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Ania

Associazione Nazionale
fra le Imprese Assicuratrici



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01 INSURANCE: FUNDAMENTAL TOOL FOR THE PROTECTION OF HOUSEHOLDS AND UNDERTAKINGS



Insurance is more and more an essential element for the economic system of a country, guaranteeing protection against unpredictable events of various kinds that can damage, even irreparably, the properties and capitals of individuals and undertakings. In addition, thanks to the life coverages, insurance is one of the main instruments of savings and it supports the entire family in the event of the loss of one of its members. The insurance industry helps individuals, households and undertakings to manage their own risks and to recoup losses quickly in the event of damage (just think of damage from natural disasters, car accidents, personal accidents, health, loss of life). **More than 11 million payments are made each year to compensate for the losses incurred, for a total outlay of 130 billion euros, equivalent to the annual salary of over 6 million workers. In this way insurance contributes to making the whole country more protected.** A more protected country has more resources to use to support economic development and a greater well-being of its citizens.

MOTOR THIRD PARTY LIABILITY
n. of events reported per hour
250
compensated amounts per hour
€ 1,250,000

PERSONAL ACCIDENTS
n. of events reported per hour
40
compensated amounts per hour
€ 150,000

GENERAL LIABILITY
n. of events reported per hour
35
compensated amounts per hour
€ 210,000



MILAN

MOTOR ACCESSORY GUARANTEE (FIRE, THEFT AND KASKO)
n. of events reported per hour
115
compensated amounts per hour
€ 170,000

THE FOLLOWING ARE EXEMPLES
OF PROBLEMS SOLVED BY INSURANCE
COMPANIES DURING A ONE HOUR
FLIGHT BETWEEN ROME AND MILAN



ROME

FIRE

n. of events reported
per hour
25
compensated amounts
per hour
€ 175,000

HEALTH

n. of events reported
per hour
580
compensated amounts
per hour
€ 185,000

LIFE INSURANCE

n. of events reported
per hour
570
compensated amounts
per hour
• surrenders
€ 5,000,000
• capitals and annuities
€ 2,000,000
• death/disability
€ 1,000,000

HAIL

n. of events reported per hour
40
compensated amounts per hour
€ 40,000

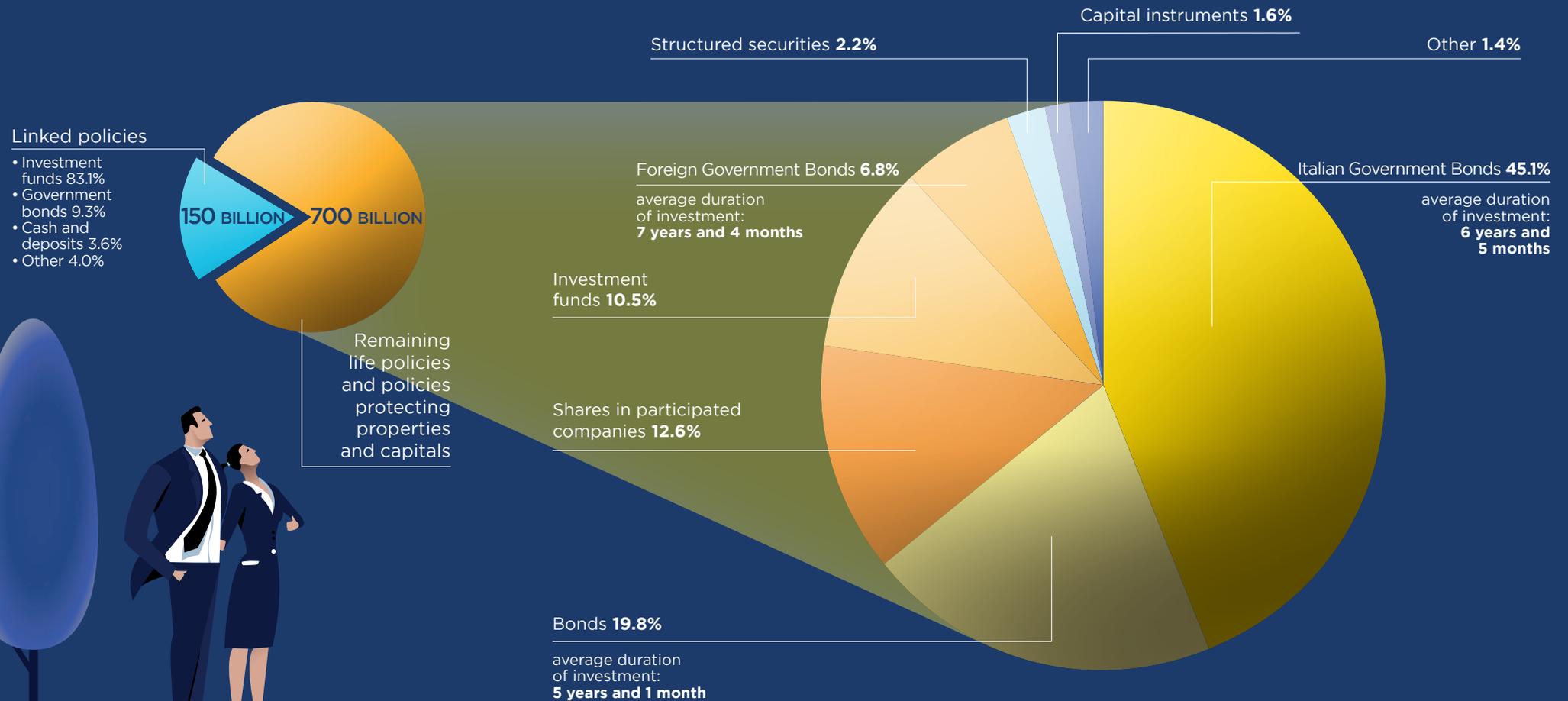
GOODS IN TRANSIT

n. of events reported per hour
5
compensated amounts per hour
€ 10,000

02 INSURANCE INVESTMENTS ARE A SUPPORT FOR THE STATE AND A DRIVER FOR THE REAL ECONOMY

INSURERS' INVESTMENTS IN OUR COUNTRY AMOUNT TO OVER 850 BILLION, THAT IS, 50% OF GDP

INSURANCE INVESTMENTS IN 2017



The insurance sector is one of the main institutional investors since a preponderant part of the resources coming from Italian savings are conveyed towards the support to the public debt (over 360 billion are invested in **Government bonds**, about 315 billion of which in **Italian securities**). Through these investments, the growth of the country is sustained and its stability is improved. The insurance industry is also increasingly intervening as an investor in the real economy and in infrastructures in order to promote the sustainable development of the economy, rising resilience and prevention towards the risks deriving from climate and social changes.

% INVESTMENTS OF INSURANCE COMPANIES IN GOVERNMENT BONDS ON THE TOTAL INVESTMENTS (EXCLUDING LINKED POLICIES)

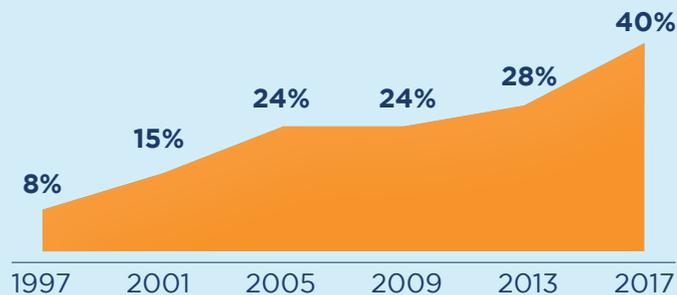
THEY REPRESENT OVER 15% OF ALL THE BONDS ISSUED BY OUR COUNTRY



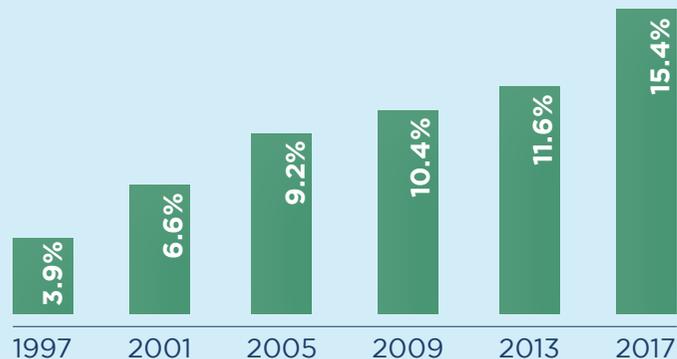
03 LIFE INSURANCE

Life insurance has a dual purpose: on the one hand, it secures one's own future and that of loved ones to the occurrence of events related to the duration of human life (such as premature death or survival to a certain date) and, on the other hand, it constitutes a real piggy bank where individuals can accumulate capital that can be used in future years, generally when they need it most (retirement age). **It is certainly no coincidence that these investments formulas have convinced Italian families to channel almost 16% of all their savings and that - over the years - assets have accumulated, managed by insurance companies, which are now worth 700 billion euros.**

INCIDENCE OF LIFE MANAGED ASSETS ON GDP



INCIDENCE OF THE ASSETS MANAGED BY LIFE INSURANCE ON THE TOTAL FINANCIAL ACTIVITIES OF ITALIAN HOUSEHOLDS

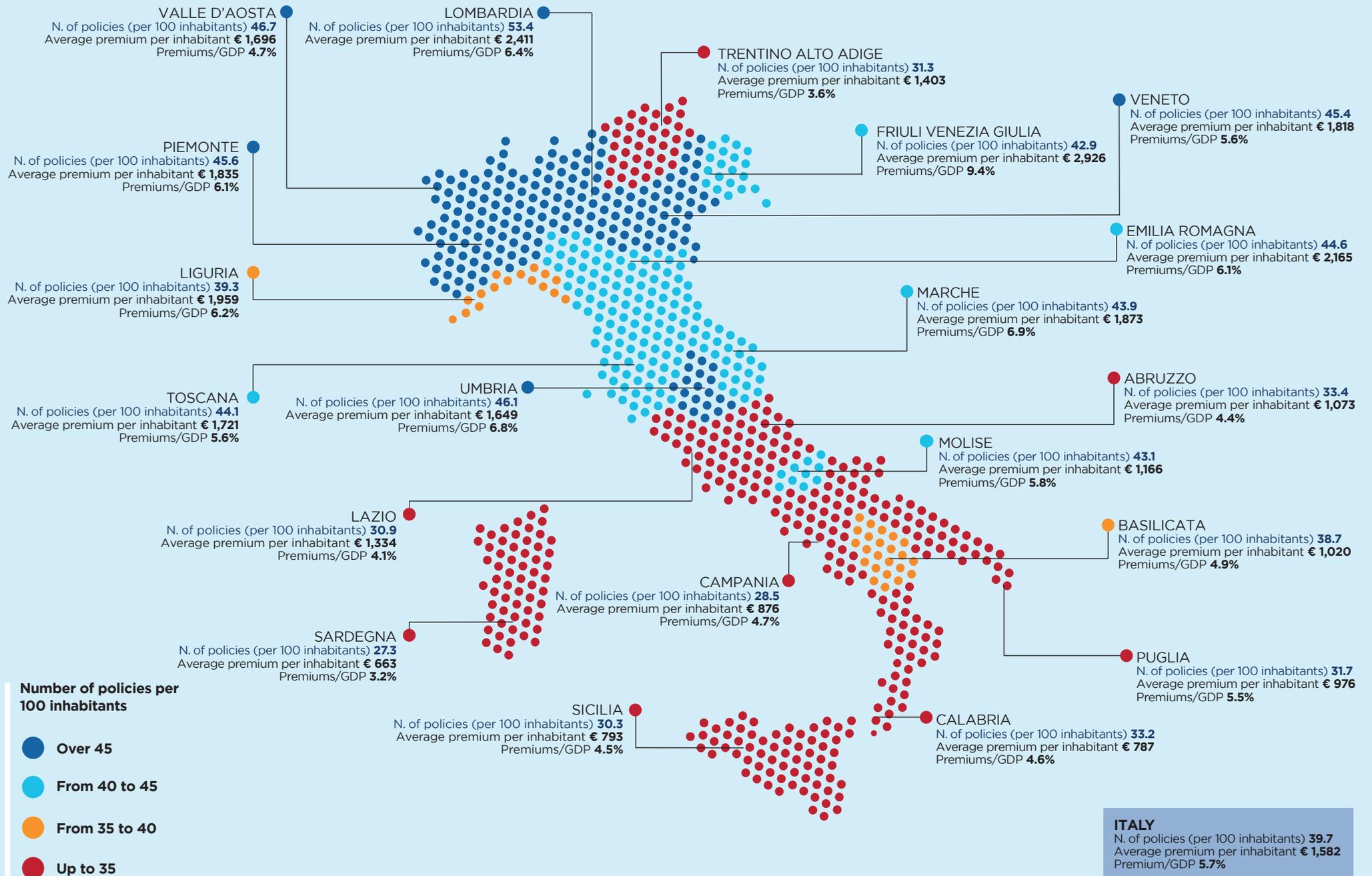


ASSETS* OF ITALIANS MANAGED BY LIFE INSURANCE



* The amount of assets accumulated on the basis of the Solvency II accounting evaluation

DIFFUSION OF LIFE INSURANCE IN ITALY 03



04 INSURANCE PROTECTING PROPERTIES AND CAPITALS

Insurance protecting property and capitals is a basic element for all activities of households and undertakings. A developed country with no insurance cover would be a country doomed to inaction and stagnation. Some examples: goods would not circulate, means of transport would not be used, children would not be allowed to attend schools and universities, doctors could not carry out their professions.

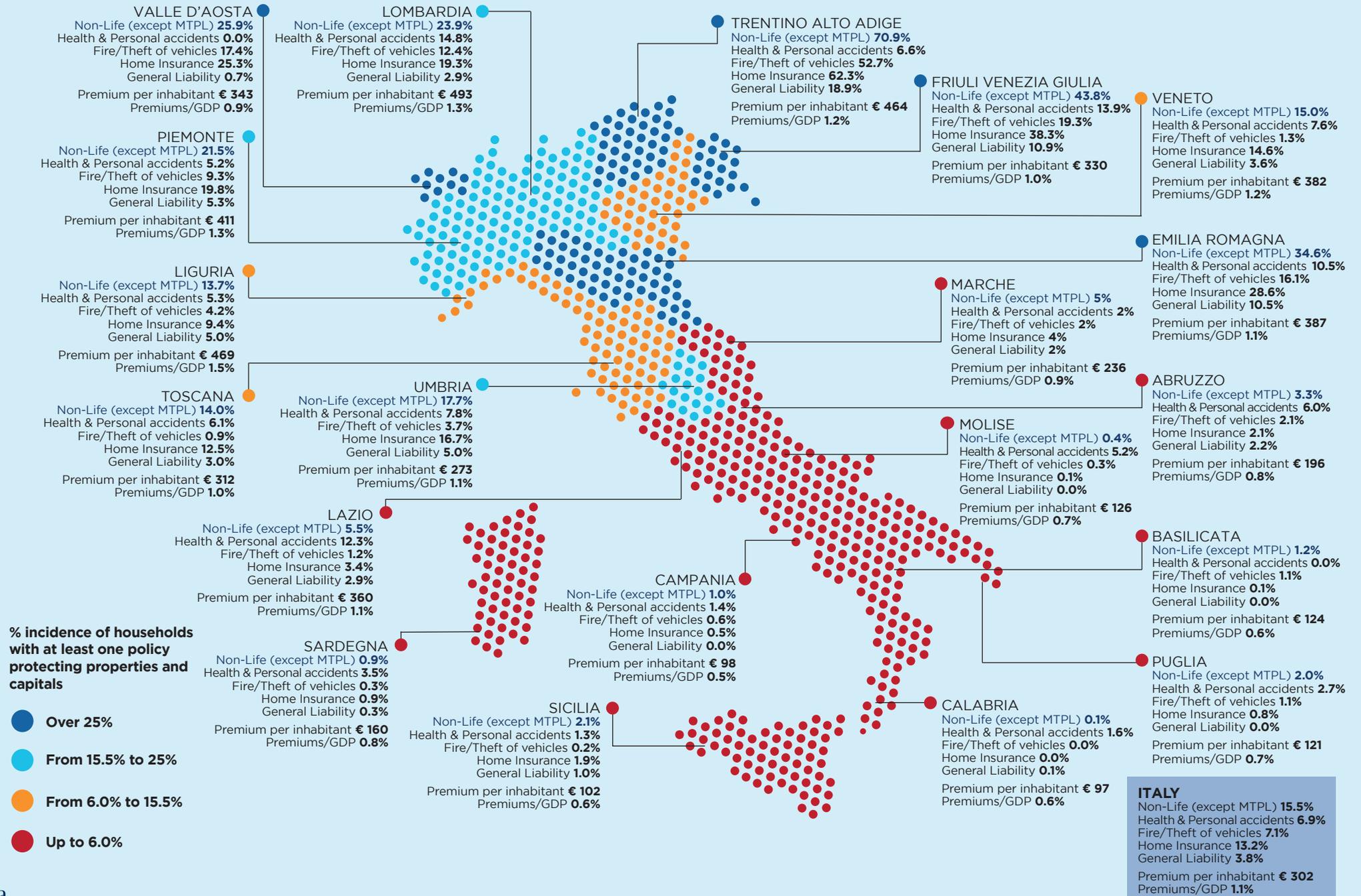
However, if undertakings, companies and the public administration are sufficiently aware of the importance to cover risks, Italian households find it hard to understand that the role of insurance is to guarantee stable life conditions to people; they fail to think that, even though they never filed a claim to their insurance companies, they used their covers in order to be protected at any moment of the day and that they could carry out their activities being sure that, in case of damage, the insured property would be fixed or replaced and their assets would be recovered.

At present, less than one household out of six purchases voluntary insurance cover.



STRUCTURE AND % DISTRIBUTION OF HOUSEHOLDS			INCIDENCE OF HOUSEHOLDS THAT HAVE PURCHASED AT LEAST ONE INSURANCE COVER ON TOTAL ITALIAN HOUSEHOLDS					
			NON-LIFE EXCEPT MTPL	HEALTH OR PERSONAL ACCIDENTS	FIRE, THEFT, KASKO OF VEHICLES	HOME INSURANCE	GENERAL LIABILITY	
	SINGLE MEN	13.6%						
			13.9%	4.9%	7.0%	10.8%	2.1%	
	SINGLE WOMEN	20.0%						
			10.0%	2.6%	3.4%	7.6%	1.6%	
	COUPLE	19.5%						
			21.2%	6.6%	9.3%	18.7%	4.0%	
	PARENT WITH ONE CHILD	6.1%						
			14.4%	7.1%	6.7%	12.9%	3.7%	
	COUPLE WITH ONE CHILD	14.1%						
			17.9%	11.7%	9.0%	15.3%	6.7%	
	PARENT WITH TWO CHILDREN	2.9%						
			14.4%	6.2%	7.3%	12.7%	0.9%	
	COUPLE WITH TWO CHILDREN	14.7%						
			16.2%	11.3%	7.2%	14.0%	6.0%	
	COUPLE WITH THREE CHILDREN	4.8%						
			14.8%	7.9%	7.9%	14.0%	4.2%	
	OTHER	4.3%						
			13.9%	3.5%	8.1%	11.4%	3.7%	
TOTAL			100.0%	15.5%	6.9%	7.1%	13.2%	3.8%

DIFFUSION OF POLICIES PROTECTING PROPERTIES AND CAPITALS IN ITALY 04



05 COMPULSORY MOTOR THIRD PARTY LIABILITY INSURANCE (MTPL)

NUMBER OF PRIVATE VEHICLES 31.5 MILLION



Motor third party liability insurance, compulsory in Italy as in all other EU countries, is the most widespread form of insurance cover and protects against damages that may be caused when driving a vehicle. The risks borne by insurance concern not only damages to other vehicles but, above all, to people on board one's own and other vehicles, pedestrians and cyclists. **It is estimated that nearly 7,000 road accidents, a very impressive figure, are reported to insurance companies every day, for a monetary amount of 30 million euros.**

41 MILLION VEHICLES ARE INSURED EVERY YEAR AND THEIR OWNERS PAY 13 BILLION EUROS OF PREMIUMS USED BY INSURANCE COMPANIES TO COMPENSATE ROAD ACCIDENTS AS FOLLOWS:

4.0 BILLION
FOR DAMAGES TO
VEHICLES
AND PROPERTIES

2.5 BILLION
FOR MINOR BODILY
INJURIES SUFFERED
BY PEOPLE

2.5 BILLION
FOR MAJOR BODILY
INJURIES SUFFERED
BY PEOPLE

2.0 BILLION
FOR THE VICTIMS'
FAMILIES

NUMBER OF TRUCKS
4.1 million



NUMBER OF MOTORCYCLES
AND MOPEDS
3.9 million



NUMBER OF
OTHER VEHICLES
1.3 million



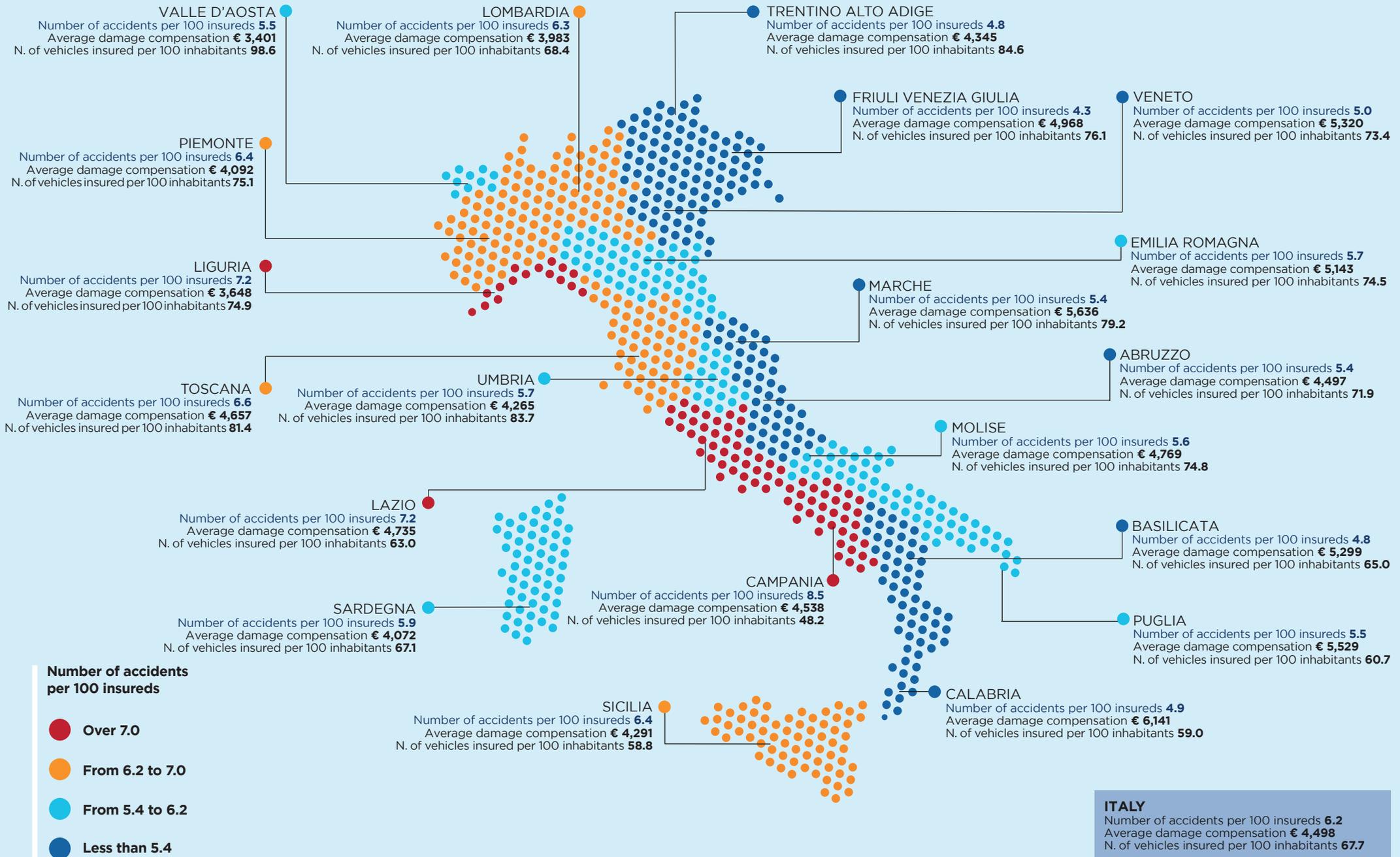
NUMBER OF BUSES
125 thousand



NUMBER OF TAXIS
22 thousand



MTPL AND ACCIDENT FREQUENCY IN ITALY 05



06 MOTOR INSURANCE FOR ACCESSORY GUARANTEES

Motor insurance is not exclusively compulsory. There are many guarantees for which people are liable that are purchased on a voluntary basis to protect one's own vehicles in case of theft, fire, damages arising from adverse weather conditions or vandalism, windshield cracks or impact damages (kasko). **On average, nearly one car out of three (already insured for the compulsory part) also purchases a voluntary cover.**

9 MILLION PRIVATE VEHICLES ARE VOLUNTARILY INSURED EVERY YEAR AND THE INSURANCE COMPANIES PAY ON AVERAGE NEARLY 1.5 BILLION FOR COMPENSATION OF THE FOLLOWING DAMAGES UNDERGONE:



NUMBER OF INSURED FOR THEFT
8.8 million



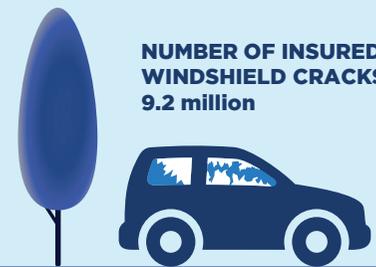
NUMBER OF INSURED FOR FIRE
8.8 million



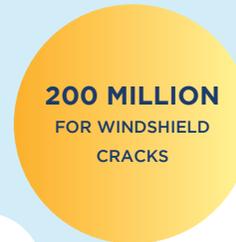
NUMBER OF INSURED FOR KASKO AND IMPACT DAMAGES
1.8 million



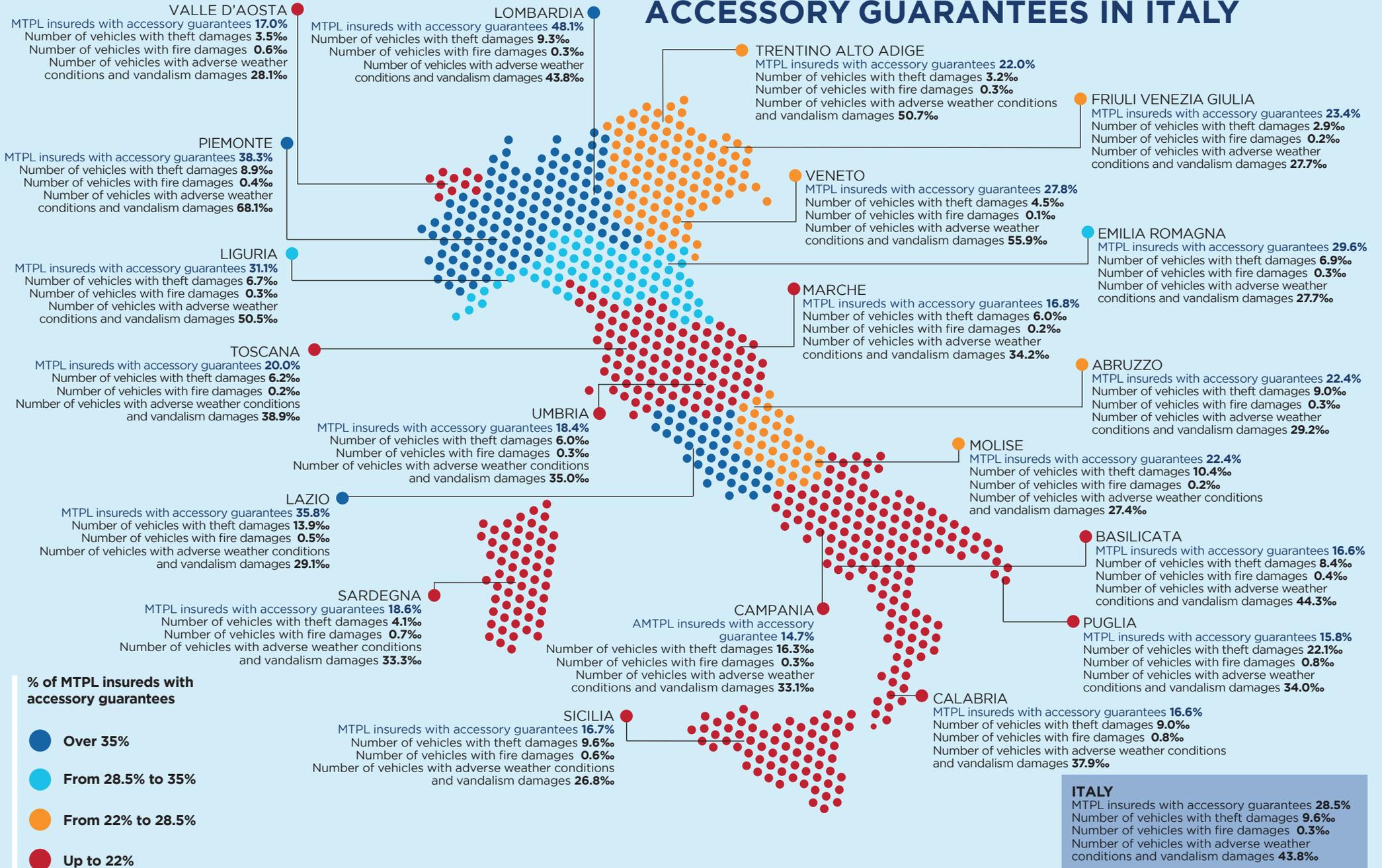
NUMBER OF INSURED FOR ADVERSE WEATHER CONDITIONS AND VANDALISM
6.0 million



NUMBER OF INSURED FOR WINDSHIELD CRACKS
9.2 million



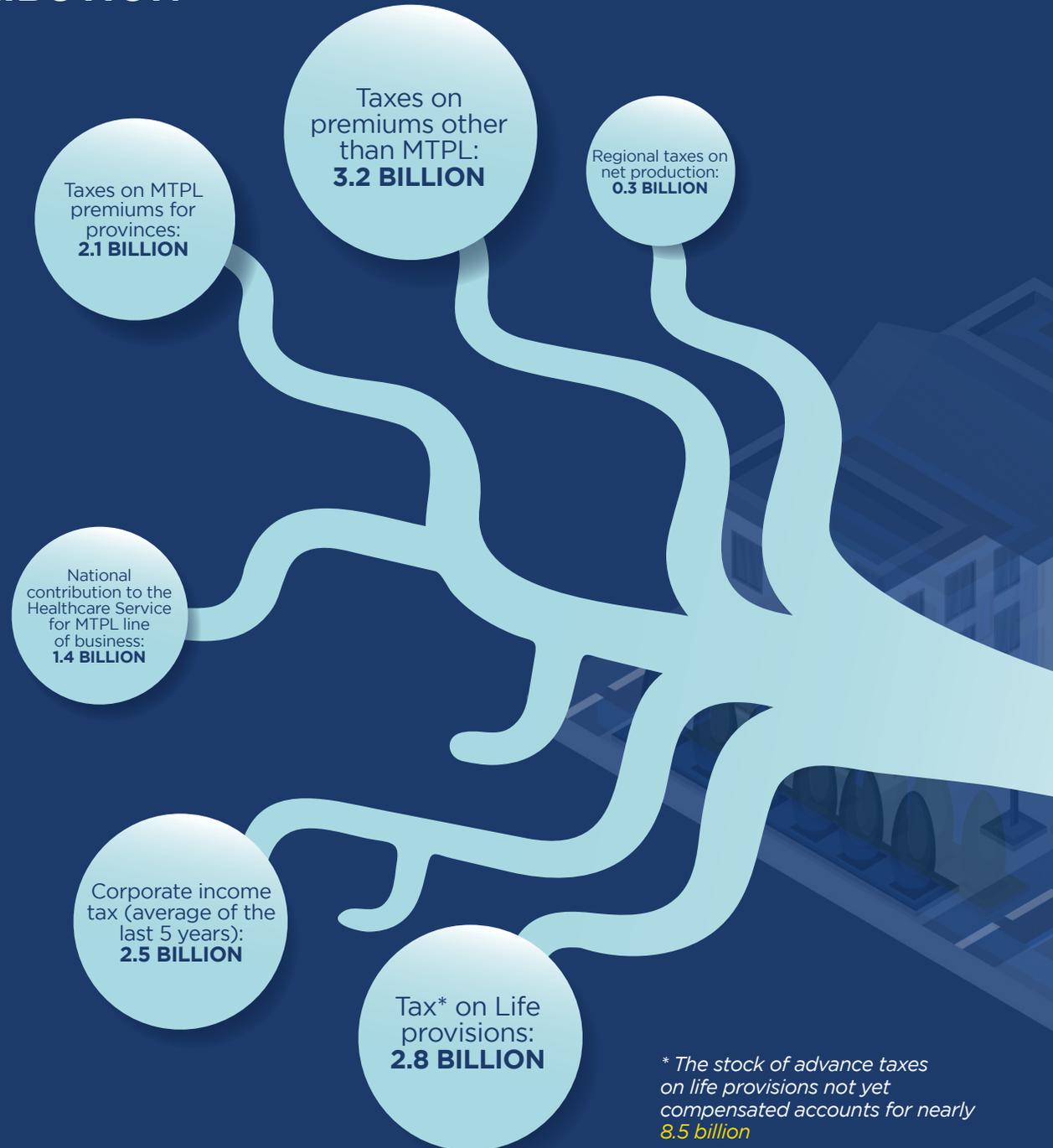
DIFFUSION OF MOTOR INSURANCE FOR 06 ACCESSORY GUARANTEES IN ITALY



07 INSURANCE AND ITS CONTRIBUTION TO PUBLIC FINANCE

THE INSURANCE SECTOR IS ONE OF THE MAIN TAXPAYERS OF THE STATE, AS WELL AS TAX WITHHOLDING AGENT FOR THE COLLECTION OF SOME IMPORTANT TAXES

One of the factors that stresses how important the activity of the insurance sector is, is the role it plays as taxpayer and withholding agent on behalf of the Revenue Agency, as is the case for the tax on insurance premiums. On average, insurance companies pay over 12 billion euros per year for the State coffers.



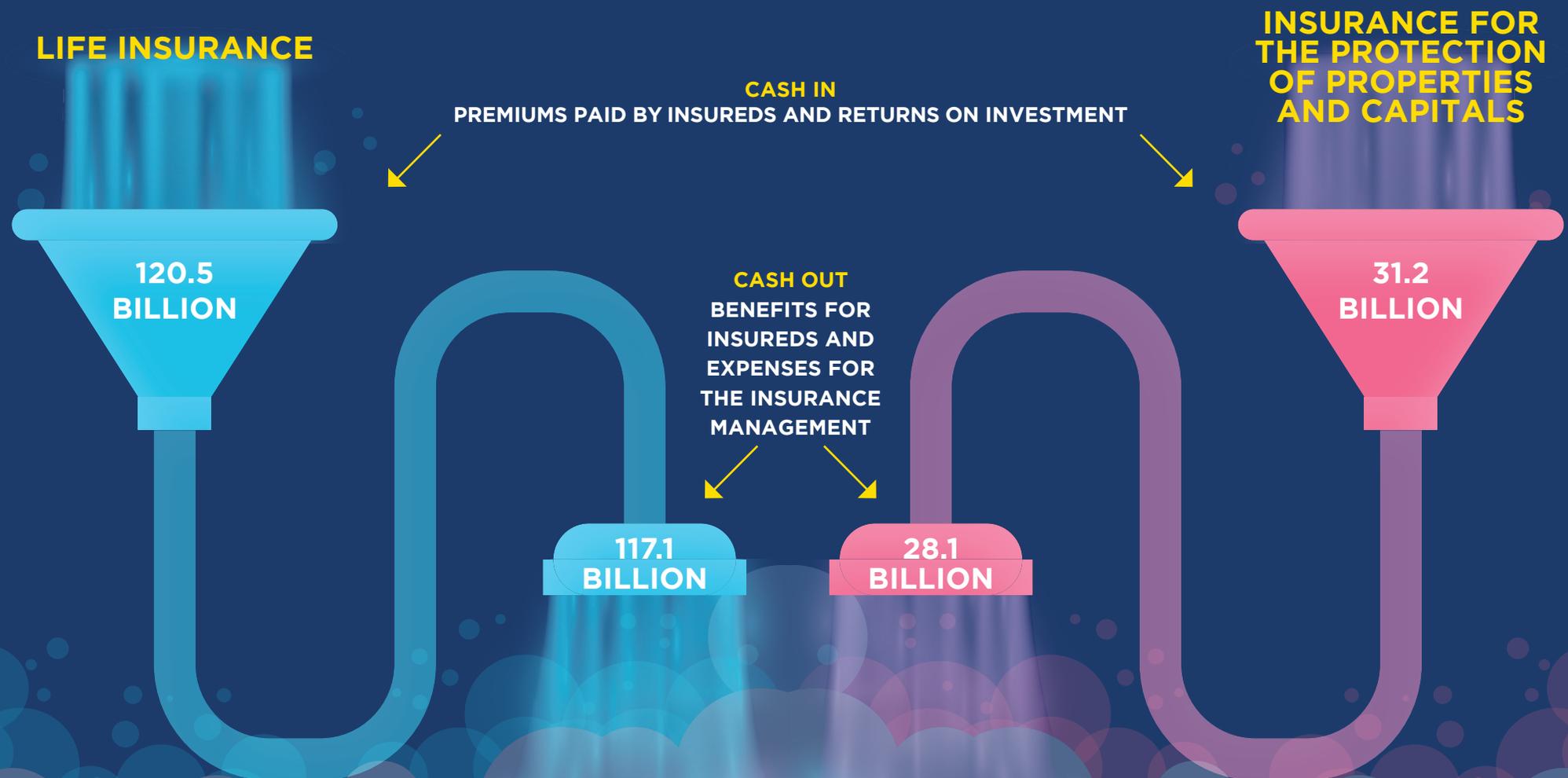
* The stock of advance taxes on life provisions not yet compensated accounts for nearly 8.5 billion

TOTAL TAXES
12.3 BILLION PER YEAR

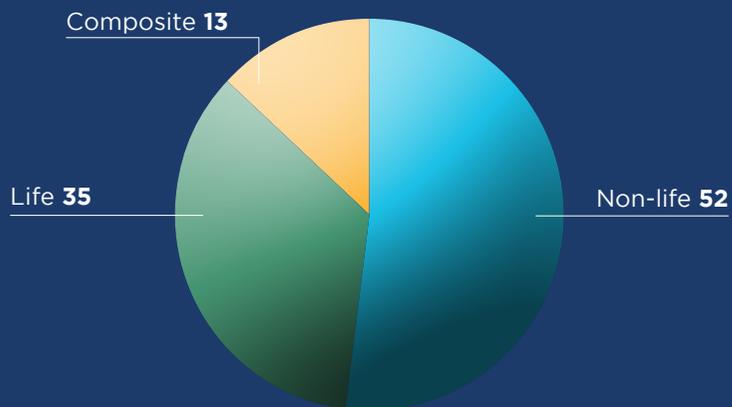
THE ACTIVITIES OF INSURANCE
COMPANIES GUARANTEE
MONETARY RESOURCES FOR
PUBLIC SPENDING FOR NEARLY
35 MILLION EUROS PER DAY

08 THE SOUNDNESS OF THE ITALIAN INSURANCE BUSINESS

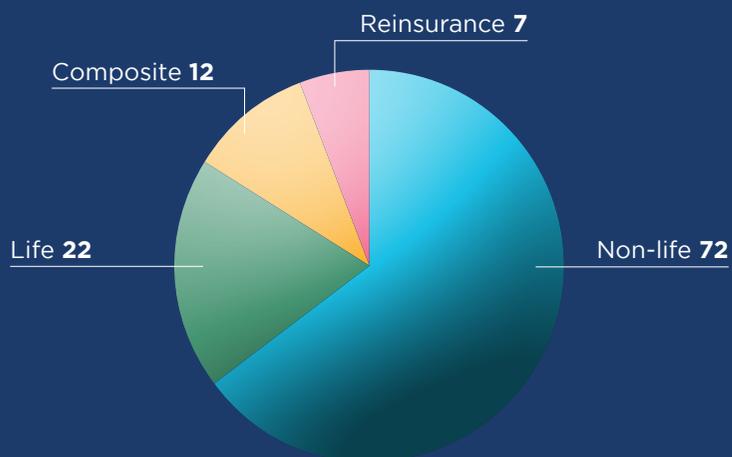
Despite a difficult economic and financial scenario, especially since the serious crisis that began over a decade ago, **Italian insurers managed to maintain satisfactory profitability and excellent capital soundness**. The solvency indicators, with the entry into force of the new Solvency II regime, remained well above the levels of security, in line with the European average. Our market is also very appealing to foreign insurance companies, that are now greater in number than the Italian ones, and includes all the main European insurance groups.



NUMBER OF NATIONAL INSURANCE COMPANIES: 100

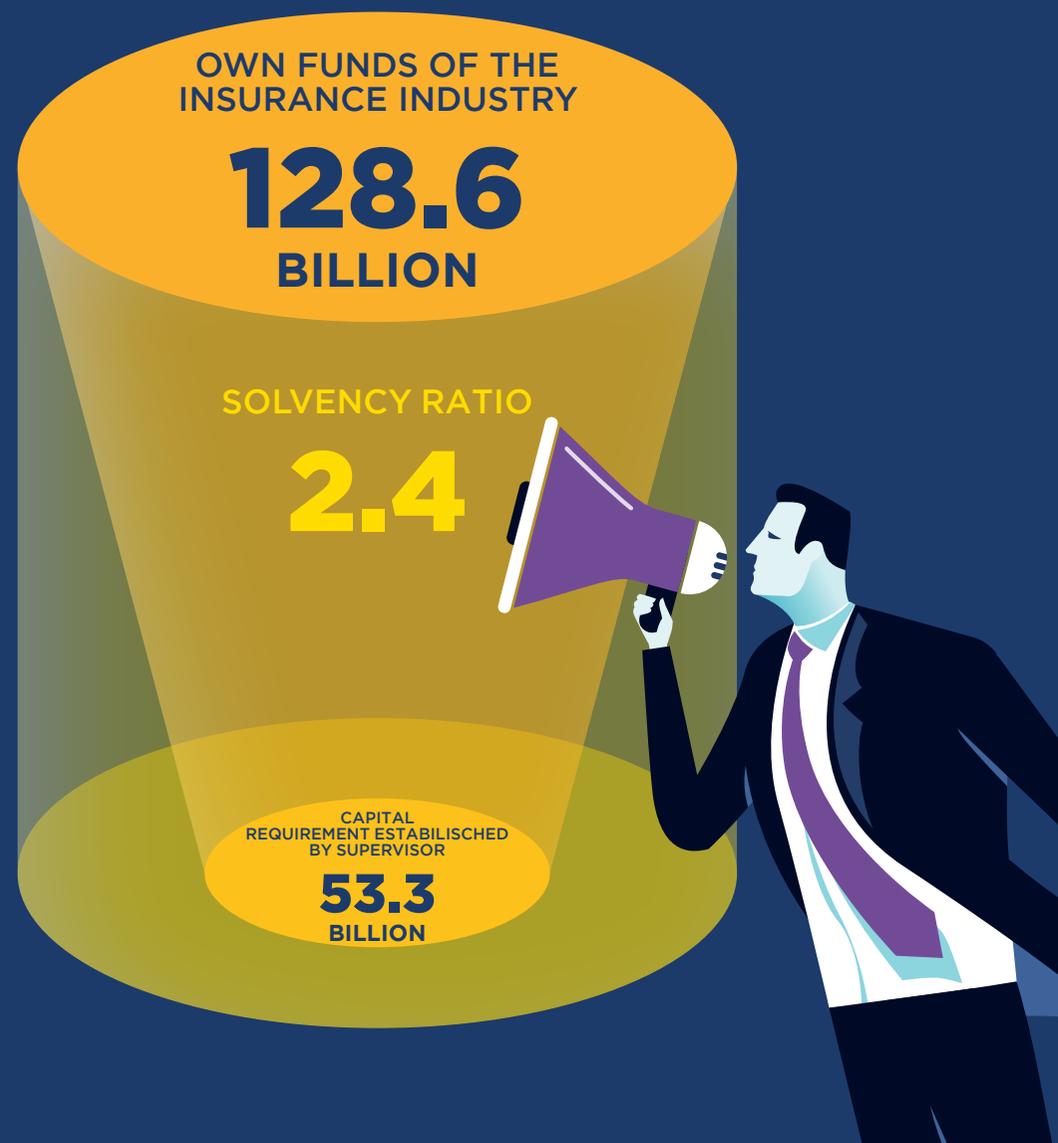


NUMBER OF FOREIGN BRANCHES: 113



SOLVENCY OF THE INSURANCE INDUSTRY

The level of soundness of Italian insurance companies in 2017 is higher than that of most European countries (in particular of France, United Kingdom, the Netherlands, Portugal, Belgium and Ireland).



09 INSURANCE AND THE HUMAN RESOURCES

The insurance sector provides employment to almost 50,000 employees. If we also consider the collaborators, **we employ about 300,000 units**, almost 220,000 belonging to the distribution networks. In particular, the human resources working for insurance companies, in almost stable numbers even in the years of serious crisis, are the ones with the highest percentage of open-ended contracts in comparison to all other sectors.

ACTIVITIES RELATED TO THE SALE OF POLICIES TOTAL HUMAN RESOURCES: 217,000

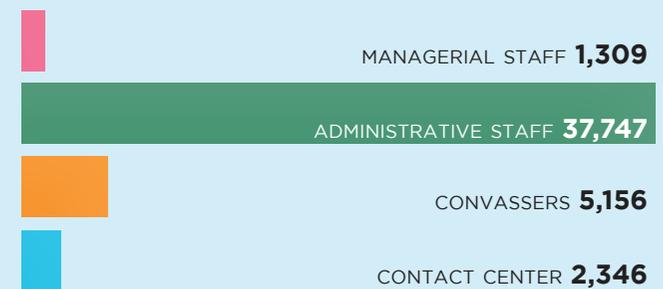


ACTIVITIES RELATED TO THE ASSESSMENT OF DAMAGE TOTAL HUMAN RESOURCES: 40,000

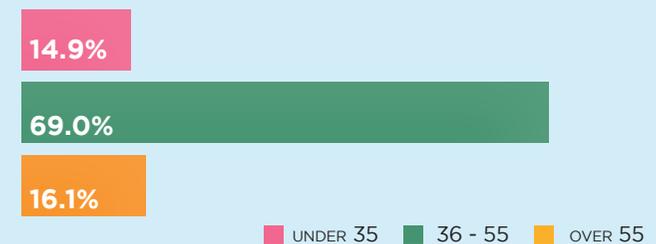
INSURANCE ADJUSTERS, CAR REPAIRERS, EMPLOYEES OF COMPANIES FOR ROAD ACCIDENTS, LAWYERS AND DOCTORS

INSURANCE INDUSTRY EMPLOYEES TOTAL HUMAN RESOURCES: 46,558

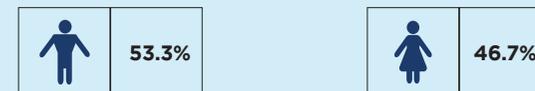
EMPLOYEES (MANAGERIAL AND NON MANAGERIAL) BY COMPETENCIES



EMPLOYEES (MANAGERIAL AND NON MANAGERIAL) BY AGE



EMPLOYEES BY SEX



HOW STABLE EMPLOYMENT IN THE INSURANCE INDUSTRY IS COMPARED TO OTHER SECTORS OF THE LABOUR MARKET

PERCENTAGE OF OPEN-ENDED CONTRACTS

	ECONOMIC SECTORS	
44.6%	AGRICULTURE, FORESTRY, FISHERY	24.9%
87.5%	INDUSTRIES OF WHICH:	86.9%
88.8%	THE INDUSTRIAL SECTOR	86.6%
82.6%	BUILDING CONSTRUCTIONS	91.8%
85.7%	SERVICES OF WHICH:	84.7%
79.2%	TRADE, HOTELS AND RESTAURANTS	75.8%
88.3%	OTHER SERVICES	87.3%
98.0%	OF WHICH THE INSURANCE SECTOR	97.7%
85.0%	TOTAL SECTORS	84.1%

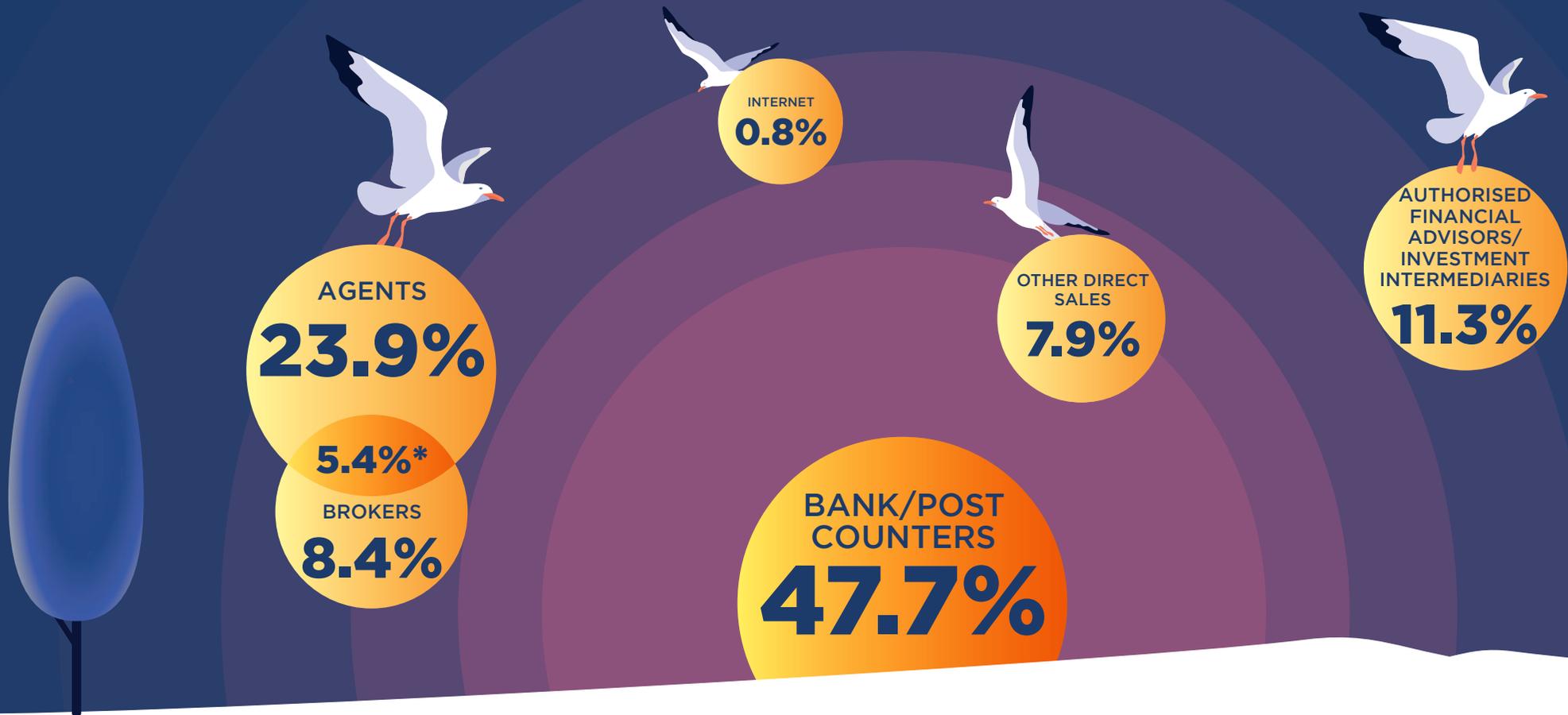
HISTORICAL EVOLUTION OF EMPLOYEES IN THE INSURANCE SECTOR



10 HOW CUSTOMERS PURCHASE AN INSURANCE COVER

An insurance policy can be purchased in many different ways. **For almost no other product or service are there so many offers to bring the customer into contact with the potential insurance cover provider.** Each category of distributor has peculiar characteristics aimed at offering and explaining the types of guarantees to its consumers, thus putting them in a position to choose the covers that are most appropriate and convenient for them.

% BREAKDOWN OF LIFE AND NON LIFE PREMIUMS PER DISTRIBUTION CHANNEL



**Premiums generated by Brokers but presented at agents.*

BREAKDOWN % OF PREMIUMS PER DISTRIBUTION CHANNEL IN THE MAIN SECTORS OF INSURANCE ACTIVITY

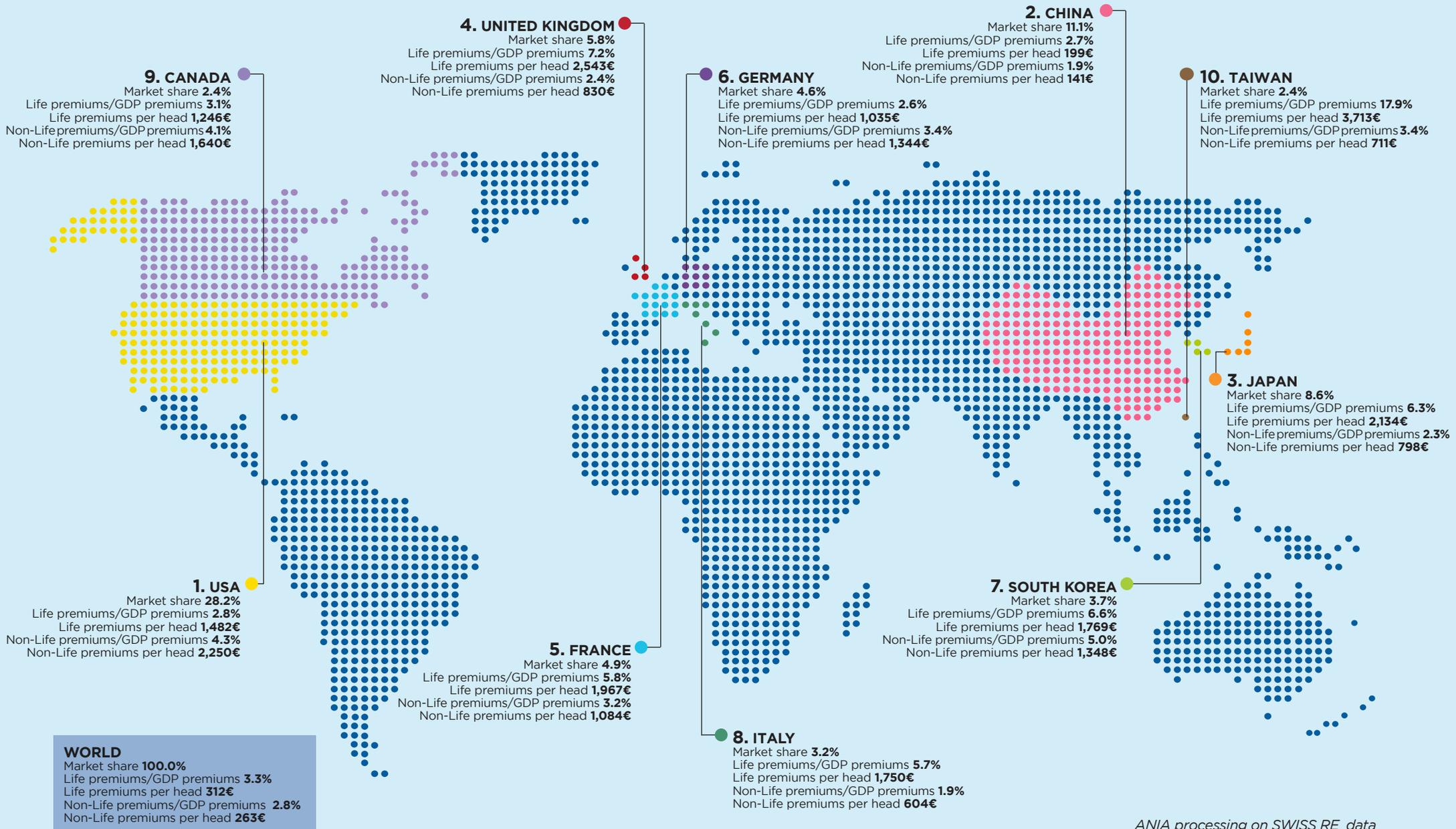


11 INSURANCE WORLDWIDE

The Italian insurance market ranks fourth in Europe and eighth in the world for **premium** collection. In 2017 the total Italian insurance business turnover was equal to **over 130 billion**, accounting for **7.6% of the domestic GDP**.



THE WORLD'S FIRST 10 COUNTRIES PER PREMIUM COLLECTION 11



ANIA processing on SWISS RE data

12 LETTER OF THE PRESIDENT

The idea of creating this publication stems from the fact that, although insurance plays a key role in the economy of a country, most citizens do not often realise the value of the service it offers.

The most common belief is that if you pay a sum of money to cover a risk, sooner or later you will have to have an economic return, and this is the first point I would like to deal with.

Certainly, one of our most important tasks is to protect and compensate for damage and provide direct services when a negative event occurs, such as a theft or a personal accident, or to pay a capital in the event of premature death, but perhaps not everybody knows that insurance provides for protection from the very first day, even when nothing negative happens. The cost of insurance does not only provide us with compensation for any damage suffered, but also provides us with peace of mind. In fact, insurance allows its customers - individuals, households and enterprises - to be able to live and carry out one's own activities without worries, without the thought of what could happen if, for example, the house burned down, if someone got sick or if the company's equipment were to break.

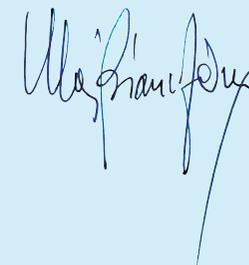
Therefore, even if someone has never reported damage to their company, they nevertheless used the insurance cover to protect and guarantee serenity every single day of their life, besides using most of the times services included in the policy, such as medical check-ups, or expertise in households and companies.

As a second point, I would like to remind that the purchase of an insurance policy by a family or by an enterprise allows to release economic resources that would otherwise be set aside to face potential risks. Vice versa, these economic resources may allow you to have better returns than your savings, to buy new equipment, to improve production or manufacturing technologies or to invest in capital markets, thus contributing to financing growth and creating new jobs.

In conclusion, in this publication you will find all the information needed to better understand the activities of our industry, the level of protection we offer to Italians and the key role insurance plays in our country: from savings protection to citizens' welfare support, from risk protection to investments supporting economic growth.

Maria Bianca Farina

Ania President



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