International Accounting Standards Board ("IASB") and designated as International Financial Reporting Standards or IFRS, and International Accounting Standards or IAS, as well as the related interpretations of the International Financial Reporting Interpretations Committee ("IFRIC") and the former Standing Interpretations Committee ("SIC").

Structure of the Consolidated Financial Statements

Legislative Decree No. 209 of 7 September 2005 (Private Insurance Code) governs the obligation for insurance and reinsurance companies to prepare consolidated financial statements in accordance with international accounting standards issued by the IASB – International Accounting Standards Board – and the related interpretations of the IFRIC – International Financial Reporting Interpretations Committee – and endorsed at EU level (Regulation No. 1606 of 19 July 2002).

The format of the Sara Group's Consolidated Financial Statements complies with the provisions of ISVAP Regulation No. 7 of 13 July 2007 and subsequent amendments ("Regulation concerning the financial statement formats for insurance and reinsurance undertakings required to adopt international accounting standards"); furthermore, it was deemed appropriate to supplement the information required by the above Regulation, in order to provide additional detail to meet the disclosure requirements of the individual standards.

Pursuant to Regulation 7/2007, as amended by ISVAP Provision No. 2784 of 8 March 2010, IVASS Provision No. 29 of 27 January 2015, IVASS Provision No. 53 of 6 December 2016, IVASS Provision No. 74 of 8 May 2018, IVASS Provision No. 109 of 27 January 2021, and IVASS Provision No. 121 of 7 June 2022, the 2022 Consolidated Financial Statements consist of the following documents:

- Statement of Financial Position
- Income Statement
- Statement of Comprehensive Income
- Statement of Changes in Equity
- Statement of Cash Flows
- Notes to the Consolidated Financial Statements

Finally, the Financial Statements are accompanied by the Management Report of the Board of Directors. The reporting date of the Consolidated Financial Statements is 31 December 2024, the closing date of the financial year of Sara Assicurazioni. All companies within the scope of consolidation close their

financial year on 31 December; the Consolidated Financial Statements have been prepared using statements drawn up in accordance with international accounting standards, as approved by the Boards of Directors of the Group companies that are not required to adopt such standards for their statutory financial statements.

The comparative data in this document may have been restated compared to those presented in the previous Consolidated Financial Statements in order to ensure consistency in presentation with the data provided in the Notes.

The Consolidated Financial Statements, prepared in accordance with international accounting standards, are presented in Euro, pursuant to Article 16 of Legislative Decree No. 213 of 24 June 1998.

The Euro is also the functional currency of all companies included in the consolidation; unless otherwise specified, amounts are expressed in thousands of Euro.

PART B – ACCOUNTING PRINCIPLES AND SCOPE OF CONSOLIDATION

Significant assessments and assumptions for determining the scope of consolidation

The Consolidated Financial Statements include Sara Assicurazioni S.p.A. and the companies directly or indirectly controlled by it, with the sole exclusion of those considered not material, as well as associated companies, including within the scope of consolidation – as specifically provided by international accounting standards – also entities operating in business sectors different from that of the Parent Company.

According to IFRS 10, subsidiaries are entities over which the Parent Company has control, defined as the power to govern, directly or indirectly, the financial and operating policies of an entity in order to obtain benefits from its activities.

According to IAS 28, an associate is an entity over which the investor has significant influence and which is neither a subsidiary nor a joint venture. Significant influence is presumed when the Parent Company holds, directly or indirectly, at least 20% of the voting power of the investee.

Below is a table listing the entities included in the scope of consolidation:

Designation	Legal Headquarters	Operational Headquarters Status (1)	Method (2)	Activity (3)	Relationship Type (4)	% Direct Participation	% Total Interest /Vote (5)	Availability of Votes in The Ordinary Assembly	% of Consolidation
Sara Assicurazioni	Italia	Italia		1	1				
Sara Vita	Italia	Italia	G	1	1	100%	100%	100%	100%
Fondo Helios	Italia	Italia	G	1	1	100%	100%	100%	100%
Sara Services	Italia	Italia	G	1	1	100%	100%	100%	100%

The scope of consolidation of the Group, which includes the parent company Sara Assicurazioni and the subsidiaries Sara Vita, an insurance company operating in the life business, and Fondo Helios, a real estate company, has not changed compared to the previous year. Sara Services S.r.l., a company engaged in the development, production and marketing of technological services and products, is also included.

In the preparation of the Consolidated Financial Statements, the financial statements of the companies included in the consolidation scope were used as at 31 December 2024, drawn up in accordance with the applicable IAS/IFRS standards. All significant balances and transactions between Group companies, as well as unrealised profits and losses on intra-group transactions, have been eliminated.

According to the provisions of IFRS 13, subsidiaries are fully consolidated from the date the Sara Group acquires control until the date such control ceases.

Eliminated Transactions in the Consolidation Process

In the preparation of the Consolidated Financial Statements, all significant balances and transactions between Group companies, as well as unrealised gains and losses on intra-group transactions, have been eliminated.

The companies directly and indirectly controlled by the Sara Group are consolidated using the full consolidation method.

In preparing the Consolidated Financial Statements according to the full consolidation method, the financial statements of the Parent Company and its subsidiaries are aggregated line by line, summing the corresponding values of assets, liabilities, shareholders' equity, revenues, and expenses.

In order for the Consolidated Financial Statements to provide accounting information about the Group as if it were a single economic entity, it is necessary that:

- the carrying amount of the Parent Company's investments in each subsidiary and the corresponding share of each subsidiary's equity held by the Parent Company are eliminated;
- the portion attributable to non-controlling interests in the profit or loss of the consolidated subsidiaries is identified;
- the portion of capital and reserves attributable to non-controlling interests in the consolidated subsidiaries is separately identified from the equity of those subsidiaries attributable to the Group.

Positive differences – after allocation to specific asset or liability items – are recognised as goodwill at the time of first consolidation, while subsequent differences are recorded under equity reserves. Negative differences are recognised in the Income Statement.

Intra-group balances and transactions, including revenues, costs, and dividends, are fully eliminated.

Estimates and Assumptions Made in the Preparation of the Consolidated Financial Statements

The preparation of the Consolidated Financial Statements involves the use of estimates, assumptions, and various kinds of judgements by the directors. These influence the determination of assets, liabilities—particularly those of a contingent nature—costs, and revenues presented in the financial statements. Although the estimates are based on the best available knowledge of the directors as of the reporting date, the actual outcomes of future events may differ significantly from the estimated results.

For the main items affected by estimates, assumptions, and judgements, along with a description of the most significant ones in determining the result for the year, reference is made to the note on the valuation criteria.

PART C – VALUATION CRITERIA

Below are the main accounting principles and valuation criteria applied by the Sara Group in the preparation of the Consolidated Financial Statements.

BALANCE SHEET – ASSETS

Intangible Assets

In accordance with IAS 38, intangible assets acquired or internally generated are recognized as assets when it is probable that their use will generate future economic benefits and when the cost of the asset can be reliably measured.

This category also includes positive differences arising from the consolidation process and other intangible assets, such as goodwill recognized in the financial statements of the consolidated companies and application software with multi-year use.

Other Intangible Assets

This item includes only identifiable and controllable intangible assets from which the company expects to derive economic benefits and whose cost can be determined or reasonably estimated. It mainly includes expenses for software acquired from third parties or developed internally.

This item does not include values related to deferred acquisition costs or intangible assets governed by other international accounting standards.

These assets are valued at purchase or production cost and amortized on a straight-line basis over their estimated useful life.

Tangible Assets

Tangible assets include properties used for the company's operations and other tangible assets. The item also includes right-of-use assets acquired under lease agreements by the lessee related to the use of tangible assets, as well as assets under operating leases (for the lessor) as defined in IFRS 16.

Other Tangible Assets

This item includes movable goods, furniture, fixtures and equipment, office machinery, and movable assets registered in public registers. These assets are recorded at purchase cost including ancillary charges and are shown net of accumulated depreciation and any impairment losses.

Depreciation is calculated based on rates considered appropriate in relation to the technical and economic evaluation of the remaining useful life of the assets.

The value of other tangible assets and their remaining useful life are reviewed at each year-end closing.

Insurance Assets

Insurance Contracts Issued that Constitute Assets

This item includes insurance contracts, including reinsurance contracts, issued and investment contracts with discretionary participation features issued, as defined and governed by IFRS 17, belonging to portfolios of insurance contracts issued that, based on the closing balance, constitute assets.

Reinsurance Ceded that Constitutes Assets

This item includes reinsurance contracts ceded as defined and governed by IFRS 17, belonging to portfolios of reinsurance contracts that, based on the closing balance, constitute assets.

Investments

Real estate investments

This item includes buildings and/or portions of buildings used in the course of business operations. Assets falling into this category are measured according to the amortized cost model provided by IAS 16 “Property, Plant and Equipment”.

Properties are recognized at cost, including any revaluations mandated by law. The initial recognition cost includes any directly attributable ancillary charges necessary for the acquisition and commissioning of the asset; initial losses and setup costs not directly linked to the asset’s normal operating condition are excluded.

Property values are shown in the balance sheet net of depreciation and any impairment losses. Extraordinary maintenance expenses that provide future economic benefits are capitalized to the property’s value, while ordinary maintenance costs are charged to the income statement in the year they are incurred. These assets are depreciated over their estimated useful life, with the exception of the land portion—either acquired separately or combined with the building—which is assumed to have an indefinite useful life and is therefore not depreciated.

Upon first-time adoption of IAS/IFRS, the Group, based on an independent expert’s appraisal, determined the residual useful life of the real estate portfolio, defined the depreciation rates, separated the land value from the building value for each individual property, and recalculated the corresponding depreciation fund as of the transition date. The difference between the newly calculated depreciation fund and that already recorded under previous national accounting standards was recognized in a net equity reserve (First Time Adoption Reserve – FTA). Starting from the fiscal year ending December 31, 2004, depreciation charges have been recorded in the income statement under expenses.

If a periodic review—at least every 12 months—or specific events reveal a permanent impairment in value, the asset is written down accordingly.

Investments in subsidiaries, associates and joint ventures

This item includes investments measured using the equity method or at cost. This category includes both investments, deemed immaterial, in subsidiaries or associates, and investments in associates and joint ventures for which the equity method has been adopted.

According to IAS 28.11, under the equity method, an investment in an associate is initially recognized at cost and the carrying amount is increased or decreased to recognize the investor’s share of the associate’s profit or loss after the acquisition date.

Financial assets

Starting from January 1, 2018, the IFRS 9 accounting standard came into force, replacing IAS 39. The new standard introduced updated criteria for the recognition and measurement of financial instruments. To minimize the impact of the early adoption of IFRS 9 in advance of the effective date of IFRS 17, an amendment was issued in September 2016 titled “Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts – Amendments to IFRS 4”, introducing a temporary exemption for insurance companies; the Group made use of this exemption, applying the new standard from January 1, 2023.

The main aspects of the standard concern:

- the classification and measurement of financial assets;
- the introduction of a new impairment model;
- hedge accounting.

The new standard introduced financial instrument classification criteria based on the assessment of the related business model and the analysis of the contractual cash flows arising from the instruments themselves, through the application of the SPPI test.

In particular, IFRS 9 includes three main measurement categories for financial assets: amortized cost, FVOCI and FVTPL.

These categories replace the previous IAS 39 investment categories.

A financial asset must be measured at amortized cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset must be measured at FVOCI if both of the following conditions are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All assets not measured at amortized cost or at FVOCI are measured at FVTPL.

For the Sara Group, the business model has been identified by distinguishing between the unit-linked policies portfolio, for which the Fair Value Option will be applied, and the investment portfolios linked to insurance policies, distinguishing between securities included in the segregated funds and those considered part of the broader definition of the free portfolio

.For Segregated Funds, the management approach falls within a “Hold to Collect and Sell” business model, where financial instruments are managed both to collect contractual cash flows and to realize value through sale.

For the Free and Non-Life Portfolio, the prevailing strategy is also classified under a “Hold to Collect and Sell” business model, whereby the use of sales is functional to achieving management objectives, in terms of appropriately sizing the levels and regulatory ratios.

For equity instruments, the IFRS 9 classification rules state that equity instruments shall be measured at FVTPL. However, if equity instruments are not held for trading, it is possible – on an optional basis – to classify them at FVOCI.

Impairment

IFRS 9 introduces a substantial shift from an incurred loss impairment model to a new expected loss model, introducing the new concept of staging allocation.

The new impairment concept introduced by the standard, based on the Expected Losses model, requires a forward-looking view of losses over the life of the financial instrument, mandating their immediate recognition.

For the measurement of expected losses, the Group has established guidelines for determining the calculation of ECL, defined in accordance with the requirements outlined by the new accounting standard. The Group has decided to adopt a three-stage approach (paragraphs 5.5.1 and 5.5.11 of IFRS 9), for the classification of financial assets in relation to the methods used to determine the related loss allowance. In particular, the approach requires the allocation of financial assets into three containers, referred to as Stages, according to the level of credit risk inherent in the instrument.

For the classification into different Stages, the Group has defined the following rules for the allocation of financial instruments:

- Stage 1: financial assets that, at the balance sheet date, are “Investment grade” (value of 10 or lower on the master scale 2) or that meet the criteria under Low Credit Risk;
- Stage 2: instruments that do not meet the criteria under the Low Credit Risk scope;
- Stage 3: includes all instruments that are in a state of default.

For the calculation of Expected Credit Loss, the Group has decided to adopt a methodology that takes into account the individual tranches constituting a position originated by entries over time. This requires defining comparison rules aimed at assessing the credit risk level reached by each individual tranche over time.

The assessment of the risk reached over time is performed through the application of a comparison rule between a series of “historical” indicators. At each valuation date, it is necessary to assess whether the rating is below Investment Grade; if so, it is necessary to compare the initial rating and the reporting date rating for each layer.

The following table provides details of impairment losses and reversals separately for financial assets, broken down by credit risk stage.

	Value Adjustments				Value Recoveries			
	First Stage	First Stage - Including Credit Risk	Second Stage	Third stage	First Stage	First Stage - Including Credit Risk	Second Stage	Third stage
Debt Securities	-	-	-	-	544	-	-	-
Other Securities	-	-	-	-	372	-	-	-
Participations and Credits	-	-	-	-	-	-	-	-
- Towards Banks	-	-	-	-	-	-	-	-
- Towards Clients	-	-	-	-	-	-	-	-
Total 31.12.2024	-	-	-	-	916	-	-	-
Total 31.12. 2023	-	-	-	-	1.436	-	16	-

FAIR VALUE MEASUREMENT

IFRS 13 Fair Value Measurement provides clear guidance on the measurement of the fair value of financial assets and liabilities as well as their classification within the three-level hierarchy.

Fair value is defined by the standard as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

When a principal market exists for the asset or liability, the fair value corresponds to the market price, even if there is another market where the price might be more advantageous.

Fair Value Hierarchy

IFRS 13 establishes a single IFRS framework for fair value measurement and provides comprehensive guidance on how to assess the fair value of both financial and non-financial assets and liabilities.

Proper identification of the fair value level to which the entire financial instrument's valuation refers requires careful consideration by the company regarding the relevance of the inputs used in the valuation. Fair value must be reliably measurable by referring, primarily, to market prices for all instruments traded on active markets. In general, a market may be considered active if the instruments traded on it are sufficiently liquid.

In the absence of an active market, the company must rely on generally accepted valuation models and techniques, provided that such methods lead to a reasonable approximation of market value.

IFRS 13 also defines the disclosure requirements for the so-called fair value hierarchy, based on three classification levels:

- Level 1: if the financial instrument is traded in an active market;
- Level 2: if fair value is measured using valuation techniques based on observable market parameters, other than the quoted price of the financial instrument;
- Level 3: if fair value is calculated using valuation techniques based on non-observable market inputs.

The absence of an active trading market has resulted in the classification under Level 2 for financial instruments with low liquidity.

Regarding real estate mutual fund units and Alternative Investment Funds (AIFs), consistent with the overall architecture of the financial instruments, classification under Level 3 has been deemed appropriate.

In accordance with IFRS 13 (paragraph 93 (a), (b)), the following table presents the statement of financial position with details of assets and liabilities measured at fair value:

	Level 1		Level 2		Level 3		Total	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023	31.12.2024	31.12.2023	31.12.2024	31.12.2023
Financial assets measured at fair value with an impact on profitability cc	1.737.975	1.524.698	53.254	40.490	117	59	1.791.346	1.565.246
Financial Assets Measured at Fair Value with Impact on Profitability	212.870	192.157	49.773	42.290	601.542	605.511	864.186	839.957
a) financial assets held for trading	-	-	-	-	-	-	-	-
b) financial assets designated at fair value	72.069	58.866	-	-	-	-	72.069	58.866
c) other financial assets mandatorily measured at fair value	140.802	133.291	49.773	42.290	601.542	605.511	792.117	781.091
Real estate investments	-	-	-	-	-	-	-	-
Tangible assets	-	-	-	-	-	-	-	-
Intangible assets	-	-	-	-	-	-	-	-
Total	1.950.846	1.716.855	103.027	82.779	601.659	605.569	2.655.532	2.405.204

Below is the breakdown of the assets included within Level 3.

	Financial assets measured at fair value with impact on comprehensive income	Financial assets measured at fair value recognized in profit or loss			Real estate investments	Tangible assets	Intangible assets	Financial liabilities measured at fair value recognized in profit or loss	
		Financial assets held for trading	Financial assets designated at fair value:	Financial assets mandatorily measured at fair value				Financial liabilities held for trading	Financial liabilities designated at fair value
1. Initial balances	59	-	-	605.510	-	-	-	-	-
2. Increases	58	-	-	29.426	-	-	-	-	-
2.1. Purchases	-	-	-	20.957	-	-	-	-	-
2.2. Profits allocated to:	58	-	-	8.469	-	-	-	-	-
2.2.1 Income statement	-	-	-	8.469	-	-	-	-	-
- of which capital gains	-	-	-	8.469	-	-	-	X	X
- of which capital losses	X	-	X	X	X	X	X	-	-
2.2.2 Comprehensive income statement	58	-	X	X	X	-	-	X	X
2.3. Transfers to other levels	-	-	-	-	-	-	-	-	-
2.4. Other increases	-	-	-	-	-	-	-	-	-
3. Decreases	-	-	-	(33.394)	-	-	-	-	-
3.1. Sales	-	-	-	(28.049)	-	-	-	-	-
3.2. Redemptions	-	-	-	-	-	-	-	-	-
3.3. Losses allocated to:	-	-	-	(5.345)	-	-	-	-	-
3.3.1 Income statement	-	-	-	(5.345)	-	-	-	X	X
- of which capital gains	X	-	X	X	X	X	X	-	-
- of which capital losses	-	-	X	X	X	-	-	X	X
3.3.2 Comprehensive income statement	-	-	-	-	-	-	-	-	-
3.4. Transfers to other levels	-	-	-	-	-	-	-	-	-
3.5. Other decreases	-	-	-	-	-	-	-	-	-
4. Final balances	117	-	-	601.542	-	-	-	-	-

The following table shows the assets and liabilities not measured at fair value or measured at fair value but not on a recurring basis.

Assets/Liabilities not measured at fair value or measured at fair value on a non-recurring basis	Book value		Fair Value							
			Level 1		Level 2		Level 3		Total	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023	31.12.2024	31.12.2023	31.12.2024	31.12.2023	31.12.2024	31.12.2023
Assets										
Financial assets measured at amortized cost	27.815	45.796	-	-	-	-	85.571	45.796	85.571	45.796
Investments in associates and joint ventures	-	-	-	-	-	-	-	-	-	-
Real estate investments	66.739	85.626	-	-	-	-	139.303	152.845	139.303	152.845
Non-current assets or disposal groups held for sale	11.253	15.280	-	-	-	-	-	36.646	-	36.646
Total assets	105.807	146.702	-	-	-	-	224.874	235.287	224.874	235.287
Liabilities										
Financial liabilities measured at amortized cost	11.868	3.865	-	-	15.441	-	1.500	3.865	16.941	3.865
Liabilities of a disposal group held for sale	-	-	-	-	-	-	-	-	-	-
Total liabilities	11.868	3.865	-	-	15.441	-	1.500	3.865	16.941	3.865

Day One Profit/Loss

The carrying amount of financial instruments in the financial statements corresponds to their fair value at the same date. For financial instruments other than those measured at fair value through profit or loss, the amount is generally recognized at the transaction date as the amount received or paid. In the case of financial instruments measured at fair value through profit or loss and classified as Level 3, any difference from the amount received or paid may in principle be recognized in profit or loss under the relevant items, thus generating a so-called “day one profit/loss” (DOP). This difference must be recognized in profit or loss only if it results from changes in the factors that market participants use to determine pricing (including the effect of time). If the instrument has a defined maturity and a model that monitors the changes in such pricing factors is not immediately available, the DOP may be recognized in profit or loss over the life of the financial instrument itself.

No cases of initial recognition of significant differences between the transaction price and the fair value of financial assets have occurred, in accordance with paragraph 28 of IFRS 7 and other related IAS/IFRS provisions.

Financial assets measured at amortised cost

This item includes all financial assets (debt securities, loans, and receivables) allocated to the amortised cost portfolio pursuant to IFRS 9 (paragraphs 4.1.1, 4.1.2, and 4.1.3), other than those classified under “Other financial assets” and “Cash and cash equivalents”.

Specifically, the following are included among the assets measured at amortised cost:

- the financial component possibly included in insurance and reinsurance contracts subject to separation from the host contracts (see IAS 32, paragraph 4, letter d(ii), IFRS 9 paragraph 2.1, letter e(ii), IFRS 17, paragraph 11, letter b));

- financial assets pursuant to IAS 32, paragraph 4, letters d(iv), d(v), IFRS 17, paragraphs 7, letter h), 8A);
- receivables from subrogating agents for reimbursements paid to former agents;
- receivables and loans (mortgages, non-demand deposits, security deposits, etc.) and debt securities towards banks and customers.

Financial assets measured at fair value through other comprehensive income

This item includes all financial assets (equity securities, debt securities, loans, receivables) allocated to the fair value through other comprehensive income portfolio in accordance with IFRS 9, paragraphs 4.1.1, 4.1.2A, and 4.1.3, other than those included under “Other financial assets” and “Cash and cash equivalents”.

Financial assets measured at fair value through profit or loss

This item includes all financial assets that, pursuant to IFRS 9, are not classified under the amortised cost portfolio or the fair value through other comprehensive income portfolio (according to IFRS 9, paragraphs 4.1.1, 4.1.4, and 4.1.5 and IFRS 7, paragraph 8, letter a). Financial assets included under “Cash and cash equivalents” are also excluded.

Specifically, financial assets designated at fair value through profit or loss are connected with:

- insurance or investment contracts falling within the scope of IFRS 17 issued by the company, such as index and unit-linked contracts;
- management of pension funds by the company.

This item also includes equity instruments and the entity’s own financial liabilities held by the entity and allocated under this item (IAS 32, paragraph 33A and IFRS 9, paragraph 3.3.5).

Other financial assets

This item includes financial assets not included in the “Investments” item, such as:

- trade receivables under IAS 32, paragraph AG4 letter a);
- receivables from insurance intermediaries.

Other assets

Non-current assets or disposal groups held for sale

This item includes non-current assets or disposal groups held for sale, as defined by IFRS 5. These assets are recorded at cost and measured at the lower of carrying amount and fair value, net of estimated disposal costs.

Current tax assets and deferred tax assets

These items include assets related to current and deferred taxes, as defined and governed by IAS 12. Deferred tax assets are periodically reviewed at year-end, in case of changes in the applicable tax legislation.

Other assets

“Other assets” include, among others:

- reinsurance technical accounts;
- other assets related to defined benefit plans for employees, as governed by IAS 19, consisting of the surpluses resulting from the adjustment of the Employee Severance Indemnity (TFR) calculated under national accounting principles compared to that calculated under IAS 19; to determine the present value of the obligations arising from the TFR, Gruppo Sara uses an external actuary who calculates the amount the company will have to pay the employee at the end of the employment relationship. This amount is calculated based on seniority, salaries received over time, and the inflation index. The related liability is calculated using the “projected unit credit method”, under which the amount to be recognised in the financial statements is calculated as the actuarial present value of the portion of the final TFR amount constituted by all future increases that will be accrued by employees in service. Additionally, this method is also used to calculate the “current service cost”, that is, the increase in the present value (DBO) resulting from the service rendered in the current period and from amounts to be paid before the due date;
- accrued income and prepaid expenses.

Cash and cash equivalents

This item includes cash on hand and demand deposits. Cash is recognised at its nominal value.

Balance Sheet – Equity and Liabilities

Group Equity

Share Capital

This item includes the elements which, depending on the legal form, constitute the share capital. The capital (subscribed and paid) is shown at nominal value.

Profit Reserves and Other Capital Reserves

This item includes, in particular, profits or losses arising from the first-time adoption of international accounting standards (see IFRS 1), profits or losses due to material errors and changes in accounting principles or estimates (see IAS 8), reserves deriving from share-based payment transactions settled with equity instruments (see IFRS 2, paragraph 7), reserves required by the civil code and special laws before the adoption of international accounting standards, and consolidation reserves.

Treasury Shares

This item includes the company’s own equity instruments held by the company itself or its consolidated subsidiaries. This item has a negative sign.

Valuation Reserves

This item includes the valuation reserves relating to:

- equity instruments designated at fair value through other comprehensive income (IFRS 9, paragraph 5.7.5), net of the portion attributable to policyholders and recognized in insurance liabilities and related deferred tax effects;
- financial liabilities designated at fair value through profit or loss, limited to changes in the entity’s own credit risk (IFRS 9, paragraph 5.7.7(a));

- hedges of equity instruments designated at fair value through other comprehensive income, including the ineffective portion of the hedge (IFRS 9, paragraph 6.5.3), net of the portion attributable to policyholders and recognized in insurance liabilities;
- property, plant and equipment and intangible assets under the revaluation model (see IAS 16 and IAS 38);
- issued insurance contracts and reinsurance held (IFRS 17, paragraphs 90 and 92);
- defined benefit plans (IAS 19, paragraph 120(c));
- non-current assets held for sale and disposal groups held for sale (details of this component should be indicated as “of which: related to non-current assets or disposal groups held for sale”) (IFRS 5, paragraph 38);
- the share of valuation reserves of investments measured using the equity method (IAS 28, paragraph 10);
- foreign investment hedges (IFRS 9, paragraph 6.5.13(a));
- translation differences (IAS 21);
- hedging instruments (non-designated items) (IFRS 9, paragraphs 6.5.15, 6.5.16);
- financial assets (other than equity instruments) measured at fair value through other comprehensive income (IFRS 9, paragraphs 4.1.2A and 5.7.10), net of the portion attributable to policyholders and recognized in insurance liabilities and related deferred tax effects;
- cash flow hedges (IFRS 9, paragraph 6.5.11(b)).

Equity Attributable to Non-controlling Interests

This section includes instruments and capital components that represent equity attributable to non-controlling interests. It also includes “Gains or losses on financial assets available for sale” and “Other gains or losses recognized directly in equity” related to non-controlling interests.

Profit (Loss) for the Year Attributable to the Parent Company

This sub-item corresponds to item 23 of the income statement, “of which: attributable to the parent company”.

Provisions for Risks and Charges

This item includes provisions recognized in accordance with IAS 37, i.e. when: a) there is a present obligation (legal or constructive) resulting from a past event; b) it is probable that resources will be required to settle the obligation; c) a reliable estimate of the obligation amount can be made.

This item also includes credit risk provisions for loan commitments and financial guarantees issued that are subject to the impairment rules of IFRS 9 (see paragraph 2.1(e); paragraph 5.5; Appendix A), as well as provisions for other commitments and guarantees not subject to IFRS 9 impairment rules.

Insurance Liabilities

Insurance liabilities are measured according to the new accounting standard IFRS 17. The International Financial Reporting Standard for insurance contracts was issued by the IASB on May 18, 2017, and came into effect on January 1, 2023.

IFRS 17 replaces the previous accounting standard IFRS 4, introducing substantial differences both in the measurement of liabilities and in the recognition of profits and losses. This standard also establishes the elements for the recognition, measurement, presentation, and disclosure of insurance contracts within its scope.

The objective is to ensure that an entity provides relevant information that faithfully represents insurance contracts, providing users of financial statements with the information needed to assess the effect that these contracts have on the entity’s financial position, financial performance, and cash flows.

Scope of Application

The scope of IFRS 17 does not differ from the previous standard, IFRS 4.

The entity must apply IFRS 17 to contracts that fall within the definition of an insurance contract:

- insurance contracts, including reinsurance contracts, that it issues and holds;
- investment contracts with Discretionary Participation Features issued, if the entity also issues insurance contracts.

Furthermore, if an insurance contract includes non-insurance components (such as service components, investment components, embedded derivatives), the standard requires that these be separated and accounted for according to the relevant standards.

Level of Aggregation of Insurance Contracts

IFRS 17 requires that insurance contracts be accounted for based on a subdivision into homogeneous portfolios called "Units of Account."

The definition process applies at the initial recognition of the contract and is outlined in three levels of aggregation:

- Phase 1 - Identification of insurance contract portfolios: Defined as groups of contracts that underlie homogeneous risks and are managed jointly. Regarding the Life business, the Sara Group has chosen to identify insurance contract portfolios based on the fund in which the assets covering the obligations undertaken are managed, also grouping based on the underlying prevalent risk exposure. The grouping of contracts with similar risk content and linked to the same fund (separate management, internal fund, or TCM portfolio) ensures adherence to the standard's requirements regarding aggregation for "similar risks" and "unitary management." With reference to multi-branch products, the Group has decided not to separate the Branch I and Branch III components and to allocate these products to separate portfolios based on the Separate Management in which the Branch I component invests. Regarding the Non-Life business, the Group has chosen to identify portfolios with a product-based approach; products are grouped by identifying – for each product as a whole without separation of guarantees – the main risk covered (except for particular cases of products for which it is not possible to identify the main risk covered, in which case the product is broken down into components attributable to a main risk);
- Phase 2 - Subdivision of insurance contract portfolios according to profitability subclasses: The Sara Group subdivides contracts by identifying two levels of onerousness, onerous and profitable contracts. For the life business relating to investment products valued with VFA, the onerousness test is carried out at the product level. The level of granularity used is consistent with the application of the "carve out" (option provided by EC Regulation 2036/2021) not distinguishing the level of profitability between multiple generations of the same product. For the life business valued according to BBA, the granularity used is at the product/cohort level, whereby the profitability analysis is reviewed annually if there are differences with the technical bases used in the previous valuation. For the non-life business, the onerousness test is carried out at the product/cohort level, as this is considered the minimum level that allows for no offsets between onerous and profitable contracts. The execution of the onerousness test is based on the actual volumes of the previous year, appropriately adjusted by Expert Judgment if the strategic plan is not consistent with the previous year. In the case of new products (not present in the previous cohort), the allocation of the level of onerousness is carried out through a Profit Test performed during product design;
- Phase 3 - Subdivision of insurance contract portfolios into groups of contracts issued in the same year (cohort subdivision): Regarding the cohort requirement, the Sara Group has decided to avail itself of the option provided by EC Regulation 2036/2021 and applies the cohort requirement (IFRS 17.22) for the purpose of defining the level of aggregation, only for products that do not provide for intergenerational mutuality components between policies, therefore excluding from the application of this requirement products relating to Separate Managements, both standalone and both multi-

branch components. Regarding the policies of products that do not provide for intergenerational mutualization components between policies, the cohort is identified by the year of the "Initial Recognition" date, which corresponds to the effective date of the specific policy.

Measurement of Insurance Contracts

IFRS 17 introduces several measurement models for insurance contracts:

- General Model (GM) or Building Block Approach (BBA): This is the default measurement model.
- Variable Fee Approach (VFA): A modification of the General Model, required for specific types of liabilities like contracts linked to separate accounts.
- Premium Allocation Approach (PAA): An optional simplified approach.

Reserves for all accounting models are divided into:

- Liability for Remaining Coverage (LRC): The liability for the event covered.
- Liability for Incurred Claims (LIC): The liability for events that have already occurred.

In line with the provisions of the standard, the Sara Group chooses to apply:

- BBA: To pure risk contracts. This category includes Branch I TCM products and Branch IV contracts.
- VFA: To with-profit products, multi-branch products, and unit-linked products.
- PAA: To reinsurance contracts and the entire Non Life business, in accordance with the applicability framework for multi-year contracts.

Eligibility of the PAA Model in the Non-Life Business

The Company, aware of the importance of creating a process that allows for the correct identification of the measurement method to be applied to each Unit of Account, has decided to prepare a flexible framework capable of meeting this need.

For all Units of Account that contain contracts with a coverage duration of more than one year, it is possible to assess the applicability of the PAA by identifying a series of hypothetical future scenarios to be analyzed in order to compare the results obtained with the two valuation methods.

The identified evaluation process consists of three phases and must be applied to all new Units of Account at the time of initial recognition. The phases identified are:

- Phase 1: Identification of Units of Account that include products with a coverage period of more than one year.
- Phase 2: Assessment of the materiality of multi-year contracts within each Unit of Account.
- Phase 3: Scenario analysis on Units of Account with a significant component of multi-year contracts.

The Company believes that it is necessary to repeat this process with at least a four-year frequency or whenever there are significant changes in the business mix. In particular, changes to the Company's business mix are recognized as significant when the incidence of multi-year contracts exceeds, in terms of number, the threshold of 5% compared to the total contracts in the portfolio.

It is also specified that for the quantitative analyses carried out on the new cohort (e.g., 20X1) and inherent to Phase 3 of the process, volumes and technical assumptions relating to the previous underwriting cohort and consistent with the latest available valuation date (e.g., 31.12.20X0) are used.

Future Cash Flows

The first measurement element of the General Model and the Variable Fee Approach consists of Future Cash Flows ("FCF"), which represent the estimate of future cash flows within the contract period.

The entity can estimate future cash flows at a level of aggregation higher than that of a group of contracts and then allocate the resulting fulfillment cash flows to individual groups of contracts. Estimates of future cash flows must:

- Incorporate all reasonable and supportable information: Available without undue cost or effort on the amount, timing, and uncertainty of those future cash flows. To this end, the entity shall estimate the expected value (i.e., probability-weighted average) of the full range of possible outcomes.
- Reflect the entity's perspective: Provided that estimates of all relevant market variables are consistent with observable market prices for those variables.
- Be current: As estimates must reflect conditions existing at the measurement date, including assumptions about the future at that date.
- Be explicit: The entity must estimate the adjustment for non-financial risk separately from other estimates. The entity must also estimate cash flows separately from the adjustment for the time value of money and for financial risk, unless the most appropriate valuation technique combines those estimates.

The standard refers to FCF as the expected average of the entity's obligations to be paid in the future. The FCF must be provided based on the defined level of aggregation.

The paragraph of the standard provides a list of cash flows to be included in the scope of an insurance contract, emphasizing that they are those that relate directly to the fulfillment of the contract, including cash flows for which the entity has discretion over the amount or timing. To summarize, here is a non-exhaustive list of types of future cash flows to consider:

- Premiums (including premium adjustments and unearned premiums) paid by the policyholder and any further cash flows arising from those premiums.
- Payments due from policyholders as a result of the contractual obligation (for example, the payment of annual premiums).
- Payments due from the entity to policyholders (or other beneficiaries), such as, for example, maturities, deaths, surrenders.
- Optionality related to the above flows, due to the change in the insurance obligation as a consequence of the exercise of the policyholders' contractual options.
- Directly attributable expenses, i.e., the allocation of expenses directly attributable to fulfillment cash flows.
- Costs that the entity will incur to provide an investment return service (for insurance contracts without direct participation features) or an investment-related service (for insurance contracts with direct participation features).
- Transaction-based taxes (such as premium taxes, value-added taxes, and goods and services taxes) and levies (such as fire service levies and guarantee fund assessments) that arise directly from, or can be attributed to, existing insurance contracts on a reasonable and consistent basis.
- Payments made by the insurer as trustee to fulfill tax obligations incurred by the policyholder and related income.
- Any other costs specifically chargeable to the policyholder under the terms of the contract.

Discount Rates

IFRS 17 requires that future cash flows be discounted in a way that:

- Reflects the time value of money: As well as the characteristics of the cash flows and the liquidity characteristics of the insurance contracts.
- Is consistent with observable current market prices: (If available) for financial instruments with cash flows whose characteristics are consistent with those of the insurance contracts (e.g., timing, currency, and liquidity).
- Excludes the effect of factors that influence observable market prices: But not the future cash flows of insurance contracts.

As stated in the Standard, the entity has two alternatives for determining discount rates for non-participating business:

- Bottom-up approach
- Top-down approach

The Sara Group applies the bottom-up approach for both businesses, using the risk-free curve produced monthly by EIOPA as the basis for constructing the IFRS 17 discount curve. This curve is then adjusted to take into account the liquidity characteristics of the group of insurance contracts.

The illiquidity premium is calculated by multiplying the "base illiquidity premium" calibrated on a portfolio of reference assets by an application ratio calibrated on the liquidity characteristics of the insurance contracts. The approach to rates is guided by an objective of consistency with Solvency II.

Specifically, for the Life Business, the Sara Group adopts the following methodology for calculating the base illiquidity premium:

- Derivation of credit spreads for corporate and government bonds: The Group uses EIOPA's reference portfolio, published monthly, to derive the value of the credit spread for corporate and government bonds.
- Definition of weights: Instead of the weights adopted by EIOPA, in order to calibrate an illiquidity premium consistent with the asset allocation of the subsidiary Sara Vita, the Sara Group calculates the percentage weight of corporate and government bonds present in its asset portfolio.
- Calculation of the base illiquidity premium: The base illiquidity premium is finally obtained as an appropriate linear combination of the credit spreads obtained in the first point, the weights obtained in the second point, and a percentage set equal to the completion of one of the risk corrections proposed by EIOPA (the latter equivalent to 50% for corporate bonds and 30% for government bonds).

The base illiquidity premium is then multiplied by an application ratio calculated through sensitivities on cash flows carried out at the Separate Management level. The calculation of the adjustment for liquidity risk is calculated annually.

For the Non-Life business, the EIOPA curve with Volatility Adjustment was used.

Risk Adjustment Calculation Method

The Risk Adjustment (RA) for non-financial risk provides information to users of the financial statements on the amount that the entity charges to bear the uncertainty about the amount and timing of cash flows arising from non-financial risk.

The Risk Adjustment reflects:

- The degree of diversification benefit: That the entity includes in determining the compensation required for assuming the risk.

- The entity's degree of risk aversion: Which is reflected in favorable and unfavorable outcomes.

Therefore, the entity specifies a level of aggregation (e.g., contract, portfolio, group of portfolios, or entity level) to determine the risk adjustment that is consistent with its perception of the burden of non-financial risk.

For the Life Business: The Sara Group has defined the Cost of Capital (COC) approach as the methodology for calculating the Risk Adjustment for non-financial risks, applying a COC rate of 6%, remaining aligned with the value outlined in Solvency II.

For the Non-Life Business: The Sara Group has defined the Value at Risk approach as the methodology for calculating the Risk Adjustment for non-financial risks, defining the Risk Adjustment as the difference between the value of liabilities at the 75th percentile and their central value.

To take into account the benefits of risk diversification, the Risk Adjustment is calculated at the Company level and subsequently allocated to the contract group level based on specific risk and volume drivers. This level of allocation is consistent with the level of granularity with which cash flows are projected.

The Risk Adjustment is recognized in the income statement in proportion to the cash flows released in the period. From the analyses carried out, it is expected that the RA will produce a change in the cost for a limited number of products (i.e., profitable products for cash flows only and onerous by adding the RA component).

The Sara Group has chosen to disaggregate the Risk Adjustment movements between the two components:

- Discounting effect: Capitalization and changes in economic assumptions will be recognized as a financial result.
- All other movements: Will be recognized as insurance service expenses.

Contractual Service Margin

The Contractual Service Margin (CSM), together with the Present Value of Future Cash Flows and the Risk Adjustment (RA), forms the insurance contract liability under IFRS 17.

The CSM must be determined at initial recognition and is obtained from the expected cash flows, less the Risk Adjustment (for non-financial risks) and any other cash flows at initial recognition (such as acquisition costs).

In the case of a profitable group of contracts, the CSM is not recorded as profit in the Income Statement at initial recognition, but deferred over the coverage period of the contract group based on the services rendered during the course of the contract.

In the case of an onerous group of contracts, the CSM would be negative at Initial Recognition, therefore it is set to zero and the loss is recognized immediately in the Income Statement. The CSM, at the end of the reporting period, represents the profit not yet recognized in the Income Statement of the contract group because it relates to future services to be provided for the fulfillment of the obligations arising from the group itself.

At the end of the reporting period, the CSM represents the profit not yet recognized in the income statement for the group of contracts as it relates to future services to be provided for the fulfillment of the obligations arising from the group itself.

Specifically, the adjustments to be applied for subsequent CSM valuations according to the General Model are:

- Changes for new contracts added to the group.

- Interest Accretion: For insurance contracts measured using the GM, the CSM accrues interest using the locked-in interest rates of the group of contracts determined at initial recognition.
- Changes in Fulfillment Cash Flows: That relate to future periods. Changes in Fulfillment Cash Flows include the change in estimates of the present value of future cash flows and the RA for non-financial assumptions.
- Variance of premiums and acquisition cash flows: That relate to future services.
- Deviations of undistinguished investment components: The CSM must be adjusted to take into account the differences between expected payments relating to undistinguished investment components compared to the actual payments recorded in accounting.
- Exchange differences.
- Release of CSM to the income statement: Following the adjustments listed above, the entity must recognize the CSM for a group of insurance contracts in the income statement to reflect the services of the period.

Within the definition of the CSM movements with the VFA measurement model, the detailed movements that determine the CSM valuation at the reporting date, which differ from those of the GM, have been analyzed:

- variation in the entity's share of reference assets. Regarding the determination of the Total Return necessary to calculate the entity's share of the Fair Value variation of the underlying assets used to adjust the CSM, the group's decision is to use a value representative of the assets covering the technical reserves only, thus excluding the effects due to over-coverage;
- release of the CSM. The amount of CSM attributable to the period is released to the Income Statement based on the identified coverage units. This amount is calculated starting from the beginning-of-period CSM value, restated for the aforementioned adjustments. Furthermore, an additional difference in the identification of CSM movements is the absence of Interest Accretion calculation for contracts valued using VFA.

Regarding the methods of CSM release, for the Life Business, the following classification has been defined:

- for BBA, the coverage units are represented by the maximum value between the insured capital and the mathematical reserve value;
- for VFA, the coverage units are identified as the Mathematical Reserves.

Exceptions to the approach defined above are provided for some particular types of rates, such that there is no benefit in the event of death or the capital would be less than the amount of assets managed (e.g., annuities, capitalization, deferred capital). For these types of rates, the quantification of coverage units is based on the expected present and prospective amount of mathematical reserve.

Financial liabilities

This item includes financial liabilities within the scope of IFRS 9, other than those included in item 5 "Payables".

Specifically, the item includes liabilities from investment contracts without discretionary participation features falling outside the scope of IFRS 17 issued by the company, the financial components of subordinated liabilities and other compound financial instruments, and equity-like financial instruments that are not equity instruments. Issued debt securities must be reported net of repurchased securities.

It also includes issued debt securities that, as of the reporting date, have matured but have not yet been redeemed.

The portion of debt securities issued by the company and not yet placed with third parties must be excluded.

Financial liabilities measured at fair value through profit or loss

This item includes financial liabilities, regardless of their technical form (debt securities, loans, derivatives, etc.), measured at fair value through profit or loss in accordance with IFRS 9, paragraph 4.2.1, letter a).

Specifically, this item includes financial liabilities designated at fair value through profit or loss related to:

- investment contracts without discretionary participation features falling outside the scope of IFRS 17 issued by the company (index and unit-linked types);
- the management of pension funds by the company.

Financial liabilities measured at amortized cost

This item includes financial liabilities, regardless of their technical form (payables, loans, leases, etc.), other than those included in item 4.1 “Financial liabilities measured at fair value through profit or loss” and falling within the scope of IFRS 9, paragraph 4.2.1.

Specifically, this item includes the following liabilities measured at amortized cost: investment contracts without discretionary participation features falling outside the scope of IFRS 17 issued by the company other than index and unit-linked types;

- the financial component potentially present in insurance contracts (see IAS 32, paragraph 4, letter d(ii), IFRS 9 paragraph 2.1, letter e(ii));
- margin calls with clearinghouses for derivative transactions;
- payables to banks and customers other than those included in other items.

Payables

This item includes financial liabilities not included in the previous item 4, such as trade payables under IAS 32 AG4 (a), payables to policyholders and insurance intermediaries, as well as contract liabilities under IFRS 15.105.

This item also includes payables to employees for severance indemnities.

Other liabilities

Liabilities of a disposal group held for sale

This item includes liabilities related to a disposal group held for sale, as defined in IFRS 5.

Tax liabilities

These items include tax liabilities governed by IAS 12. Current tax liabilities are calculated based on tax laws in force on direct taxes.

Deferred tax liabilities are recognized for all taxable temporary differences between the carrying amounts of assets and liabilities and their tax bases, except for cases expressly provided for in paragraph 15 of

IAS 12. Deferred taxes calculated on items directly recognized in equity are also recognized directly in equity.

Other liabilities

This item includes liabilities related to defined benefits and other long-term employee benefits, and specifically:

- long-service bonuses provided for by the current National Collective Labor Agreement, which grants employees the right to receive a bonus equal to 8% and 16% of the annual salary upon completing 25 and 35 years of service respectively. In case of termination due to death between the 20th and 25th year of service, the bonus is paid on a pro-rata basis. Changes during the year are recognized in the Income Statement under “Other expenses” or “Other income”. This benefit, falling under the “other long-term benefits” category, must be recognized in the financial statements, in accordance with IAS 19, based on an amount determined using actuarial techniques and appropriate models and assumptions under the “projected unit credit method”;
- healthcare benefits for retired executives provided by the healthcare agreement for executives of insurance companies, which grants post-retirement healthcare coverage to retired executives and their families through reimbursement of incurred healthcare expenses. Currently, this healthcare benefit consists of a premium paid by the company for the insurance policy covering these risks. This obligation, due to its post-employment nature, is classified as a “post-employment benefit” and the related liability must be actuarially measured using the “projected unit credit method”. Changes during the year are recognized in the Income Statement under “Other expenses” or “Other income”;
- the adjustment of the TFR (employee severance indemnity) calculated under national accounting principles compared to the TFR calculated under IAS 19; to determine the present value of the TFR obligations, Gruppo Sara uses an external actuary who calculates the amount to be paid to the employee upon termination of employment. This amount is calculated based on seniority, salary history, and inflation index. The related liability is calculated using the “projected unit credit method”, which calculates the present actuarial value of the portion of the final TFR amount consisting of all future accruals by employees in service. This method also calculates the “current service cost”, i.e. the increase in present value (DBO) resulting from the service rendered in the current period and the amounts to be paid before maturity;
- accrued expenses and deferred income.

INCOME STATEMENT

Insurance revenue from insurance contracts issued

This line item records the revenue associated with insurance contracts issued, reflecting the portion of the consideration received from the policyholder that the insurer deems appropriate to recognize in the income statement for the services provided during the period (IFRS 17, paragraphs 83, 85, and B120–127).

Insurance service expenses from insurance contracts issued

This line item records the expenses associated with insurance contracts issued, such as:

- claims incurred during the reporting period (excluding investment components) and other directly attributable expenses, losses on onerous groups of insurance contracts, and amortization of acquisition cash flows for the insurance contracts issued (IFRS 17, paragraphs 84, 85, and 103(b));
- commissions/other acquisition expenses fully recognized in profit or loss as required by IFRS 17, paragraph 59(a);

- expenses for managing investments underlying the insurance contracts to which the Variable Fee Approach (VFA) measurement model is applied.

This line item also includes changes in the portion of the fair value of groups of insurance contracts with direct participation features that do not adjust the contractual service margin, in accordance with IFRS 17, paragraphs 45(b)(ii) or (iii), or 45(c)(ii) or (iii).

It also includes the net balance, whether positive or negative, of other technical expenses and other technical income related to insurance contracts issued, to the extent that such expenses and income are not included in the fulfilment cash flows.

Insurance revenue from reinsurance contracts held

This line item is included in the financial statements only if the company chooses to separately present the amounts recovered from reinsurers and the allocation of premiums paid during the period.

Otherwise, only item 3.5 “Net insurance revenue/expenses from reinsurance contracts held” should be presented, where the net balance of revenue and expenses for insurance services from reinsurance contracts held—corresponding to what would have been reported under this line item and the following one—is disclosed (IFRS 17, paragraph 86).

This line item must include the amount recovered from reinsurers (see IFRS 17, paragraph 86), such as the amount of losses recovered on underlying insurance contracts. It must also include the net positive balance between reversals and impairment losses related to expected credit losses due to reinsurer default risk.

The allocation of premiums paid during the year must not be deducted from this line item.

Insurance service expenses from reinsurance contracts held

This line item is included in the financial statements only if the company chooses to separately present the amounts recovered from reinsurers and the allocation of premiums paid during the period.

Otherwise, only item 3.5 “Net insurance revenue/expenses from reinsurance contracts held” should be presented, where the net balance of revenue and expenses for insurance services from reinsurance contracts held—corresponding to what would have been reported under this line item and the previous one—is disclosed (see IFRS 17, paragraph 86).

This line item must include commissions/other acquisition expenses fully recognized in profit or loss, in accordance with IFRS 17.

It also includes the allocation of premiums paid during the year, net of amounts expected to be received from reinsurers that are not related to claims on the underlying insurance contracts, such as certain types of ceding commissions.

Additionally, the following must be included:

- the net negative balance between reversals and impairment losses related to expected credit losses from reinsurer default risk;
- the net balance, whether positive or negative, of other technical expenses and other technical income associated with reinsurance contracts held, for the portion of such amounts not included in fulfilment cash flows.

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

This line item includes realized gains and losses as well as positive and negative changes in the value of financial assets and liabilities measured at fair value through profit or loss.

Specifically, it includes gains and losses from non-hedging derivative contracts, other than those classified as interest-related. It also includes income from units of UCIs (Undertakings for Collective Investment).

Income/expenses from investments in associates and joint ventures

This line item reports the net balance, whether positive or negative, of income and expenses related to investments in associates and joint ventures accounted for using the equity method. It also includes gains or losses from the disposal of investments in subsidiaries.

Dividends received from investments in associates and joint ventures are not included in this line item but are recorded as a reduction in item 4.2 “Investments in associates and joint ventures” under assets and must be disclosed in the table “Significant investments: book value, fair value and dividends received” in the notes to the balance sheet.

Results of valuations performed in accordance with IFRS 5 on investments classified as “assets held for sale,” as well as related gains and losses from disposals, are excluded and reported under item 22 “Profit (Loss) from discontinued operations.”

For IFRS financial statements, this line item should be titled “Income/expenses from investments in subsidiaries, associates, and joint ventures.”

Income/expenses from other financial assets and liabilities and from real estate investments

This line item includes income and expenses arising from real estate investments and from financial instruments not measured at fair value through profit or loss.

In particular, if the designation of financial liabilities at fair value creates or increases an accounting mismatch in the income statement (IFRS 9, paragraph 5.7.8), this line item also includes fair value changes of “financial liabilities designated at fair value” that are attributable to changes in the entity’s own credit risk.

Interest income calculated using the effective interest method / Interest expense

These line items include interest income and interest expense, as well as related income and charges, concerning financial assets measured at amortized cost, financial assets measured at fair value through other comprehensive income (items 4.3 and 4.4 under assets), and financial liabilities measured at amortized cost (item 4.2 under liabilities).

They also include changes in the amortized cost of financial assets and liabilities due to revised estimates of expected cash flows (e.g., due to changes in the expected exercise of prepayment options granted to customers) and commissions included in the calculation of the effective interest rate according to IFRS 9, paragraphs B5.4.1 to B5.4.7.

Interest income also includes time value interest determined for impaired financial assets using the original effective interest rate.

Other income/expenses

This line item includes dividends from equity instruments or units held in the portfolio, excluding those measured using the equity method. It includes dividends on equity instruments designated at fair value through other comprehensive income.

Dividends from investments that qualify as (or are part of) “discontinued operations” are excluded and instead reported under item 22 “Profit (Loss) from discontinued operations.”

This line item also includes rental income earned from real estate investments, as well as expenses related to these properties, particularly condominium fees and maintenance or repair costs that are not capitalized into the asset’s value.

Realized gains/losses

This item includes the net balance of realized gains and losses:

- from the sale of financial assets classified in the “Financial assets measured at amortized cost” and “Financial assets measured at fair value through other comprehensive income” portfolios;

- from the sale of real estate investments;
- from the repurchase of the company's own financial liabilities measured at amortized cost.

For "financial assets measured at fair value through other comprehensive income" (excluding equity instruments), gains and losses comprise two components: one already recognized in the related revaluation reserve (so-called "release" to the income statement); the other being the difference between the sale price and the book value of the disposed assets.

In the case of gains/losses from derecognition of financial assets measured at amortized cost, the sub-item "of which: derecognition of financial assets measured at amortized cost" should be reported.

Valuation gains/losses

This item includes the net balance, positive or negative, of:

- positive changes resulting from reversals of impairment and from subsequent measurement of real estate investments at fair value, hedging instruments, and financial assets and liabilities subject to hedging, excluding equity instruments designated at fair value through other comprehensive income;
- and negative changes due to amortization, impairments, and subsequent measurement of the above-mentioned assets and liabilities.

This item also includes the net balance, positive or negative, of value adjustments and reversals linked to changes in the credit risk of financial assets measured at amortized cost and financial assets measured at fair value through other comprehensive income. This also conventionally includes adjustments/reversals related to other financial assets (item 5) and to financial assets classified as "cash and cash equivalents" (item 7).

Also conventionally included are the valuation results, pursuant to IFRS 5, of real estate investments classified as "Non-current assets or a group held for sale," excluding discontinued operations (IFRS 5, paragraph 37).

Net financial income/expenses related to issued insurance contracts

This item includes the net balance, either positive or negative, of changes in the carrying amount of issued insurance contracts resulting from the effects and changes in the time value of money, as well as from the effects and changes in financial risks associated with the cash flows of issued insurance contracts, excluding those recorded in other comprehensive income.

Changes related to the fair value portion of the groups of insurance contracts with direct participation features that do not affect the contractual service margin, in accordance with paragraph 45 of IFRS 17, must be recorded under item 2 "Insurance service expenses from issued insurance contracts."

Also included are changes in groups of insurance contracts with direct participation features related to the effects and variations of the time value of money and financial risks, which do not affect the contractual service margin as they are subject to financial risk mitigation using derivatives or financial instruments measured at fair value through profit or loss, or through reinsurance contracts.

Net financial income/expenses related to reinsurance contracts held

This item includes the net balance, either positive or negative, of changes in the carrying amount of reinsurance contracts held due to the effects and changes in the time value of money, as well as the effects and changes in financial risks associated with the cash flows of reinsurance contracts held, excluding those recorded in other comprehensive income.

Other Income/Expenses

Specifically, this item includes:

- The net balance, whether positive or negative, between interest income on other financial assets (item 5 of the assets), interest expense on debts (item 5 of the liabilities), and any other interest accrued during the year (other than those included in items 10 and 11);

- The net balance, whether positive or negative, between revenues and expenses from the provision of services – other than financial and insurance services – and from the use by third parties of tangible assets, other than real estate investments, as well as intangible assets and other company assets in accordance with IFRS 15;
- The recognition in the income statement of deferred commission income and expenses related to contracts not falling within the scope of IFRS 17 (e.g., investment contracts);
- The recognition in the income statement of valuation reserves related to cash flow hedges of non-financial assets and liabilities;
- The net balance, whether positive or negative, between gains and losses on disposals of tangible and intangible assets, other than real estate investments and those reported under item 22 “Profit (Loss) from discontinued operations”.

Management Expenses

Investment Management Expenses

This item includes general and personnel expenses related to the management of financial instruments, real estate investments, and equity investments. It also includes custody and administration fees. Expenses included in the estimation of insurance assets/liabilities are excluded.

Other Administrative Expenses

This item includes general and personnel expenses not included in the calculation of insurance assets and liabilities, and not allocated to acquisition costs of insurance contracts or to investment management expenses.

Specifically, it includes general and personnel expenses incurred for the acquisition and administration of investment contracts without discretionary participation features not covered by IFRS 17. It also includes general and personnel expenses of consolidated companies—such as those engaged in financial activities other than insurance—that are not otherwise allocated.

Net provisions to risk and expense funds

This item includes the balance, whether positive or negative, between provisions and any releases to the income statement of surplus funds, relating to the funds reported under item 2 “Provisions for risks and charges” in the liabilities section of the balance sheet.

This item also includes provisions relating to commitments and financial guarantees issued that are subject to the impairment rules of IFRS 9, paragraph 5.5, as well as other commitments and guarantees issued that are not subject to the impairment rules of IFRS 9.

Provisions also include increases in the funds due to the passage of time (accrual of implicit interest in discounting).

Net adjustments/reversals on tangible assets

This item includes the balance, whether positive or negative, between impairment losses, depreciation, and reversals of value on tangible assets, other than those related to investment properties and reported under item 8.5 “Gains/losses from measurement”, including those related to assets under operating leases and right-of-use assets acquired under leases and used as tangible assets. This item also conventionally includes the results of valuations carried out pursuant to IFRS 5 on tangible assets classified as “Non-current assets or a disposal group held for sale”.

Net adjustments/reversals on intangible assets

This item includes the balance, whether positive or negative, between impairment losses, amortisation, and reversals of value on intangible assets, including those related to assets under operating leases and right-of-use assets acquired under leases and used as intangible assets. This item also conventionally includes the results of valuations carried out pursuant to IFRS 5 on intangible assets classified as “Non-current assets or a disposal group held for sale”.

Other operating expenses/income

This item includes costs and income not attributable to other items that contribute to the determination of item 19 “Profit (Loss) for the year before tax”.

This item includes, for example, reimbursements of expenses such as stamp duties, account statement mailing costs, document duplication expenses, as well as ordinary maintenance expenses on investment properties and amortisation of expenses for improvements on third-party assets reported under item 6.3 “Other assets” of the balance sheet.

Taxes

This item includes the tax expense – equal to the balance between current and deferred taxation – relating to the profit for the year, net of the portion relating to “Discontinued operations”, which should be included in item 22 “Profit (Loss) from discontinued operations”.

Profit (Loss) from discontinued operations

This item includes the income and expenses, net of tax effects, relating to discontinued operations as defined by IFRS 5, paragraph 33(a).

Consolidated profit (loss)

This item includes the net balance, whether positive or negative, of income and expenses, and of revenues and charges reported in items 1 to 22.

The line “of which: attributable to the parent company” indicates the share of consolidated profit attributable to the parent company based on equity ratios.

The line “of which: attributable to minority interests” includes the portion of the consolidated result attributable to minority shareholders, calculated based on equity ratios.

OTHER INFORMATION

Foreign currency transactions

The initial recognition of foreign currency transactions is carried out in the functional currency by applying the exchange rate in effect on the transaction date to the foreign currency amount. Foreign currency balance sheet items are measured as follows at each balance sheet or interim reporting date:

- monetary items are translated using the closing exchange rate;
- non-monetary items measured at historical cost are translated using the exchange rate in effect on the transaction date;
- non-monetary items measured at fair value are translated using the exchange rate in effect on the valuation date.

Exchange differences arising from the settlement of monetary items or from the translation of monetary items at exchange rates different from those of initial recognition are recognised in the income statement in the period in which they arise.

Accounting treatment of derivative instruments

Derivative financial instruments are defined as contracts that exhibit the following characteristics:

- their value changes in response to changes in an interest rate, the price of a financial instrument, the price of a commodity, a foreign exchange rate, a price or rate index, a credit rating or other predetermined underlying variable;
- they require no initial net investment or one that is smaller than would be required for other types of contracts that would be expected to have a similar response to market factors;
- their settlement occurs at a future date.

The Sara Group does not hold derivative instruments in its portfolio for either the Non-Life or Life business.

PART D – INFORMATION ON THE CONSOLIDATED BALANCE SHEET

ASSETS

1. INTANGIBLE ASSETS

The decrease, amounting to 317 thousands of Euro, is mainly due to amortisation for the year totaling 5.444 thousands of Euro, a value more than offset by capitalised costs amounting to 5.127 thousands of Euro.

Assets / Values	Total 31.12.2024		Total 31.12.2023	
	Definite duration	Indefinite duration	Definite duration	Indefinite duration
A.1 Goodwill	X	-	X	-
A.1.1 Group ownership	X	-	X	-
A.1.2 Third-party ownership	X	-	X	-
A.2 Other intangible assets	6.984	-	7.301	-
of which software	6.208	-	13.674	-
A.2.1 Assets measured at cost:	6.984	-	7.301	-
a) Internally generated intangible assets	-	-	-	-
b) Other assets	6.984	-	7.301	-
A.2.2 Assets measured at revalued amount:	-	-	-	-
a) Internally generated intangible assets	-	-	-	-
b) Other assets	-	-	-	-
Total	6.984	-	7.301	-

	Goodwill	Other internally generated intangible assets		Other intangible assets (other)		Total
		DEF	INDEF	DEF	INDEF	
A. Initial Balances	-	-	-	110.981	-	110.981
A.1 Net total value reductions	-	-	-	(103.680)	-	(103.680)
A.2 Net initial balances	-	-	-	7.301	-	7.301
A.2.2 Initial balance adjustments	-	-	-	-	-	-
B. Increases	-	-	-	5.127	-	5.127
B.1 Purchases	-	-	-	5.127	-	5.127
B.2 Increments of internally generated intangible assets	X	-	-	-	-	-
B.3 Value recovery	X	-	-	-	-	-
B.4 Positive value changes reassessed	-	-	-	(5.444)	-	(5.444)
• to comprehensive income statement	X	-	-	-	-	-
• to income statement	X	-	-	-	-	-
B.5 Positive exchange rate differences	-	-	-	-	-	-
B.6 Other changes	-	-	-	-	-	-
C. Decreases	-	-	-	(5.444)	-	(5.444)
C.1 Sales	-	-	-	-	-	-
C.2 Value adjustments	-	-	-	(5.444)	-	(5.444)
• Depreciations	X	-	-	(5.444)	-	(5.444)
• Write-downs	-	-	-	-	-	-
• to comprehensive income statement	X	-	-	-	-	-
• to income statement	-	-	-	-	-	-
C.3 Negative value changes reassessed	-	-	-	-	-	-
• to comprehensive income statement	X	-	-	-	-	-
• to income statement	X	-	-	-	-	-
C.4 Transfers to non-current assets held for sale	-	-	-	-	-	-
C.5 Negative exchange rate differences	-	-	-	-	-	-
C.6 Other changes	-	-	-	-	-	-
D. Net final balances	-	-	-	6.984	-	6.984
D.1 Net total value adjustments	-	-	-	(109.124)	-	(109.124)
E. Gross final balances	-	-	-	116.108	-	116.108
Cost value	-	-	-	-	-	-

2. PROPERTY, PLANT AND EQUIPMENT

This item includes the properties instrumental to the Company's operations, measured at cost pursuant to IAS 16. The total value as at 31 December 2024, broken down between land and buildings, is shown below together with the details of the changes that occurred during the year.

Activity/Values	Activities for own use				Inventory IAS 2	
	At cost value		At reassessed value		31.12.2024	31.12.2023
	31.12.2024	31.12.2023	31.12.2024	31.12.2023		
1. Property, plant and equipment	68.756	50.584	-	-	-	-
a) Land	25.562	15.699	-	-	-	-
b) Buildings	39.634	31.729	-	-	-	-
c) Plant and machinery	3.494	3.119	-	-	-	-
d) Industrial and commercial equipment	-	-	-	-	-	-
e) Other assets	66	37	-	-	-	-
2. Assets under finance lease	729	859	-	-	-	-
a) Land	-	-	-	-	-	-
b) Buildings	-	-	-	-	-	-
c) Plant and machinery	-	-	-	-	-	-
d) Industrial and commercial equipment	-	-	-	-	-	-
e) Other assets	729	859	-	-	-	-
Total	69.485	51.443	-	-	-	-

	Land	Buildings	Office furniture and equipment	Plant and equipment	Other tangible assets	Total
A. Initial Gross Balances	15.699	40.631	48.817	-	5.240	110.388
A.1 Amortization fund or value reduction fund	-	(8.901)	(45.699)	-	(4.345)	(58.945)
A.2 Net Initial Balances	15.699	31.729	3.119	-	896	51.443
A.2.a Adjustment of initial balances	-	-	-	-	-	-
B. Increases	12.877	12.340	1.387	-	874	27.478
B.1 Purchases	-	160	1.380	-	40	1.580
B.2 Capitalized improvement expenses	-	1.533	-	-	-	1.533
B.3 Value recovery	-	154	-	-	-	154
B.4 Positive revaluation changes allocated to	-	-	-	-	-	-
a) comprehensive income statement	-	-	-	-	-	-
b) income statement	-	-	-	-	-	-
B.5 Positive exchange rate differences	-	-	-	-	-	-
B.6 Transfers from real estate investments	12.877	10.493	X	X	X	23.370
B.7 Other changes	-	-	6	-	834	841
C. Decreases	(3.014)	(4.436)	(1.012)	-	(975)	(9.437)
C.1 Sales	-	-	(1)	-	-	(1)
C.2 Depreciations	-	(567)	(1.010)	-	(975)	(2.552)
C.3 Value adjustments due to impairment allocated to	-	-	-	-	-	-
a) comprehensive income statement	-	-	-	-	-	-
b) income statement	-	-	-	-	-	-
C.4 Negative revaluation changes allocated to	-	-	-	-	-	-
a) comprehensive income statement	-	-	-	-	-	-
b) income statement	-	-	-	-	-	-
C.5 Negative exchange rate differences	-	-	-	-	-	-
C.6 Transfers to:	(3.014)	(3.869)	-	-	-	(6.883)
a) real estate investments	(3.014)	(3.869)	X	X	X	(6.883)
b) non-current assets or a disposal group held for sale	-	-	-	-	-	-
C.7 Other changes	-	-	-	-	-	-
D. Net Final Balances	25.562	39.634	3.494	-	795	69.485
D.1 Amortization fund or value reduction fund	-	(18.358)	(46.586)	-	(4.617)	(69.561)
E. Final Gross Balances	25.562	57.991	50.080	-	5.412	139.045
E.1 Valuation at cost	-	-	-	-	-	-

3. INSURANCE ASSETS

The total amount of reinsurance cessions for the Non-Life segment amounts to 38,850 thousand Euro (51,204 thousand Euro in the previous period), while it amounts to 223 thousand Euro for the Life segment.

Below are the details of the Non-Life reinsurance cessions recognized as assets for the reporting periods:

Items/Decomposition of balance value	Activity for residual coverage 31.12.2024		Activity for claims incurred 31.12.2024		Total 31.12.2024	Activity for residual coverage 31.12.2023		Activity for claims incurred 31.12.2023		Total 31.12.2023
	Net of the loss recovery component	Loss recovery component	Present value of financial flows	Adjustment for non-financial risks		Net of the loss recovery component	Loss recovery component	Present value of financial flows	Adjustment for non-financial risks	
A. Initial balance value										
1. Cessions in reinsurance that constitute asset	1.765	-	47.095	2.344	51.204	2.573	-	16.996	587	20.156
2. Cessions in reinsurance that constitute liabilities	-	-	-	-	-	-	-	-	-	-
3. Net balance value at January 1st	1.765	-	47.095	2.344	51.204	2.573	-	16.996	587	20.156
B. Economic effects related to cessions in reinsurance										
1. Cost of reinsurance	(15.118)	-	-	-	(15.118)	(18.334)	-	-	-	(18.334)
2. Claims and other recovered costs	-	-	30.314	-	30.314	-	-	15.564	-	15.564
3. Changes in activity for claims incurred	-	-	(29.129)	(1.901)	(31.030)	-	-	28.039	1.718	29.757
4. Cessions in reinsurance covering onerous contracts	-	-	-	-	-	-	-	-	-	-
4.1 Revenues related to the registration of onerous insurance contracts	-	-	-	-	-	-	-	-	-	-
4.2 Releases of the component of recoverable losses related to the variations in financial flows	-	-	-	-	-	-	-	-	-	-
4.3 Variation of financial flows from cessions in reinsurance deriving from underlying onerous contracts	-	-	-	-	-	-	-	-	-	-
5. Effects of the change in the risk of default by reinsurers	-	-	11	-	11	-	-	(7)	-	(7)
6. Total	(15.118)	-	1.196	(1.901)	(15.823)	(18.334)	-	43.596	1.718	26.980
C. Result of insurance services (Total B)	(15.118)	-	1.196	(1.901)	(15.823)	(18.334)	-	43.596	1.718	26.980
D. Financial income/costs										
1. Related to cessions in reinsurance	-	-	974	57	1.031	-	-	907	39	946
1.1 Recorded in the income statement	-	-	863	50	914	-	-	115	6	121
1.2 Recorded in comprehensive income	-	-	111	6	117	-	-	791	33	824
2. Effects connected with the variation of exchange rates	-	-	-	-	-	-	-	-	-	-
3. Total	-	-	974	57	1.031	-	-	907	39	946
E. Investment components	-	-	-	-	-	-	-	-	-	-
F. Total amount recorded in the income statement and comprehensive income statement (C+ D + E)	(15.118)	-	2.170	(1.844)	(14.792)	(18.334)	-	44.503	1.757	27.925
G. Other variations										
H. Cash flow movements										
1. Payments net of the amounts not connected with the claims recovered	14.429	-	-	-	14.429	17.526	-	-	-	17.526
2. Amounts recovered from reinsurers	-	-	(11.991)	-	(11.991)	-	-	(14.403)	-	(14.403)
3. Total	14.429	-	(11.991)	-	2.438	17.526	-	(14.403)	-	3.123
I. Net balance value at December 31st (A.3 + F + G + H.3)	1.076	-	37.274	500	38.850	1.765	-	47.095	2.344	51.204
L. Final balance value										
1. Cessions in reinsurance that constitute assets	1.076	-	37.274	500	38.850	1.765	-	47.095	2.344	51.204
2. Cessions in reinsurance that constitute liabilities	-	-	-	-	-	-	-	-	-	-
3. Net balance value at December 31st	1.076	-	37.274	500	38.850	1.765	-	47.095	2.344	51.204

Below are the details of the Life reinsurance cessions recognized as assets for the reporting periods:

Items/Decomposition of balance value	Activity for residual coverage 31.12.2024		Activity for claims incurred 31.12.2024		Total 31.12.2024	Activity for residual coverage 31.12.2023		Activity for claims incurred 31.12.2023		Total 31.12.2023
	Net of the loss recovery component	Loss recovery component	Present value of financial flows	Adjustment for non-financial risks		Net of the loss recovery component	Loss recovery component	Present value of financial flows	Adjustment for non-financial risks	
A. Initial balance value										
1. Cessions in reinsurance that constitute asset	1.504	-	142	-	1.646	1.641	-	-	-	1.641
2. Cessions in reinsurance that constitute liabilities	-	-	-	-	-	-	-	-	-	-
3. Net balance value at January 1st	1.504	-	142	-	1.646	1.641	-	-	-	1.641
B. Economic effects related to cessions in reinsurance										
1. Cost of reinsurance	(1.810)	-	-	-	(1.810)	(445)	-	-	-	(445)
2. Claims and other recovered costs	-	-	167	-	167	-	-	272	-	272
3. Changes in activity for claims incurred	-	-	98	-	98	-	-	-	-	-
4. Cessions in reinsurance covering onerous contracts	-	-	-	-	-	-	-	-	-	-
4.1 Revenues related to the registration of onerous insurance contracts	-	-	-	-	-	-	-	-	-	-
4.2 Releases of the component of recoverable losses related to the variations in financial flows	-	-	-	-	-	-	-	-	-	-
4.3 Variation of financial flows from cessions in reinsurance deriving from underlying onerous contracts	-	-	-	-	-	-	-	-	-	-
5. Effects of the change in the risk of default by reinsurers	-	-	-	-	-	-	-	-	-	-
6. Total	(1.810)	-	265	-	(1.545)	(445)	-	272	-	(174)
C. Result of insurance services (Total B)	(1.810)	-	265	-	(1.545)	(445)	-	272	-	(174)
D. Financial income/costs										
1. Related to cessions in reinsurance	-	-	-	-	-	-	-	-	-	-
1.1 Recorded in the income statement	-	-	-	-	-	-	-	-	-	-
1.2 Recorded in comprehensive income	-	-	-	-	-	-	-	-	-	-
2. Effects connected with the variation of exchange rates	-	-	-	-	-	-	-	-	-	-
3. Total	-	-	-	-	-	-	-	-	-	-
E. Investment components										
F. Total amount recorded in the income statement and comprehensive income statement (C+ D + E)	(1.810)	-	265	-	(1.545)	(445)	-	272	-	(174)
G. Other variations										
H. Cash flow movements										
1. Payments net of the amounts not connected with the claims recovered	431	-	-	-	431	309	-	-	-	309
2. Amounts recovered from reinsurers	-	-	(309)	-	(309)	-	-	(130)	-	(130)
3. Total	431	-	(309)	-	122	309	-	(130)	-	179
I. Net balance value at December 31st (A.3 + F + G + H.3)	125	-	98	-	223	1.504	-	142	-	1.646
L. Final balance value										
1. Cessions in reinsurance that constitute assets	125	-	98	-	223	1.504	-	142	-	1.646
2. Cessions in reinsurance that constitute liabilities	-	-	-	-	-	-	-	-	-	-
3. Net balance value at December 31st	125	-	98	-	223	1.504	-	142	-	1.646

4. INVESTMENTS

Total investments as at 31.12.2024 amount to 2.750.086 thousand Euro (2.536.625 thousand Euro as at 31.12.2023). The breakdown of this item is shown in the table below:

4.1 Real Estate Investments

As at 31 December 2024, real estate investments, net of related funds and measured at cost, amounted to 66.739 thousand Euro, down from the value as at 31 December 2023 of 85.626 thousand Euro. The change is mainly attributable to the sale of the property in Via Vitaliano Brancati during the year (1.830 thousand Euro), to capitalised costs amounting to 274 thousand Euro, and to the reclassification to the own-use property item for 23.370 thousand Euro (property located in Via della Chiusa, Milan).

Below is the breakdown of Real Estate Investments and the movements occurred during 2024:

Activities/Values	At cost		At fair value	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
1. Owned assets	66.739	85.626	-	-
- Land	20.447	30.743	-	-
- Buildings	46.292	54.883	-	-
2. Right-of-use assets with leasing	-	-	-	-
- Land	-	-	-	-
- Buildings	-	-	-	-
Total	66.739	85.626	-	-

	Lands	Buildings	Total
A. Initial gross balances	30.743	71.048	101.791
A.1 Amortization fund and value reductions	-	(16.165)	(16.165)
A.2 Initial net balances	30.743	54.883	85.626
A.2.a Adjustment of initial balances	-	-	-
B. Increases	3.014	4.854	7.868
B.1 Purchases	-	-	-
B.2 Capitalized improvement expenses	-	274	274
B.3 Positive fair value changes	-	-	-
B.4 Value recoveries	-	711	711
B.5 Positive exchange rate differences	-	-	-
B.6 Transfers from properties for own use	3.014	3.869	6.883
B.7 Other changes	-	-	-
C. Decreases	(13.310)	(13.445)	(26.755)
C.1 Sales	(433)	(1.396)	(1.830)
C.2 Amortization	-	(821)	(821)
C.3 Negative fair value changes	-	-	-
C.4 Value reductions from impairment	-	(219)	(219)
C.5 Negative exchange rate differences	-	-	-
C.6 Transfers to:	(12.877)	(10.493)	(23.370)
a) Properties for own use	(12.877)	(10.493)	(23.370)
b) Non-current assets or disposal groups held for sale	-	-	-
C.7 Other changes	-	(515)	(515)
D. Final net balances	20.447	46.292	66.739
D.1 Amortization fund and value reductions	-	(15.706)	(15.706)
D.2 Final gross balances	20.447	61.998	82.445
E. Fair value valuation	-	-	-

4.2 Financial assets measured at amortised cost

As at 31 December 2024, Financial Assets measured at amortised cost amounted to 27.815 thousand Euro (45.796 thousand Euro as at 31 December 2023).

Detailed information is provided below:

Voices/Values	31.12.2024						31.12.2023					
	Balance sheet value	comp. %	L1	L2	L3	Total Fair Value	Balance sheet value	comp. %	L1	L2	L3	Total Fair Value
1. Debt securities												
Government bonds	-	-	X	X	X	-	-	-	X	X	X	-
a) listed	-	-	X	X	X	-	-	-	X	X	X	-
b) unlisted	-	-	X	X	X	-	-	-	X	X	X	-
Other debt securities	-	-	X	X	X	-	-	-	X	X	X	-
a) listed	-	-	X	X	X	-	-	-	X	X	X	-
b) unlisted	-	-	X	X	X	-	-	-	X	X	X	-
2. Loans and credits	27.815	100,00%	-	-	27.815	27.815	45.796	100,00%	-	-	45.796	45.796
Total	27.815	100,00%	-	-	27.815	27.815	45.796	100,00%	-	-	45.796	45.796

The breakdown of financial assets measured at amortised cost is also provided below, including the asset type composition, credit risk stages and total impairment losses:

	Value at 31.12.2024			Value at 31.12.2023		
	First stage	Second stage	Third stage	First stage	Second stage	Third stage
Government bonds	-	-	-	-	-	-
Other debt securities	-	-	-	-	-	-
Loans and credits:	27.815	-	-	45.796	-	-
a) to banks	2.798	-	-	20.439	-	-
b) to customers	25.017	-	-	25.356	-	-
- mortgages	-	-	-	-	-	-
- policy loans	432	-	-	670	-	-
- other loans and credits	24.586	-	-	24.686	-	-
Total	27.815	-	-	45.796	-	-

	Gross value			Total write-downs			Total 31.12.2024	Total 31.12. 2023
	Stage 1	of which: Low credit risk assets	Stage 3	Stage 1	of which: Low credit risk assets	Stage 3		
Government bonds	-	-	-	-	-	-	-	-
Other debt securities	-	-	-	-	-	-	-	-
Loans and credits:	27.815	-	-	-	-	-	27.815	45.796
- to banks	2.798	-	-	-	-	-	2.798	20.439
- to customers	25.017	-	-	-	-	-	25.017	25.356
Total 31.12.2024	27.815	-	-	-	-	-	27.815	
Total 31.12. 2023	45.796	-	-	-	-	-		45.796

4.3 Financial assets measured at fair value through other comprehensive income

As at 31 December 2024, they amount to 1.791.346 thousand Euro (1.565.246 thousand Euro in 2023); the composition and the total value adjustments are shown below:

	31.12.2024		31.12.2023	
	Balance value	Comp. %	Balance value	Comp. %
Equity securities	117	0%	59	-
a) listed	-	-	-	-
b) unlisted	117	0%	59	-
Debt securities	1.791.229	100%	1.565.188	100%
Government bonds	1.344.793	75%	1.178.172	75%
a) listed	1.319.355	74%	1.154.448	74%
b) unlisted	25.439	1%	23.724	2%
Other debt securities	446.436	25%	387.016	25%
a) listed	446.436	25%	387.016	25%
b) unlisted	-	-	-	-
Other financial instruments	-	-	-	-
Total	1.791.346	100%	1.565.246	100%

	Gross value		Total write-downs					Total	Total
	Stage 1	of which: Low credit risk assets	Stage 3	Stage 1	of which: Low credit risk assets	Stage 3	31.12.2024	31.12.2023	
Government bonds	1.346.250	-	-	(1.457)	-	-	1.344.793	1.178.172	
Other debt securities	447.140	-	-	(704)	-	-	446.436	387.016	
Other financial instruments	-	-	-	-	-	-	-	-	
Total 31.12.2024	1.793.390	-	-	(2.161)	-	-	1.791.229		
Total 31.12.2023	1.568.264	-	-	(3.076)	-	-		1.565.188	

4.4 Financial assets measured at fair value through profit or loss

As at 31 December 2024, financial assets measured at fair value through profit or loss amount to 864.186 thousand Euro (839.957 thousand Euro as at 31.12.2023). The breakdown of this item is shown below:

	Financial assets held for trading				Financial assets designated at fair value				Financial assets mandatorily measured at fair value			
	31.12.2024		31.12.2023		31.12.2024		31.12.2023		31.12.2024		31.12.2023	
	Balance value	Comp %	Balance value	Comp %	Balance value	Comp %	Balance value	Comp %	Balance value	Comp %	Balance value	Comp %
Equity securities	-	-	-	-	11.773	16%	8.274	14%	44.417	6%	23.925	3%
a) listed	-	-	-	-	11.773	16%	8.274	14%	44.417	6%	23.925	3%
b) unlisted	-	-	-	-	-	-	-	-	-	-	-	-
Treasury shares	-	-	-	-	-	-	-	-	-	-	-	-
Own financial liabilities	-	-	-	-	-	-	-	-	-	-	-	-
Debt securities	-	-	-	-	4.097	6%	3.656	6%	118.350	15%	109.352	14%
a) listed	-	-	-	-	4.097	6%	3.656	6%	118.350	15%	109.352	14%
b) unlisted	-	-	-	-	-	-	-	-	-	-	-	-
Units of O.I.C.R.	-	-	-	-	54.229	75%	43.495	74%	629.351	79%	647.814	83%
Non-hedging derivatives	-	-	-	-	-	-	-	-	-	-	-	-
Hedging derivatives	-	-	-	-	-	-	-	-	-	-	-	-
Other financial instruments	-	-	-	-	1.970	3%	3.441	6%	-	-	-	-
Total	-	-	-	-	72.069	100%	58.866	100%	792.117	100%	781.091	100%

5. OTHER FINANCIAL ASSETS

The total amount of other financial assets is 262.751 thousand Euro, down from the value as at 31.12.2023 of 324.192 thousand Euro.

	31.12.2024	31.12.2023	Change	%
Receivables from insurance intermediaries and insurance companies	41.454	44.703	-3.249	-7,3%
Other receivables	221.297	279.490	-58.193	-20,8%
Total Other Financial Assets	262.751	324.193	-61.442	-19,0%

6. OTHER ASSET ITEMS

The item "other asset items" as at 31 December 2024 amounts to 91.539 thousand Euro, decreasing compared to the value recorded as at 31 December 2023 equal to 109.231 thousand Euro.

This item includes assets classified as non-current investment properties held for sale (IFRS 5), amounting to 11.253 thousand Euro (15.280 thousand Euro as at 31.12.2023); the change compared to the previous financial year is mainly due to the disposal of certain real estate units of the Group.

	31.12.2024	31.12.2023	Change	%
Non-current assets or disposal group held for sale	11.253	15.280	-4.027	-26,4%
Deferred tax assets	29.730	44.428	-14.698	-33,1%
Current tax assets	33.745	36.417	-2.672	-7,3%
Other assets	16.812	13.105	3.707	28,3%
Total other asset items	91.539	109.230	-17.691	-16,2%

7. CASH AND CASH EQUIVALENTS

The amount of cash and cash equivalents as at 31 December 2024 is equal to 130.527 thousand Euro, consisting of bank and postal deposits (153.890 thousand Euro as at 31 December 2023).

EQUITY AND LIABILITIES

8. EQUITY

The item includes the elements representing capital and equity reserves attributable to the Group. The composition of this item as at 31 December 2024 and 31 December 2023, along with the related changes that occurred during 2024, are shown in the tables below:

	31.12.2024	31.12.2023	Change	%
Capital	54.675	54.675	-	-
Reserves of profits and other equity reserves (Treasury shares)	828.508	761.327	67.181	8,8%
Valuation reserves	11.378	6.545	4.833	73,8%
Profit (loss) for the year	80.948	83.087	-2.113	-2,6%
Total equity attributable to the Group	975.422	905.548	69.874	7,7%

	Capital	Other equity instruments	Capital reserves	Profit reserves and other equity reserves	Own shares	Revaluation reserves	Profit (Loss) for the year	Total equity to group	Equity attributable to the parent company	Total equity
Balance as of 1.1.2023	54.675	-	-	739.634	(86)	(7.173)	64.956	852.006	-	852.006
Opening balance adjustments	-	-	-	-	-	-	-	-	-	-
Allocation profit 2022	-	-	-	-	-	-	-	-	-	-
Reserves	-	-	-	49.693	-	-	(49.693)	-	-	-
Dividends and other allocations	-	-	-	-	-	-	(15.262)	(15.262)	-	(15.262)
Changes during the year	-	-	-	-	-	-	-	-	-	-
Issuance of new shares	-	-	-	-	-	-	-	-	-	-
Purchase of own shares	-	-	-	-	-	-	-	-	-	-
Changes in equity investments	-	-	-	-	-	-	-	-	-	-
Comprehensive income	-	-	-	-	-	13.718	83.087	96.805	-	96.805
Other changes (+)	-	-	-	-	-	-	-	-	-	-
Other changes (-)	-	-	-	(28.001)	-	-	-	(28.001)	-	(28.001)
Balance as of 31.12.2023	54.675	-	-	761.327	(86)	6.545	83.087	905.548	-	905.548
Opening balance adjustments	-	-	-	-	-	-	-	-	-	-
Allocation profit 2023	-	-	-	-	-	-	-	-	-	-
Reserves	-	-	-	67.181	-	-	(67.181)	-	-	-
Dividends and other allocations	-	-	-	-	-	-	(15.906)	(15.906)	-	(15.906)
Changes during the year	-	-	-	-	-	-	-	-	-	-
Issuance of new shares	-	-	-	-	-	-	-	-	-	-
Purchase of own shares	-	-	-	-	-	-	-	-	-	-
Changes in equity investments	-	-	-	-	-	-	-	-	-	-
Comprehensive income	-	-	-	-	-	4.833	80.948	85.781	-	85.781
Other changes (+)	-	-	-	-	-	-	-	-	-	-
Other changes (-)	-	-	-	-	-	-	-	-	-	-
Balance as of 31.12.2024	54.675	-	-	828.508	(86)	11.378	80.948	975.423	-	975.423

	Capital	Profit reserves and other equity reserves	Own shares	Revaluation reserves	Profit (Loss) for the year	Total equity to group	Equity attributable to the parent company	Total equity
Balance as of 31.12.2023	54.675	761.327	-86	6.545	83.087	905.548	-	905.548
Opening balance adjustments	-	-	-	-	-	-	-	-
Allocation profit 2023								
Reserves	-	67.181	-	-	-67.181	-	-	-
Dividends and other allocations	-	-	-	-	-15.906	-15.906	-	-15.906
Changes during the year								
Issuance of new shares	-	-	-	-	-	-	-	-
Purchase of own shares	-	-	-	-	-	-	-	-
Changes in equity investments	-	-	-	-	-	-	-	-
Comprehensive income	-	-	-	4.833	80.948	85.781	-	85.781
Other changes (+)	-	-	-	-	-	-	-	-
Other changes (-)	-	-	-	-	-	-	-	-
Balance as of 31.12.2024	54.675	828.508	-86	11.378	80.948	975.423	-	975.423

The following table shows changes in the number of shares during the financial year:

Items/Types	Ordinary	Other
A. Shares existing at the beginning of the year	16.200	2.020
- fully paid	-	-
- not fully paid	-	-
A.1 Treasury shares (-)	-	-
A.2 Shares in circulation: initial balance	16.200	2.020
Changes in initial balance	-	-
B. Increases	-	-
B.1 New issues	-	-
- for payment	-	-
- business combination transactions	-	-
- conversion of bonds	-	-
- exercise of warrants	-	-
- other	-	-
- as a free gift	-	-
- to employees	-	-
- to directors	-	-
- other	-	-
B.2 Sale of treasury shares	-	-
B.3 Other changes	-	-
C. Decreases	-	-
C.1 Cancellation	-	-
C.2 Purchase of treasury shares	-	-
C.3 Business combination transactions	-	-
C.4 Other changes	-	-
D. Shares in circulation: final balance	-	-
D.1 Treasury shares (+)	-	-
D.2 Shares existing at the end of the year	-	-
- fully paid	-	-
- not fully paid	-	-

The Group's share capital amounts to 54.675 thousand Euros and is fully paid-up.

The Group does not hold any components classified under the item "Other equity instruments," i.e., special categories of shares, equity financial instruments, or equity components included in compound financial instruments.

9. PROVISIONS FOR RISKS AND CHARGES

Provisions for risks and charges as of 31 December 2024 amount to 16.140 thousand Euros, slightly decreased from 18.233 thousand Euros recorded in the previous fiscal year. The Provisions for risks and charges mainly consist of pension benefit accruals amounting to 15.503 thousand Euros.

10. INSURANCE LIABILITIES

The following tables provide an analysis of the movements in the carrying amount of insurance contracts issued, both for Life and Non-Life segments, according to the aggregation basis specified in IVASS Regulation No. 7, detailed in the footnotes to the tables.

10.1 CHANGES IN THE CARRYING AMOUNT OF ISSUED INSURANCE CONTRACTS – GMM OR VFA – LIABILITIES FOR REMAINING COVERAGE AND FOR INCURRED CLAIMS

Items/Decomposition of balance value	Activity for residual coverage 31.12.2024		Activity for claims incurred 31.12.2024		Total 31.12.2024	Activity for residual coverage 31.12.2023		Activity for claims incurred 31.12.2023		Total 31.12.2023
	Net of the loss	Loss	Net of the loss	Loss		Net of the loss	Loss			
A. Initial balance value										
1. Insurance contracts issued that constitute liabilities	1.170.512	59	8.156	1.178.727	1.069.068	0	8.878	1.077.946		
2. Insurance contracts issued that constitute assets	-	-	-	-	-	-	-	-		
3. Net balance value at 1st January	1.170.512	59	8.156	1.178.727	1.069.068	0	8.878	1.077.946		
B. Insurance revenues	(18.575)	-	-	(18.575)	(17.510)	-	-	(17.510)		
C. Costs for insurance services										
1. Incurred claims and other directly attributable expenses	7.406	-	4.043	11.449	-	-	11.440	11.440		
2. Changes in liabilities for incurred claims	-	-	(498)	(498)	-	-	(722)	(722)		
3. Losses and related recoveries on onerous contracts	-	565	-	565	-	59	-	59		
4. Amortization of acquisition costs of contracts	907	-	-	907	488	-	-	488		
5. Total	8.313	565	3.545	12.423	488	59	10.718	11.265		
D. Result of insurance services (B+C)	(10.262)	565	3.545	(6.153)	(17.022)	59	10.718	(6.245)		
E. Net financial income/expenses										
1. Related to issued insurance contracts	73.858	-	-	73.858	115.718	-	-	115.718		
1.1 Recorded in the income statement	53.376	-	-	53.376	57.024	-	-	57.024		
1.2 Recorded in comprehensive income	20.483	-	-	20.483	58.695	-	-	58.695		
2. Effects connected with changes in exchange rates	-	-	-	-	-	-	-	-		
3. Total	73.858	-	-	73.858	115.718	-	-	115.718		
F. Investment components	(117.338)	-	117.338	-	(120.351)	-	120.351	-		
G. Total amount recorded in the income statement and in comprehensive income (D+E+F)	(53.742)	565	120.883	67.705	(21.655)	59	131.069	109.474		
H. Other variations	(2.131)	2.131	-	-	-	-	-	-		
I. Cash flow movements										
1. Premiums received	123.046	-	-	123.046	125.587	-	-	125.587		
2. Payments related to acquisition costs of contracts	(10.009)	-	-	(10.009)	(2.488)	-	-	(2.488)		
3. Claims paid and other cash outflows	-	-	(121.381)	(121.381)	-	-	(131.791)	(131.791)		
4. Total	113.038	-	(121.381)	(8.343)	123.099	-	(131.791)	(8.692)		
L. Net balance value at 31 December (A.3+G+H.4)	1.227.677	2.755	7.658	1.238.090	1.170.512	59	8.156	1.178.727		
M. Final balance value										
1. Insurance contracts issued that constitute liabilities	1.227.677	2.755	7.658	1.238.090	1.170.512	59	8.156	1.178.727		
2. Insurance contracts issued that constitute assets	-	-	-	-	-	-	-	-		
3. Net balance value at 31 December	1.227.677	2.755	7.658	1.238.090	1.170.512	59	8.156	1.178.727		

Legend:

Aggregation base 1 = Insurance contracts issued with direct participation features - Life segment

As indicated in the Valuation Criteria section, the Risk Adjustment for the Life segment is calculated using the Cost of Capital approach and corresponds to the 69.95th percentile equivalent, assuming a normal distribution.

10.2 CHANGES IN THE CARRYING AMOUNT OF ISSUED INSURANCE CONTRACTS – PAA – LIABILITIES FOR REMAINING COVERAGE AND FOR INCURRED CLAIMS

Items/Decomposition of balance value	Liabilities for remaining coverage 31.12.2024		Liabilities for incurred claims 31.12.2024		Total 31.12.2024	Liabilities for remaining coverage 31.12.2023		Liabilities for incurred claims 31.12.2023		Total 31.12.2023
	Net of the loss	Loss	Present value of financial flows	Adjustment for non-financial risks		Net of the loss	Loss	Present value of financial flows	Adjustment for non-financial risks	
A. Initial balance value										
1. Insurance contracts issued that constitute liabilities	161.933	-	444.401	8.279	614.613	151.725	953	446.201	9.139	608.018
2. Insurance contracts issued that constitute assets	-	-	-	-	-	-	-	-	-	-
3. Net balance value at 1st January	161.933	-	444.401	8.279	614.613	151.725	953	446.201	9.139	608.018
B. Insurance revenues	(513.909)	-	-	-	(513.909)	(475.571)	-	-	-	(475.571)
C. Costs for insurance services										
1. Incurred claims and other directly attributable expenses	149.358	-	346.996	-	496.354	142.844	-	328.115	-	470.959
2. Changes in liabilities for incurred claims	-	-	(32.018)	(1.840)	(33.858)	-	-	(26.019)	(1.329)	(27.349)
3. Losses and related recoveries on onerous contracts	-	825	-	-	825	-	(953)	-	-	(953)
4. Amortization of acquisition costs of contracts	(970)	-	-	-	(970)	(691)	-	-	-	(691)
5. Total	148.389	825	314.978	(1.840)	462.352	142.153	(953)	302.096	(1.329)	441.967
D. Result of insurance services (B+C)	(365.520)	825	314.978	(1.840)	(51.557)	(333.417)	(953)	302.096	(1.329)	(33.604)
E. Net financial income/expenses										
1. Related to issued insurance contracts	-	-	16.147	293	16.439	-	-	23.807	470	24.276
1.1 Recorded in the income statement	-	-	9.677	174	9.851	-	-	4.648	93	4.741
1.2 Recorded in comprehensive income	-	-	6.470	118	6.588	-	-	19.159	377	19.536
2. Effects connected with changes in exchange rates	-	-	-	-	-	-	-	-	-	-
3. Total	-	-	16.147	293	16.439	-	-	23.807	470	24.276
F. Investment components	-	-	-	-	-	-	-	-	-	-
G. Total amount recorded in the income statement and in comprehensive income (D+E+F)	(365.520)	825	331.124	(1.547)	(35.118)	(333.417)	(953)	325.902	(859)	(9.327)
H. Other variations	-	-	-	-	-	-	-	-	-	-
I. Cash flow movements										
1. Premiums received	532.811	-	-	-	532.811	484.335	-	-	-	484.335
2. Payments related to acquisition costs of contracts	(120.362)	-	-	-	(120.362)	(112.954)	-	-	-	(112.954)
3. Claims paid and other cash outflows	(28.461)	-	(346.996)	-	(375.457)	(27.756)	-	(327.702)	-	(355.458)
4. Total	383.988	-	(346.996)	-	36.992	343.625	-	(327.702)	-	15.923
L. Net balance value at 31 December (A.3+G+H.4)	180.401	825	428.530	6.732	616.487	161.933	-	444.401	8.279	614.613
M. Final balance value										
1. Insurance contracts issued that constitute liabilities	180.401	825	428.530	6.732	616.487	161.933	-	444.401	8.279	614.613
2. Insurance contracts issued that constitute assets	-	-	-	-	-	-	-	-	-	-
3. Net balance value at 31 December	180.401	825	428.530	6.732	616.487	161.933	-	444.401	8.279	614.613

Legend:

Aggregation base 2 = Non-Life Segment Car

10.3 MOVEMENT IN THE CARRYING AMOUNT OF INSURANCE CONTRACTS ISSUED, SEPARATELY BY UNDERLYING MEASUREMENT COMPONENTS

Items/Elements underlying the measurement	Elements underlying the measurement of the balance sheet value of issued insurance contracts							
	Present value of financial flows 31.12.2024	Adjustment for non-financial risks 31.12.2024	Margin on service contracts 31.12.2024	Total 31.12.2024	Present value of financial flows 31.12.2023	Adjustment for non-financial risks 31.12.2023	Margin on service contracts 31.12.2023	Total 31.12.2023
A. Initial balance value								
1. Insurance contracts issued that constitute liabilities	1.082.686	32.286	63.755	1.178.727	967.280	61.825	48.840	1.077.946
2. Insurance contracts issued that constitute assets	-	-	-	-	-	-	-	-
3. Net balance value at January 1st	1.082.686	32.286	63.755	1.178.727	967.280	61.825	48.840	1.077.946
B. Variations related to current services								
1. Margin on service contracts recorded in the income statement	-	-	(5.474)	(5.474)	-	-	(6.346)	(6.346)
2. Adjustments for non-financial risks incurred	-	(2.698)	-	(2.698)	-	(4.740)	-	(4.740)
3. Modifications related to experience	1.906	(4)	-	1.903	5.504	-	-	5.504
4. Total	1.906	(2.702)	(5.474)	(6.269)	5.504	(4.740)	(6.346)	(5.582)
C. Variations related to future services								
1. Margin variations on service contracts	30.238	(2.704)	(27.534)	-	127.840	(27.321)	(100.518)	-
2. Losses on onerous contracts and related recoveries	892	(1.093)	-	(201)	59	-	-	59
3. Effects of interest initially recognized in the reference period	(3.241)	2.295	1.761	815	(8.583)	2.522	6.061	-
4. Total	27.889	(1.502)	(25.772)	615	119.315	(24.799)	(94.457)	59
D. Variations related to past services								
1. Adjustments to liabilities for incurred claims	(498)	-	-	(498)	(722)	-	-	(722)
2. Modifications related to experience	-	-	-	-	-	-	-	-
3. Total	(498)	-	-	(498)	(722)	-	-	(722)
E. Result of insurance services (B+C+D)	29.298	(4.204)	(31.246)	(6.153)	124.098	(29.539)	(100.803)	(6.245)
F. Net financial income/costs								
1. Related to issued insurance contracts	49.075	(560)	25.343	73.858	-	-	115.718	115.718
1.1 Recorded in the income statement	35.471	(405)	18.310	53.376	-	-	57.024	57.024
1.2 Recorded in comprehensive income	13.604	(155)	7.034	20.483	-	-	58.695	58.695
2. Effects connected with changes in exchange rates	-	-	-	-	-	-	-	-
3. Total	49.075	(560)	25.343	73.858	-	-	115.718	115.718
G. Total amount recorded in the income statement and in comprehensive income (E+F)	78.372	(4.764)	(5.903)	67.705	124.098	(29.539)	14.915	109.474
H. Other variations	42	-	-	42	-	-	-	-
I. Cash flow movements								
1. Premiums received	123.046	-	-	123.046	125.587	-	-	125.587
2. Payments related to acquisition costs of contracts	(10.009)	-	-	(10.009)	(2.488)	-	-	(2.488)
3. Claims paid and other cash outflows	(121.381)	-	-	(121.381)	(131.791)	-	-	(131.791)
4. Total	(8.343)	-	-	(8.343)	(8.692)	-	-	(8.692)
L. Net balance value at 31 December (A.3+G+H.4)	1.152.757	27.522	57.853	1.238.131	1.082.686	32.286	63.755	1.178.727
M. Final balance value								
1. Insurance contracts issued that constitute liabilities	1.152.757	27.522	57.853	1.238.131	1.082.686	32.286	63.755	1.178.727
2. Insurance contracts issued that constitute assets	-	-	-	-	-	-	-	-
3. Net balance value at 31 December	1.152.757	27.522	57.853	1.238.131	1.082.686	32.286	63.755	1.178.727

Legend:

Aggregation base 1 = Insurance contracts issued with direct participation features

Items/Elements underlying the measurement	Elements underlying the measurement of the balance sheet value of issued insurance contracts							
	Present value of financial flows 31.12.2024	Adjustment for non-financial risks 31.12.2024	Margin on service contracts 31.12.2024	Total 31.12.2024	Present value of financial flows 31.12.2023	Adjustment for non-financial risks 31.12.2023	Margin on service contracts 31.12.2023	Total 31.12.2023
A. Initial balance value								
1. Insurance contracts issued that constitute liabilities	(8.525)	5.047	28.470	24.991	(14.216)	4.660	27.917	18.360
2. Insurance contracts issued that constitute assets	-	-	-	-	-	-	-	-
3. Net balance value at January 1st	(8.525)	5.047	28.470	24.991	(14.216)	4.660	27.917	18.360
B. Variations related to current services								
1. Margin on service contracts recorded in the income statement	-	-	(4.462)	(4.462)	-	-	(5.024)	(5.024)
2. Adjustments for non-financial risks incurred	-	(666)	-	(666)	-	(649)	-	(649)
3. Modifications related to experience	(2.705)	-	-	(2.705)	1.059	-	-	1.059
4. Total	(2.705)	(666)	(4.462)	(7.832)	1.059	(649)	(5.024)	(4.614)
C. Variations related to future services								
1. Margin variations on service contracts	7.240	(66)	(7.175)	-	3.124	148	(3.271)	-
2. Losses on onerous contracts and related recoveries	(258)	162	-	(96)	-	-	-	-
3. Effects of interest initially recognized in the reference period	(10.522)	1.093	9.429	-	(9.572)	889	8.683	-
4. Total	(3.539)	1.189	2.254	(96)	(6.448)	1.037	5.412	-
D. Variations related to past services								
1. Adjustments to liabilities for incurred claims	(8)	-	-	(8)	(18)	-	-	(18)
2. Modifications related to experience	-	-	-	-	-	-	-	-
3. Total	(8)	-	-	(8)	(18)	-	-	(18)
E. Result of insurance services (B+C+D)	(6.252)	524	(2.208)	(7.936)	(5.407)	387	388	(4.632)
F. Net financial income/costs								
1. Related to issued insurance contracts	(373)	214	781	622	-	-	166	166
1.1 Recorded in the income statement	(570)	122	781	333	-	-	166	166
1.2 Recorded in comprehensive income	197	91	-	289	-	-	-	-
2. Effects connected with changes in exchange rates	-	-	-	-	2.664	-	-	2.664
3. Total	(373)	214	781	622	2.664	-	166	2.829
G. Total amount recorded in the income statement and in comprehensive income (E+F)	(6.625)	737	(1.427)	(7.314)	(2.743)	387	553	(1.803)
H. Other variations	(42)	-	-	(42)	-	-	-	-
I. Cash flow movements								
1. Premiums received	16.310	-	-	16.310	14.778	-	-	14.778
2. Payments related to acquisition costs of contracts	(2.921)	-	-	(2.921)	(1.917)	-	-	(1.917)
3. Claims paid and other cash outflows	(1.787)	-	-	(1.787)	(4.427)	-	-	(4.427)
4. Total	11.602	-	-	11.602	8.433	-	-	8.433
L. Net balance value at 31 December (A.3+G+H.4)	(3.590)	5.784	27.043	29.237	(8.525)	5.047	28.470	24.991
M. Final balance value								
1. Insurance contracts issued that constitute liabilities	(3.590)	5.784	27.043	29.237	(8.525)	5.047	28.470	24.991
2. Insurance contracts issued that constitute assets	-	-	-	-	-	-	-	-
3. Net balance value at 31 December	(3.590)	5.784	27.043	29.237	(8.525)	5.047	28.470	24.991

Legend:

Aggregation base 2 = Insurance contracts issued without direct participation elements - life segment

10.4 COMPONENTS UNDERLYING THE MEASUREMENT OF INSURANCE CONTRACTS ISSUED DURING THE REPORTING PERIOD T

Items/Groups of contracts	Contracts originated as of 31.12.2024			Contracts originated as of 31.12.2023	
	Onerous Contracts	Non-Onerous Contracts	Total	Non-Onerous Contracts	Total
A. Estimate of the present value of future cash outflows					
1. Acquisition costs of contracts	1.422	1.957	3.379	1.321	1.941
2. Amount of claims and other directly attributable costs	15.550	47.365	62.914	44.376	61.750
3. Total	16.972	49.322	66.293	45.698	63.690
B. Estimate of the present value of future cash inflows	17.402	52.132	69.534	52.679	72.273
C. Estimate of the net present value of future cash flows (A-B)	-430	-2.811	-3.241	-6.981	-8.583
D. Estimate of the adjustment for non-financial risks	1.245	1.050	2.295	1.696	2.522
E. Accounting elimination of assets/liabilities already recognized in respect of cash flows related to issued insurance contracts	-	-	-	-	-
F. Contractual Service Margin	-	1.761	1.761	5.285	6.061
G. Increase included in the liability for insurance contracts issued during the year (C+D+E+F)	815	-	815	-	-

Legend:

Aggregation base 1 = Insurance contracts issued with direct participation features – Life Segment

Items/Groups of contracts	Contracts originated as of 31.12.2024			Contracts originated as of 31.12.2023		
	Onerous Contracts	Non-Onerous Contracts	Total	Onerous Contracts	Non-Onerous Contracts	Total
A. Estimate of the present value of future cash outflows						
1. Acquisition costs of contracts	-	2.372	2.372	-	1.521	1.521
2. Amount of claims and other directly attributable costs	-	14.721	14.721	-	10.251	10.251
3. Total	-	17.092	17.092	-	11.773	11.773
B. Estimate of the present value of future cash inflows	-	27.614	27.614	-	21.345	21.345
C. Estimate of the net present value of future cash flows (A-B)	-	-10.522	-10.522	-	-9.572	-9.572
D. Estimate of the adjustment for non-financial risks	-	1.093	1.093	-	889	889
E. Accounting elimination of assets/liabilities already recognized in respect of cash flows related to issued insurance contracts	-	-	-	-	-	-
F. Contractual Service Margin	-	9.429	9.429	-	8.683	8.683
G. Increase included in the liability for insurance contracts issued during the year (C+D+E+F)	-	-	-	-	-	-

Legend:

Aggregation base 2 = Insurance contracts issued without direct participation features – Life Segment

10.5 ANALYSIS OF INSURANCE REVENUE AND CONTRACTUAL SERVICE MARGIN FOR INSURANCE CONTRACTS ISSUED, SPLIT BETWEEN CONTRACTS EXISTING AT THE TIME OF TRANSITION TO IFRS 17

	31.12.2024					31.12.2023				
	New contracts measured at transition date with the application method	Contracts measured at transition date with the retrospective application method	Contracts measured at transition date with the fair value method	Contracts subject to carve - out	Total	New contracts measured at transition date with the application method	Contracts measured at transition date with the retrospective application method	Contracts measured at transition date with the fair value method	Contracts subject to carve - out	Total
Insurance revenues	-	-	-	18.575	18.575	-	-	-	17.510	17.510
Margin on service contracts – Initial balance	-	-	-	63.755	63.755	-	-	-	48.840	48.840
Variations related to current services	-	-	-	(5.474)	(5.474)	-	-	-	(6.346)	(6.346)
Margin on service contracts recorded in the income statement for current services provided	-	-	-	(5.474)	(5.474)	-	-	-	(6.346)	(6.346)
Variations related to future services	-	-	-	(25.772)	(25.772)	-	-	-	(94.457)	(94.457)
- Variations in assumptions that modify the margin on service contracts	-	-	-	(27.534)	(27.534)	-	-	-	(100.518)	(100.518)
- Effects of contracts initially recognized in the reporting period	-	-	-	1.761	1.761	-	-	-	6.061	6.061
Financial income/costs										
1. Related to issued insurance contracts	-	-	-	25.343	25.343	-	-	-	115.718	115.718
2. Effects connected with exchange rate variations	-	-	-	-	-	-	-	-	-	-
3. Total	-	-	-	25.343	25.343	-	-	-	115.718	115.718
Total variations recognized in the income statement and comprehensive income	-	-	-	(5.903)	(5.903)	-	-	-	14.915	14.915
Margin on service contracts – Final balance	-	-	-	57.853	57.853	-	-	-	63.755	63.755

Legend:

Aggregation base 1 = Insurance contracts issued with direct participation features - Life Segment

	31.12.2024					31.12.2023				
	New contracts measured at transition date with the application method	Contracts measured at transition date with the retrospective application method	Contracts measured at transition date with the fair value method	Contracts subject to carve - out	Total	New contracts measured at transition date with the application method	Contracts measured at transition date with the retrospective application method	Contracts measured at transition date with the fair value method	Contracts subject to carve - out	Total
Insurance revenues	6.009	5.241	608	-	11.858	3.516	5.195	1.158	-	9.869
Margin on service contracts – Initial balance	12.390	16.319	(239)	-	28.470	7.270	20.647	-	-	27.917
Variations related to current services	(2.030)	(2.429)	(3)	-	(4.462)	(2.134)	(2.890)	-	-	(5.024)
Margin on service contracts recorded in the income statement for current services provided	(2.030)	(2.429)	(3)	-	(4.462)	(2.134)	(2.890)	-	-	(5.024)
Variations related to future services	1.788	224	241	-	2.254	6.758	(1.108)	(239)	-	5.412
- Variations in assumptions that modify the margin on service contracts	(7.640)	224	241	-	(7.175)	(1.925)	(1.108)	(239)	-	(3.271)
- Effects of contracts initially recognized in the reporting period	9.429	-	-	-	9.429	8.683	-	-	-	8.683
Financial income/costs										
1. Related to issued insurance contracts	660	121	-	-	781	495	(330)	-	-	166
2. Effects connected with exchange rate variations	-	-	-	-	-	-	-	-	-	-
3. Total	660	121	-	-	781	495	(330)	-	-	166
Total variations recognized in the income statement and comprehensive income	418	(2.084)	239	-	(1.427)	5.120	(4.328)	(239)	-	553
Margin on service contracts – Final balance	12.808	14.235	(239)	-	27.043	12.390	16.319	(239)	-	28.470

Legend:

Aggregation base 2 = Insurance contracts issued without direct participation elements - life segment

For the Life business related to investment products measured using the VFA, the Company has chosen to adopt a granularity level consistent with the application of the Carve Out option (as permitted by EC Regulation 2036/2021), not differentiating the profitability level among various generations of the same product. Conversely, for the Life business measured according to the BBA (pure risk policies), the granularity adopted is at the product/cohort level.

Below is the table illustrating the expected timing over which the Group plans to recognize in the Income Statement, in subsequent financial periods, the Contractual Service Margin reported in the Balance Sheet as at December 31, 2024:

Aggregation Bases	Up to 1 year	Over 1 to 2 years	Over 2 to 3 years	Over 3 to 4 years	Over 4 to 5 years	Over 5 to 10 years	Over 10 to 20 years	Over 20 years	Total
Life	8.717	7.724	6.858	6.099	5.434	22.463	16.635	10.967	84.896
Non Life	-	-	-	-	-	-	-	-	-

11. NET FINANCIAL RESULT IN THE VALUATION RESERVE

The following table shows movements in the valuation reserve related to assets underlying life insurance contracts.

	2024	2023
Gross initial value	(36.853)	(96.017)
FV changes with effect on equity	22.158	59.552
Profits/losses with effect on income statement	(931)	(388)
Gross final value	(15.626)	(36.853)
Total taxes	4.816	11.358
Net final value	(10.810)	(25.495)

12. FINANCIAL LIABILITIES MEASURED AT AMORTISED COST

The table below illustrates movements in “Financial Liabilities measured at amortised cost”:

Items/Values	31.12.2024						31.12.2023					
	Balance value	Comp. %	L1	L2	L3	Total Fair value	Balance value	Comp. %	L1	L2	L3	Total Fair value
Participating financial instruments	-	0,00%	-	-	-	-	-	0,00%	-	-	-	-
Subordinated liabilities	9.666	81,00%	-	15.441	-	15.441	-	0,00%	-	-	-	-
Issued debt securities	1.500	13,00%	-	-	1.500	1.500	3.000	78,00%	-	-	3.000	3.000
Other financing obtained	703	6,00%	-	-	-	703	865	22,00%	-	-	865	865
- from banks	-	0,00%	X	X	X	-	-	0,00%	X	X	X	-
- from customers	703	6,00%	X	X	X	703	865	22,00%	X	X	X	865
Participating financial instruments	11.868	100,00%	-	15.441	2.203	17.644	3.865	100,00%	-	-	3.865	3.865

Comp. % = percentage composition

L1 = level 1

L2 = level 2

L3 = level 3

	31.12.2023	Variations resulting from financial flows from investment activities	Variations resulting from acquisition or loss of control of subsidiaries	Variations resulting from exchange rates	Fair value variations	Other variations	31.12.2024
Financial liabilities measured at amortized cost							
Issued debt securities	3.000	-	-	-	-	-1.500	1.500
Other financing obtained	864	-	-	-	-	-162	703
	-	-	-	-	-	10.000	9.666
Total financial liabilities	3.864	-	-	-	-	8.004	11.868

The item includes, as of 31 December 2024, the subordinated loan amounting to 10,000 thousands of Euro, with a duration of 10 years, which was fully subscribed on 18 December 2024.

13. PAYABLES

The composition of the “Payables” item is shown below:

	31.12.2024	31.12.2023	Change	Change %
Debts to insurance intermediaries	4.113	2.886	1.227	42,5%
Debts to insurers	381	470	-89	-18,9%
Debts for employee severance payments	3.570	3.733	-163	-4,4%
Other debts	62.246	94.649	-32.403	-33,8%
Total Debts	70.310	101.738	-31.427	-30,5%

In accordance with paragraphs 39 and B11 of IFRS 7, a separate analysis of the contractual maturities of liabilities arising from lease contracts is presented, in order to provide comprehensive information on the timing profile of expected cash flows.

Liabilities Debts	Expiry dates
Leasing	
2025	176.004,52
2026	179.583,48
2027	301.325,01
2028	45.709,06
Total	702.622,06

14. OTHER LIABILITIES

The following table shows the “Other liabilities”:

	31.12.2024	31.12.2023	Change	Change %
Current tax liabilities	27.825	19.939	7.886	39,5%
Deferred tax liabilities	49.289	57.974	-8.685	-15,0%
Liabilities related to employee benefits (IAS 19)	5.805	5.884	-79	-1,3%
Accruals and deferred income	492	221	271	122,8%
Other liabilities	14.076	13.253	823	6,2%
Total other liability elements	97.487	97.271	216	0,2%

PART E – INFORMATION ON THE CONSOLIDATED INCOME STATEMENT

1. INSURANCE REVENUES AND EXPENSES FROM INSURANCE CONTRACTS

Insurance revenues as of December 31, 2024, amounted to 741,387 thousand Euros (710,953 thousand related to Non-Life business and 30,706 thousand related to Life business), recording an increase of 7.5% compared to the previous year, mainly due to the increase in revenues from premiums issued under IFRS 17.

Insurance service expenses as of December 31, 2024, totaled 655,378 thousand Euros (639,033 thousand Euros related to Non-Life business and 16,345 thousand Euros related to Life business), showing a decrease of 0.8% compared to the previous year (660.910 thousand Euros).

Below is the table showing the breakdown of insurance service revenues and expenses based on aggregation criteria as of December 31, 2024:

Items / Aggregation bases	Base A1 31.12.2024	Base A2 31.12.2024	Base A5 31.12.2024	Total 31.12.2023	Base A1 31.12.2023	Base A2 31.12.2023	Base A5 31.12.2023	Total 31.12.2023
A. Insurance revenues deriving from insurance contracts issued measured based on GMM or VFA								
A1. Amounts connected with changes in investment activity assets	17.668	10.432	-	28.101	17.022	9.041	-	26.063
1. Claims incurred and other costs for insurance services provided	9.496	5.305	-	14.801	5.936	3.368	-	9.303
2. Adjustments for non-financial risk	2.698	666	-	3.364	4.740	649	-	5.389
3. Margin on service contracts recorded in the income statement	5.474	4.462	-	9.936	6.346	5.024	-	11.370
4. Other income	-	-	-	-	-	-	-	-
A2. Acquisition cost recovery of insurance contracts	907	1.426	-	2.333	488	828	-	1.316
A3. Total for insurance contracts issued measured based on GMM or VFA	18.575	11.858	-	30.434	17.510	9.869	-	27.379
A4 Total insurance revenues deriving from insurance contracts issued measured based on the PAA				710.954				662.128
Life segment	X	X	X	-	X	X	X	-
- Non-life segment – other	X	X	X	513.909	X	X	X	475.571
- Non-life segment – motor	X	X	X	197.045	X	X	X	186.558
A5. Total insurance revenues deriving from insurance contracts issued	18.575	11.858	-	741.388	17.510	9.869	-	689.507
B. Total insurance services cost deriving from insurance contracts issued measured based on GMM or VFA								
1. Claims incurred and other directly attributable costs	(11.449)	(2.600)	-	(14.049)	(11.440)	(4.427)	-	(15.867)
2. Changes in liabilities for incurred claims	498	8	-	506	722	18	-	740
3. Losses on onerous contracts and recovery of such losses	(565)	96	-	(469)	(59)	0	-	(59)
4. Amortization of acquisition costs for contracts	(907)	(1.426)	-	(2.333)	(488)	(828)	-	(1.316)
5. Other amounts	-	-	-	-	-	-	-	-
	(12.423)	(3.922)	-	(16.345)	(11.265)	(5.237)	-	(16.502)
B.7 Total insurance costs deriving from insurance contracts issued measured based on the PAA				(639.033)				(644.408)
- Life Segment	X	X	X	-	X	X	X	-
- Non-life Segment – Motor	X	X	X	(462.352)	X	X	X	(441.967)
- Non-life Segment – non-Motor	X	X	X	(176.681)	X	X	X	(202.441)
C. Total net costs/income deriving from issued insurance contracts (A.5+B.6+B.7)	6.153	7.936	-	86.009	6.245	4.632	-	28.597

Legend:

Aggregation base 1 = Insurance contracts issued with direct participation

Aggregation base 2 = Insurance contracts issued without direct participation

Aggregation base 5 = Investment contracts issued with discretionary participation elements - Life Segment

1.1 BREAKDOWN OF INSURANCE SERVICE EXPENSES AND OTHER SERVICES

The following table presents the allocation of general expenses by aggregation base. In addition, the following expenses are included in the corresponding Income Statement items:

- Other Administrative Expenses for 12,294 thousand Euros;
- Impairment/Reversals on Tangible Assets for 2,387 thousand Euros;
- Impairment/Reversals on Intangible Assets for 5.444 thousand Euros;
- Profit/Loss from Discontinued Operations for 13 thousand Euros.

Costs / Aggregation bases	Base A1 - with DPF 31.12.2024	Base A2 - without DPF 31.12.2024	Base A1 + Base A2 31.12.2024	Base A3 31.12.2024	Base A4 31.12.2024	Base A3 + Base A4 31.12.2024	Other 31.12.2024	Base A1 - with DPF 31.12.2023	Base A2 - without DPF 31.12.2023	Base A1 + Base A2 31.12.2023	Base A3 31.12.2023	Base A4 31.12.2023	Base A3 + Base A4 31.12.2023	Other 31.12.2023
Costs attributed to the acquisition of insurance contracts	1.595	226	1.821	26.103	9.546	35.649	X	2.201	268	2.469	24.047	9.171	33.218	X
Other directly attributable costs	4.681	622	5.303	52.485	15.140	67.624	X	4.594	492	5.086	48.766	15.110	63.875	X
Investment management expenses	X	X	454	X	X	-	4.162	X	X	-	X	X	-	3.598
Other costs	X	X	-	X	X	-	661	X	X	-	X	X	-	2.642
Total	X	X	7.578	X	X	103.273	4.823	X	X	7.555	X	X	97.093	6.240

Legend:

- Base A1 - with DPF = Insurance contracts with direct participation features
 Base A2 - without DPF = Insurance contracts without direct participation features
 Base A1 + Base A2 = Life Segment
 Base A3 = Issued insurance contracts
 Base A4 = Issued reinsurance contracts
 Base A3 + Base A4 = Non-life Segment

2. INSURANCE EXPENSES AND INCOME ARISING FROM REINSURANCE CEDED

The total income and expenses arising from reinsurance ceded as of December 31, 2024, is negative and amounts to 17,367 thousand Euros (15,823 thousand Euros relating to the Non-Life branches and 1,545 thousand Euros relating to the Life branches).

Items / Aggregation bases	Aggregation base 1 31.12.2024	Aggregation base 2 31.12.2024	Total 31.12.2024	Aggregation base 1 31.12.2023	Aggregation base 2 31.12.2023	Total 31.12.2023
A. Allocation of premiums paid related to reinsurance cessions measured based on GMM						
A.1 Amounts related to variations in activity for remaining coverage	-	-	-	-	-	-
1. Claims and other recoverable costs confirmed	-	-	-	-	-	-
2. Adjustments for non-financial risks	-	-	-	-	-	-
3. Margin on service contracts recorded in the income statement for received services	-	-	-	-	-	-
4. Other amounts	-	-	-	-	-	-
A.2 Other costs directly attributable to reinsurance cessions	-	-	-	-	-	-
A.3 Allocation of premiums paid related to reinsurance cessions measured based on PAA	(1.810)	(15.118)	(16.928)	(445)	(18.334)	(18.780)
B. Total costs deriving from reinsurance cessions (A.1+A.2+A.3)	(1.810)	(15.118)	(16.928)	(445)	(18.334)	(18.780)
C. Effects of variations in the risk of default by reinsurers	-	11	11	-	(7)	(7)
D. Variations in activity for incurred claims	167	30.314	30.481	272	15.564	15.836
E. Variations in activity for incurred claims	98	(31.030)	(30.931)	-	29.757	29.757
F. Other recoveries	-	-	-	-	-	-
G. Total net costs/income deriving from reinsurance cessions (B+C+D+E+F)	(1.545)	(15.823)	(17.368)	(174)	26.980	26.806

3. NET FINANCIAL RESULT

The following table presents the main economic results for the Life and Non-Life segments.

Items / Aggregation bases	Life 31.12.2024		Non-Life 31.12.2024	Total 31.12.2024	Life 31.12.2023		Non-Life 31.12.2023	Total 31.12.2023
		of which: DPF				of which: DPF		
A. NET FINANCIAL RESULT FROM INVESTMENTS	83.461	73.858	73.129	156.589	128.300	115.718	110.432	238.732
A.1 Interest from financial assets measured at amortized cost and at fair value with impact on comprehensive income	30.823	25.326	25.850	56.673	26.557	24.463	20.754	47.312
A.2 Net profits/losses from assets measured at fair value through profit or loss	28.065	27.085	26.964	55.029	35.054	32.906	37.503	72.557
A.3 Net adjustments/recoveries for credit risk	609	566	306	916	987	909	446	1.433
A.4 Other net income/costs	1.153	398	5.700	6.853	(2)	-	13.709	13.708
A.5 Net capital gains/losses from financial assets measured at fair value with impact on comprehensive income	22.810	20.483	14.309	37.118	65.703	57.440	38.020	103.722
B. NET CHANGE IN INVESTMENT CONTRACTS ISSUED UNDER IFRS9	-	-	-	-	-	-	-	-
C. TOTAL NET FINANCIAL RESULT FROM INVESTMENTS	83.461	73.858	73.129	156.589	128.300	115.718	110.432	238.732
Including: recorded in income statement	60.651	53.376	58.820	119.471	61.235	57.024	70.049	131.284
Including: recorded in comprehensive income	22.810	20.483	14.309	37.118	67.065	58.695	40.383	107.448

Legend:

DPF = Insurance contracts issued with direct participation features

IFRS 9 Investment Contracts = Investment contracts issued without discretionary participation features

3.1 NET FINANCIAL EXPENSES AND INCOME RELATED TO ISSUED INSURANCE CONTRACTS

The purpose of this table is to provide an analysis of financial expenses and income arising from issued insurance contracts.

Items / Aggregation bases	Base A1 31.12.2024	Base A2 31.12.2024	Base A3 31.12.2024	Total 31.12.2024	Base A1 31.12.2023	Base A2 31.12.2023	Base A3 31.12.2023	Total 31.12.2023
1. Accrued interest	-	(333)	(14.399)	(14.732)	-	(166)	(6.391)	(6.557)
2. Effects of changes in interest rates and other financial assumptions	-	-	-	-	-	-	-	-
3. Changes in fair value of assets underlying contracts evaluated under VFA	(53.376)	-	-	(53.376)	(57.024)	-	-	(57.024)
4. Effects of exchange rate changes	-	-	-	-	-	-	-	-
5. Others	-	-	-	-	-	-	-	-
6. Total net financial revenues/costs related to issued insurance contracts recorded in income statement	(53.376)	(333)	(14.399)	(68.108)	(57.024)	(166)	(6.391)	(63.580)

Legend:

Base A1 = Insurance contracts issued with direct participation features

Base A2 = Life segment insurance contracts issued without direct participation features

Base A3 = Non-life segment insurance contracts issued without direct participation features

3.2 NET FINANCIAL EXPENSES AND INCOME RELATED TO REINSURANCE CEDED

Items / Aggregation bases	Base A1 31.12.2024	Base A2 31.12.2024	Total 31.12.2024	Base A1 31.12.2023	Base A2 31.12.2023	Total 31.12.2023
1. Accrued interest	-	914	914	-	121	121
2. Effects of changes in interest rates and other financial assumptions	-	-	-	-	-	-
3. Effects of exchange rate changes	-	-	-	-	-	-
4. Others	-	-	-	-	-	-
5. Total net financial revenues/costs from reinsurance cessions	-	914	914	-	121	121

Legend:

Base A1 = Life segment

Base A2 = Non-life segment

4. OTHER INCOME / EXPENSES

The amount of the item "Other income / Other expenses" is equal to 9.864 thousand Euro (13.420 thousand Euro as of December 31, 2023).

5. MANAGEMENT EXPENSES

Management expenses not directly attributable under IFRS 17 to insurance contracts amount to 15.806 thousand Euro (15.986 thousand Euro in 2023).

6. NET IMPAIRMENT LOSSES / REVERSALS ON TANGIBLE AND INTANGIBLE ASSETS

This item, amounting to 2.387 thousand Euro, is mainly attributable to amortisation of Intangible Assets, as described under the relevant item.

7. TAXES

The composition of the “Taxes” item is presented below:

	31.12.2024	31.12.2023	Change	%
Current taxes	(27.845)	(18.290)	(9.555)	52,2%
Deferred taxes	(3.412)	(12.125)	8.713	-71,9%
Total Taxes	(31.257)	(30.415)	(842)	2,8%

8. GAINS (LOSSES) FROM DISCONTINUED OPERATIONS

The composition of the item “Gains (Losses) from discontinued operations” is presented below:

	31.12.2024	31.12.2023	Change	%
Profit (loss) from discontinued operations - net value	(5)	(164)	159	-97%
Profit (loss) from discontinued operations - gross value	(25)	(238)	213	-89%
Profit (loss) from discontinued operations - taxes	20	74	(54)	-73%
Net gains from valuation and disposal - net value	3.970	3.041	929	31%
Net gains from valuation and disposal - gross value	4.886	3.601	1.285	36%
Net gains from valuation and disposal - taxes	(916)	(560)	(356)	64%
Total profit (loss) from discontinued operations	3.965	2.877	1.088	38%

This item includes the capital gains realized (amount net of tax effect equal to 3,970 thousand Euro) relating to the sale of properties located in Via Labaro, Piazza Vinci, Via Gambara, Via Portuense, Via C. Pascarella, and Via Brancati in Rome, classified under Discontinued Operations (IFRS 5).

9. INFORMATION ON PUBLIC GRANTS RECEIVED

Decree Law 34/2019 (“Growth Decree”), converted into Law No. 58 of 28 June 2019, revised the disclosure obligations for recipients of public grants and the related penalty system, as outlined in Article 1, paragraphs 125–129, of Law No. 124 of 4 August 2017.

With reference to the transparency requirements on public grants, the company reports having received contributions from the Banking and Insurance Fund amounting to 600 thousand Euro for training activities provided to its employees during the years 2021, 2022, and 2023.

Furthermore, 277 thousand Euro have been recorded under the item “Tax credits” in relation to tax incentives for incremental advertising expenses.

PART F – SEGMENT INFORMATION

This section analyzes the performance of the Sara Group by considering the Group's individual operating segments. According to IFRS 8, which replaced IAS 14, an operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the entity's chief operating decision maker for the purpose of allocating resources to the segment and assessing its performance, and for which discrete financial information is available.

As previously indicated, the Sara Group considers that the operating segments identified in accordance with the previous standard (IAS 14) comply with the requirements of IFRS 8. Therefore, no changes were made to the disclosures presented in prior reporting periods.

The result of each segment represents the financial position and income statement of the companies belonging to that segment of activity, understood as a distinct and autonomous business unit in relation to the others, net of eliminations of economic and equity effects from intra-group transactions within the same segment.

In accordance with ISVAP Regulation 7/2007, the Group has identified the following business segments: life business and non-life business.

The non-life business segment includes operations related to non-life insurance contracts carried out by Sara Assicurazioni, investment activity in the real estate sector by the parent company Sara Assicurazioni, and the development, production, and marketing of technological products and services carried out by Sara Services S.r.l.

The life business segment includes operations related to life insurance contracts carried out by Sara Vita. In the following pages, the financial results and balance sheet values of the main components characterizing the Group's individual lines of business are presented.

BALANCE SHEET AND INCOME RESULT IN THE NON-LIFE AND LIFE SEGMENTS

Areas/Sectors of activity	Non-Life		Life	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
INTANGIBLE ASSETS	6.470	6.509	514	792
TANGIBLE ASSETS	69.463	51.422	21	21
INSURANCE ASSETS	38.850	51.204	223	1.646
Issued insurance contracts	-	-	-	-
Reinsurance assignments	38.850	51.204	223	1.646
INVESTMENTS	1.367.218	1.254.782	1.382.868	1.281.843
Tangible real estate investments	66.739	85.626	-	-
Investments in associates and joint ventures	-	-	-	-
Financial assets measured at amortized cost	26.803	44.578	1.012	1.217
Financial assets measured at fair value with an impact on comprehensive income	794.280	660.283	997.066	904.963
Financial assets measured at fair value through profit or loss	479.396	464.295	384.790	375.663
OTHER FINANCIAL ASSETS	258.983	323.112	12.167	13.573
OTHER ASSET ITEMS	62.001	74.636	29.539	34.595
CASH AND CASH EQUIVALENTS	92.948	93.678	37.580	60.212
TOTAL ASSETS	1.895.933	1.855.343	1.462.912	1.392.682
EQUITY	805.914	750.243	169.509	155.305
PROVISIONS FOR RISKS AND CHARGES	15.476	17.828	664	405
INSURANCE LIABILITIES	911.849	905.159	1.267.368	1.203.719
Issued insurance contracts	911.849	905.159	-	1.203.719
Reinsurance assignments	-	-	1.267.368	-
FINANCIAL LIABILITIES	11.847	3.844	21	21
Financial liabilities measured at fair value through profit or loss	-	-	-	-
Financial liabilities measured at amortized cost	11.847	3.844	21	21
DEBTS	67.009	98.798	11.699	15.432
OTHER LIABILITY ITEMS	83.836	79.471	13.651	17.800
TOTAL EQUITY AND LIABILITIES	1.895.933	1.855.343	1.462.912	1.392.682

Areas/Sectors of activity	Non-Life		Life	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
Insurance revenues from issued insurance contracts	710.954	662.128	30.434	27.379
Costs for insurance services deriving from issued insurance contracts	(639.033)	(644.408)	(16.345)	(16.502)
Revenues from reinsurance assignments	(705)	45.314	265	272
Costs for insurance services deriving from reinsurance assignments	(15.118)	(18.334)	(1.810)	(445)
Result of insurance services	56.098	44.700	12.544	10.703
Income/expenses from financial assets and liabilities measured at fair value through profit or loss	26.964	37.503	28.065	35.054
Income/expenses from equity investments in associates and joint ventures	-	-	-	-
Income/expenses from other financial assets and liabilities and from real estate investments	31.856	32.546	32.586	26.180
Result of investments	58.820	70.049	60.651	61.235
Net insurance income/expenses related to issued insurance contracts	(14.399)	(6.391)	(53.709)	(57.189)
Net insurance income/expenses related to reinsurance assignments	914	121	-	-
Net financial result	45.334	63.779	6.942	4.046
Other revenues/expenses	8.868	9.908	997	3.512
- Management expenses	(14.295)	(14.995)	(1.512)	(902)
Other income/expenses	(5.899)	(9.254)	(839)	(873)
Profit (Loss) for the year before taxes	90.106	94.139	18.133	16.485

FINANCIAL AND INSURANCE RESULT IN THE NON-LIFE AND LIFE SEGMENTS

Items / Aggregation bases	31.12.2024			31.12.2023		
	Life	Non-Life	Total	Life	Non-Life	Total
A. Financial results						
A.1 Amounts recorded in the income statement						
1. Net financial result of total investments	60.651	58.820	119.471	62.597	72.413	135.010
2. Financial income/costs from insurance contracts	(53.709)	(13.486)	(67.195)	(57.189)	(6.270)	(63.459)
3. Total	6.942	45.334	52.277	5.408	66.143	71.551
A.2 Amounts recorded in comprehensive income						
1. Net financial result of total investments	22.810	14.309	37.118	65.703	38.020	103.722
2. Financial income/costs from insurance contracts	(20.771)	(9.374)	(30.145)	(61.359)	(27.781)	(89.140)
3. Total	2.039	4.934	6.973	4.344	10.239	14.583
B. Net insurance and financial result						
1. Net result from insurance services	12.544	56.098	68.642	10.703	44.700	55.403
2. Net financial result of total investments	83.461	73.129	156.589	128.300	110.432	238.732
3. Financial income/costs from insurance contracts	(74.480)	(22.860)	(97.340)	(118.548)	(34.051)	(152.599)
3. Total	21.524	106.367	127.891	20.455	121.082	141.537

PART G – INFORMATION ON RELATED PARTY TRANSACTIONS

With regard to transactions with related parties, which according to IAS 24 are defined as “a transfer of resources, services or obligations between related parties, regardless of whether a price is charged,” it should be noted that no related party transactions occurred outside of normal market conditions, with the exception of intra-group staff secondments and intra-group service provisions, which are invoiced based on actual costs incurred, and transactions with other companies in the ACI Group concerning brand promotion, event sponsorship, and ticketing activities. These staff and service arrangements are aimed at optimizing operational functions, achieving greater overall efficiency, maintaining an adequate level of service, and utilizing existing synergies within the Group.

Below is a breakdown of the nature of relationships between Sara Group companies and between those companies and the parent company ACI:

The Parent Company maintains relationships with its subsidiary Sara Vita concerning:

- staff secondments (€867 thousands);
- services related to IT, administrative, and financial activities (€2.102 thousands, net of tax effects);
- insurance services (€90 thousands).

Sara Assicurazioni maintains relationships with its subsidiary Sara Services concerning:

- staff secondments from Sara Assicurazioni (€140 thousands);
- services related to IT, administrative, and financial activities (€15 thousands);

The Group also maintains relationships with the parent company Automobile Club d'Italia, including:

- contributions related to the development of insurance activities (€2.257 thousands);
- property leases (€126 thousands);
- agency agreements entered into with provincial Automobile Clubs associated with the Automobile Club d'Italia, the federal entity from an organizational and structural perspective (€17.660 thousands);
- for the Life business, commission interests (€548 thousands) and insurance relations with certain provincial Automobile Clubs.

The Parent Company Sara Assicurazioni has opted for national tax consolidation. The subsidiary Sara Vita has joined this regime and is therefore included in the consolidation scope.

Lastly, with regard to compensation payable to directors, statutory auditors, and the independent auditors, reference is made to the tables presented below.

	31.12.2024	31.12.2023
Administrators	3.816	3.541
Auditors	179	631
Total	3.995	4.172

Type of Service	Entity Providing the Service	Recipient	Amount
Financial Audit	Parent Company Auditor	Parent Company	485
Attestation Services	Parent Company Auditor	Parent Company	78
Tax Advisory Services	Parent Company Auditor	Parent Company	-
Other Services	Parent Company Auditor	Parent Company	54
Financial Audit	Parent Company Auditor	Subsidiaries	144
Attestation Services	Parent Company Auditor	Subsidiaries	-
Tax Advisory Services	Parent Company Auditor	Subsidiaries	-
Other Services	Parent Company Auditor	Subsidiaries	103
Total			864

PART H – Information on risks

The Sara Group has implemented a risk management system that includes strategies, processes, and procedures to identify, measure, assess, monitor, and manage risks, with particular emphasis on significant risks and their interdependencies. The guidelines related to the risk management system are outlined in the “Risk Management Policy” and in other specific policies related to Undertakings Specific Parameters (USP), operational and cyber risk management, as well as the own-risk and solvency assessment (ORSA). The system is structured in several phases:

For the purposes of Article 259 of the Delegated Acts and Article 30-bis of the Code, the Sara Group adopts a Risk Management System, which can be summarised as follows:

1. Identification of relevant risks;
2. Risk assessment:
 - development of assessment models;
 - evaluation of risks, including internal risk and solvency assessment;
 - definition of SCR and USP;
 - stress testing and scenario analysis;
3. Risk monitoring:
 - monitoring of relevant risks;
 - verification of compliance with operational risk limits;
 - monitoring of EWI (Early Warning Indicators);
4. Escalation;
5. Risk reporting.

The reference framework of the risk management system, defined in the Risk Management Policy, is accompanied by further policies that detail the risk management guidelines for specific risk factors (e.g. Underwriting Policy, Reserving Policy, and Investment Policy).

Below, the objectives and specifics of each of the phases outlined above are analyzed in detail.

Identification of relevant risks

The risk identification process aims to identify the main risks to which the Sara Group is exposed. The risks analyzed are both current and prospective, internal and external to the Group and could undermine the solvency of the Company or pose a serious obstacle to achieving its financial and capital objectives. These risks are classified in line with the Solvency II directive and appropriately customized:

- underwriting risks;
- market and credit risks;
- operational risks;
- other risks, including those not assessed under the Standard Formula (e.g. sustainability risks and cyber risks).

The analysis is divided into:

- the first phase, which is purely quantitative, aimed at determining the capital absorption (SCR) of each quantifiable risk type in relation to the total capital requirement;
- the second phase, which is qualitative, conducted through the use of specific checklists for the risk owners, as well as collecting information from various sector market institutions;
- the final phase of conversion, in terms of relevance, for each risk type, carried out by the Risk Management function based on the documentation received from the owners or that available to it. Risks identified as relevant are subject to periodic monitoring by the Risk

Management function, as well as analyzed through appropriate scenario and/or stress tests.

The risk identification process is carried out at least annually and is coordinated by the Risk Management function. The results obtained are analyzed by the Risk Committee of Managers.

In relation to significant risks, the Sara Group has implemented a contingency plan in compliance with IVASS Regulation No. 38, approved by the Board and made accessible to relevant staff to ensure awareness of their roles in the event of an emergency. The plan is reviewed and updated at least annually to ensure it remains aligned with the risk profile of the Group and its individual Companies.

Risk assessment

The assessment of the risk profile is carried out in compliance with regulatory requirements and Solvency II guidelines, using the Standard Formula. Specifically, for non-life technical risks, the USP parameters are applied to the main lines of business. Furthermore, both for the non-life and life insurance businesses, the Volatility Adjustment is used as a measure to adjust the risk-free interest rate curve.

In order to meet the requirements of Article 30-bis, paragraph 6 of the Code of Private Insurance, the Companies regularly performs:

- Sensitivity analysis to the assumptions underlying the calculation of the volatility adjustment, assessing its impact on the Best Estimate and Own Funds;
- Evaluation of the ability to meet its obligations without resorting to forced asset sales (even in stress conditions).

Additionally, the impact of not applying the Volatility Adjustment is checked, as failing to meet the solvency capital requirement would place the Company in the position of needing to restore the level of eligible own funds to cover the solvency capital requirement or reduce the risk. For details on the escalation process in case of non-compliance with the solvency capital requirement, reference is made to paragraph "Escalation".

In order to test the resilience of the Group's and individual Company's capital availability in the event of individual or combined (exceptional but plausible) events, stress testing (so-called stand-alone) and/or scenario analysis are also conducted. Specifically, the impact of adverse trends in certain exogenous risk factors (technical, financial, or business-related risk factors) on the economic and financial situation of the Company is quantified. These analyses, conducted by the Risk Management function with the support of the relevant operational units for the considered risk factor, are based on deterministic or stochastic models, designed and developed in accordance with the nature, scope, and complexity of the risks inherent in business activity, and repeated as frequently as necessary based on the type of risk and its evolution, and in any case, at least annually. Specifically, regarding the scope and frequency, the analysis activities under the Stress and Scenario Testing framework are divided into the following three levels:

- **Periodic activities:** carried out at least annually and in accordance with the timelines outlined below:
 - during the definition of the Strategic Plan and in the context of own risk and solvency assessment of the Company and/or Group (ORSA);
 - during the quarterly Solvency II assessments.
- **Ad hoc activities:** periodic analysis activities may be integrated to meet specific Company needs or whenever significant changes in the risk profile or major deviations from the objectives set in the Company's strategic plan are identified.
- **Activities requested by the Supervisory Authority:** in addition to the analyses mentioned above, the Sara Group performs the types of analysis requested by the Supervisory Authority.

The results of the stress test analyses, along with the underlying assumptions and methodologies used, are presented to the Board of Directors to contribute to the review and improvement of risk management policies, operational guidelines, and exposure limits set by the same Board.

The forward looking assessment, on the other hand, allows the analysis of the Group's risk profile based on strategy, market scenarios, and business evolution. This process is governed by the own risk and solvency assessment Policy which aims to achieve the following objectives:

- highlight the connection between the business strategy (including the development and design of products), the capital management process, and the risk profile assumed;
- provide a comprehensive view of the risks to which the Group is exposed or could be in the future, with particular reference to the relevant ones, and assess the overall solvency needs is actual and forward-looking;
- provide the Board and Senior Management with an assessment of the overall effectiveness of the Risk Management system, while identifying any deficiencies and suggesting corrective actions.

These objectives are pursued through the Own Risk and Solvency Assessment (ORSA). According to Article 4 of IVASS Regulation no. 32, the own risk and solvency assessment is defined at the Group level and is continuously reviewed to account for changes in the nature, scope, and complexity of the Group's activities and market context, as well as the emergence of new risks or changes in existing risks. Particular attention is given to risks arising from the offering of new products.

The ORSA is an integral part of the risk management system and decision-making process of the Group and individual Companies, thus having multiple points of contact with:

- the strategic planning process and the definition of the medium-term capital management plan;
- the overall risk appetite level and corresponding risk tolerance thresholds defined by the Board in the Risk Appetite Statement;
- the risk monitoring activities and the definition of related mitigation actions.

The main phases of the internal assessment process for current and prospective capital adequacy are outlined below:

1. Risk identification and data collection. This phase has been described previously.
2. Evaluation of global solvency requirements. Regarding the current solvency analysis, please refer to the details described earlier. In addition, based on the strategic guidelines, the prospective Solvency II balance sheet is prepared, which quantifies the estimate of capital available to cover risks over the considered three-year period. Based on the inputs received, the Risk Management function calculates the total capital absorbed and defines the assumptions for conducting stress tests and solvency requirement projections, which are then shared with the Investment and Finance Department and the Administration and Finance Department. The Actuarial Function continuously verifies that the Group (and individual Companies) meets the requirements for calculating technical reserves by analyzing the Technical Provisions developed in the planning horizon by the relevant functions. Additionally, this Function supports Risk Management in both risk identification and analysis and in stress testing for the ORSA perspective.
Once the current and prospective capital requirement assessment has been carried out, the Group evaluates the overall solvency need, identifying any risks, regardless of whether they are quantifiable. This assessment includes considerations of the sufficiency of its financial resources, which must take into account:
 - a) The quality and volatility of own funds;
 - b) The realistic implementation of capital management and acquisition plans, if necessary.
3. Definition of improvement actions. This phase provides, if necessary, based on the analysis of evidence found during the ORSA process, the possibility of defining any actions to improve the Group's prospective risk-return profile by optimizing the available capital to cover risks, reducing the overall solvency requirement (which may coincide with the overall regulatory capital requirement), and revising, if necessary, the product development plan. At the end of this phase, if any improvement actions are identified, they are highlighted in the ORSA Report and brought to the attention of the Board, which will decide which actions to implement.
4. Preparation of the Report. In this phase, Risk Management, with contributions from data and information received from other functions involved in the process, prepares the ORSA report. This

report is initially shared with the Risk Committee of Managers and subsequently sent to the Group's Internal Control and Risk Committee and the Board, which discusses the results and subsequently approves them. The Risk Management function is then responsible for submitting the ORSA Report and any related documentation to the Supervisory Authority within the deadline set by regulations and no later than two weeks after approval by the Administrative Body. Afterwards, a copy of the ORSA Report and all related documentation is archived, along with a copy of the data, models, and processing structures used to produce the risk and capital assessments/measures. The archiving ensures that the results presented in the Report can be reproduced if necessary.

The internal risk and solvency assessment process is carried out at least annually, using the closing data from the previous fiscal year and the three-year plan. Additionally, the Group performs a new ORSA evaluation in all extraordinary circumstances that lead to significant changes in the risk profile, including, but not limited to:

- an acquisition or divestment that significantly alters the business, risk, or solvency profile;
- a significant change in financial markets that has a considerable impact on the Company's asset portfolio;
- a significant change in the Company's liabilities;
- a reduction in solvency levels below critical values, defined in the Risk Appetite Statement;
- a significant change in the regulatory framework;
- relevant changes to the business model, products offered, plans, and strategies.

Risk monitoring

The risk monitoring activity is divided into the following phases:

1. Monitoring of significant risks, in which periodic checks are carried out based on the most significant risks and their potential impacts on the achievement of the set objectives. The checks, carried out quarterly, are conducted by the Risk Management function with support, when necessary, from other involved parties. For each type of risk, the progress between subsequent periods is monitored, with a detailed analysis of any deviations. Additionally, the compliance with the risk appetite defined annually by the Board (Risk Appetite Framework) is checked quarterly. Specifically concerning Non-life underwriting risks, the Risk Management function also monitors the undertaking specific parameters (USP). Risk concentrations are also monitored to avoid significant exposures that could compromise the Group's solvency or liquidity;
2. Verification of compliance with operational risk limits, where the Risk Management function conducts a second-level check monthly for the investment limits of financial risks and at least semi-annually for technical risks, ensuring compliance with the operational risk limits set by the Board, with findings reported to the Risk Committee of Managers. These limits define the boundaries within which business functions can operate to achieve their objectives while maintaining the risk appetite within the selected levels. If the Risk Management function detects a breach of limits, it immediately initiates the appropriate escalation processes (described in the next paragraph).
3. Monitoring of Early Warning Indicators (EWI) and risk indicators (Solvency Ratio and Liquidity Coverage Ratio) is performed at least quarterly by Risk Management to detect a possible entry into the Recovery Zone. If a breach of the early warning threshold of an EWI occurs, the Risk Management function, with support from the other functions responsible for monitoring each type of EWI, informs Senior Management. The Risk Management function also conducts the necessary investigations to verify whether the breach of the warning threshold for the indicator has also led to a violation of the thresholds for the risk indicators (Solvency Ratio and Liquidity Coverage Ratio), and thus the activation of the related escalation processes.

Escalation

The risk monitoring activity conducted by the Risk Management function may reveal the following situations:

- Breach of the Risk Appetite thresholds;
- Significant changes in the undertaking specific parameters (USP);
- Non-compliance with the Solvency Capital Requirement;
- Exceeding operational limits;
- Breach of risk indicators defined in the Contingency Plan.

With particular reference to the breach of the Risk Appetite thresholds, a tolerance level for deviation from the Target Risk Capital is defined. If the deviation is below the tolerance level, Risk Management must inform the Risk Committee of Managers and subsequently the Board at the first available meeting. Conversely, if the deviation exceeds the defined tolerance level, Risk Management will inform the Risk Committee of Managers, which will analyze and evaluate the situation, defining any corrective actions to be presented to the Board at the first available meeting.

Regarding changes in undertaking specific parameters (USP), the following situations may occur, as described in the policy for the continuous management of specific parameters:

- changes that result in an expansion of the application scope of the USP and/or changes that modify the calculation method or variant of the USP;
- significant changes identified and described in the policy related to undertaking specific parameters;
- insignificant changes, as described in the policy related to undertaking specific parameters.

In the first case, a new authorization request must be submitted to the Supervisory Authority, as required by IVASS Regulation No. 11/2015, after approval by the Board. In the case of significant changes, the Risk Management function promptly involves the Internal Control and Risk Committee, and subsequently the Board for the discussion and approval of the adjustments made during the approval of the annual closures. Timely information is then provided to the Supervisory Authority. Finally, for insignificant changes, Risk Management communicates the calibration activities to the Board and holds prior discussions with the Risk Committee of Managers and the Board's Internal Control and Risk Committee. If the Risk Management function identifies non-compliance with the Solvency Capital Requirement, or the risk of non-compliance within the next three months, it promptly informs the Board and, subsequently, the Supervisory Authority. Moreover, in line with regulatory provisions, within two months of detecting non-compliance with the Solvency Capital Requirement, the Group (the Company) must present a recovery plan to IVASS, based on realistic assumptions. Finally, the Board defines the actions to be taken to restore the eligible own funds within six months from the detection of non-compliance, either by ensuring that the Solvency Capital Requirement is covered or by reducing the risk profile to guarantee its compliance.

In the case of exceeding operational limits, a distinction must be made between operational limits on investments and operational limits on technical risks. In the first case, Risk Management informs Senior Management, the Group Investment Committee, and the Board; in the second case, Risk Management informs the Risk Committee of Managers and, in the event of a breach, the Board of Directors.

Regarding the escalation process when entering the Recovery Zone, the Group's emergency plan specifies that the CEO of Sara Assicurazioni declares the Emergency status and the entry into the Recovery Zone, convening and presiding over the Crisis Unit. The Crisis Unit, based on analyses and evaluations conducted by Risk Management, supports the CEO in identifying actions to be activated, their respective owners, and the prompt initiation of their implementation. The Board of Directors is convened promptly if a recovery action requiring a specific resolution is identified. Conversely, if the powers delegated to the CEO are sufficient, the Board is convened solely for informational purposes.

Finally, it is specified that if significant changes occur in the risk profile relative to the Risk Appetite due to significant concentrations as defined by IVASS Regulation No. 30, appropriate evidence will be provided to the Board, along with any mitigation actions

Data Governance

Sara Group has a specific Data Governance Policy aimed to define the principles, objectives and methods of data governance that may impact the company's risk profile, thus ensuring the integrity, completeness, adequacy (in terms of effectiveness and efficiency) and reliability of data processing processes (Data Quality). The Policy, prepared at the Group level, defines:

- criteria and principles to be observed to ensure data governance and data quality;
- roles and responsibilities in Data Governance;
- processes and reporting procedures to be applied;
- the scope of application of the Policy;
- the process of monitoring data quality and the resolution of any anomalies detected;
- main data flows related to Data Governance.

In line with the requirements of IVASS Regulation no. 38, this Policy is coordinated with the Policy on information to be provided to IVASS and public disclosure (so-called Reporting Policy) referred to articles 47-quater and 47-septies of the Code and related implementing provisions and with the Statistical information Policy defined in the implementing provisions of article 190-bis of the Code, and therefore, provides for an application scope extended to:

- data required by Solvency II regulation, with particular reference to solvency assessment (including the calculation of Undertaking Specific Parameters (USP)) and data necessary for the preparation of Pillar III reporting (QRT);
- communications to IVASS of statistical data and information, including statistical information relating to the financial statements, statistical information relating to preliminary financial statement data and data collections requested by the Supervisory Authority through market letters and circulars before 28 February 2017 (IVASS Regulation no. 36 and Attached 1 to the same Regulation);
- internal reporting to corporate top management, which has strategic relevance, where inadequate data quality could significantly compromise the ultimate purpose of its overall use; specifically, this refers to reports prepared by the Planning and Control Department concerning quarterly financial statements and the Group's three-year planning;
- communications to Banche Dati Istituzionali (Banche Dati auto ANIA (SITA, ATRC, ATRD), Banca Dati Sinistri IVASS, Anagrafe Tributaria, Casellario Centrale Infortuni INAIL);
- anti-money laundering and anti-terrorism data;
- personal data relating to customers and intermediaries;
- communications to Registro delle Imprese e Gruppi Assicurativi ("RIGA") (IVASS Regulation no. 55).

With specific reference to data management and data quality, the Group aims to pursue the following data quality criteria by adopting appropriate organizational safeguards to ensure compliance:

- accuracy: information must be verified upon receipt and, in any case, before its use;
- completeness: information must cover all relevant aspects of the company in terms of quantity and quality, including indicators that may have direct or indirect consequences on strategic business planning;
- timeliness: information must be promptly available to facilitate effective decision-making processes and enable the company to anticipate and react swiftly to future events;
- consistency: information must be recorded using methodologies that make it comparable;
- transparency: information must be presented in an easily interpretable manner, ensuring clarity of essential components;
- relevance: the information used must be directly related to the purpose for which it is requested and continuously reviewed and expanded to ensure compliance with company's needs;
- security: the information used must be protected by organizational and technical security measures that are continuously updated based on knowledge of threats, vulnerabilities, incidents and defenses, and through the periodic review of strategies and the Data Governance Policy.

The quality of the data used in the current and prospective risk assessment process, which is preliminarily verified at the time of extraction from systems, is subject to further controls within the data storage procedures of the risk calculation platform used.

Risk Reporting

The current risk reporting system within the Sara Group involves the preparation of specific reports defined based on the informational needs of different recipients.

In particular, the Risk Management function prepares reports for the Board, the Group Internal Control and Risk Committee, the Group Investment Committee, the Risk Committee of Managers, Senior Management, and the Heads of the operational structures regarding the evolution of risks and the breach of the operational limits set.

Investment Obligation According to the Prudent Person Principle

As defined in the framework resolution on investment policies, the investment strategy adopted by the Company is established in compliance with the prudent person principle, in alignment with the return objectives set in the corporate plan and consistent with the risk profile outlined in the Risk Appetite Statement.

The guidelines have been designed considering liquidity risk and asset concentration risk, as well as the risk profile of the liabilities held, to ensure an integrated asset and liability management approach, given that the asset portfolio is primarily held in the interest of policyholders.

In terms of security and portfolio quality, the Company aims to achieve appropriate levels through proper diversification and risk factor decoupling, as well as a careful selection of issuers with a credit risk level aligned with corporate objectives.

Regarding the use of Funds or AIFs, security and quality are pursued through thorough analysis of asset managers, assessing the underlying assets, the reference market, and the product's legal structure. Assets that do not meet all the above requirements are maintained within sustainable levels for the company.

Creditworthiness Assessments

The Company relies on creditworthiness ratings provided by leading market providers to evaluate each security in terms of risk/return profile and to define the proper portfolio asset allocation in line with the Company's risk objectives.

Additionally, the Company assesses the appropriateness of these ratings using a quantitative model available on the Bloomberg terminal, based on market variables, which allows for an independent assessment of the credit risk of individual corporate issuers.

Amount and eligibility of Group Own Funds

During 2024 the Group's position remained strong with a Solvency Ratio equal to 364,6% compared to 371,1% in the previous year. The following table represents what was specified by also giving a focus on the levels (tiers) over which the Own Funds are divided.

Tier 1:

- Share capital;
- Reconciliation reserve;

Tier 1 restricted:

- Preference shares.

Tier 2:

- Subordinated liabilities.

	Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
Basic own funds					
Ordinary share capital (gross of own shares)	48.600	48.600			
Preference shares	6.075		6.075		
Reconciliation reserve before deduction for participations	964.914	964.914			
Subordinated liabilities	15.441			15.441	
Total	1.035.030	1.013.514	6.075	15.441	
Total n-1	1.035.290	1.029.215	6.075		

Below the detail of the Reconciliation reserve:

Reconciliation reserve	2024	2023
Eccess of assets over liabilities	1.120.898	1.051.282
Own Shares	86	86
Dividends expected	101.222	15.906
Other elements	54.675	54.675
Adj Ring Funced Fund		
Total	964.914	980.615

Below is the breakdown of the Group's Solvency Capital Requirement (SCR) by risk module. The data is presented net of the loss-absorbing capacity of the technical provisions.

Group SCR	31.12.2024	31.12.2023
Market risk	195.809	187.735
Counterparty risk	27.162	29.096
Life underwriting risk	41.918	43.448
Health underwriting risk	24.532	23.707
Non-life underwriting risk	185.994	189.842
<i>Diversification</i>	-141.329	-144.508
Basic Solvency Capital Requirement (BSCR)	334.087	329.319
Operational risk	30.606	30.470
Adjustment	-83.962	-80.646
Solvency Capital requirement (SCR)	281.001	279.143

The data presented above has been included in the annual quantitative reporting approved by the Board and submitted to the Supervisory Authority in accordance with the deadlines set by the relevant regulatory framework. Additionally, in line with the current Risk Management Policy, this information has been included in the reporting prepared by the Risk Management function, based on the informational needs of the various stakeholders, as outlined in the “Risk Reporting” section. With the appropriate customization, this information is therefore part of the informational flows directed towards company executives with strategic responsibilities.

Underwriting risk

In the category of Life and Sickness technical risks, which constitute typical risks of insurance activity and, with specific reference to the Company's risk profile, the following types of risk are considered:

- *Mortality risk*: the risk associated with insurance obligations (such as pure term life insurance or mixed policies) in which the insurance company guarantees a series of single or recurring payments in the event of the insured's death during the policy's duration;
- *Longevity risk*: the risk associated with insurance obligations (e.g., annuities, endowments) that provide for the insurance company to guarantee a series of payments until the insured's death, and for which a decrease in mortality rates leads to an increase in technical reserves, or with insurance obligations (e.g., mixed policies) in which the insurance company guarantees a single payment, in the event of the insured's survival for the entire duration of the policy;
- *Lapse risk*: the risk of suffering losses due to an adverse variation in the exercise rates of termination options by the insureds;
- *Expense risk*: the risk of unfavorable variations in expenses incurred in relation to insurance contracts;
- *Catastrophe risks*: the risk arising from irregular or unforeseen events, the effects of which are not sufficiently captured in other sub-modules of the underwriting risk of life insurance (e.g., a pandemic event or a nuclear explosion).

Damage and Sickness technical risks constitute typical risks of insurance activity and, with specific reference to the Company's risk profile, the following types of risk are considered:

- *Premium Risk*: the risk arising from the underwriting of insurance contracts, associated with covered events, the selection of risks, the unfavorable trend of claims relative to the estimated one;
- *Reserve Risk*: the risk linked to the adequacy of technical reserves not adequate with respect to the assumptions made against the insureds and damages;
- *Lapse risk*: the risk connected to the incorrect determination of the hypotheses in terms of exercise of the surrender options included in a Damage insurance contract;
- *Catastrophe Risks*: the risk of losses or unfavorable variations in the value of insurance liabilities deriving from extremely uncertain hypotheses for the determination of premiums and for the constitution of technical reserves due to exceptional and extreme events.

Credit risk (Counterparty risk)

The Group assesses credit risk in order to identify potential losses arising from the unexpected default of counterparties and debtors. Based on the exposures of each Company, appropriately adjusted to account for any intercompany elisions, this risk is classified into two categories:

1. Credit risk related to exposures to reinsurers and credit institutions where the Group's liquidity is deposited, as well as indirect exposures related to foreign exchange risk mitigation operations;
2. Credit risk related to exposures to intermediaries, policyholders, and other third parties.

The counterparty risk management process is carried out by the Group at the individual Company level and primarily focuses on the proper selection of counterparties. Risk limits are also defined, recorded, and monitored within the Risk Appetite Statement.

Below is the detailed breakdown of the credit risk exposure arising from contracts falling within the scope of IFRS 17, classified by type as of 31.12.2024.

EXPOSURE TYPE	EXPOSURE
Policyholder receivable	28.980
Receivables from intermediaries	39.300
Reinsurance receivables	24.154
Transferred liabilities IFRS 17	12.502

In addition, the information on the credit quality of the first ten reinsurance sessions as at 12.31.2024 is given below (Values in thousands, without rounding). The exposure represents the sum of IFRS 17 ceded liabilities (ARC, AIC, RA, NPR) and the credit/debit balance.

COUNTERPART (REINSURANCE COMPANY)	CREDIT QUALITY STEP	Exposure
Hannover Rück SE	1	9.180
General Reinsurance Corporation	1	4.946
Allianz SE Reinsurance branch SWITZERLAND	1	3.497
Everest Reinsurance Company	2	2.648
Munich Reinsurance Company	1	2.327
Liberty Mutual Insurance Europe Ltd.	2	2.298
XL Re Europe SE	1	2.099
Korean Reinsurance Switzerland AG	2	1.640
Covéa Coopérations	1	1.634
DEVK Rueckversicherungs	2	1.623
TOTALE		39.931

Liquidity risk

Liquidity risk represents the risk of being unable to meet obligations towards policyholders and other creditors due to difficulties in converting investments into cash without incurring losses.

The liquidity management of the Sara Group's companies aims to ensure that all cash outflows can be executed in line with the commitments undertaken. The strategic asset allocation defines both limits on liquidity exposure, considered as financial resources held in current accounts and money market instruments, and the minimum amount of liquid assets to be maintained. These liquid assets include financial instruments that can be readily converted into cash without incurring significant losses compared to their realized value. The definition of these limits takes into account both business evolution (and the potential impact of new business on current and projected liquidity positions) and the risk appetite formalized in the Risk Appetite Statement.

Total liquidity needs, including both short- and medium-term requirements, is ensured through an asset management approach that prioritizes varying degrees of portfolio liquidity, while also considering the potential costs associated with forced asset liquidation.

The Sara Group's companies monitor liquidity risk using the following indicators:

- Current Ratio: the ratio of readily liquidable assets to total assets held. "Readily liquidable assets" refers to those that can be immediately sold without incurring significant value losses;
- Liquidity Coverage Ratio: the ratio of the market value of liquid financial instruments to net cash outflows (both gross and net outflows from inflows) estimated over the 30 days following the

reporting date. This indicator measures the company's ability to meet cash outflows, considering available liquidity sources as of the valuation date. Liquid financial instruments include cash (net of any guarantees) and short-term assets with a residual maturity not exceeding six months. Monthly cash flows, both incoming and outgoing, are estimated annually based on the budget prepared for each financial year.

- Liquidity Liabilities Ratio: the ratio of liquidable assets (as defined under the Current Ratio) to gross Solvency II technical provisions. For Sara Vita, this refers to Class C technical provisions.

The companies monitor these indicators on a monthly basis to ensure ongoing ability to meet financial commitments.

Furthermore, as part of the Asset-Liability Management (ALM) process, both of the Sara Group's companies conduct the following, in order to monitor risks associated with cash flow mismatches between assets and liabilities:

- Analysis of future cash flows generated by both asset and liability portfolios (Cash Flow Matching Management);
- Monitoring of the Cash Flow Matching Index to assess medium-term liquidity needs. This index is calculated as the ratio of estimated inflows to estimated outflows over the 12 months following the reporting date.

Regarding liquidity risk arising from contracts within the scope of IFRS 17, the following section presents a projection of Sara Vita's undiscounted net cash flows.

MATURITY	NET FINANCIAL CASH-FLOWs
1	51.427
2	66.223
3	139.756
4	97.675
5	72.848

Additionally, the value as of 31.12.2024 of the so-called "amounts payable on demand" (surrender value) is provided, amounting to 1.178 million euros, which corresponds to 92,03% of the statutory technical reserves of the respective life contract portfolios.

Market risk

Market risk arises from the level or volatility of market prices of financial instruments. Exposure to market risk is measured by the impact of movements in the level of financial variables such as stock prices, interest rates, real estate prices, and exchange rates.

Considering the current and expected composition of the investment portfolio, the Group has determined the capital requirement for market risk in accordance to the regulations, and it is quantified through the aggregation of the SCRs related to the following risk sub-modules:

- Interest rate risk, i.e., the risk that arises for all assets and liabilities that are sensitive to changes in the term structure of interest rates or to interest rate volatility;
- Equity risk, i.e., the risk of potential losses due to changes in the market prices of equities;
- Property risk, i.e., the risk of potential losses in the value of real estate assets held in the portfolio;
- Spread risk, i.e., the risk associated with changes in the level and volatility of credit spreads relative to the risk-free interest rate term structure;
- Currency risk, which represents the risk of potential losses on foreign currency positions held in the portfolio due to exchange rate fluctuations;

- Concentration risk, which concerns assets included in the equity risk, spread risk, and property risk sub-modules, excluding assets covered by the counterparty default risk module.

The Group's companies have implemented investment policies that include specific controls on the mentioned market risks, in accordance with the requirements of IVASS Regulation No. 24/2016 and its subsequent amendments.

As specified in these policies, the monitoring of these risks is structured into two phases:

- monitoring of material risks: this is conducted through the analysis of the risk sub-modules within the Solvency Capital Requirement (SCR) related to market risk, determined in accordance with the Standard Formula, as outlined in the applicable EIOPA Technical Specifications. Monitoring is carried out on a quarterly basis, making a comparison with the same measures assessed in the previous quarter;
- verification of compliance with investment and risk operating limits: the Company has defined investment limits and risk indicators, which are subject to periodic monitoring in accordance with the schedule established by the internal regulatory framework. The Company verifies compliance with risk operating limits, that are calibrated in accordance to the Risk Appetite set by the Board. Risk profile indicators, consistent with the Risk Appetite Framework, are assessed using the Standard Formula. This approach enables the establishment of risk tolerance thresholds directly linked to the solvency ratio, declined into operational limits assigned to the structures responsible for risk management.

The table below shows a detail of the Group's investment portfolio composition, divided into Class C and Class D, for the 2024 financial year.

Group's investments	Exposures	Values in %
Class C	2.737.457,29	97,4%
Class D	72.068,86	2,6%
Total	2.809.526,15	100%

In the following paragraphs, analyses of the investment portfolio are provided, taking into account the different types of risk.

Interest rate risk

In addition to the monitoring activities specified in the investment policies, the Group manages interest rate risk through an investment policy aimed at ensuring an integrated management approach between assets and liabilities.

The table below shows the debt securities directly held by the Group, which represent the main balance sheet items subject to risk, classified by the type of the interest rate.

Bonds classified by interest rate type	Exposures	Values in %
Fixed rate	1.679.295,73	87,8%
Floating rate	234.411,13	12,2%
Total	1.913.706,86	100,0%

Below is the breakdown of the direct bond portfolio by type of security.

Bonds classified by asset type	Exposures	Values in %
Sovereign	1.364.569,30	71,3%
Corporate	549.137,56	28,7%
Total	1.913.706,86	100,0%

Credit risk (spread risk)

The Group manages credit risk through a careful and appropriate counterparty selection policy.

With regard to financial investments, the Boards of the Group's companies, in order to define the investment strategy guidelines (Investment Policies), have established a set of constraints to mitigate credit risk. These constraints are based on the nature and creditworthiness of the counterparty, the type of instruments that can be acquired, as well as the level of credit risk exposure of the direct bond portfolio, which consists of government and corporate securities.

The table below provides a qualitative indication of spread risk exposure, focusing on debt securities recorded as balance sheet assets by credit rating of the issuance.

Bonds classified by Credit Rating	Exposures	Values in %
Investment Grade	1.799.435,30	94,0%
Non Investment Grade	114.271,56	6,0%
Total	1.913.706,86	100,0%

The Group's companies monitor this risk through the analysis of the spread risk sub-module of the Solvency Capital Requirement (SCR) related to market risk, which captures the risk of fluctuations in the creditworthiness of issuers. This requirement is determined in accordance with the Standard Formula, as regulated by the relevant EIOPA Technical Specifications.

Equity risk

The Equity risk is associated with potential losses due to adverse movements in equity prices. The table below shows the exposure values to equity risk held by the Sara Group as of 31.12.2024, classified into listed and unlisted instruments. It should be noted that these exposures include both the market value of directly held equity instruments and the market value of equity funds in which the Sara Group invests.

Equity instruments	Exposures	Values in %
Listed	103.186,02	51,9%
Not Listed	95.609,93	48,1%
Total	198.795,95	100,0%

Property risk

The Property risk is associated with potential losses due to adverse movements in real estate prices. The table below shows the values of the properties directly held by the Sara Group, as well as the market value of real estate funds included in the asset portfolio.

Real Estate	Exposures	Values in %
Real estates directly held	159.554,00	55,3%
Real estate funds	16.549,27	5,7%
Real estates held through Helios Fund	112.356,48	39,0%
Total	288.459,75	100,0%

Currency risk

As of 31.12.2024, both of the Group's companies hold direct and indirect exposures to foreign currencies in their portfolios. Specifically, with regard to the Sara Group's Class C portfolios, the amount of directly held foreign currency exposures is marginal, while the indirectly held exposures (i.e., through investment funds) are almost entirely hedged through dedicated hedging strategies.

Finally, with reference to the Sara Group's Class D portfolios, foreign currency exposures are predominantly held through investment funds.

Concentration of risks stemming from contracts in IFRS 17 perimeter

Below is a representation of risk concentrations arising from in-force contracts as of 31.12.2024 for each of risk.

The following tables present the highest exposures in terms of sums insured (net of reinsurance effect but gross of any indemnity limits), categorized by cresta zones (Catastrophe Risk Evaluation and Standardizing Target Accumulations) and province. These exposures are used for the capital requirement of natural catastrophe risks in Solvency II framework (data expressed in thousands of euros).

RISK AREAS	PROVINCE	SUM INSURANCE EARTHQUAKE
23	Lecco/Sondrio	1.043.978
00	Roma	728.203
75	Matera	538.858
20	Monza/Milano	463.362
50	Firenze	443.562
84	Salerno	437.633
36	Viterbo	328.939
10	Torino	294.119
40	Bologna	290.156
31	Treviso	286.373

RISK AREAS	PROVINCE	SUM INSURANCE FLOOD
23	Lecco/Sondrio	1.064.521
00	Roma	665.526
20	Milano/Monza	566.942
75	Matera	537.545
84	Salerno	392.376
31	Treviso	267.537
33	Pordenone	238.739
10	Torino	230.550
21	Varese	220.935
50	Firenze	218.708

RISK AREAS	PROVINCE	SUM INSURANCE HAIL
00	Roma	6.218.806
20	Milano/Monza	4.443.321
30	Venezia	2.983.119
36	Viterbo	2.887.212
24	Bergamo	2.355.397
10	Torino	2.322.846
28	Novara	1.875.203
21	Varese	1.828.770
35	Padova	1.781.799
50	Firenze	1.714.039

As of 31.12.2024, the number of policies in the Auto segment (Vehicle liability and other Auto liability) is 1.166.382. Below is a representation of the distribution of contracts by Italian regions.

Region	Number of Policies	% on Total existing policies
Lombardia	163.926	14,10%
Puglia	128.684	11,00%
Lazio	106.591	9,10%
Sicilia	101.928	8,70%
Campania	93.017	8,00%
Emilia Romagna	88.741	7,60%
Veneto	86.676	7,40%
Piemonte	85.533	7,30%
Toscana	73.092	6,30%
Calabria	69.068	5,90%
Liguria	26.501	2,30%
Abruzzo	25.629	2,20%
Marche	25.161	2,20%
Friuli Venezia Giulia	22.939	2,00%
Sardegna	19.079	1,60%
Umbria	17.025	1,50%
Basilicata	14.316	1,20%
Trentino Alto Adige	8.598	0,70%
Molise	7.554	0,60%
Valle D'Aosta	2.324	0,20%
Total	1.166.382	100%

With reference to the life insurance business, a representation of the portfolio concentrations as of 31.12.2024 is provided.

Term Life Insurance Policies: Distribution of Sum at Risk by Age Group.

AGE CLASSES	UNDER RISK CAPITALS
Da 1 a 40	978.433
da 41 a 60	1.818.496
da 61 a 75	164.583
oltre 75	548

Separate Accounts: Distribution of IFRS 17 Technical Reserves by Minimum Guaranteed Level.

MINIMUM LEVEL GUARANTEED	RESERVE (VAL.ASS.)	RESERVE (%)
0%	885.786	76,66%
0,25%	1.179	0,10%
0,5%	1.136	0,10%
0,75%	3.949	0,34%
1%	71.606	6,20%
1,25%	4.994	0,43%
1,5%	53.075	4,59%
1,7%	91	0,01%
1,75%	2.540	0,22%
2%	52.745	4,56%
2,25%	748	0,06%
2,5%	63.712	5,51%
3%	3.657	0,32%
4%	10.256	0,89%

Separate Accounts: Distribution of IFRS 17 Technical Reserves by Type of Guarantee

TYPE OF GUARANTEE	RESERVE (ASS.VAL.)	RESERVE (%)
Branch 1 - Deferred Capital	300.314	25,99%
Branch 1 - FIP/PIP	103.955	9,00%
Branch 1 - Mixed	18.342	1,59%
Branch 1 - Whole Life Death	723.827	62,64%
Branch 1 - Immediate Annuity	3.836	0,33%
Branch 1 - Annuity in Payment	290	0,03%
Branch 5 - Capitalization	4.911	0,42%

Sensitivities

The following tables illustrate the results of the sensitivity analyses with respect to the main insurance and market risk factors, conducted on the key financial statement items. Once the risk factors to which the Group's companies are exposed were identified, the operational assumptions to be subjected to stress testing were outlined, as follows:

- Life business:
 - o Lapse Down: 25% decrease in the Best Estimate surrender frequencies for each year of duration;
 - o Lapse Up: 25% increase in the Best Estimate surrender frequencies for each year of duration (Life Segment);
 - o Government Spread: +100 bps increase in the spread on government bonds;
 - o Interest Rate +100 bps: symmetric variation of interest rates by +100 bps;
 - o Interest Rate -100 bps: symmetric variation of interest rates by -100 bps;
- Non-life business:
 - o Estimation of the Loss Ratio equal to the average of the corresponding observed values from the last 3 available financial years.

- o Recalculation, for line 10 - MTPL (motor third party liabilities) only, of the local claims reserve and consequently the LIC (UBEL Solvency II) for direct gross business, unadjusted for discounting, using 5 different statistical models;
- o Rate +100 bps: symmetric variation of interest rates by +100 bps;
- o Rate -100bps: symmetric variation of interest rates by +100 bps.

This analysis framework is consistent with the risk profile of the Companies, which is closely related to the contracts in the portfolio at the valuation date. Therefore, it aligns with the set of analyses performed by the Actuarial Function to verify the adequacy of the technical reserve estimates, as well as with the analysis framework used in the ORSA process.

The sensitivities related to the symmetric variation of interest rates have affected the entire bond component of the portfolios. The sensitivity concerning the variation of spreads has only impacted government bonds.

Below is a summary of the results obtained.

Life

Direct + Indirect Gross	Insurance services results	Net financial result	Delta OCI IFRS17 Gross tax effect	Delta OCI IFR9 Gross tax effect	CSM	Delta Equity net tax effect
Lapse Down	-108	0	0	0	2.909	-75
Lapse Up	70	0	0	0	-2.720	48
Spread Govies	-1.558	-175	48.927	-56.295	-19.913	-6.296
Yield curve +100BP	472	-339	62.050	-64.432	-1.289	-1.556
Yield curve - 100BP	-1.392	-101	-70.853	72.701	-4.947	245

The impact of sensitivities has been measured gross of reinsurance, as reinsurance is not material.

Non Life

Direct + Indirect Gross	Insurance services results	Net financial result	Delta OCI IFRS17 Gross tax effect	Delta OCI IFR9 Gross tax effect	Delta Equity Net tax effect
Loss ratio	-4.146				-2.869
BEL Worst MVL	-12.874		232		-9.066
Yield curve +100BP	7.286	-2.859	12.334	-42.628	-17.894
Yield curve - 100BP	-7.859	3.058	-13.380	47.102	20.007

Direct + Indirect Net	Insurance services results	Net financial result	Delta OCI IFRS17 Gross tax effect	Delta OCI IFR9 Gross tax effect	Delta Equity Net tax effect
Loss ratio	-4.146				-2.869
BEL Worst MVL	-12.874		232		-9.066
Yield Curve +100BP	7.260	-2.859	12.044	-42.628	-18.113
Curva -100BP	-7.831	3.058	-13.067	47.102	20.243

Liquidity Risks of Insurance Contracts

Items/Time brackets	Up to 1 year	Over 1 year up to 2 years	Over 2 years up to 3 years	Over 3 years up to 4 years	Over 4 years up to 5 years	Over 5 years	Total
Life Segment							
1. Insurance contracts issued with direct participation features	15.786	12.557	22.018	26.411	24.685	279.112	380.568
2. Investment contracts issued with discretionary participation features	51.854	56.947	112.729	67.001	43.331	443.538	775.400
3. Insurance contracts issued without direct participation features	(8.812)	(7.944)	(6.414)	(6.301)	(4.914)	32.240	-2.144
4. Reinsurance recoveries	-	-	-	-	-	-	-
Non Life Segment							
1. Insurance contracts issued	221.222	103.313	63.498	47.807	36.066	153.370	625.276
2. Reinsurance recoveries	5.249	2.056	840	672	510	2.680	12.008

Insurance Contracts Issued and Reinsurance Cessions Constituting Liabilities with Surrender Clauses: Amounts Payable on Demand and Carrying Amount

Items	Values payable on demand	Value
1. Insurance contracts issued with direct participation features	376.093	393.527
2. Investment contracts issued with discretionary participation features	801.663	835.398
3. Insurance contracts issued without direct participation features	-	50.800
4. Reinsurance cessions	-	-

Claim Analysis

Issued Insurance Contracts – Claims Development Gross of Reinsurance

Claims/Time ranges											
Direct business	Year T-9	Year T-8	Year T-7	Year T-6	Year T-5	Year T-4	Year T-3	Year T-2	Year T-1	Year T-9	Total
A. Cumulative paid claims and directly attributable paid costs											
1. At the end of the year of occurrence	121.682	122.667	127.198	138.741	145.541	122.030	146.050	165.442	185.333	177.596	X
2. One year later	107.635	103.010	114.413	115.819	123.429	94.166	121.393	143.493	179.869	X	X
3. Two years later	35.416	37.823	32.115	34.437	43.657	27.951	40.536	42.890	X	X	X
4. Three years later	14.107	10.729	18.797	18.080	15.747	11.822	13.232	X	X	X	X
5. Four years later	8.197	7.035	10.543	10.410	8.512	6.757	X	X	X	X	X
6. Five years later	6.217	6.376	8.246	5.083	6.482	X	X	X	X	X	X
7. Six years later	8.963	2.818	5.691	6.660	X	X	X	X	X	X	X
8. Seven years later	5.083	4.589	3.060	X	X	X	X	X	X	X	X
9. Eight years later	3.956	2.638	X	X	X	X	X	X	X	X	X
10. Nine years later	2.540	X	X	X	X	X	X	X	X	X	X
Total cumulative paid claims and directly attributable paid costs (Table A)	2.540	2.638	3.060	6.660	6.482	6.757	13.232	42.890	179.869	177.596	441.724
B. Estimate of the ultimate cost of cumulative claims (net of the amounts ceded in reinsurance and retrocession)											
1. At the end of the year of occurrence	-	-	-	-	-	-	364.271	397.751	487.225	437.178	X
2. One year later	-	-	-	-	-	296.739	368.900	429.560	490.095	X	X
3. Two years later	-	-	-	-	376.055	302.485	367.421	422.728	X	X	X
4. Three years later	-	-	-	362.813	379.677	296.586	363.656	X	X	X	X
5. Four years later	-	-	341.376	363.974	375.285	294.990	X	X	X	X	X
6. Five years later	-	324.646	341.028	358.808	372.296	X	X	X	X	X	X
7. Six years later	335.326	324.751	338.002	356.775	X	X	X	X	X	X	X
8. Seven years later	336.331	318.724	335.730	X	X	X	X	X	X	X	X
9. Eight years later	329.056	317.173	X	X	X	X	X	X	X	X	X
10. Nine years later	326.584	X	X	X	X	X	X	X	X	X	X
Estimate of the ultimate cost of cumulative claims gross of reinsurance not discounted at the balance sheet date (Total B)	326.584	317.173	335.730	356.775	372.296	294.990	363.656	422.728	490.095	437.178	3.717.205
C. Gross un-discounted liabilities for incurred claims - year of occurrence from T to T-9 (Total B – Total A)											
	324.043	314.534	332.671	350.115	365.814	288.233	350.424	379.839	310.226	259.582	3.275.481
D. Liabilities for claims incurred gross of reinsurance not discounted - years preceding T to T-9											
	X	X	X	X	X	X	X	X	X	X	43.221
E. Effect of changes in risk for insurance contracts issued											
	X	X	X	X	X	X	X	X	X	X	(52.263)
F. Recoveries on gross paid claims for insurance contracts issued											
	X	X	X	X	X	X	X	X	X	X	13.801
G. Liabilities for claims incurred gross of insurance contracts issued											
	X	X	X	X	X	X	X	X	X	X	(639.262)

ISSUED INSURANCE CONTRACTS – CLAIMS DEVELOPMENT NET OF REINSURANCE

Claims/Time ranges											
Direct business	Year T-9	Year T-8	Year T-7	Year T-6	Year T-5	Year T-4	Year T-3	Year T-2	Year T-1	Year T-9	Total
A. Cumulative paid claims and directly attributable paid costs											
1. At the end of the year of occurrence	120.041	122.285	126.683	137.326	143.390	121.846	144.173	165.215	175.291	177.520	X
2. One year later	106.068	98.780	110.755	113.030	120.034	92.810	116.752	142.146	150.860	X	X
3. Two years later	34.282	33.978	31.913	33.640	43.097	26.682	40.097	42.593	X	X	X
4. Three years later	14.550	10.528	17.132	16.059	14.876	11.806	13.041	X	X	X	X
5. Four years later	8.196	6.914	10.327	9.883	8.497	6.729	X	X	X	X	X
6. Five years later	5.936	5.222	7.136	4.880	6.396	X	X	X	X	X	X
7. Six years later	6.977	2.797	4.233	6.668	X	X	X	X	X	X	X
8. Seven years later	3.841	3.502	3.067	X	X	X	X	X	X	X	X
9. Eight years later	3.927	2.618	X	X	X	X	X	X	X	X	X
10. Nine years later	2.536	X	X	X	X	X	X	X	X	X	X
Total cumulative paid claims and directly attributable paid costs (Table A)	2.536	2.618	3.067	6.668	6.396	6.729	13.041	42.593	150.860	177.520	412.028
B. Estimate of the ultimate cost of cumulative claims (net of the amounts ceded in reinsurance and retrocession)											
1. At the end of the year of occurrence	-	-	-	-	-	-	358.436	395.642	440.367	416.998	X
2. One year later	-	-	-	-	-	293.362	361.676	427.603	439.549	X	X
3. Two years later	-	-	-	-	368.202	299.396	360.160	419.802	X	X	X
4. Three years later	-	-	-	354.675	372.005	293.524	356.205	X	X	X	X
5. Four years later	-	-	333.247	355.687	367.415	291.926	X	X	X	X	X
6. Five years later	-	312.936	332.123	350.800	364.639	X	X	X	X	X	X
7. Six years later	326.820	313.276	328.897	348.684	X	X	X	X	X	X	X
8. Seven years later	327.120	306.802	326.544	X	X	X	X	X	X	X	X
9. Eight years later	320.237	305.190	X	X	X	X	X	X	X	X	X
10. Nine years later	317.732	X	X	X	X	X	X	X	X	X	X
Estimate of the ultimate cost of cumulative claims gross of reinsurance not discounted at the balance sheet date (Total B)	317.732	305.190	326.544	348.684	364.639	291.926	356.205	419.802	439.549	416.998	3.587.268
C. Gross un-discounted liabilities for incurred claims - year of occurrence from T to T-9 (Total B – Total A)											
	315.195	302.572	323.476	342.016	358.243	285.197	343.164	377.209	288.689	239.478	3.175.240
D. Liabilities for claims incurred gross of reinsurance not discounted - years preceding T to T-9											
	X	X	X	X	X	X	X	X	X	X	41.905
E. Effect of changes in risk for insurance contracts issued											
	X	X	X	X	X	X	X	X	X	X	-51.492
F. Recoveries on gross paid claims for insurance contracts issued											
	X	X	X	X	X	X	X	X	X	X	13.301
G. Liabilities for claims incurred gross of insurance contracts issued											
	X	X	X	X	X	X	X	X	X	X	601.488

Rome, 19 March 2025

THE BOARD OF DIRECTORS



Attestation of the Consolidated Financial Statements pursuant to Article 81-ter of Consob Regulation No. 11971 of May 14, 1999 and subsequent amendments and additions.

1. The undersigned Alberto Tosti, in his capacity as Managing Director and Group CEO and Antonio Germano, in his capacity of Manager in charge of preparing the company's financial reports of Sara Assicurazioni Spa, having also taken into account the provisions of Art. 154-bis, paragraphs 3 and 4 of the Italian Legislative Decree no. 58 dated February 24, 1998, hereby certify:
 - the adequacy in relation to the characteristics of the Company and
 - the effective implementation of the administrative and accounting procedures for the preparation of the consolidated financial statements as of December 31, 2024.

2. The assessment of the adequacy of the administrative and accounting procedures for preparing the consolidated financial statements as at December 31, 2024, is based on a process defined by Sara Assicurazioni S.p.A in accordance with the CoSO Framework (Internal Control - Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission), an internationally accepted reference framework.

3. The undersigned further confirm that:
 - 3.1 The consolidated financial statements as at December 31, 2024:
 - a) are prepared in compliance with IAS/IFRS standards pursuant to Legislative Decree of September 7, 2005, No. 209 and ISVAP Regulation No. 7/2007 as amended and supplemented by subsequent measures of the Italian Supervisory Authority;
 - b) correspond to the related books and accounting records;



c) provide a true and fair representation of the financial, economic, and equity situation of the issuer.

3.2 The consolidated financial statements include a reliable analysis of the performance and the results of operations as well as the situation of the issuer, and a description of the main risks and uncertain situations to which it is exposed.

Rome, March 19, 2025

Alberto Tosti

Managing Director and Group CEO

A handwritten signature in black ink, appearing to be "Alberto Tosti", written over a horizontal line.

Antonio Germano

Manager in charge of preparing the
Company's financial reports

A handwritten signature in black ink, appearing to be "Antonio Germano", written over a horizontal line.



Attestation of the sustainability report pursuant to Article 81-ter of Consob Regulation No. 11971 of May 14, 1999 and subsequent amendments and additions.

1. The undersigned Alberto Tosti, in his capacity as Managing Director and Antonio Germano, in his capacity of Manager in charge of preparing the company's financial reports of Sara Assicurazioni Spa, having also taken into account the provisions of Art. 154-bis, paragraphs 5-ter of the Italian Legislative Decree no. 58 dated February 24, 1998, that the sustainability report included in the management report has been prepared:

- a) in accordance with the reporting standards applied pursuant to Directive 2013/34/EU of the European Parliament and of the Council, of 26 June 2013, and Legislative Decree 6 September 2024, no. 125;
- b) with the specifications adopted pursuant to article 8, paragraph 4, of Regulation (EU) 2020/852 of the European Parliament and of the Council, of 18 June 2020.

Rome, March 19, 2025

Alberto Tosti
Managing Director

A handwritten signature in black ink, appearing to be "Alberto Tosti", written over a horizontal line.

Antonio Germano
Manager in charge of preparing the company's financial reports

A handwritten signature in black ink, appearing to be "Antonio Germano", written over a horizontal line.

sara assicurazioni spa
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Cap. Soc. € 54.675.000 (i.v.) N. Reg. Imp. Roma e CF 00408780583 REA Roma n. 117033 P. IVA 00885091009 Iscr. Albo imprese ass. n. 1.00018
Capogruppo del Gruppo assicurativo Sara, Iscr. Albo gruppi ass. n. 001 Impresa autorizzata all'esercizio delle assicurazioni con DMICA 26.8.1925 (G.U. del 31.8.1925 n.201) La società è
soggetta al controllo IVASS (Istituto per la Vigilanza sulle Assicurazioni)



(These independent auditors' reports have been translated into English solely for the convenience of international readers. Accordingly, only the original Italian versions are authoritative.)

Sara Assicurazioni Group

**Consolidated financial statements and consolidated
sustainability statement as at and for the year ended
31 December 2024**

(with independent auditors' reports thereon)

KPMG S.p.A.

9 April 2025



KPMG S.p.A.
Revisione e organizzazione contabile
Via Curtatone, 3
00185 ROMA RM
Telefono +39 06 80961.1
Email it-fmauditaly@kpmg.it
PEC kpmgspa@pec.kpmg.it

(This independent auditors' report has been translated into English solely for the convenience of international readers. Accordingly, only the original Italian version is authoritative.)

Independent auditors' report pursuant to article 14 of Legislative decree no. 39 of 27 January 2010, article 10 of Regulation (EU) no. 537 of 16 April 2014 and article 102 of Legislative decree no. 209 of 7 September 2005

*To the shareholders of
Sara Assicurazioni S.p.A.*

Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of the Sara Assicurazioni Group (the "group"), which comprise the statement of financial position as at 31 December 2024, the income statement and the statements of comprehensive income, changes in equity and cash flows for the year then ended and notes thereto, which include material information on the accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the group's financial position of the as at 31 December 2024 and of its financial performance and cash flows for the year then ended in accordance with the IFRS Accounting Standards issued by the International Accounting Standards Board and endorsed by the European Union, as well as the Italian regulations implementing article 90 of Legislative decree no. 209 of 7 September 2005.

Basis for opinion

We conducted our audit in accordance with the International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the "Auditors' responsibilities for the audit of the consolidated financial statements" section of our report. We are independent of Sara Assicurazioni S.p.A. (the "parent") in accordance with the ethics and independence rules and standards applicable in Italy to audits of financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

KPMG S.p.A.
è una società per azioni
di diritto italiano
e fa parte del network KPMG
di entità indipendenti affiliate a
KPMG International Limited,
società di diritto inglese.



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Bologna Bolzano Brescia
Catania Como Firenze Genova
Lecce Milano Napoli Novara
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Trieste Varese Verona

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20124 Milano MI ITALIA



Sara Assicurazioni Group
 Independent auditors' report
 31 December 2024

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Measurement of insurance contracts issued that are liabilities - Liabilities for incurred claims under the Premium Allocation Approach (“PAA”)

Notes to the consolidated financial statements

Part C - Accounting policies - Statement of financial position - Equity and liabilities - Insurance liabilities

Part D - Information on the statement of financial position - Equity and liabilities - 10. Insurance liabilities

Part E - Information on the income statement - 1. “Insurance revenues and expenses from insurance contracts”

Key audit matter	Audit procedures addressing the key audit matter
<p>The consolidated financial statements at 31 December 2024 include insurance contracts issued that are liabilities of €2,179 million, accounting for about 92% of total liabilities.</p> <p>They comprise the liabilities for remaining coverage and for claims incurred of €273 million and €639 million, respectively, measured using the PAA.</p> <p>Insurance liabilities reflect the expected cash flows from insurance contracts, adjusted to take into account the time value of money and associated financial risks, as well as non-financial risks.</p> <p>The group measures the liabilities for incurred claims including by applying complex actuarial valuation techniques which entail, in certain cases, a high level of judgement relating to past and future internal and external variables with respect to which any changes in the underlying assumptions may have a significant impact on the measurement of the caption “Insurance contracts issued that are liabilities”.</p> <p>For the above reasons, we believe that the measurement of the liabilities for incurred claims included in the caption “Insurance contracts issued that are liabilities” is a key audit matter.</p>	<p>Our audit procedures, which also involved our own actuarial specialists, included:</p> <ul style="list-style-type: none"> • understanding the process for the measurement of the liabilities for incurred claims and the related IT environment and assessing the design and implementation of controls and performing procedures to assess the operating effectiveness of material controls; • analysing the significant changes in the liabilities for incurred claims compared to previous years’ figures and discussing the results with the relevant internal departments; • checking, on a sample basis, the valuation models adopted by the group and the reasonableness of the input data and parameters used; • checking, on a sample basis, the overall calculation of the liabilities for incurred claims in accordance with applicable market practice and correct actuarial techniques, by applying actuarial methods, including through the identification of a range of reasonable insurance liability values; • assessing the appropriateness of the disclosures about the liabilities for incurred claims.



Sara Assicurazioni Group
Independent auditors' report
31 December 2024

Measurement of insurance contracts issued that are liabilities - Liabilities for remaining coverage under the Variable Fee Approach (“VFA”)

Notes to the consolidated financial statements

Part C - Accounting policies - Statement of financial position - Equity and liabilities - Insurance liabilities

Part D - Information on the statement of financial position - Equity and liabilities - 10. Insurance liabilities

Part E - Information on the income statement - 1. “Insurance revenues and expenses from insurance contracts”

Key audit matter	Audit procedures addressing the key audit matter
<p>The consolidated financial statements at 31 December 2024 include insurance contracts issued that are liabilities of €2,179 million, accounting for about 92% total liabilities.</p> <p>They comprise the liabilities for remaining coverage of €1,230 million measured using the VFA.</p> <p>The group measures the liabilities for remaining coverage using the VFA including by applying actuarial valuation techniques which entail, in certain cases, a high level of complex and subjective judgement relating to past and future internal and external variables with respect to which any changes in the underlying assumptions may have a significant impact on the measurements of the liabilities included in the caption “Insurance contracts issued that are liabilities”.</p> <p>For the above reasons, we believe that the measurement of the liabilities included in the caption “Insurance contracts issued that are liabilities” is a key audit matter.</p>	<p>audit procedures, which also involved our own actuarial specialists, included:</p> <ul style="list-style-type: none">understanding the process for the measurement of the insurance contracts issued that are liabilities and the related IT environment and assessing the design and implementation of controls and performing procedures to assess the operating effectiveness of material controls;analysing the significant changes in the insurance contracts issued that are liabilities compared to the previous years' figures and discussing the results with the relevant internal departments;checking, on a sample basis, the valuation models adopted by the group to measure the insurance contracts issued that are liabilities and the reasonableness of the input data and parameters used;checking the appropriateness of the methods and the reasonableness of the assumptions adopted to calculate the liabilities for remaining coverage of the insurance contracts issued that are liabilities measured under the VFA;assessing the reasonableness of the calculation of the contractual service margin and coverage units, as well as changes therein;assessing the appropriateness of the disclosures about the insurance contracts issued that are liabilities.

Responsibilities of the parent’s directors and board of statutory auditors (“Collegio Sindacale”) for the consolidated financial statements

The directors are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with the IFRS Accounting Standards issued by the International Accounting Standards Board and endorsed by the European Union, as well as the Italian regulation implementing article 90 of Legislative decree no. 209 of 7 September 2005 and, within the terms established by the Italian law, for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.



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The directors are responsible for assessing the group's ability to continue as a going concern and for the appropriate use of the going concern basis in the preparation of the consolidated financial statements and for the adequacy of the related disclosures. The use of this basis of accounting is appropriate unless the directors believe that the conditions for liquidating the parent or ceasing operations exist, or have no realistic alternative but to do so.

The *Collegio Sindacale* is responsible for overseeing, within the terms established by the Italian law, the group's financial reporting process.

Auditors' responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA Italia will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISA Italia, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;
- conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the group to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.



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We communicate with those charged with governance, identified at the appropriate level required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the ethics and independence rules and standards applicable in Italy and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the measures taken to eliminate those threats or the safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current year and are, therefore, the key audit matters. We describe these matters in our auditors' report.

Other information required by article 10 of Regulation (EU) no. 537 of 16 April 2014

On 29 June 2019, the parent's shareholders appointed us to perform the statutory audit of its separate and consolidated financial statements as at and for the years ending from 31 December 2021 to 31 December 2029.

We declare that we did not provide the prohibited non-audit services referred to in article 5.1 of Regulation (EU) no. 537 of 16 April 2014 and that we remained independent of the parent in conducting the statutory audit.

We confirm that the opinion on the consolidated financial statements expressed herein is consistent with the additional report to the *Collegio Sindacale*, in its capacity as audit committee, prepared in accordance with article 11 of the Regulation mentioned above.

Report on other legal and regulatory requirements

Opinion and statement pursuant to article 14.2.e)/e-bis)/e-ter) of Legislative decree no. 39/10 and article 123-bis.4 of Legislative decree no. 58/98

The parent's directors are responsible for the preparation of the group's management report and report on corporate governance and ownership structure at 31 December 2024 and for the consistency of such reports with the related consolidated financial statements and their compliance with the applicable law.

We have performed the procedures required by Standard on Auditing (SA Italia) 720B in order to:

- express an opinion on the consistency of the management report and certain specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98 with the consolidated financial statements;
- express an opinion on the compliance of the management report, excluding the section that includes the consolidated sustainability statement, and certain specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98 with the applicable law;
- issue a statement of any material misstatements in the management report and certain specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98.

In our opinion, the management report and the specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98 are consistent with the group's consolidated financial statements at 31 December 2024.



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Moreover, in our opinion, excluding the section which includes the consolidated sustainability statement, the management report and the specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98 have been prepared in compliance with the applicable law.

With reference to the above statement required by article 14.2.e-ter) of Legislative decree no. 39/10, based on our knowledge and understanding of the entity and its environment obtained through our audit, we have nothing to report.

Our opinion on compliance with the applicable law does not extend to the management report's section which includes the consolidated sustainability statement. Our conclusion on the compliance of this section with the legislation governing its preparation and with the disclosure requirements of article 8 of Regulation (EU) 2020/852 is included in the assurance report prepared in accordance with article 14-bis of Legislative decree no. 39/10.

Rome, 9 April 2025

KPMG S.p.A.

(signed on the original)

Riccardo De Angelis
Director of Audit



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(This independent auditors' report has been translated into English solely for the convenience of international readers. Accordingly, only the original Italian version is authoritative.)

Independent auditors' limited assurance report on the consolidated sustainability statement pursuant to article 14-bis of Legislative decree no. 39 of 27 January 2010

*To the shareholders of
Sara Assicurazioni S.p.A.*

Conclusion

Pursuant to articles 8 and 18.1 of Legislative decree no. 125 of 6 September 2024 (the "decree"), we have been engaged to perform a limited assurance engagement on the 2024 consolidated sustainability statement of the Sara Assicurazioni Group (the "group") prepared in accordance with article 4 of the decree, presented in the specific section of the report on operations (the "consolidated sustainability statement").

Based on the procedures performed, nothing has come to our attention that causes us to believe that:

- the group's 2024 consolidated sustainability statement has not been prepared, in all material respects, in accordance with the reporting standards endorsed by the European Commission pursuant to Directive 2013/34/EU (the European Sustainability Reporting Standards, "ESRS");
- the information presented in the "Disclosure pursuant to article 8 of Regulation (EU) 2020/852 (Taxonomy regulation)" section of the consolidated sustainability statement has not been prepared, in all material respects, in accordance with article 8 of Regulation (EU) 852 of 18 June 2020 (the "taxonomy regulation").

Basis for conclusion

We have performed the limited assurance engagement in accordance with the Standard on Sustainability Assurance Engagements - SSAE (Italia). The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our responsibilities under that standard are further described in the "*Auditors' responsibilities for the sustainability assurance engagement*" section of our report.

We are independent in accordance with the ethics and independence rules and standards applicable in Italy to sustainability assurance engagements.

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Our company applies International Standard on Quality Management 1 (ISQM Italia 1) and, accordingly, is required to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We believe that the evidence we have acquired is sufficient and appropriate to provide a basis for our conclusion.

Other matters

In the “Disclosure pursuant to article 8 of Regulation (EU) 2020/852 (Taxonomy regulation)” section, the 2024 consolidated sustainability statement presents the 2023 comparative information required by article 8 of the taxonomy regulation, which has not been subjected to an assurance engagement.

Responsibilities of the directors and board of statutory auditors (“Collegio Sindacale”) of Iren S.p.A (the “parent”) for the consolidated sustainability statement

The directors are responsible for designing and implementing the procedures to identify the information included in the consolidated sustainability statement in accordance with the ESRS (the “materiality assessment process”) and for the description of these procedures in the “Description of the processes to identify and assess material impacts, risks and opportunities” section of the consolidated sustainability statement.

The directors are also responsible for the preparation of a consolidated sustainability statement in accordance with article 4 of the decree, which contains the information identified through the materiality assessment process, including:

- compliance with the ESRS;
- compliance of the information presented in the “Disclosure pursuant to article 8 of Regulation (EU) 2020/852 (Taxonomy regulation)” section with article 8 of the taxonomy regulation.

Moreover, the directors are responsible, within the terms established by the Italian law, for designing, implementing and maintaining such internal controls as they determine is necessary to enable the preparation of a consolidated sustainability statement in accordance with article 4 of the decree that is free from material misstatement, whether due to fraud or error. They are also responsible for selecting and applying appropriate methods to produce disclosures and formulating assumptions and estimates about specific information on sustainability matters that are reasonable in the circumstances.

The *Collegio Sindacale* is responsible for overseeing, within the terms established by the Italian law, compliance with the decree’s provisions.

Inherent limitations in preparing the consolidated sustainability statement

For the purpose of disclosing forward-looking information in accordance with the ESRS, the directors are required to prepare such information based on assumptions, described in the consolidated sustainability statement, regarding future events and the group’s actions that are not necessarily expected to occur. Actual results are likely to be different from the forecast sustainability information since anticipated events frequently do not occur as expected and the variation could be material.

The disclosures provided by the group about Scope 3 emissions are subject to more inherent limitations than those on Scope 1 and Scope 2 emissions, given the lack of availability and relative precision of information used for determining both qualitative and quantitative Scope 3 emissions information from value chain.



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Auditors' responsibilities for the sustainability assurance engagement

Our objectives are to plan and perform procedures in order to obtain limited assurance about whether the consolidated sustainability statement is free from material misstatement, whether due to fraud or error, and to issue an assurance report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of intended users taken on the basis of the consolidated sustainability statement.

As part of a limited assurance engagement in accordance with SSAE (Italia), we exercise professional judgement and maintain professional scepticism throughout the engagement.

Our responsibilities include:

- considering risks to identify disclosures where a material misstatement is likely to occur, whether due to fraud or error;
- designing and performing procedures to address disclosures where a material misstatement is likely to occur. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- directing, supervising and performing the sustainability limited assurance engagement and assuming full responsibility for the conclusion on the consolidated sustainability statement.

Summary of the work performed

A limited assurance engagement involves carrying out procedures to obtain evidence as a basis for our conclusion.

The procedures performed are based on our professional judgement and include inquiries, primarily of the parent's personnel responsible for the preparation of the information presented in the consolidated sustainability statement, documental analyses, recalculations and other evidence gathering procedures, as appropriate.

We have performed the following main procedures:

- we gained an understanding of the group's business model, strategies and operating environment with regard to sustainability matters;
- we gained an understanding of the process adopted by the group to identify and assess material sustainability-related impacts, risks and opportunities (IROs), based on the double materiality principle. Moreover, on the basis of the information acquired, we evaluated any emerging inconsistencies that may indicate the presence of sustainability matters not addressed by the group in its materiality assessment process; Specifically, mostly through inquiries, observations and inspections, we gained an understanding of how the group:
 - considered the interests and opinions of the stakeholders involved;
 - identified its sustainability-related IROs, assessing their consistency with our knowledge of the group and its sector;
 - defined and assessed material IROs by analysing the qualitative and quantitative materiality thresholds it determined, assessing their consistency with the outcomes of the ERM process;
- we gained an understanding of the processes underlying the generation, recording and management of the qualitative and quantitative information disclosed in the consolidated sustainability statement,



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including of the reporting boundary, through interviews and discussions with the group's personnel and selected procedures on documentation;

- we identified the disclosures associated with a risk of material misstatement, whether due to fraud or error.
- we designed and performed procedures at group level, based on our professional judgement, to respond to identified risks of material misstatement, including:
 - with reference to qualitative information and, in particular, the sustainability-related policies, actions and objectives, we held inquiries and performed limited procedures on documentation;
 - with reference to quantitative information, we carried out analytical procedures, inspections, observations and recalculations on a sample basis, including by obtaining documentary evidence;
- we gained an understanding of the process adopted by the group to determine taxonomy-eligible exposures and whether they were aligned under the taxonomy regulation and checked the related disclosures presented in the consolidated sustainability statement;
- we checked the consistency of the disclosures contained in the consolidated sustainability statement with those included in the group's consolidated financial statements pursuant to the applicable financial reporting framework, the underlying accounting records or management accounts;
- we checked the compliance of the structure and presentation of disclosures included in the consolidated sustainability statement with the ESRS;
- we obtained the representation letter.

Rome, 9 April 2025

KPMG S.p.A.

(signed on the original)

Riccardo De Angelis
Director of Audit