

## COURTESY TRANSLATION

(Only the Italian version is authentic)

*MARKET CONDUCT SUPERVISION DIRECTORATE  
DISTRIBUTION AND FOREIGN OPERATORS SUPERVISION  
DIVISION II PRODUCT SUPERVISION DIVISION*

*Ref. to note n.* of

*Classification* 2

*Encl. no.*

To the Insurance Undertakings  
whose head offices are located  
in Italy  
**TO THEIR PREMISES**

To the Italian Branches  
of insurance undertakings whose  
head offices are in a non-EEA  
country  
**TO THEIR PREMISES**

*Subject* Survey on the use of Machine Learning algorithms by insurance  
companies in their relations with policyholders

Digitalization and the use of new technologies are accelerating change in the insurance industry, leading to the development of products and services to intercept a new type of demand from increasingly digital consumers and consequent new ways of dealing with customers.

When using new technologies, insurance companies are increasingly using Machine Learning algorithms<sup>1</sup> to support various business processes, some of which have an impact on policyholders, such as customer profiling, policy pricing, claims management, and chatbots for customer service.

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<sup>1</sup> Algorithms capable of finding solutions by learning information directly from input data. Non-Machine Learning algorithms and those that, although using this technology, are dedicated to the management of companies' internal processes are expressly excluded from the survey.

The use of Machine Learning algorithms has also been brought to the attention of the EIOPA, which, after conducting an analysis<sup>2</sup> on the use of Big Data in the motor and health insurance sector and on some Artificial Intelligence and Machine Learning issues, is continuing to focus on the supervisory aspects of the use of these technologies in the insurance sector.

In the wake of the EIOPA work, IVASS is going to launch a survey to find out about the use and diffusion of Machine Learning algorithms by Italian companies, with reference to business processes having a direct impact on customers.

To this end, we have prepared the attached questionnaire that can be completed online by 30/09/2022.

The recipient undertakings are invited to provide, within 10 days, a contact point and an email address (not a certified electronic mail) to the dedicated mailbox [Algogovernance@ivass.it](mailto:Algogovernance@ivass.it).

After that, they will be sent an e-mail containing the link to the questionnaire to be used for the survey, with instructions on how to complete it.

The Limesurvey tool, used to answer the questionnaire, will allow you to leave it at any time (saving your answers) and resume it later.

For any information, please contact Claudio Vergati ([claudio.vergati@ivass.it](mailto:claudio.vergati@ivass.it)) and Mariagrazia Rositano ([mariagrazia.rositano@ivass.it](mailto:mariagrazia.rositano@ivass.it)) of the Market Conduct Supervisory Service.

Best regards.

By delegation of the Joint Directorate

Firmato digitalmente da  
RICCARDO CESARI

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<sup>2</sup> [https://www.eiopa.europa.eu/sites/default/files/publications/reports/eiopa\\_bigdataanalytics\\_thematicreview\\_april2019\\_0.pdf](https://www.eiopa.europa.eu/sites/default/files/publications/reports/eiopa_bigdataanalytics_thematicreview_april2019_0.pdf)  
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