

allontAniamo  
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rimAniamo  
protetti

edition 2022

Ania

Associazione Nazionale  
fra le Imprese Assicuratrici





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## 01

# THE IMPACT OF WAR ON GLOBAL OUTPUT, FINANCIAL MARKETS AND INSURANCE COMPANIES

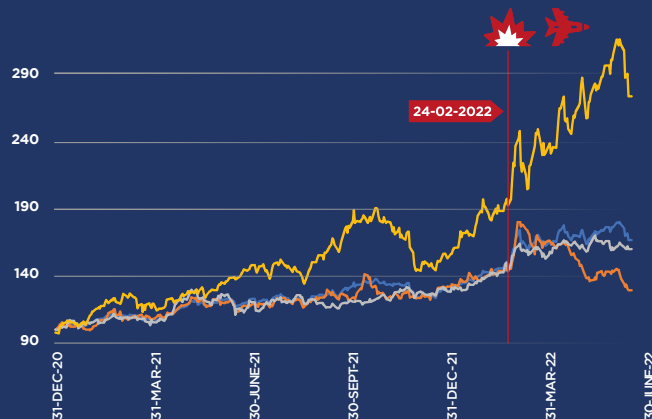


Russia's military aggression against Ukraine - which has been ongoing for several months now, with its tragic toll of human lives and infrastructure damage in the invaded country - is framed in a very critical cyclical phase for the global economy, which has just emerged from the crisis caused by the Covid-19 pandemic. The resilience of the global recovery is dependent on both the uncertainty over the supply of many strategic raw materials, in which the conflict territories are particularly rich, and the increased stress on the global supply chain, already under pressure due to the pandemic. The first effects on the quality of life are already evident, by way of the sudden record upsurge in consumer prices, which has reduced the purchasing power of households and increased the cost of investments for businesses.

## COMMODITIES PRICE INDICES

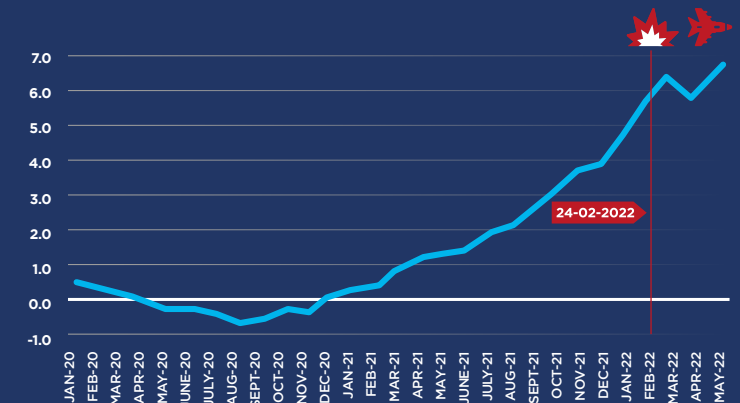
1/1/2021=100  
Source: Refinitiv

GENERAL  
METALS  
AGRICULTURE  
ENERGY



## TREND CHANGE INFLATION INDEX

Source: ISTAT

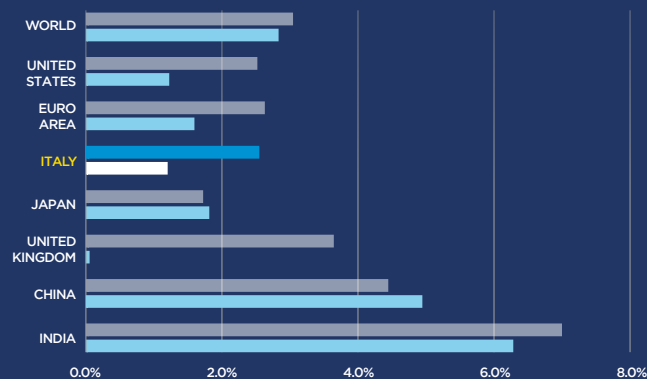


As a consequence, global growth is expected to slow down in the short term, putting off full recovery from the pandemic crisis by at least a year. Also the sudden change in the direction of global monetary policy is expected to weigh on the forecasting scenario, a change enshrined in the cessation of central banks' bond purchase programmes (Quantitative Easing) and in the beginning of the bullish phase in official rates, whose effects are already evident in Government bond yields, which are rising sharply everywhere, but especially in Italy and the United States, with a consequent widening of the spread against German bonds.

## GDP GROWTH FORECAST

Source: OECD

2022  
2023



## GOVERNMENT BONDS

Source: Refinitiv

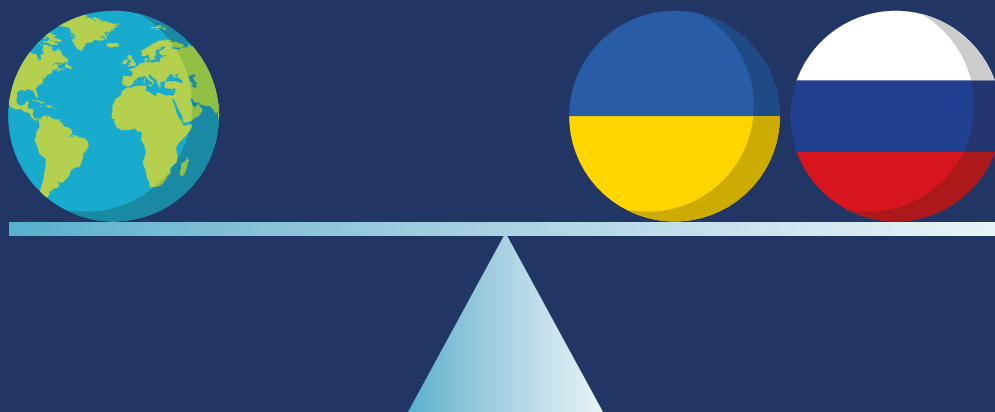
GERMANY  
ITALY  
UNITED STATES  
FRANCE



# THE CONSEQUENCES OF THE CURRENT ECONOMIC ENVIRONMENT FOR INSURANCE COMPANIES

01

The **direct effects** of the conflict in Ukraine will remain generally limited for Italian insurance companies, since they have little exposure in the countries involved in the war. However, fears are related to the **indirect effects** of both the turbulence in the financial markets and the increase in energy and food prices, which will eventually weigh on the general economy and thus, indirectly, on the insurance sector. Moreover, inflation had already entered an upward phase towards the end of 2021, a growth triggered by the restart of the economy after the pandemic restrictions.



## RISKS ASSOCIATED WITH RISING INTEREST RATES

- Drop in market value of fixed-rate bonds (especially Government bonds) that are in the portfolios of insurance companies with an impact on the balance of net capital gains, which is only partly mitigated by the parachute of immobilizations; this also affects the level of Own Funds as defined by Solvency 2 regulations.
- Increased spread volatility for Italian Government bonds, driven by increased projections of future public debt burdens in a rate increase scenario.



## RISKS LINKED TO RISING INFLATION

- Increase in the cost of settlements for the restoration of damage to vehicles, property and individuals in the event of physical injuries.
- Growth in the cost of vehicle spare parts also as a consequence of supply-chain disruption.
- Decrease in the purchasing power of potential (future) policyholders and reduced appeal in underwriting new life policies; possible increase in surrender rates.
- Increasing volatility of Own Funds and Capital Requirement, main factors in determining the Solvency Ratio of insurance companies.



## RISKS LINKED TO CYBER ATTACKS

- Increased risks of cyber-attacks, particularly against countries that have adopted punitive measures against Russia and, therefore, also against insurance companies.
- Higher costs of compensations for insurance companies offering third-party cover against *cyber risk*.



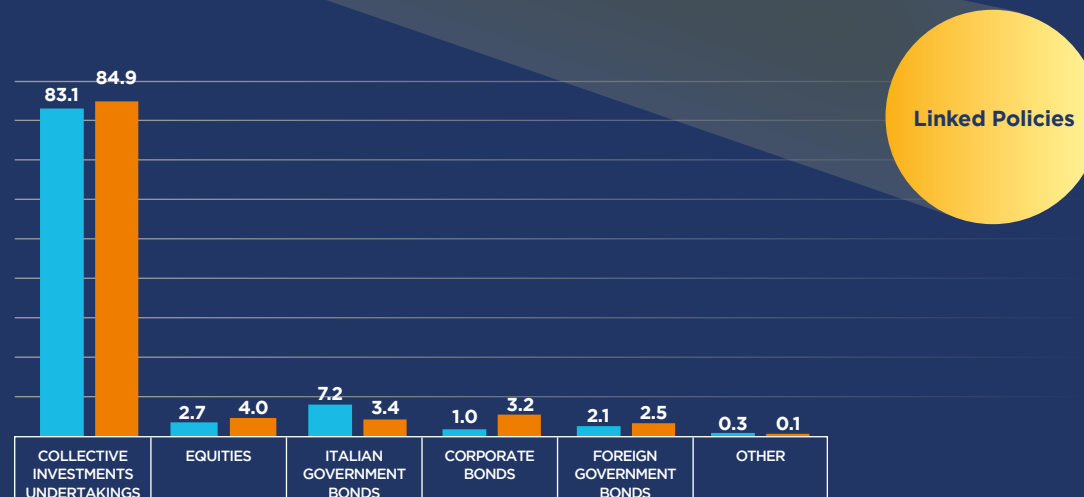
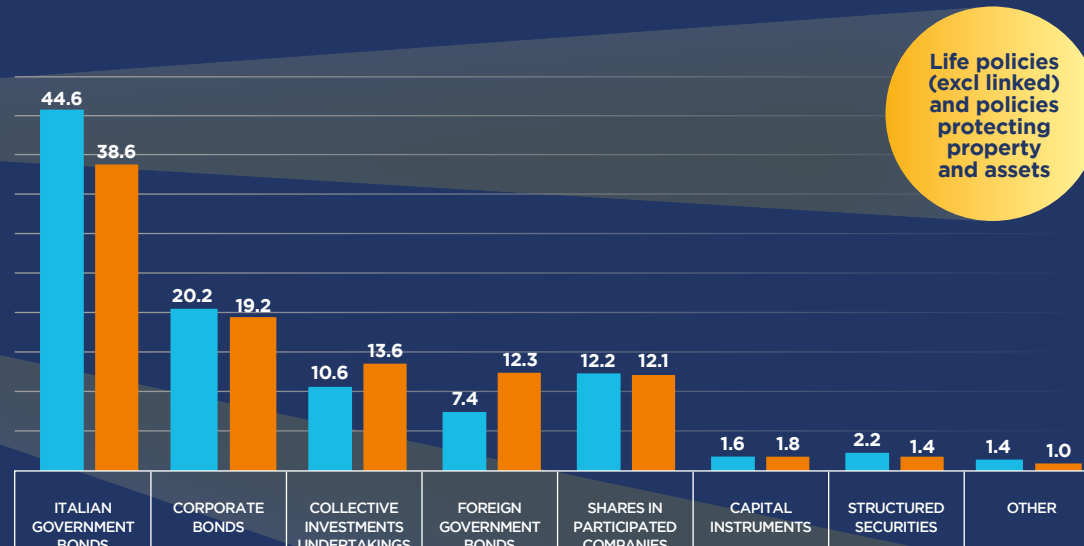
# 02 INSURANCE INVESTMENTS ARE A SUPPORT FOR THE STATE AND A DRIVER FOR THE REAL ECONOMY

INSURERS' INVESTMENTS IN OUR COUNTRY HAVE EXCEEDED 1,045 BILLION, THAT IS, MORE THAN 60% OF GDP

## INSURANCE INVESTMENTS

	2017	2021
LIFE POLICIES (EXCL. LINKED) AND POLICIES PROTECTING PROPERTY AND ASSETS	€ 697 BLN	€ 811 BLN
LINKED POLICIES	€ 154 BLN	€ 233 BLN
TOTAL INVESTMENTS	€ 851 BLN	€ 1,044 BLN
AVERAGE DURATION OF INVESTMENTS		
ITALIAN GOVERNMENT BONDS	6 YEARS AND 10 MONTHS	8 YEARS AND 1 MONTH
CORPORATE BONDS	5 YEARS AND 2 MONTHS	5 YEARS AND 5 MONTHS
FOREIGN GOVERNMENT BONDS	9 YEARS AND 1 MONTH	12 YEARS

## % COMPOSITION OF INVESTMENTS

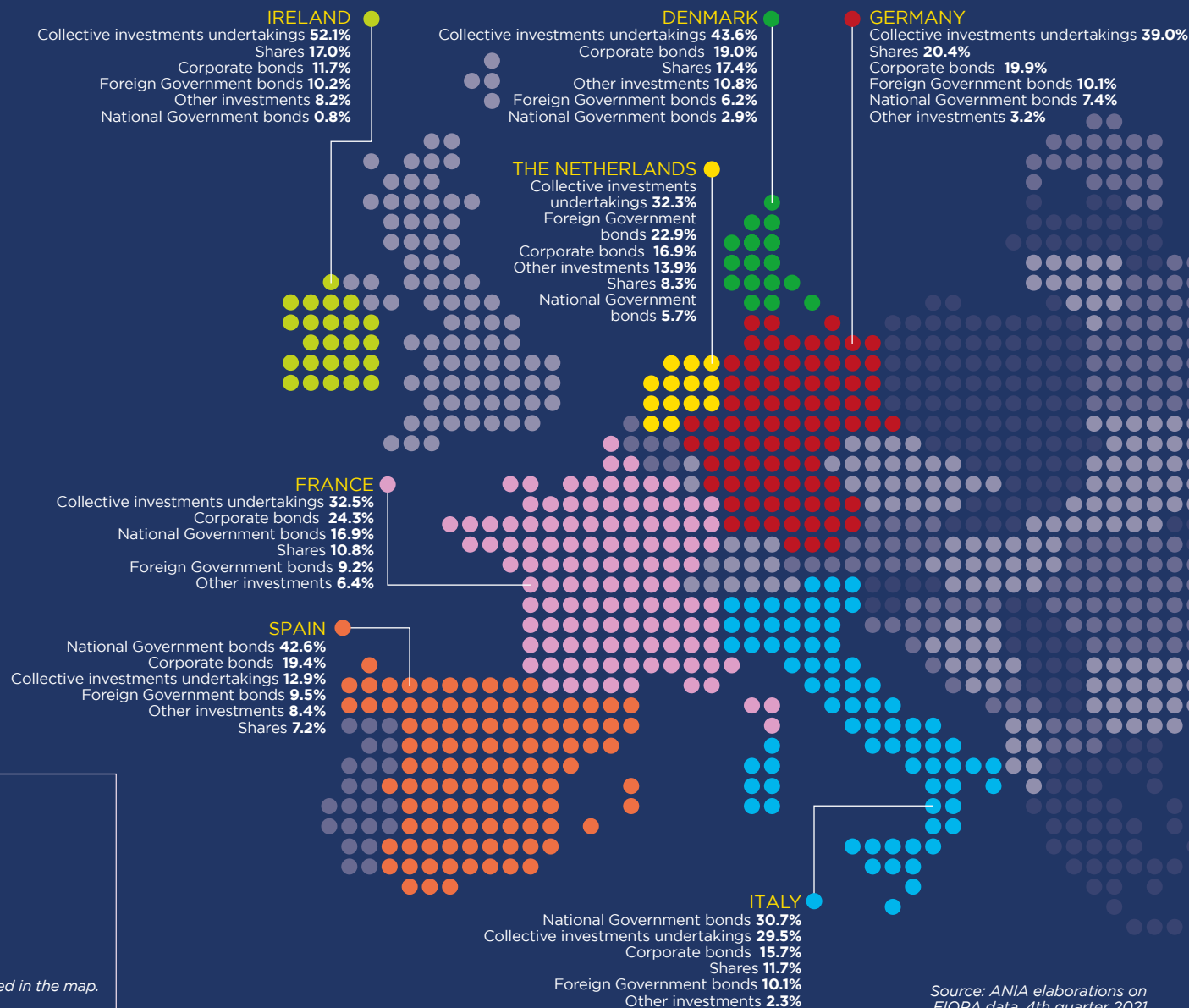


# COMPARISON BETWEEN THE DIFFERENT TYPES OF INSURANCE INVESTMENTS IN EUROPE

02

As a result of the prudential and long-term investments that must be made by insurance companies to guarantee savings entrusted to them, insurance companies convey a significant part of these resources by purchasing Government bonds, mainly Italian; the insurance sector thus supports public debt even in times of severe crisis and during the acute phases of turmoil in the financial markets. In 2021 investments made by Italian insurance companies in Government bonds amounted to more than **427 billion**, about **321 billion** of which refer to **Italian sovereign debt**. The incidence of this type of investment is far higher in **Italy, where it equals to more than 30%**, than it is on average in **Europe (14%)**.

Moreover, as a consequence of a new regulatory framework that fosters innovative investments, the insurance industry is increasing the share of resources destined both to supporting the real economy (with the financing of non-financial companies) and to supporting infrastructure projects, with the aim of promoting a sustainable development of the economy.



Source: ANIA elaborations on EIOPA data, 4th quarter 2021

# 03 INTEGRATING ESG FACTORS FOR THE INSURANCE INDUSTRY

The insurance sector, by virtue of its dual role as institutional investor on the one hand and provider of insurance coverage on the other, is one of the key players in promoting a sustainable economic transition and can make a decisive contribution both to the **Sustainable Development Goals** set by the UN in the 2030 Agenda and to the European objective of achieving climate neutrality by 2050. Sustainability must be interpreted in its broadest sense, covering **Environmental, Social and Governance aspects** (the so-called “ESG” factors), following a holistic approach, with a governance system appropriately integrating sustainability into all corporate operations, from investment strategies to underwriting policies, from risk management to reporting.

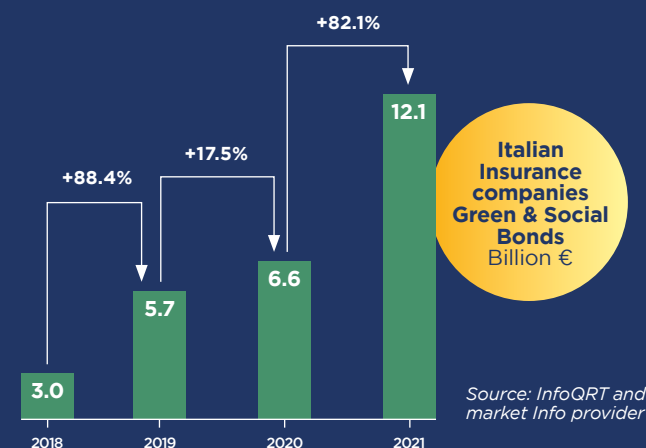
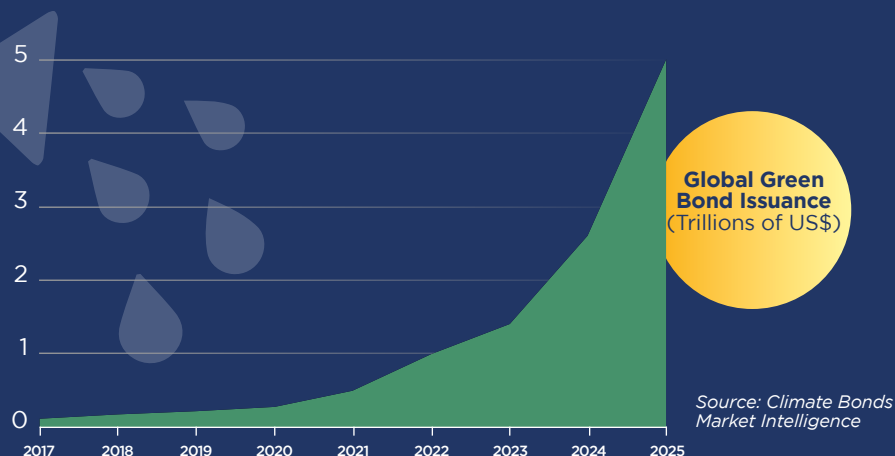


## ENVIRONMENTAL

**Green Bonds** are bonds whose issuance is linked to projects that have a **positive impact on the environment**, such as energy efficiency, clean energy production, and sustainable land use. Globally, **Green Bond issuances in 2021 amounted to \$517 billion**, a growth of more than **60% compared to 2020**, and have **quintupled in the last five years**. In September 2021 the European Commission announced that it will issue around € 250 billion of Green Bonds until 2026, i.e. 30% of the financing needs of the Next Generation EU.

In our country, insurance companies are playing their part, directing part of the investments in their portfolios into this type of asset: **at the end of 2021, Green & Social Bonds** amounted to **over € 12 billion** and the growth recorded in the last year has almost doubled their exposure.

In a fairly short time frame, the development of **Green Bonds** will become exponential and already by 2025, **new global emissions are estimated at around US \$ 5 trillion**.

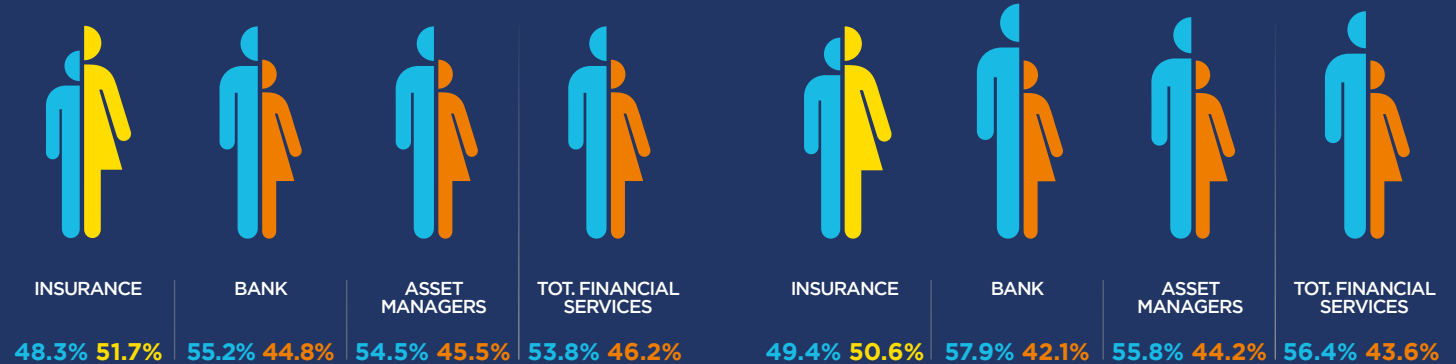






## SOCIAL

The insurance sector also takes the **social** aspects related to **gender equality** into high consideration, by encouraging the recruitment of women and maintaining a balance between men and women in terms of turnover.



### RECRUITMENT IN FINANCIAL SERVICES



Among the various Financial Services, the insurance sector has **the highest percentage of female employees recruitments**.

Source: valore<sup>9</sup>, Assogestioni (2021 data)

### TURNOVER IN FINANCIAL SERVICES

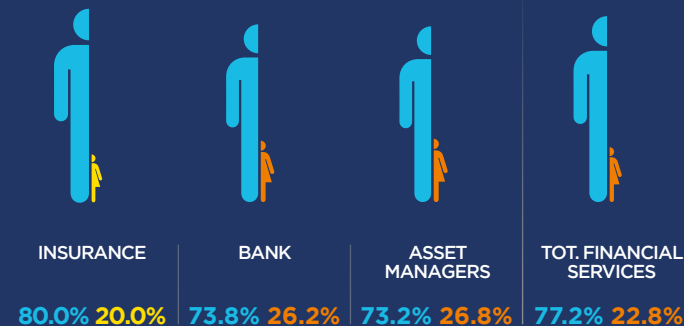
Also in terms of turnover (sum of entries and exits), the insurance sector is characterised by a **greater balance between men and women**.

Source: valore<sup>9</sup>, Assogestioni (2021 data)



## GOVERNANCE

In the field of **governance** and **diversity** in top management, insurance companies see a **presence of women on their boards of directors (BoDs) in line with the average for all financial services**, and the **proportion of women in management positions is on the increase**.



### THE BoDs IN FINANCIAL SERVICES

Women are present on the Boards of Directors of insurance companies in a proportion only **slightly lower than the overall average for all Financial Services**.

Source: valore<sup>9</sup>, Assogestioni;  
For the Insurance sector Indagine retributiva ANIA (2021 data)

The proportion of **women in management positions in insurance companies increased by almost 10 percentage points between 2011 and 2021**, and today female managers account for more than one-fifth of the total.

# 04 LIFE INSURANCE

Life insurance plays a dual role: on the one hand, it represents an alternative saving tool through which families invest their savings and accumulate capital and, on the other hand, it constitutes a real umbrella of protection against adverse financial consequences resulting from events connected with human life, such as interrupting income streams due to the premature death of a family member or to the survival beyond one's financial means.

**Insurance companies offer multiple Life insurance products that respond to different savings or security issues and that are often related to the different stages of an individual's active life:** for example, at the beginning of a career it is easier to accept a higher volatility in exchange for higher yields on average, and also, with the growth of the family, it is preferable to opt for products with a higher guaranteed yield, accepting lower interest rates.

## TERM LIFE INSURANCE POLICIES

**Fiscal benefits:**  
Premiums are deductible for 19% up to a limit of 530 euros. In the event of death of the insured, the benefits provided are exempt from the inheritance tax.

**Possibility of terminating the contract early:** NO

**Guaranteed yield:** NO



## LONG TERM CARE INSURANCE POLICIES

**Fiscal benefits:**  
Premiums are deductible for 19% up to a limit of 1,291 euros. In the event of death of the insured, the benefits paid do not constitute taxable income.

**Possibility of terminating the contract early:** NO

**Guaranteed yield:** YES



## INDIVIDUAL AND COLLECTIVE SUPPLEMENTARY PENSION SCHEMES

**Fiscal benefits:** premiums paid reduce taxable income in the limit of 5,164 euros. The benefits provided are taxed at a favorable rate of 15%.

**Possibility of terminating the contract early:** YES, only for certain particular cases (unemployment, permanent disability, loss of participation requirements, etc.).

**Guaranteed yield:** there may be a guaranteed yield.



## UNIT-LINKED POLICIES

**Fiscal benefits:**  
In the event of death of the insured, the benefits provided are exempt from the inheritance tax.

**Possibility of terminating the contract early:** YES

**Guaranteed yield:** NO



## WITH PROFIT LIFE INSURANCE POLICIES

**Fiscal benefits:**  
In the event of death of the insured, the benefits paid are exempt from the inheritance tax.

**Possibility of terminating the contract early:** YES

**Guaranteed yield:** YES, a guaranteed yield is expected, recognized year by year or at termination of the contract.



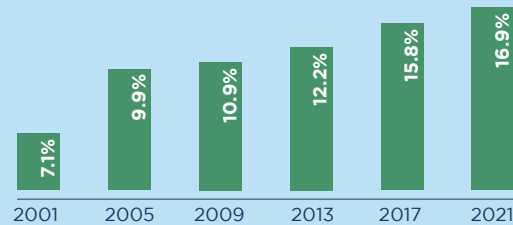
**MORE THAN  
€852  
BILLION**

Source: ANIA elaborations

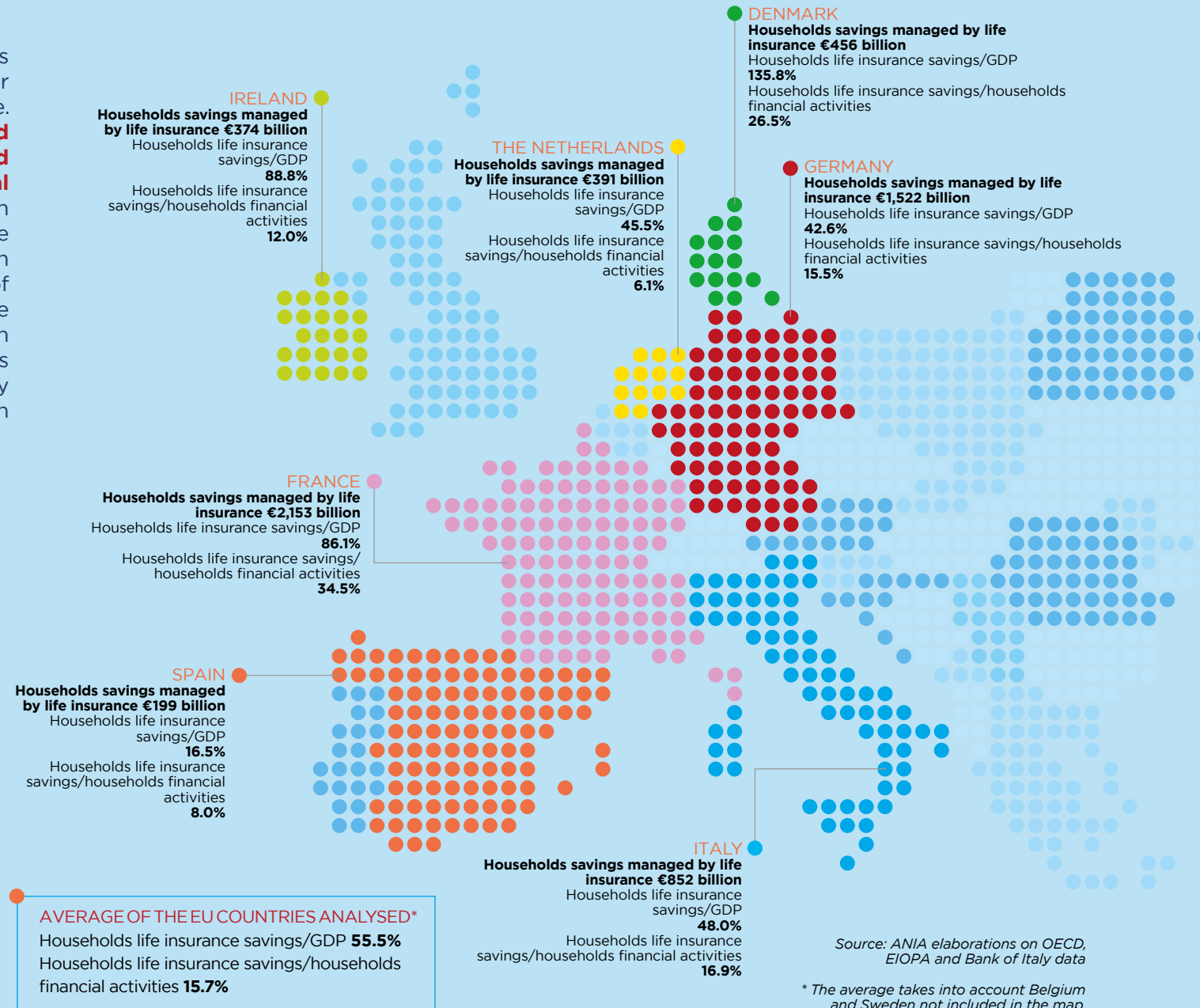
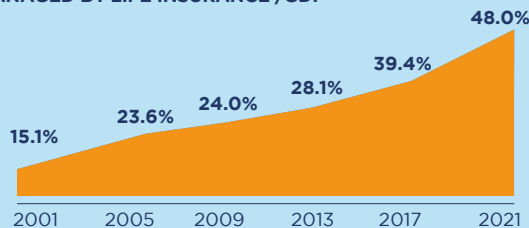
# DIFFUSION OF LIFE INSURANCE: A EUROPEAN COMPARISON 04

The weight of life insurance in Italy continues to grow, even though there is ample room for further development if compared to Europe. **Life insurance companies in Italy managed savings of more than 850 billion in 2021 and these represented 17% of household financial assets** (15.7% is the average of the European countries highlighted); in relation to GDP there was an incidence of more than 50% (55.5% in the European average). In particular, the field of supplementary pension plans should be more developed and encouraged in Italy, adhesion could be boosted by clearly informing citizens about their public pension expectancy and by rendering the supplementary system more open and flexible.

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



INCIDENCE OF HOUSEHOLDS SAVINGS MANAGED BY LIFE INSURANCE /GDP



Source: ANIA elaborations on OECD, EIOPA and Bank of Italy data

\* The average takes into account Belgium and Sweden not included in the map.

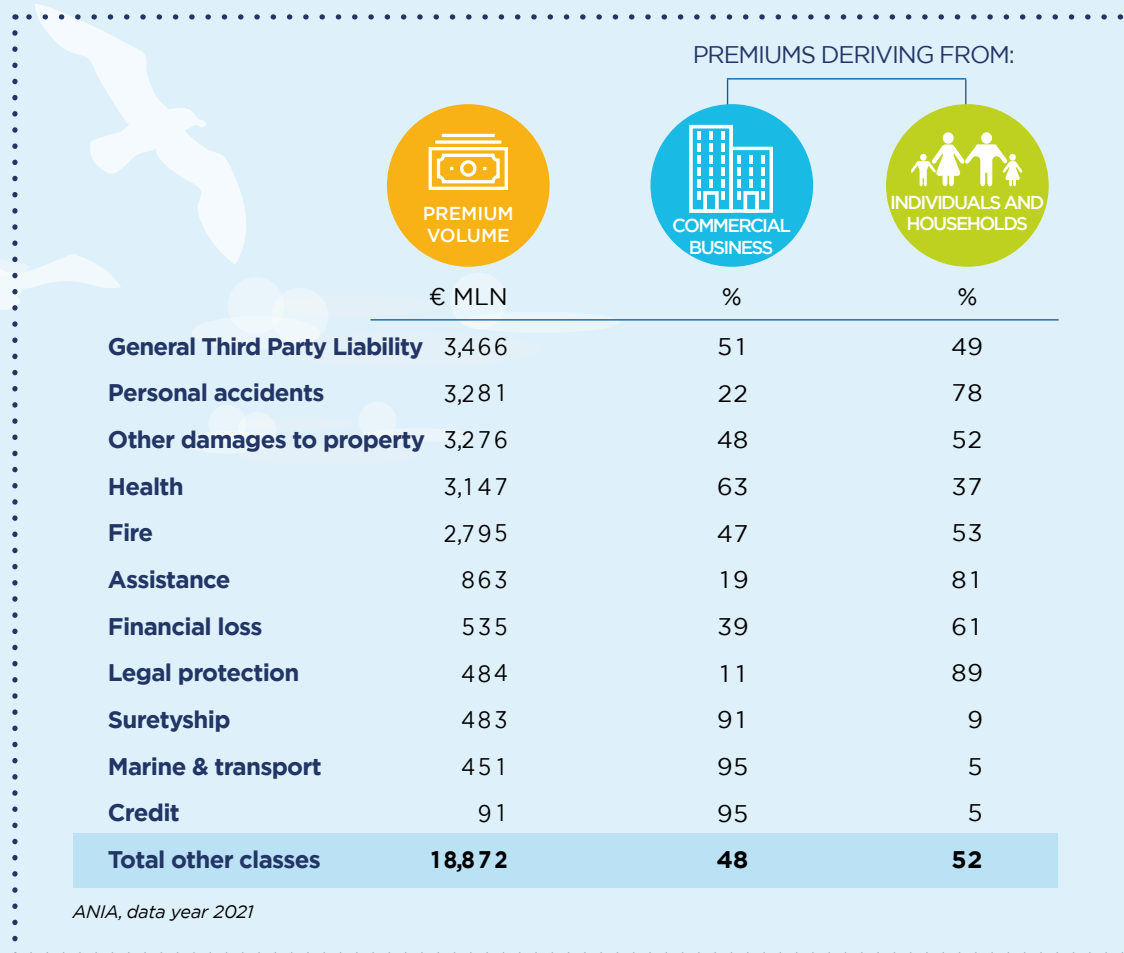
# 05 INSURANCE PROTECTING PROPERTIES AND CAPITALS

The fundamental aim of insurance protecting properties and capitals is to protect companies and households against unpredictable events with financial implications that could be significant to the point of leading to the interruption of a company's productive activity or to put a family in a situation of serious economic hardship. In this sector, **it is estimated that in Italy half of the total premium income comes from insurance coverage for companies and the other half from coverage for individuals and households**, but the percentages between the various lines of activities are very different. There are many forms of guarantees offered by insurance companies to their customers.

**Insurance to protect property or capitals:** it guarantees the compensation for damage that affects a fixed property or set of properties. This includes, for example, fire insurance (for the home, or for a company), theft insurance (for assets in private homes or in commercial or public activities), insurance to protect properties against unpredictable events (damage to machinery and industrial plants) or against natural events (such as hail and natural disasters);

**Personal insurance:** it guarantees compensation for damage to the person resulting from physical injury (accident) or illness, which causes death, permanent disability or temporary disability;

**Insurance on capitals:** the insured protects himself against the risk of occurrence of a debt for damages unintentionally caused to third parties. The evolution of economic life gives constantly rise to new types of liability, which in turn give life to the need for previously unknown coverings, just think of the responsibilities of hospitals, building manufacturers, producers, company administrators.



# INSURANCE COVERAGE LEVEL FOR SMALL AND MEDIUM-SIZED ENTERPRISES 05

In Italy, **micro and small-medium enterprises (SMEs)**, i.e. those with up to 250 employees, **represent 99.6% of the total number of enterprises operating throughout the country, accounting for over 70% both in terms of the country's total turnover and the number of workers employed.** For this reason, SMEs are considered the real bearing structure of the Italian production system.

Italian SMEs are characterised by a low aversion to risk, have a lower risk awareness than the average European companies, and **almost 40% of them have not taken out insurance to protect their business.**

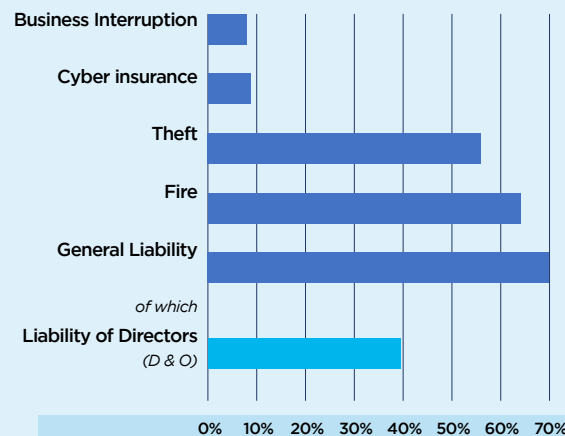
According to a recent survey<sup>1</sup>, **the average annual expenditure of Italian SMEs on insurance coverage compared to the rest of the world is at the lowest level: €14,000 compared to an international average of almost €23,000**, and for some types of risk the percentage of companies that say they have purchased insurance coverage is indeed limited<sup>2</sup>, as in the case of business interruption and cyber risk.

Average annual expenditure for insurance coverage

Ranking	Country	Average expenditure €
1	Ireland	27,463
2	China	26,813
3	Australia	26,626
4	Denmark	25,379
5	U.S.A.	25,347
6	Switzerland	24,855
7	Canada	22,832
8	Sweden	22,203
9	Japan	21,951
10	United Kingdom	21,560
11	Belgium	20,379
12	France	18,791
13	Norway	18,181
14	<b>Italy</b>	<b>14,013</b>
	<b>Overall average</b>	<b>22,600</b>

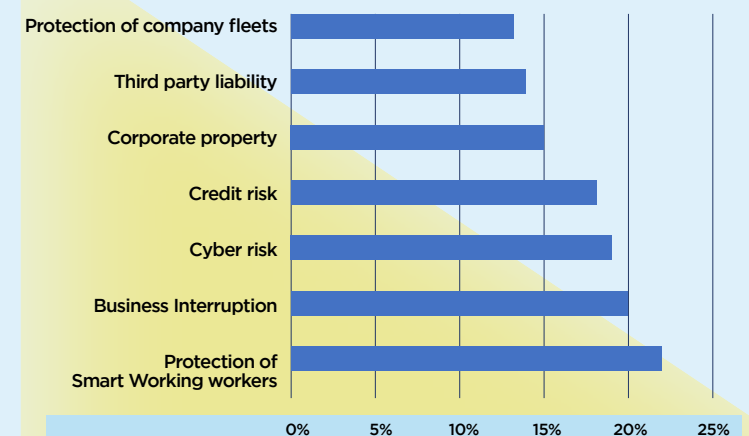
Note<sup>(1)</sup>: Source Deloitte - Il futuro delle assicurazioni per le PMI dopo la pandemia

coverage % of SMEs for lines of business



Note<sup>(2)</sup>: "Nomisma per Crif - SME Business Longevity"

The different types of insurance that in terms of future acquisitions will be the most popular



Note<sup>(1)</sup>: Source Deloitte - Il futuro delle assicurazioni per le PMI dopo la pandemia

TO TRY TO REDUCE THE **PROTECTION GAP** ISSUE, THE INSURANCE INDUSTRY IS FOCUSING ON SEVERAL STRATEGIC APPROACHES:

**1** Offering advanced products in the light of new needs that emerged, for example, during the pandemic and that are now being felt more urgently in the light of the current context, as the need to protect one's business from the possible economic repercussions of the complex international geo-political scenario is increasingly evident.

**2** Show an openness and evolution in the risk selection and pricing process that provides for 'tailor-made' quotations, applying appropriate pricing to the right potential risk, so that the price can also be modified during the course of the year (e.g. as the number of employees, customers, turnover value changes).

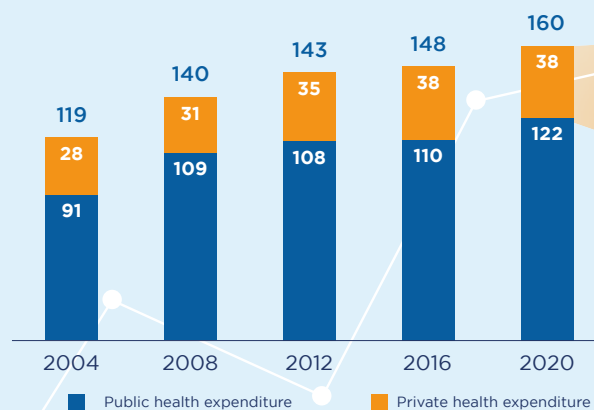
**3** Resorting to digital in the pre-sales and post-sales phases and showing openness towards 'non-traditional' operators, while keeping the physical channel central in the purchase phase. A key focus will be on the increased digitisation of intermediaries to ensure more immediate customer interaction.

## 06 PROTECTION GAP IN THE FIELD OF HEALTH INSURANCE

One of the most significant items of cost in the Italian Government budget derives from **health expenditure which in 2020 in Italy reached 122 billion (7.4% of GDP)** and whose cost is destined to increase (it was about 5% of the GDP twenty years ago), mainly due to the aging of the population and the increase in chronic degenerative diseases. In this context, the health expenditure that individuals and families support privately grows constantly and now amounts to 38 billion. The lack of insurance cover for medical care is evident if you think that just 8% of these private costs are attributable to insurance and 2.6% to funds and private healthcare. **The remaining part, 34 billion (almost 90%), is paid each year by Italian households out of their own pockets** and this makes them more fragile and exposed to unexpected disbursements which, in some cases, become unsustainable.

### THE EVOLUTION OF HEALTH EXPENDITURE IN ITALY

BILLIONS OF EUROS



### HOW IS PRIVATE HEALTH EXPENDITURE FINANCED IN ITALY

Out of pocket **89.1%**

Corporate funds **1.7%**

Health funds **0.9%**

Private insurance **8.3%**



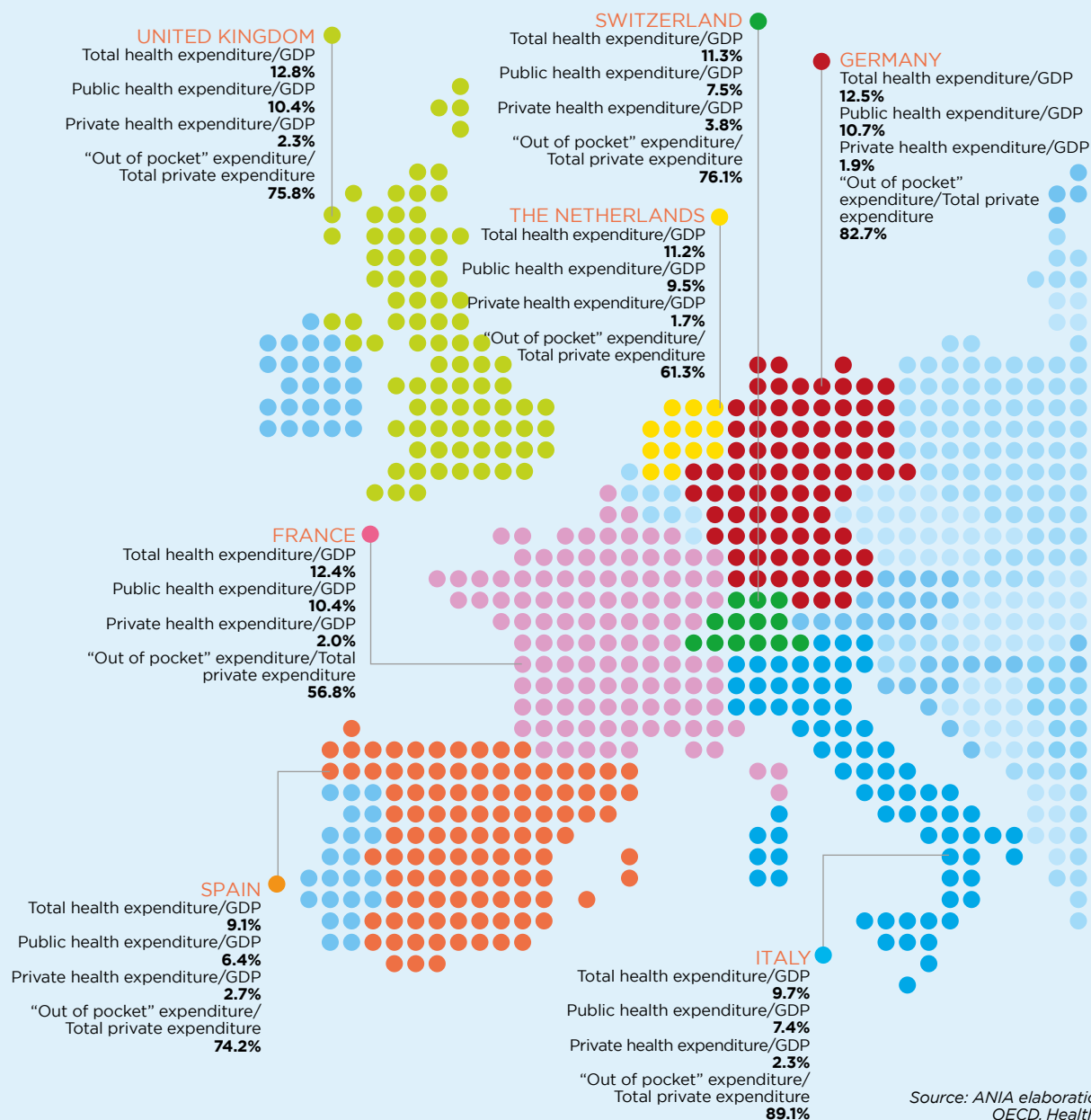
# HEALTH EXPENDITURE: A EUROPEAN COMPARISON 06

In the European comparison, Italy appears to be the country with the highest incidence of families **using their savings** (90% compared to an average of 74%) **to cope with medical care and expenses**.

This aspect is socially unjust, because it forces people to choose between paying (when they are in a position to do so) or, more serious still, renouncing to medical treatments when they are more fragile. It would be profitable to study a new welfare model that best combines public and private resources, with a broader role assigned to complementary health care which, **based on a mutuality principle, typical of insurance**, would ensure greater equality for citizens and higher levels of protection for patients.

## AVERAGE OF THE EU COUNTRIES ANALYSED

Total health expenditure/GDP **11.3%**  
Public health expenditure/GDP **8.9%**  
Private health expenditure/GDP **2.4%**  
"Out of pocket" expenditure/Total private expenditure **73.7%**



Source: ANIA elaborations on data  
OECD, Health Data 2021

# 07 MOTOR THIRD PARTY LIABILITY INSURANCE: EXOGENOUS FACTORS INFLUENCING THE NUMBER OF ROAD ACCIDENTS

With around **40 million vehicles** covered by compulsory motor third-party liability (MTPL), insurance companies handle around **2 million accidents per year** in our country. But in 2020, the effects of the pandemic had an immediate impact on mobility (due to the many restrictions imposed on citizens) and, therefore, on the number of road accidents: from about 2.4 million accidents recorded in average in the years going from 2017 to 2019, to 1.6 million in 2020. The consequences for mobility continued to some extent in 2021: accidents, in number of 1.9 million, clearly increased but have not yet returned to pre-pandemic values; this is because 2021 was still influenced by partial traffic restrictions but, above all, because it is now established that a percentage of workers will continue to work from home, the use of public transport/private vehicles has undergone changes, and the use of free time use (e.g. cinemas and theatres) has changed. **In 2022, structural changes in citizens' habits are being compounded by an extraordinary increase in the price of fuel (which reduces road traffic), so it is estimated that accidents will remain at the same level as in 2021.**

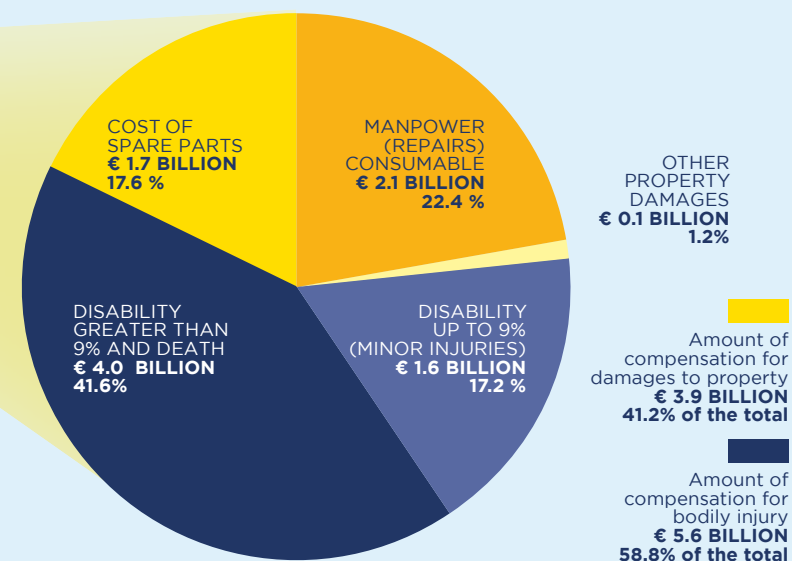
However, the benefit of a lower accident rate will be offset by a considerable increase in average compensation payments, which started in 2020 and will continue in the current year. The negative economic consequences of the war is expected to contribute, in fact, to a sharp rise in inflation, which would explain the increase in 2022 in both the average cost of repairing vehicles and compensation for bodily injuries (minor, serious and fatal) suffered by people involved in accidents.

## MTPL COMPENSATIONS

	AVERAGE OF THE THREE-YEAR PERIOD 2017-2019	2020	2021	2022 (ESTIMATED VALUES)
Number of accidents handled by insurance companies	2.4 MLN	1.6 MLN	1.9 MLN	1.9 MLN
Total cost of settlements made by insurance companies (*)	10.7 € BLN	8.5 € BLN	9.5 € BLN	10.1 € BLN
Average cost of settlements made by insurance companies	4,540 €	5,200 €	4,990 €	5,250 €
OF WHICH for vehicle repairs	2,060 €	2,390 €	2,400 €	2,500 €
OF WHICH for minor bodily injuries	5,890 €	6,240 €	6,360 €	6,750 €
OF WHICH for injuries and fatal bodily injuries	228,100 €	259,800 €	245,700 €	252,500 €

\* Cost of claims for accidents occurred during the year, including the cost of those reported late

The increase in the individual items of average claims costs will bring the overall volume of settlement almost in line with the value recorded in the three-year period 2017-2019: in 2022 the total cost is expected to be 10.1 billion, slightly less than the 10.7 billion recorded in the three-year period prior to the pandemic.





## REDUCTION IN THE GAP BETWEEN AVERAGE MTPL PREMIUMS WITH EUROPE 07

After almost ten years of continuous and constant gap between average Italian premiums and premiums of the other main European countries for MTPL insurance, in 2021 there was a substantial stability (equal to 47 euros as at the end of 2020).

It should be noted, however, that Italian policies on average in the years 2008 to 2012 were euros 213 more expensive than the average in Germany, France, Spain and the United Kingdom, and that the gap has steadily and progressively narrowed over the years until it reached its minimum value in 2021.

### GAP IN THE AVERAGE MTPL PREMIUM IN ITALY COMPARED WITH THE MAIN EUROPEAN COUNTRIES

MTPL AVERAGE PRICES  
(PREMIUMS AND TAXES TOTAL DIVIDED BY THE NUMBER OF INSURED VEHICLES)

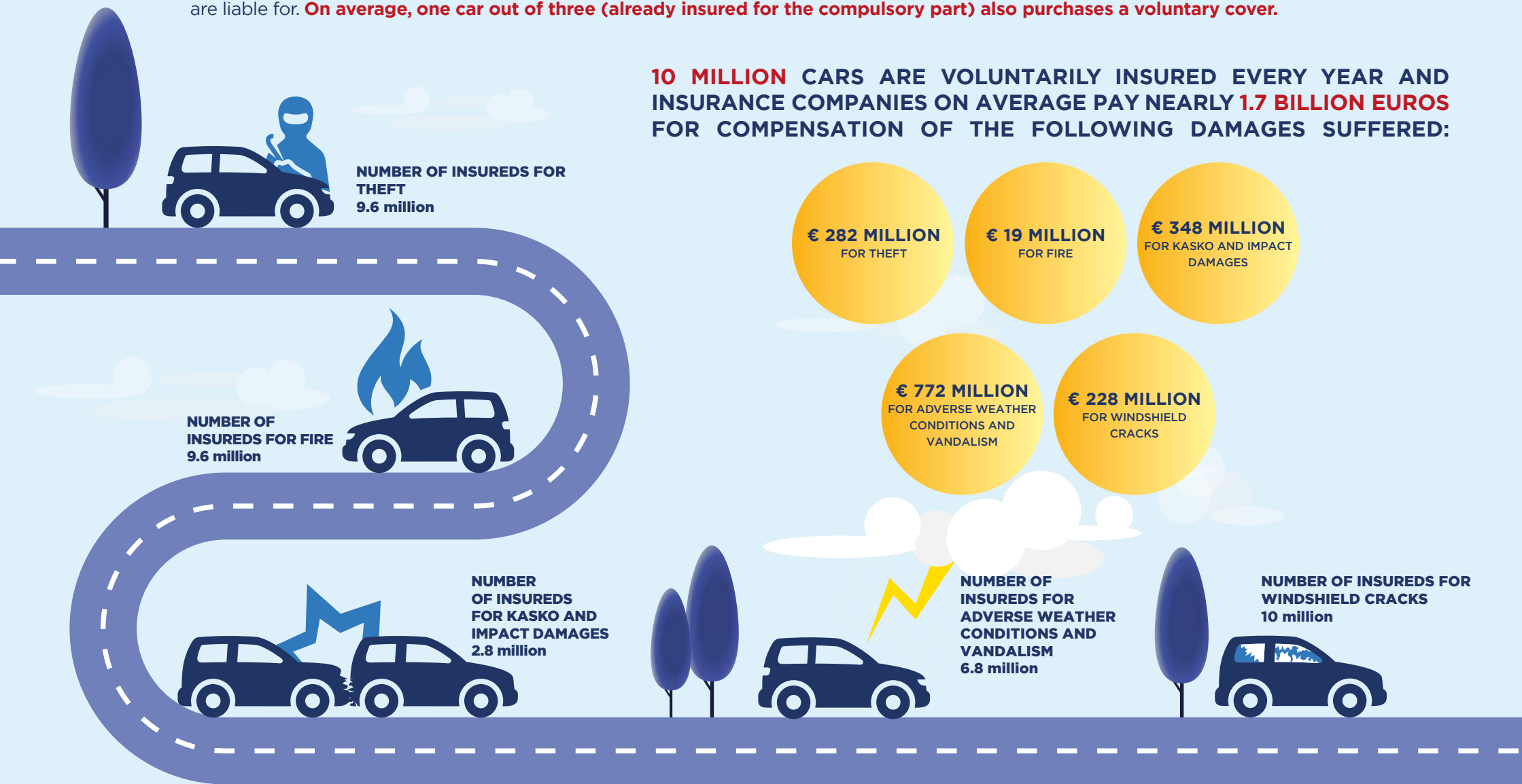


1. Considering Germany, France, Spain and United Kingdom

## 08 MOTOR INSURANCE FOR ACCESSORY GUARANTEES

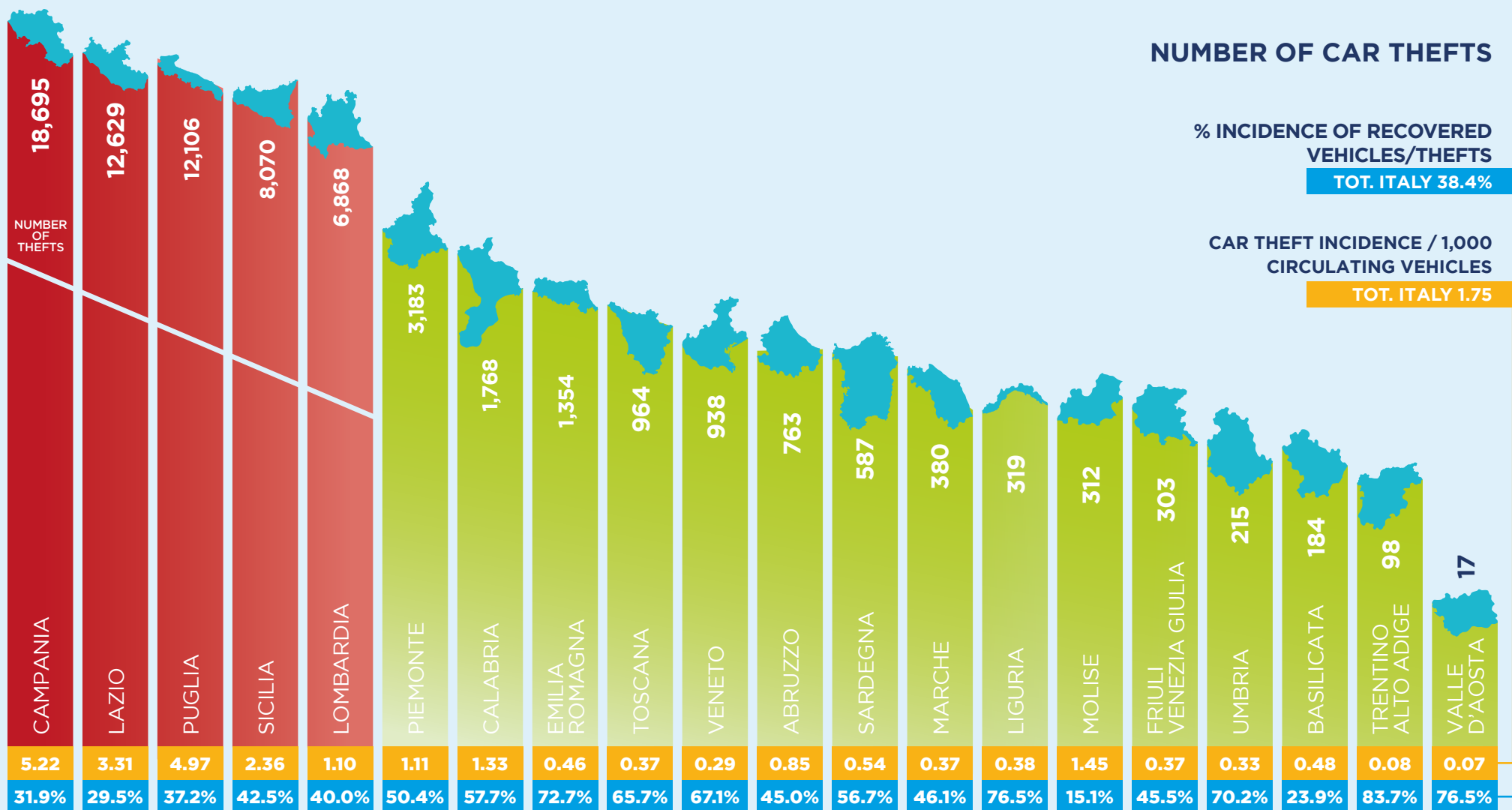
**M**otor insurance is not exclusively compulsory. There are many guarantees that are purchased on a voluntary basis to protect one's own vehicles in case of theft, fire, damages arising from adverse weather conditions or vandalism, windshield cracks or impact damages (kasko) for which people are liable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

**10 MILLION CARS ARE VOLUNTARILY INSURED EVERY YEAR AND INSURANCE COMPANIES ON AVERAGE PAY NEARLY 1.7 BILLION EUROS FOR COMPENSATION OF THE FOLLOWING DAMAGES SUFFERED:**



# CAR THEFTS IN ITALY 08

In Italy car thefts numbers vary strongly at territorial level: the regions of Southern Italy have the highest incidence values with respect to the number of vehicles circulating and are also those where the percentage of recovered vehicles is the lowest. High values of thefts with respect to the number of vehicles circulating (and a reduced incidence of recovered vehicles) are also recorded in Lazio.



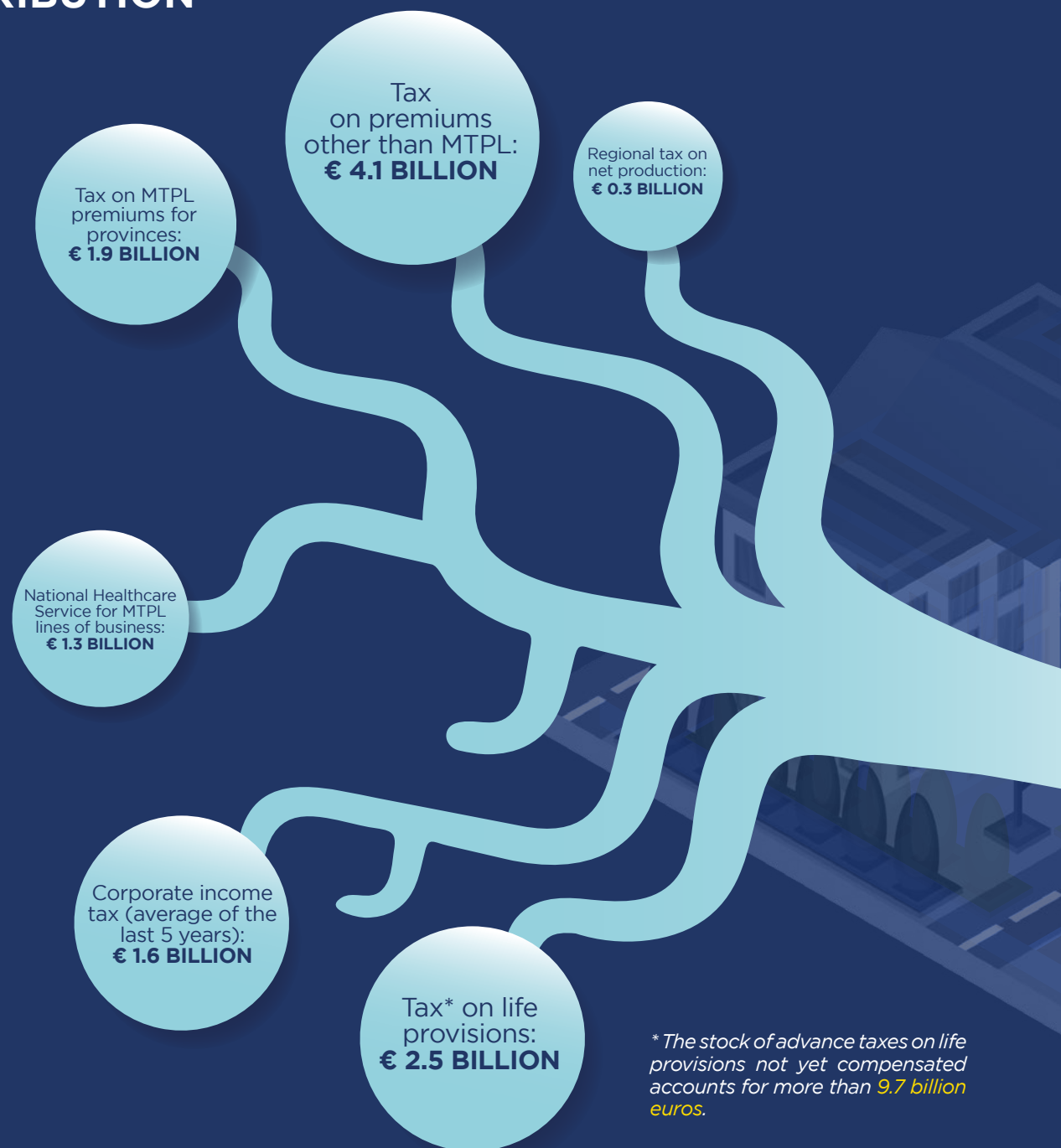
Source: Italian Ministry of the Interior - 2021 data are operational and not consolidated

## 09 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 **11.7 billion** euros per year to State coffers.



*\* The stock of advance taxes on life provisions not yet compensated accounts for more than **9.7 billion** euros.*

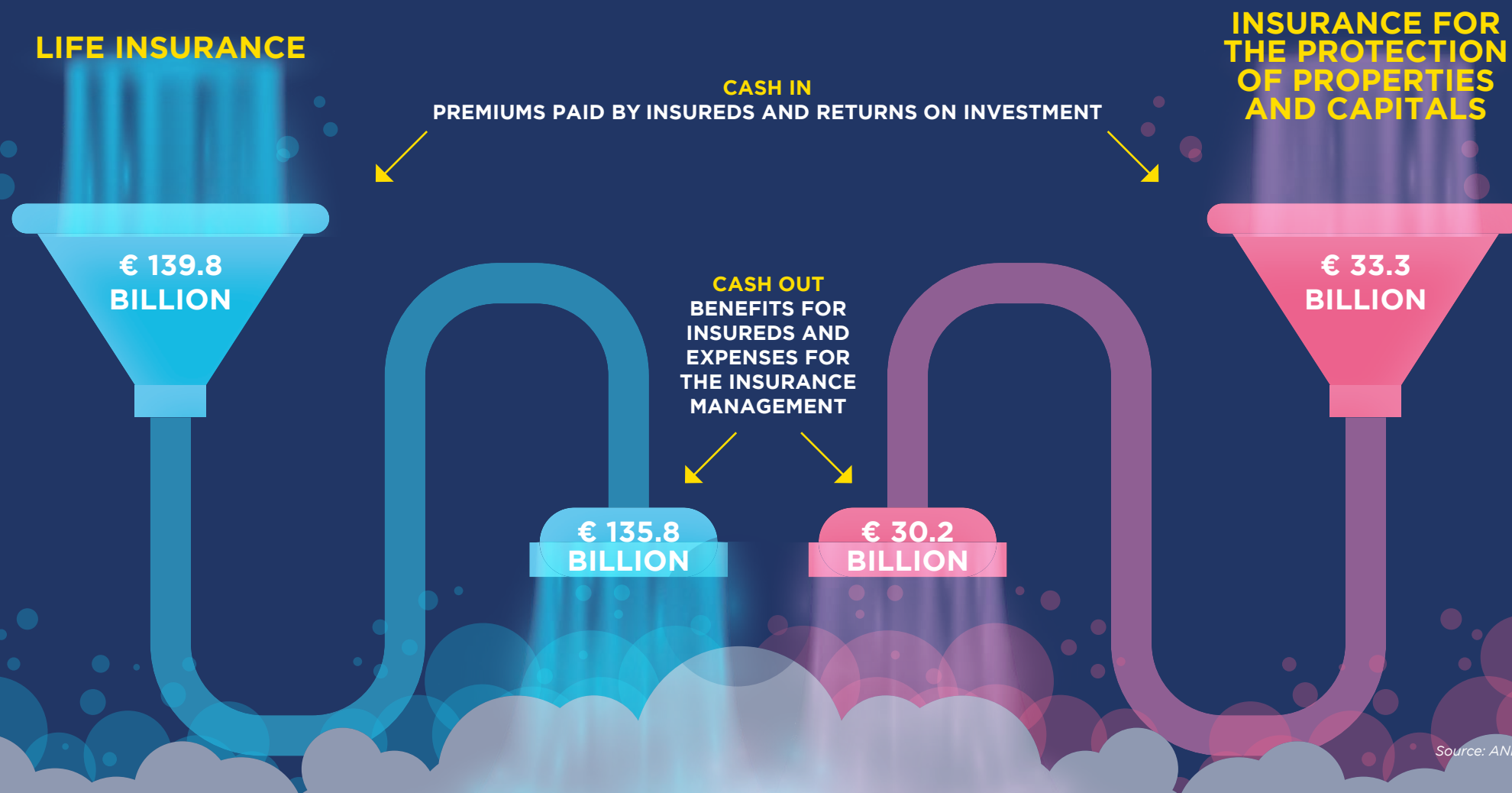
TOTAL TAXES  
**€ 11.7 BILLION** PER YEAR

THE ACTIVITIES OF INSURANCE  
COMPANIES GUARANTEE  
MONETARY SPENDING  
FOR NEARLY 1.3 MILLION EUROS  
PER HOUR

SOURCE: elaborations ANIA on revenue tax bulletin

# 10 THE SOUNDNESS OF THE ITALIAN INSURANCE BUSINESS

Despite a difficult economic and financial scenario, aggravated by the conflict between Russia and Ukraine, entered in a very delicate cyclical phase for the global economy, **Italian insurers managed to maintain in 2021 still, satisfactory profitability and excellent capital soundness.**

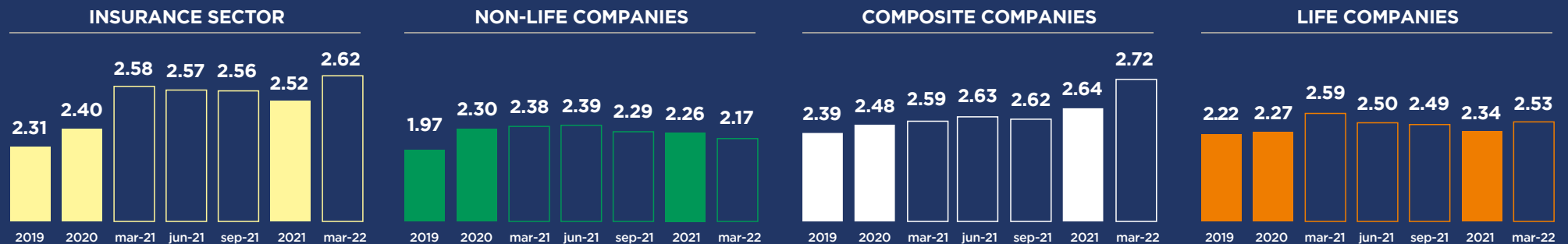




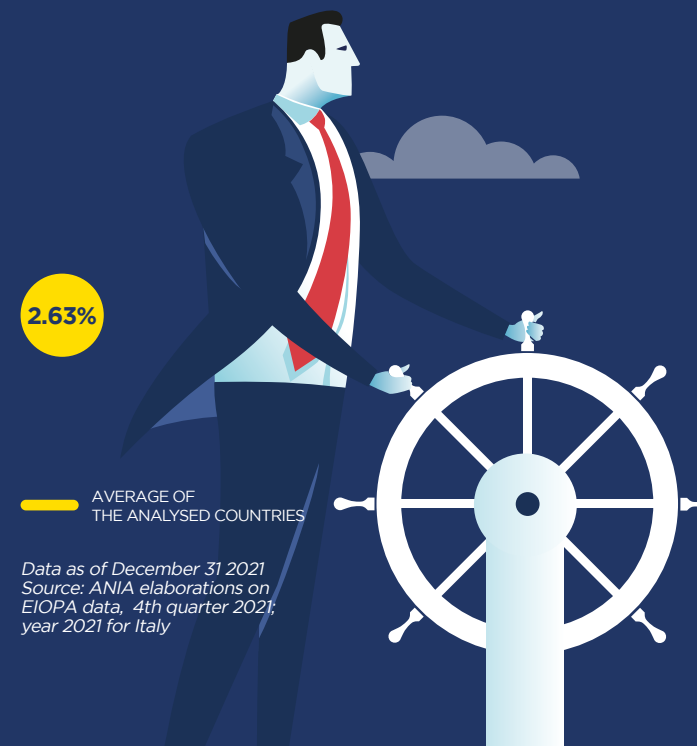
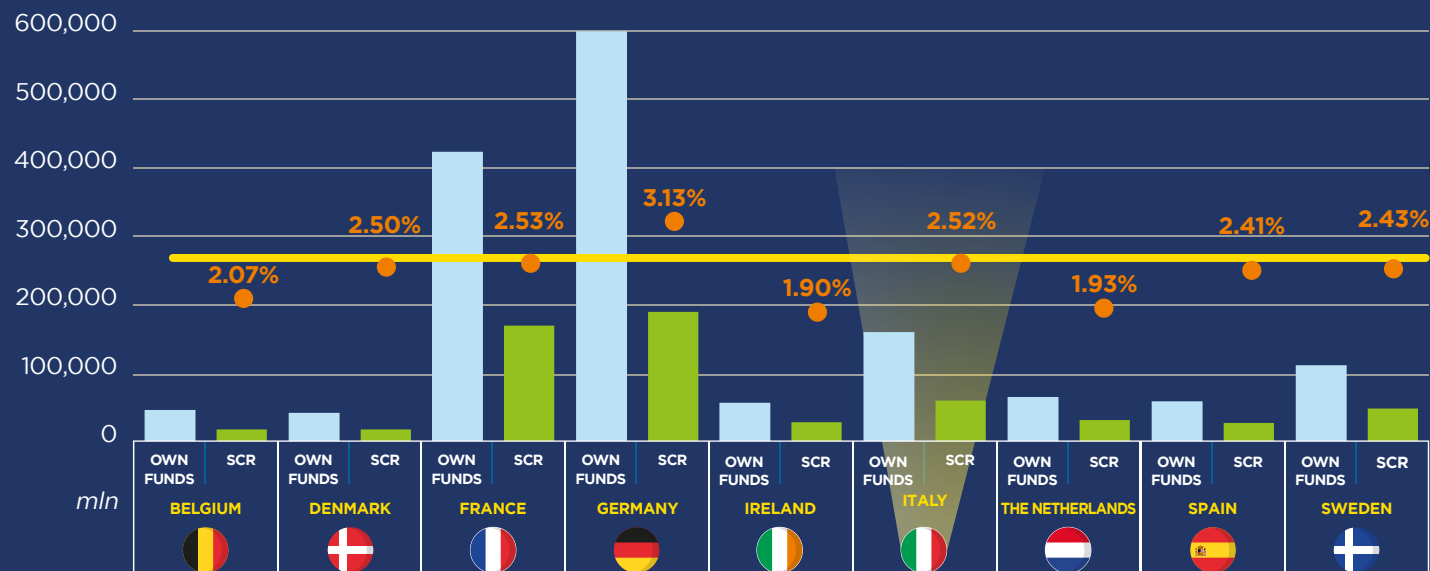
# SOLVENCY OF THE INSURANCE INDUSTRY: 10 A EUROPEAN COMPARISON

Solvency indicators throughout the year 2021, remained stable in Italy and higher to the values of the two years 2019/2020 registering, except for the non-life sector, a slight increase at the end of March 2022. In the European comparison as well, the solvency ratio of our country was in line with the average of the other European countries.

## ITALIAN COMPANIES' SOLVENCY RATIO ANIA, INFOQRT



## SOLVENCY RATIO IN EUROPE



Data as of December 31 2021  
Source: ANIA elaborations on EIOPA data, 4th quarter 2021; year 2021 for Italy

# 11 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 212,000 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: 212,000

*approximate values*

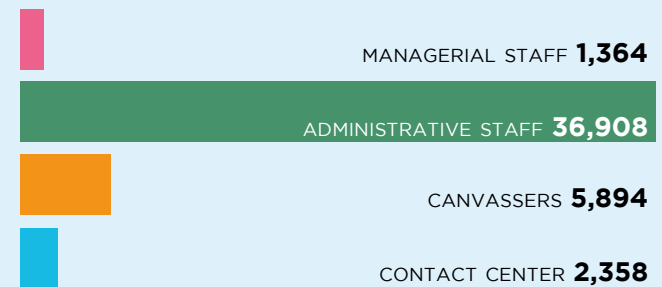


## ACTIVITIES RELATED TO THE ASSESSMENT OF DAMAGE TOTAL HUMAN RESOURCES: 40,000

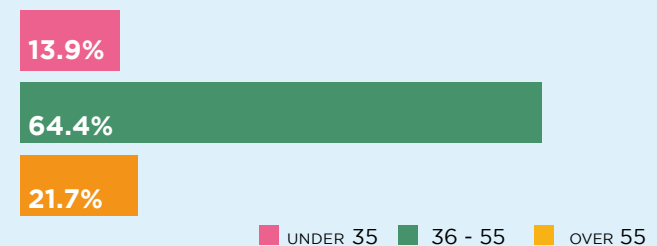
INSURANCE ADJUSTERS, CAR REPAIRERS, EMPLOYEES OF COMPANIES FOR ROAD ACCIDENTS, LAWYERS AND DOCTORS

## INDUSTRY EMPLOYEES TOTAL HUMAN RESOURCES: 46,524

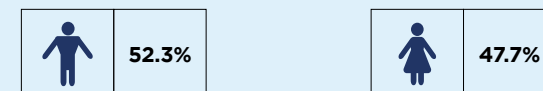
### EMPLOYEES (MANAGERIAL AND NON MANAGERIAL) BY COMPETENCIES



### EMPLOYEES (MANAGERIAL AND NON MANAGERIAL) BY AGE





### EMPLOYEES BY SEX





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

### PERCENTAGE OF OPEN-ENDED CONTRACTS

	ECONOMIC SECTORS	
39.7%	AGRICULTURE, FORESTRY, FISHERY	26.8%
87.9%	INDUSTRIES OF WHICH:	87.5%
89.6%	THE INDUSTRIAL SECTOR	87.7%
81.7%	BUILDING CONSTRUCTIONS	85.1%
84.6%	SERVICES OF WHICH:	83.0%
79.8%	TRADE, HOTELS AND RESTAURANTS	77.1%
86.5%	OTHER SERVICES	84.6%
97.7%	OF WHICH THE INSURANCE SECTOR	97.3%
84.3%	TOTAL SECTOR	82.7%

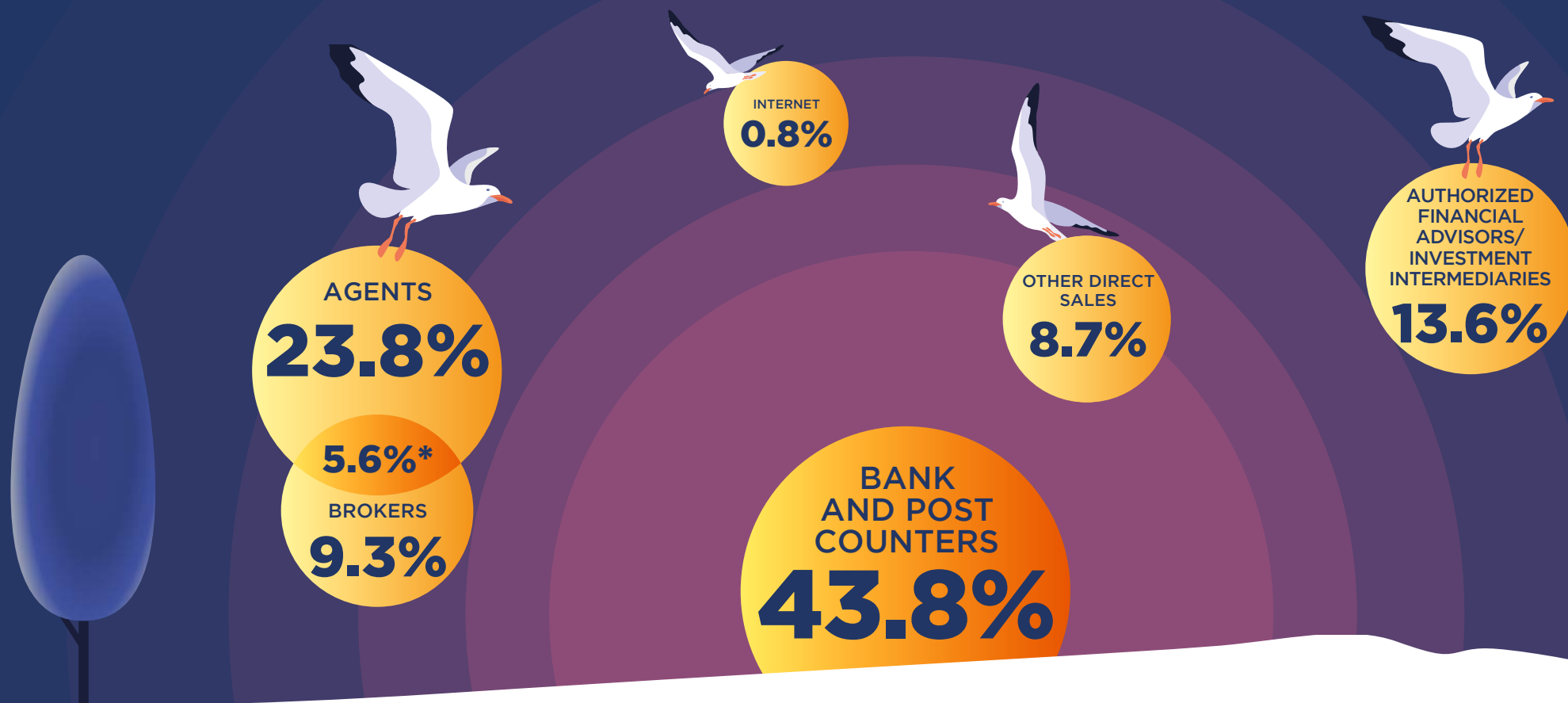
### HISTORICAL EVOLUTION OF EMPLOYEES IN THE INSURANCE SECTOR



## 12 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 BY DISTRIBUTION CHANNEL



\* Premiums generated by brokers but presented to agents

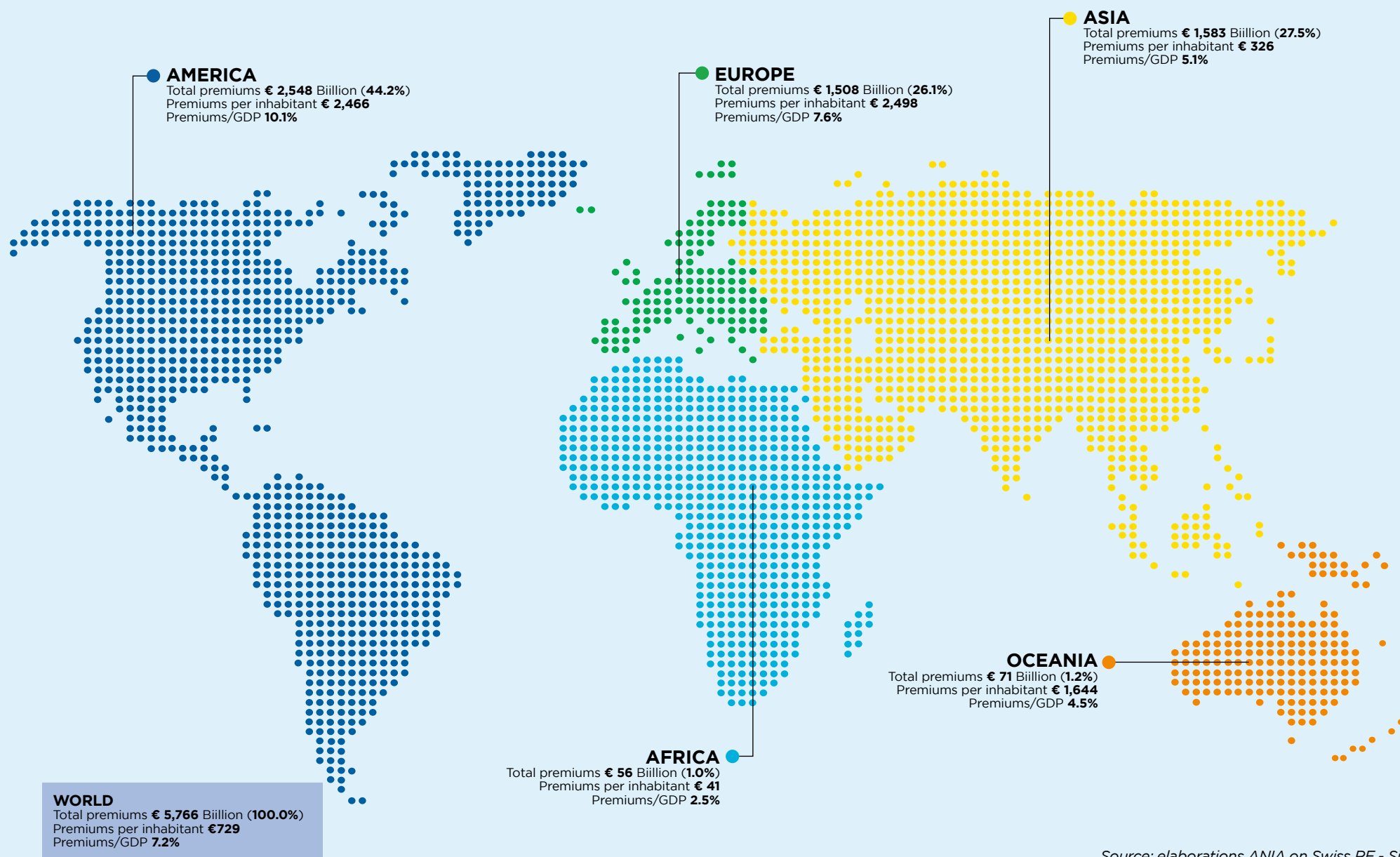
## % BREAKDOWN OF PREMIUMS PER DISTRIBUTION CHANNEL IN THE MAIN SECTORS OF INSURANCE ACTIVITY



*The percentage shares of brokers have been revised and estimated on the basis of premium volume actually collected through this channel but conveyed through agents*

*\*Securities brokerage company*

# 13 INSURANCE WORLDWIDE

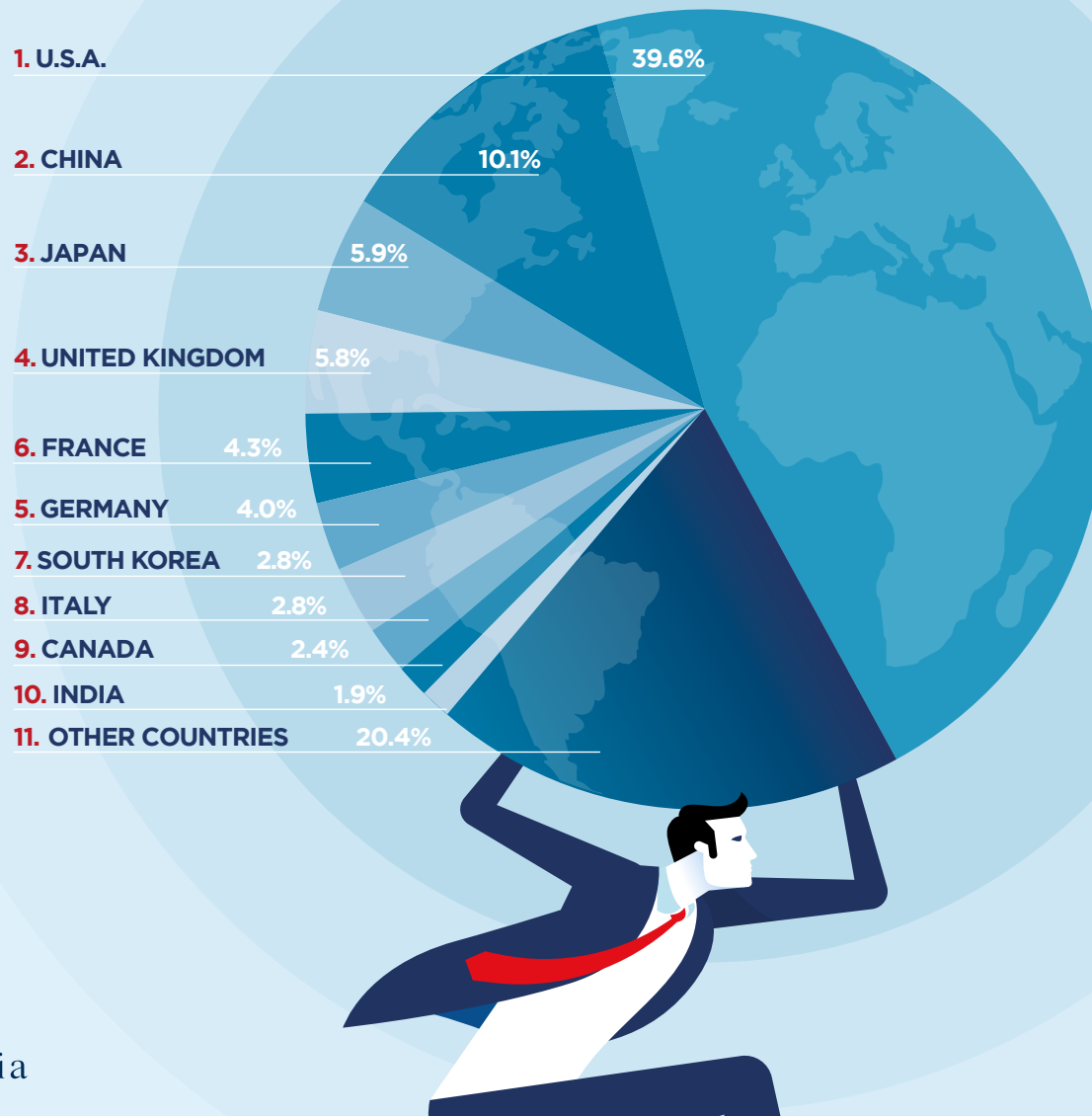


Source: elaborations ANIA on Swiss RE - Sigma

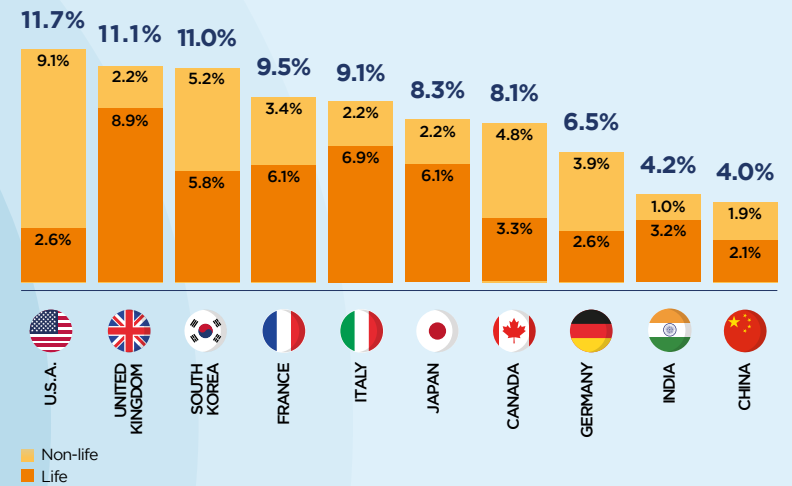
# THE WORLD'S FIRST 10 COUNTRIES PER PREMIUM COLLECTION 13

The Italian insurance market ranks fourth in Europe and eighth in the world for premium collection. In 2021, the total Italian insurance business turnover, considering all companies (domestic and foreign) operating in Italy, amounted to over **€160 billion** (€39 billion in non-life and €122 billion in life classes), with an incidence of **9.1% on the GDP** (2.2% in non-life and 6.9% in life).

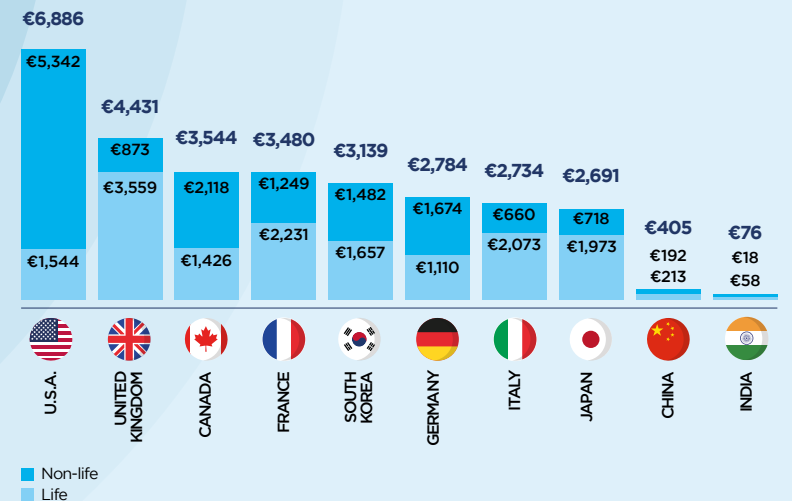
## MARKET SHARE OF OVERALL PREMIUMS (NON-LIFE AND LIFE)



## ...THE RATIO OF PREMIUMS AND GDP



## ...PREMIUMS PER INHABITANT



The outbreak of war in Ukraine shattered the international scenario just when we thought we were close to a turning point in this long period of crisis. The conflict, with its tragic toll of death and destruction, forces the world to confront issues that everyone thought were confined to the distant past. Issues such as global security, energy independence, the very resilience of the globalised model, have suddenly returned to the fore, adding further uncertainty to this delicate phase.

Repercussions on global economy are already evident: in the trend of financial markets and raw materials, in the functioning of the global supply chain, in price dynamics. The insurance industry will be affected, as is often the case, in all areas of business: as savings manager with regard to turmoil in the financial markets and in its function of underwriting and diversifying risks related to the new geopolitical instability.

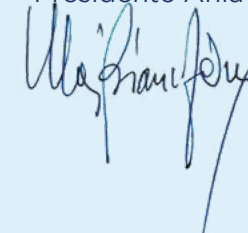
The results illustrated in this 2022 edition of “Allont**ANIA**mo i rischi, Rim**ANIA**mo protetti” confirm insurance’s fundamental role in these areas. Italian households continue to entrust their savings to us by purchasing life insurance policies, which are still the preferred asset management tool, and they are increasingly obtaining protection for their most important assets, health and household, through property and assets protection policies.

However, much remains to be done. The protection gap between households and businesses remains among the widest in the international comparison. The share of private healthcare expenditure paid directly out of pockets of households continues to be among the highest, leaving many Italian families exposed to the concrete risk of irreversible impoverishment, and the expenditure on insurance cover incurred by SMEs - the pillar supporting our production system - is the lowest on average in industrialised countries.

The insurance industry will continue to address these issues - in a dialogue with all stakeholders - also during this new and complex phase, as it has already done in the past. With preparation, competence, solidity. But above all with lucidity and prudence.

Enjoy reading

**Maria Bianca Farina**  
Presidente Ania





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