

# Sustainability Report 2013



[generali.com](http://generali.com)

182<sup>nd</sup> year



Rio de Janeiro, Brasil









# One identity, continuously changing perspectives.

Being yourself in every part of the world. Being able to integrate in different realities, aware of your own strengths and paying the correct attention to ethical and social issues.

The Group identity is the fundamental pillar at the base of the global growth of Assicurazioni Generali: one single overall view which, thanks to the main focus on business development in each country, respects context and market-related differences, creates synergy between financial and social responsibility, produces value for each stakeholder.

In our Report we provide shareholders, clients, agents, employees, local and financial communities with the results of our philosophy, a modern business mindset which is able to offer concrete perspectives.



# Letter from the Chairman and Group CEO to stakeholders

2013 was a crucial year for Generali. In a complex economic climate, the Group regained its vitality as a result of a strategy based on discipline, focus and simplicity. By executing the new strategic plan, we achieved significant results and reached several targets set out in the three-year plan ahead of schedule. These results were also achieved due to the Group's transformation - strengthened managerial structure and streamlined, improved governance.

The milestones achieved are proof of the commitment from all of us to create value for the Company and for all of its stakeholders: for shareholders and investors, who have seen increased value and returns of their investments, as well as for our clients, whose trust we intend to strengthen and build on, as they are a determining factor for our success.

We are aware that we have been able to achieve these results only thanks to our employees and their hard work. This is why we welcome and cultivate talents, encourage participation in an inclusive work environment which benefits from diversity, and offer everyone opportunities by recognising each person's contribution and value based on meritocracy.

In the communities we operate in, we work with authorities and non-profit organisations on projects capable of improving people's lives. We also feel responsible for preserving the environment for the benefit of future generations. At Generali we have been making a concrete effort, for years now, to reduce our consumption of natural resources and greenhouse gas emissions, taking an approach aimed at preventing the occurrence of serious damage to the environment by promoting environmentally-sustainable behaviour.

Our unwavering commitment to the sustainable development of our Group also gains its strength from our participation in the United Nations Global Compact as to promote ten principles in the areas of respect for human rights and labour standards, environmental protection and the fight against corruption. Through the Charter of Sustainability Commitments, introduced last year, we began to outline a road map for their implementation in the various areas of corporate operations, extending the target-based management approach already tested on the environmental area to social issues.

The definition of a new Vision, a clear Mission and a sound set of Values, which are the foundation for the development of Generali Group culture, representing our beliefs and setting us apart, also made 2013 an important year.

Within Generali, social responsibility is a way of doing business which enables us to share our successes with the parties that help us achieve them and maintain them over time. Our stakeholders' appreciation for our work and results achieved drives us to continue on this path.

Gabriele Galateri di Genola  
Chairman



Mario Greco  
Group CEO





# Sustainability Report 2013

München, Germany









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# Insight

This year we are publishing our tenth Sustainability Report. We are acting with renewed vigour with the intention of providing suitable information on our main activities through which we have expressed our commitment to sustainable business in the last year. We address a wide audience, comprised of our clients, all consumers, our employees and the communities in which we operate, to which we intend to provide information in addition to that provided through the other communications published, targeted to better meet the needs of the financial community.

These include, above all, the 2013 annual report which, for the first time, we have drawn up as an integrated report, not only providing information on our economic and financial results, but also explaining how we achieved such results, the specific strategies, business model and actions implemented and, especially, describing them in the wider context of creating value for all stakeholders.

This point perfectly captures the underlying reasons for Corporate Social Responsibility, which forms the basis of the Sustainability Report we are publishing and, in the same spirit, aims at describing everything we have done, why and how we have taken these actions, and the results we have achieved.

Before going into detail, we will attempt to provide some guidelines to help you navigate the report and its content.

Firstly, in telling our story, we felt the need to express the profound change under way in our Group which, in the last year, has set a new governance and strategy, emphasized on our ethical principles in the new Code of Conduct and, in this new scenario, revised our vision, mission and values.

Thus, we selected the contents of the 2013 Sustainability Report following an approach based on our new vision and mission as to discuss our values and how we embody and implement them in the relationships with our various stakeholders. As part of the latter, in the report we have kept in mind the primary stakeholders that are the target of this document – clients and consumers in general, employees and the community - even though all stakeholders are important to us, as they all affect our decisions and actions in some way and to some extent. We have also considered a 'dumb' stakeholder, the environment where all the above mentioned categories of people live, that therefore is dear to all.

The document we have created is not intended to be exhaustive and should not be considered as such: in selecting the topics to cover in depth, we tried to match the range of corporate interests, resulted from people responsible for the functions concerned, with those of our stakeholders, directly assessed during the opportunities for dialogue which will be described or reported on from the various available sources. The results of this constitute a step towards a Sustainability Report that

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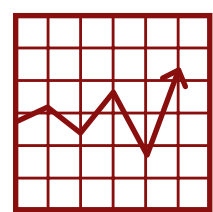
## Workforce



## Sales Force



## Financial Community



increasingly focuses on the aspects that are really important, which we concentrate our efforts on, also in responding to our stakeholders' needs and expectations.

Over the next few months, we will more accurately verify the degree to which the issues reported on match with stakeholders' interests, and - primarily - the match between the latter and the issues we manage, validating what is known as the materiality matrix. We use this matrix to revise our road map for implementing sustainability within the Group year after year, i.e., the Sustainability Objectives and Commitments in the Charter of Sustainability Commitments.

This is an important document that is approved by the Board of Directors of Assicurazioni Generali, publicly commits the Group to concentrate its efforts on achieving specific goals. This is a new document which was drawn up for the first time in 2013 and which this report reports on for the first time. Specifically, the Appendix at the end of the document includes a table summarising the results achieved, while the individual chapters provide more information, where significant, on the actions taken in relation to many of these results.

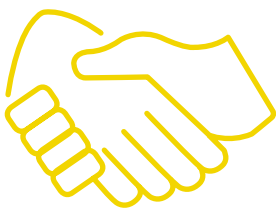
Moving on to describe how our Sustainability Report is organised this year, firstly, you can easily see that the length has been significantly reduced, in the hope that this will increase its readability, as well as the result of our intention not to issue

a comprehensive publication, rather, a selection of information on the most important issues.

Compliance with the Sustainability Reporting Guidelines 3.1 and Financial Services Sector Supplement of the Global Reporting Initiative (GRI) standards in terms of the drafting principles, the structure and content is illustrated in the GRI content index, including the Global Compact principles, which is an integral part of the on-line version of the report published on the corporate website. The principles of AccountAbility 1000 were also applied in the process of gathering information.

Another important change to the document was the decision to include figures in the report that refer to global Group level as much as possible, or, where pertinent, to specific areas to which the single projects/activities refer. In the cases where the Group level figure was unavailable, we published the information pertaining to the 7 main countries in terms of Group premiums (Italy, Austria, France, Germany, the Czech Republic, Spain and Switzerland), which in the previous report was called the Sustainability Report Area. In order not to interrupt the story and keep the document concise we preferred to provide data at country level just on the on-line version. It must be noted that this year's figures refer only to the insurance companies (excluding those of the Europ Assistance group) and the relevant service companies, in line with the focus on the core business of the Group which underlies the new strategy.

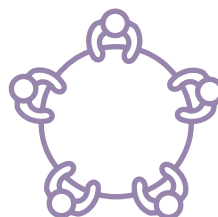
## Customers



## Community



## Contractual Partners



## Environment



# We, Generali

We are one of the leading international insurance and financial groups. Our story began in Trieste, Italy, where the Parent Company Assicurazioni Generali was founded in 1831.

We have always had a strong international presence, and we now operate in more than 60 countries. We are the market leader in Italy and one of the major players in Germany, France, Austria, Spain and Switzerland, and count on solid market positions in Central-Eastern Europe and in other countries with high rates of economic growth.

We are aware that our size puts us at the center of interests and expectations of a multitude of stakeholders. This drives us to pursue a goal of economic development which, in addition to ensuring adequate financial performance over the long term, contributes to changing the society we operate in for the better. For this reason, we intend to responsibly carry out our role in our spheres of influence, in order to trigger a wider process of change focused on social and environmental sustainability.



## THE MAIN MILESTONES IN OUR SUSTAINABILITY COMMITMENT







[www.generali.com/sustainability](http://www.generali.com/sustainability)

## VISION, MISSION AND VALUES

# Our Vision

Our purpose is to actively protect and enhance people's lives

**Actively:** We play a proactive and leading role in improving people's lives through insurance.

**Protect:** We are dedicated to the heart of insurance - managing and mitigating risks of individuals and institutions.

**Enhance:** Generali is also committed to creating value.

**People:** We deeply care about our clients' and our people's future and lives.

**Lives:** Ultimately, we have an impact on the quality of people's lives: wealth, safety, advice and service are instrumental in improving people's chosen way of life for the long term.

# Our Mission

Our mission is to be the first choice by delivering relevant and accessible insurance solutions

**First choice:** Logical and natural action that acknowledges the best offer in the market based on clear advantages and benefits.

**Delivering:** We ensure achievement striving for the highest performance.

**Relevant:** Anticipating or fulfilling a real life need or opportunity, tailored to local and personal needs and habits, perceived as valuable.

**Accessible:** Simple, first of all, and easy to find, to understand and to use; always available, at a competitive value for money.

**Insurance Solutions:** We aim at offering and tailoring a bright combination of protection, advice and service.

# Our Values

Deliver on the promise  
Value our people  
Live the community  
Be open

## Deliver on the promise

We tie a long-term contract of mutual trust with our people, clients and stakeholders; all of our work is about improving the lives of our clients. We commit with discipline and integrity to bringing this promise to life and making an impact within a long lasting relationship.

## Value our people

We value our people, encourage diversity and invest in continuous learning and growth by creating a transparent, cohesive and accessible working environment. Developing our people will ensure our company's long term future.

## Live the community

We are proud to belong to a global Group with strong, sustainable and long lasting relationships in every market in which we operate. Our markets are our homes.

## Be open

We are curious, approachable and empowered people with open and diverse mindsets who want to look at things from a different perspective.

In 2013, a structured path was undertaken to define the Group vision, mission and values. The cultural system was presented for the first time by the Group CEO to the Generali Leadership Group (GLG) at their meeting in November and subsequently communicated to all Group companies by means of dedicated meetings attended by more than 14,000 people around the world, and a global internal communication campaign which began on electronic tools in February 2014, and continued with the display of posters on the Group values, translated into more than 20 languages.

This is an important step, which aims to ensure that the diverse reality of the Generali Group can be identified and recognised as a single, great player, thanks to a single strategy, a common culture and a common language that sets the Group apart. The new Vision, Mission and Values will guide the Group activities in all of its relationships, both internal (with employees, partners and shareholders) and external (with customers, suppliers and various actors in the communities in which the Group operates).

The starting point – one that the entire organisation needs to set as a goal – is the Group vision which, with its simple statement, “To actively protect and enhance people’s lives,” directly reflects the very essence of our reason for being, as well as that of the insurance business as a whole. We want to take care of people in order to improve their lives. To succeed, we must first listen to the needs and desires of people, anticipate those that remain unspoken and try to satisfy them with a spirit of service and open-mindedness, working together to find the best solutions for everyone.

This applies to all our stakeholders with whom we interact – clients, employees, the community, non-profit organisations, etc. – and with whom we want to create shared value because we feel a responsibility towards each and every one of them.

Our **mission** is to be the first choice for customers when they are looking for insurance solutions, but we also want to be the group that attracts the best talent and on which the communities, institutions and network of non-profit associations can rely to implement projects of value.

For this to happen, we must first gain the trust of people, building our endeavours around four fundamental pillars based on the **values** we believe are important:

**Deliver on the promise:** we are responsible for honouring our commitments, regardless of whether they relate to the contract, an increase in share price value or a higher dividend, acknowledgement of work carried out, supporting a campaign to raise awareness about global issues, or executing a project for the local community. For us it is a matter of commitment – we want to be measured on the basis of the results actually achieved.

**Value our people:** in our profession, the adequacy of the systems used and the efficiency and effectiveness of the

processes implemented are important, but it is without doubt the people involved that make the difference. Therefore, we must not only be in a position to attract the best talent, but also offer all our employees personal and professional growth paths through training programmes and providing opportunities to gain various types of experience in an inclusive and stimulating environment. Our objective is to continually enhance the value of our people with a view to providing a consistently excellent service to our clients.

**Live the community:** we get involved in the lives of the communities in which we operate in order to have a positive impact on people’s lives. Establishing ongoing relationships with institutions and social operators in the local area and increasing mutual understanding through dialogue are of paramount importance to us in order to work together to find the best solutions, i.e. those which, by using resources, skills and financial means, produce more meaningful and lasting results.

**Be open:** we observe the changes that occur in the world and in society; we are attentive to the new needs and the conduct of other operators; we are not closed in on ourselves, impervious to what happens around us. In an ever-changing environment, we face the challenges that present themselves with an innovative spirit and mind free from preconceived ideas, open to discussion and willing to look at things from different perspectives to find the best solutions, both for us and for our stakeholders.

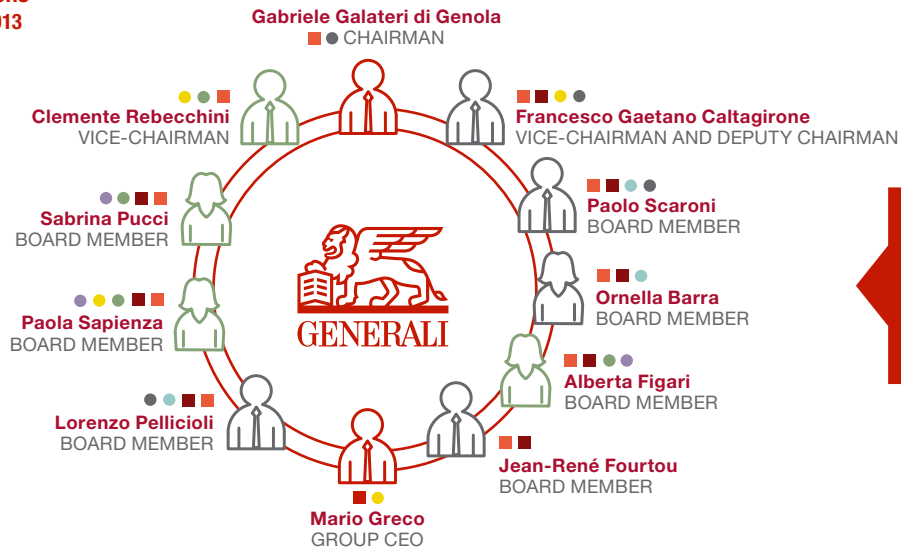
## BODIES FOR CSR DEVELOPMENT

The corporate governance system of Assicurazioni Generali is focused on the objective of **creating sustainable value over the long term**. To achieve this objective, the Company is committed to the pursuit of excellence within the corporate organisation. Safeguarding the robustness, reliability, transparency and professionalism of the Company, combined with an effective business strategy, constitute the system of values the Company has built to pursue its objective of understanding and satisfying the needs of its stakeholders.

The **Board of Directors** of the Parent Company is the body responsible for developing strategies and policies, setting the Group sustainability objectives and commitments, as well as assessing the related risks, opportunities and areas for improvement.

The **Risk and Control Committee**, established within the Board of Directors, is assigned consultative, recommendatory and preparatory functions to assist the Board on social and environmental sustainability matters involving the Company and the Group, functions that were previously carried out by the existing Social and Environmental Sustainability Committee. The Risk and Control Committee is composed of four directors, including three women (75%).

**BOARD OF DIRECTORS  
as from 30 April 2013**



**36.4%**  
women in the  
Board of  
Directors


- Executive
- Non executive
- Independent \*
- Investments Committee
- Risk and Control Committee
- Remuneration Committee
- Appointments and Corporate Governance Committee
- Sub Committee for Related Party Transactions

\* As defined in the Self-Regulatory Code.

Responsibility for CSR at Group level is attributed to the **Group CEO**, Mario Greco, who is charged with implementing the strategies and policies established by the Board of Directors.

Specific bodies and units have also been established in the Head Office to ensure the systematic consideration of social and environmental issues related to business activities in addition to economic aspects:

- the **Sustainability Committee**, i.e. the implementing body which is responsible for the achievement of Group-wide sustainability objectives and for analysing the information on sustainability issues resulting from monitoring. It is composed of Group representatives of the corporate functions with the most involvement in implementing social and environmental policies and the Country and Area CSR Officers;
- the **CSR Committees**, i.e. operational bodies at national level that interact, on the one hand, with the Sustainability Committee to ensure the coordination of efforts and ensure the transfer of local best practices to an international level, and, on the other, with local Group companies with a view to duly implementing the decisions taken by Head Office. The CSR committees are chaired by a member of the local Top Management and involve the Corporate Social Responsibility Officer and the heads of the departments most involved in implementing social and environmental policies.
- **Corporate Social Responsibility**, i.e. the unit responsible for all activities related to sustainability, both within the Group and with regard to the market, reporting to the Group CEO through the Head of Group Communications and External Relations.




[www.generali.com/governance](http://www.generali.com/governance)

**POLICIES AND MANAGEMENT TOOLS**

Over time, the bodies responsible for CSR development have implemented a number of tools that outline the principles and conduct to be observed and the objectives we intend to pursue, which constitute an important reference point for implementing our values as part of our everyday activities. The main tools are as follows:

- Code of Conduct;
- Ethical Code for suppliers;
- Environmental Policy (for more information, see the section entitled Generali and the environment);
- Ethical Guidelines for Investments;
- Charter of Sustainability Commitments.



[www.generali.com/sustainability](http://www.generali.com/sustainability)

## Code of Conduct

Among the documents mentioned above, the Code of Conduct, which replaced the existing Ethical Code of the Group, is of primary importance. The document is supplemented by a system of Group Rules that provide greater operational detail on specific topics, such as the promotion of diversity and inclusion, conflicts of interest and the fight against corruption, personal data protection and the reporting of improper conduct.

The Code and its Group Rules were approved by the Board of Directors of the Parent Company on 14 December 2012 and have been adopted or are in the process of being adopted by all Group companies. Where applicable, adoption is preceded by dialogue with the relevant trade unions, which, in some cases, is still in progress (e.g. in Austria, France and Germany).

The Code of Conduct is applicable to all Group companies, operating in more than 60 countries worldwide, and sets the minimum standards of conduct that employees and those acting on behalf of the Group (e.g. consultants, suppliers and agents) should observe when carrying out their business activities. Therefore, these standards represent what the Group offers to its stakeholders in the relationships it maintains with them. The communication of these standards to employees is an important role assigned to the managers, who are required to display exemplary conduct and promote a culture of ethics and compliance with internal rules and the regulations in force in the various countries. Managers are also responsible for promoting a welcoming and supportive working environment.

In order for the Code to be applied and become an everyday reference point for the entire organisation, it is important to ensure that it is widely communicated and easily accessible. For this reason, in 2013 we translated the Code into all the languages of the countries in which we operate and published it, in the relevant languages, on the Group website and the websites of the various Group companies.

During 2013, we also committed to making a package of awareness and training initiatives available to employees. We are currently rolling out an e-learning course providing an overview of the Code to all employees, while managers will also be involved in specific training activities. In order to ensure greater involvement in relation to the topics covered by the Code, a publishing plan was launched on the We, Generali Portal which will last until 2015 and will include the regular publication of articles and cartoons dealing with individual topics related to the Code.

We encourage everyone to maintain an open dialogue with the Group companies. Any request for clarification, or to report a concern or inappropriate conduct can be addressed directly to management or to the relevant departments responsible for human resource management or control functions (Internal Audit and Compliance).

Since March 2014, any questionable conduct relating to financial management, auditing or accounting, the use of means of payment or corruption can be reported to the Generali Group

Compliance Helpline, a dedicated internet and telephone channel operated by a third party provider. This channel is available 24/7, all year round, in all the languages of the countries in which the Group operates and complies with the recommendations of the European Commission, applying them to all Group companies, even those based in countries where statutory requirements are less stringent, according to Generali chosen approach. In particular, this approach has led us to define a specific data protection policy providing the maximum protection guaranteed within the European Union, which has been extended to all the countries in which we operate.

In countries where it is permitted by law, reports can also be submitted anonymously.

The Group ensures that anyone who submits a report in good faith is protected from any type of retaliation.

In 2013, **384 reports** were presented at Group level, of which 14 related to human rights issues and to 272 incidents of corruption. A small number of instances of fraud committed by employees or business partners of Group companies were otherwise detected and managed. The actions taken in response to these instances were mainly dismissal, the adoption of disciplinary measures or the termination of contracts, depending on the party involved (employee/business partner) and the severity of the event.

With regard to content, in the Code particular attention is paid to the promotion of **diversity and inclusion**, in the belief that dialogue and cooperation between people with different cultures, skills, perspectives and backgrounds are key elements to ensure the growth of enterprise and innovation.

In support of the relevant principles of the UN Global Compact initiative, we also reiterate our commitment to promoting and ensuring respect for the fundamental **human and labour rights** in all our spheres of influence and we expressly reaffirm our rejection of all forms of **corruption**, including the payment of bribes and extortion.

## Ethical Code for suppliers

One of the purposes of the Code of Conduct is to promote a culture of sustainability within all of the Group spheres of influence, with particular reference to employees, customers and suppliers.

With regard to suppliers, the Code specifically refers to supplier selection process, which must be based on the principles of free competition, fairness, transparency and quality of products and services. Quality is also assessed in consideration of compliance with international ethical principles on labour and human rights and the environmental impact caused.

These elements are described in more detail in the Ethical Code for suppliers of the Generali Group, approved by the Board of Directors of the Parent Company in December 2011. The main purpose of the Code is to define how risks and opportunities related to the management of relationships with suppliers should be addressed in order to ensure the integrity of the supply chain

in relation to the Group principles regarding human and labour rights, the fight against corruption and the environment.

All profitable relationships with contract partners should be based on fairness and honesty, the rejection of all forms of corruption, transparency and impartiality, the prevention of conflicts of interest, confidentiality and fair competition, and the protection of workers and the environment. Suppliers are required to align their business practices with the Group policies and ensure compliance at all levels of their respective supply chains.

To closely regulate the relationships with suppliers, some countries (Italy, Austria, France and Germany) have adopted specific codes or documents in line with the Ethical Code for suppliers of the Generali Group, while others have formalised purchasing procedures and practices by means of internal circulars and regulations.

These provisions are important for two reasons: on the one hand, they help to ensure the social and environmental sustainability of our products and services, to which our

suppliers also contribute and, on the other, they are the means by which we try to induce suppliers to adopt good conduct, making us sponsors of a culture of sustainability.

To this end, as part of the supplier selection process, the Group considers the possession of certifications or the existence of social and environmental policies a preferential requirement. In several countries (Italy, Austria, France, Germany and the Czech Republic) accreditation is performed through platforms (supplier portals), which allow suppliers to enter their details, complete questionnaires that include questions about social and environmental requirements, and review and sign the relevant Generali Group documents.

In particular, the addition of the environmental variable to the supplier assessment process is in line with the objectives set out in the Environmental Policy of the Generali Group, described in the section entitled Generali and the environment.

In some countries, supplier selection privileges social cooperatives and associations that pursue social objectives. In particular, in Austria, France, Czech Republic, Spain and Switzerland, suppliers are used that employ disadvantaged and disabled people, especially for the purchase of consumable goods and promotional products.



#### Best practice

With regard to supply chain management, of particular note in Germany is the membership of the Group to Econsense, a forum for the sustainable development of the German market, which has developed a set of principles relating to the supply chain called GASP (General Accepted Sustainable Supply Chain Principle of Econsense into the RFI - Request For Information). Generali has integrated these principles into its purchasing processes, including 30 questions that have been added to the qualification questionnaire divided into 5 categories: governance, ecology, society, politics and management.

This procedure will be applied to the major suppliers with the objective of covering 60% of the total expenses. In 2013, 80 suppliers used this qualification system amounting to 25% of total expenses.

## Ethical Guidelines for Investments

In view of the fact that investment is part of the core business and therefore needs to be reflected as a matter of priority in the Group ethical commitment, for a number of years now, we have decided to adopt investment policies designed to influence the conduct of the issuing companies in which we invest. In other words, we are aware that, as an institutional investor, we can perform an active role in the areas of environmental protection, respect for human rights and social issues in a broad sense, and we intend to do this by applying criteria that take account of these issues in investment decisions.

Moreover, by adding environmental, social and corporate governance (ESG) aspects to the usual economic and financial assessments, we believe we can enhance investment security while at the same time protecting ourselves from any damage – to reputation or the relationship of trust built over the years with our stakeholders – that could arise from involvement, through investments, in activities that are contrary to the Group principles.

Thus, without sacrificing profitability, we want to give an ethical dimension to our investment policies, placing ourselves among investors who adopt responsible behaviours in the financial markets.

The first initiative undertaken in this regard dates back to 2006, when the Group decided to adopt the ethical guidelines of the Norwegian Government Pension Fund - Global and, in particular, to exclude from its investment universe any companies excluded from the Fund's investment universe.

In 2010, the Group decided to stop precisely replicating the application of the criteria (and exclusions) of the Fund, defining its own **Ethical Guidelines for Investments** to fully express its position with regard to the fundamental requirements that should characterise investments and to perform compliance assessments of investments in companies that are not monitored by the Norwegian Fund, as it does not invest in them.

To date, the Ethical Guidelines of the Generali Group are applied to the majority of direct investments (excluding real

estate) of the Group insurance companies where they bear the risk (253 billion euro); third party assets are therefore excluded. These Guidelines are the means by which the two aims mentioned above are pursued: to reduce the risk of involvement in activities that are not in line with our ethical principles and to play an active role in the area of human rights and the environment, influencing the conduct of issuing companies.

In particular, it is prohibited to invest in financial instruments issued by companies that:

- produce weapons that, when used normally, may violate fundamental humanitarian principles (cluster bombs, anti-personnel mines and nuclear weapons);
- sell military equipment or weapons to countries on the UN arms embargo list, published by Stockholm International Peace Research Institute (SIPRI);
- are involved in serious or systematic violations of human rights, serious environmental damage, serious instances of corruption, or other particularly serious violations of fundamental ethical standards.

To ensure impartiality and competence in assessment and exclusion procedures, the **Council on Ethics for Investments** was established, composed of representatives of the main departments involved in the management of the Group investments, of Corporate Social Responsibility, and of the company Generali Investments Europe.

The Council is responsible for assessing the cases of companies whose conduct does not meet the minimum requirements defined by the Guidelines, assessing any

evidence supplied by the companies, and where non-existent or unsatisfactory, drawing up reasoned proposals to exclude companies that violate the Group ethical criteria. Top Management are responsible for making final decisions regarding exclusions. Similarly, if the reasons for exclusion no longer apply, the Council on Ethics for Investments proposes the readmission of these companies to the Group investment universe.

Under a wider project on Group investment governance review, a new business procedure to govern the process of excluding issuing companies from the Group investment universe is currently being drawn up, also in light of the important organisational changes that have taken place in the last year.

As at 31 December 2013, investments in non-ethical companies in the insurance portfolios amounted to approximately 58 million euro; since these investments refer for almost all to the most recent exclusions, they are currently being disposed of in accordance with the Ethical Guidelines.

Given that there must be consistency between the investment policy and the **voting policy**, we strongly favour integrating ESG elements into its voting policy. Generali Investments Europe, the Group asset management company, started this process a number of years ago, favouring the presentation at General Meeting of resolutions concerning the dissemination of best practices relating to governance, professional ethics, social cohesion and environmental protection, and undertaking to rule, on a case-by-case basis, on the proposals put forward by shareholders in this regard. The primary goal is to

GLG Venice 2013





establish genuine dialogue with directors and managers of the companies and to encourage them to consider such topics in the performance of their activities.

In support of this practice, and with aim of extending it to all Group companies, in early 2014, the Group Voting Policy was formalised in a document, the approval of which by the Board of Directors of the Parent Company is ongoing.

As evidence of the commitment with regard to ethical investment, in 2011 the Group signed up to the **Principles for Responsible Investment (PRI)**, a UN initiative created with precisely the aim of disseminating and integrating environmental, social and governance issues in investment assessments, through the implementation of the six principles. Since 2013, the Group has also participated in the disclosure activities required of companies that have signed up to the PRI.

The Group participates in a number of initiatives and international networks, including those sponsored by the European Forum for Sustainable Finance (EUROSIF) and the Forum per la Finanza Sostenibile (FFS), with a view to comparing the our position with regard to the responsible investment policies adopted with other representatives of the financial sector, helping to establish guidelines and common approaches and promoting the adoption of best practice.

With similar aims, the Group participates in the CRO Forum Sustainability Working Group, which in recent years has produced a number of documents on possible measures that

an insurance company may adopt, as both investor and insurer, to manage the reputational risks related to its involvement in controversial activities such as the production of anti-personnel mines and cluster bombs (Banned Weapons) and the extraction of oil from bituminous sands (Oil Sands). In 2013, a new blueprint was published on the integration of ESG aspects in the analysis of country risk.

Besides the approach described regarding the exclusion of issuing companies that are deemed unethical, the responsible investment policy of the Generali Group is also expressed by offering SRI (Socially Responsible Investing) products, for which, by means of an internal methodology, the Group is able to select the best in class companies in relation to the corporate social responsibility and sustainable development policies implemented.

In 2013, as part of the Award for Sustainable Investor of the Year promoted by the Forum per la Finanza Sostenibile, the Generali Group received a **special mention** for having implemented “an integrated approach to the management of sustainable and responsible investment strategy, acting both on the Group proprietary assets and on a number of products intended for investment clients, using an advanced environmental, social and governance analysis methodology [...] through its commitment, Generali sends a strong signal to the entire sector. The SRI policy represents an element of discontinuity with the past and, at the same time, a reference model for the system.”



## Charter of Sustainability Commitments

The Charter of Sustainability Commitments is a new document that was created at the request of Top Management to communicate in a transparent and timely manner our commitment as responsible Group, which was approved by the Board of Directors and publicly adopted.

The Charter of Sustainability Commitments is primarily a management tool containing the objectives we intend to pursue as a priority and the commitments to meeting these objectives made in respect of all our stakeholders in a process of continuous improvement and the creation of shared value. At the same time, the Charter is also an important communication tool that provides a quick and accurate assessment of the results gradually achieved.

The document Sustainability Objectives and Commitments for 2013-2015 constitutes an integral part of the Charter, which specifies the goals we undertake to achieve over a three-year period and the actions required to achieve them. Timing and KPIs for monitoring the results achieved are assigned to each action. On an annual basis, we verify to what extent the commitments stated in the document have been met and we check that objectives and commitments have been met set for the next three years, which should be approved by the Board of Directors.

At the end of the first year, we confirmed that we had achieved most of the goals set for 2013, in some cases ahead of schedule, thus achieving some results planned for subsequent years. The failure to achieve certain objectives in 2013 and the early achievement of some objectives planned for subsequent years depended mainly on changes in project priorities that occurred during the year.

The results obtained are described separately in the relevant sections of this report, while the document including all of the results can be found in the Appendix.



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## MAIN SOCIAL AND ENVIRONMENTAL RISKS AND OPPORTUNITIES

Our objective is to identify the risks and opportunities in relation to topics that constitute the core of social responsibility and on which it is important to take a stance and work to build pathways to continuous improvement.

We pay constant attention to changes in the economic, social and environmental context to identify any emerging trends, potential risks and opportunities which may affect the development of our business. This occurs both externally, in relation to the changes that are observed in society, in the

environment and at a global level; and within the Group, in relation to people, processes and environmental impacts. We also monitor and attempt to anticipate regulatory developments, court decisions and trends in public opinion reported in the media or even manifested in meetings with stakeholders.

With regard to external risks, one such risk potentially in a position to have the greatest influence on the Group activity is **demographic change**, characterised in particular by an aging population, lower birth rates, new family structures and migration. The picture that is emerging presents significant risks from an economic perspective, in terms of pressures on growth and the labour market, increase in public spending on pensions, healthcare and assistance, and the propensity to save.

These developments will also require major changes from a social perspective, in terms of increased demand for social services and the integration in various areas (work, school and society in general) of people from very different cultures, brought together by substantial migratory movements. Even the persistent economic crisis, rising unemployment and social phenomena such as the disintegration of many families, resulting in the growth of areas of poverty, threaten social cohesion and are a source of new needs.

It is clear that all of these factors entail a number of potential risks for a socially responsible insurance group, however they also provide opportunities to be seized in order to improve the lives of people, both through business development, especially with regard to pension and assistance products, and social action in the communities in which we operate.

In environmental terms, the most significant risks are those related to **climate change**. Among the most important consequences which can already be seen is the greater frequency of catastrophic events caused by natural phenomena such as storms and flooding. These phenomena are bound to increase, in terms of intensity, frequency and the number of areas affected, which include more and more densely populated areas and productive settlements, with the ensuing health consequences (e.g. spread of diseases transmitted by insects) and mortality. All of this leads, on the one hand, to an increase in the amount of compensation paid out by insurers and, on the other, to an increasing demand for insurance coverage, with opportunities to promote the sale of existing products and develop new ones. The concentration of risks, especially in more exposed areas, could however lead to price increases over time that are not sustainable for potential customers and to even the non-insurability of risks, should the aggregate exposures exceed the technical capacity of the Group.

From a technical perspective, the risk related to climate change is implicitly considered by Generali by the use of specific catastrophic models which, by assessing exposure for each individual risk, estimate the possible extent of damage according to the type of event (e.g. storm and flooding) and the country involved. Since these models are constantly being updated, over time they reflect the change in the risk conditions to which the portfolio is exposed, and therefore the impact that the ongoing changes will have on the portfolio. In this way, it is possible to verify the adequacy and increase the effectiveness of the underwriting strategy and to mitigate the Group risks.

Demographic change and climate change can have consequences even within the Group, particularly with regard to people management (aging workforce) and environmental policies, respectively.

More generally, each business area must be analysed, identifying potential sources of risk, particularly with reference to aspects which, more than others, expose the Group to **reputational risk** as a result of the deterioration of reputation or a negative perception of the corporate image among customers, counterparties, shareholders or supervisory authorities. In this respect, for a group like ours, which attaches strategic importance to ethical issues, reputational damage associated with any conduct that is detrimental to the environment or violates fundamental human rights is of utmost importance.

Once the potential risk areas associated with various significant aspects (e.g. risk of non-compliance with human rights in the supply chain) have been identified, the most appropriate measures to avoid or minimise their occurrence should be considered. This action, at least for the main risks, is already covered by the development of policies, which in many cases contain measures to limit the risks identified (e.g. in relation to potential conflicts of interest).

Conversely, the adoption of virtuous behaviour in terms of people management and/or environmental impacts, may provide opportunities to improve the business climate and/or wellbeing in the workplace.

The following are examples of how we operate in practice in two areas that are particularly relevant in terms of social responsibility: respect for human rights and the fight against corruption.

## Respect for human rights

The main areas of influence where, by adhering to the commitments as a result of participation in the UN Global Compact initiative, we are required to respect and promote fundamental human rights are composed of our employees and the supply chain.

In accordance with the provisions of the Code of Conduct, we ensure that our employees have a working environment that is free from all forms of discrimination, harassment, intimidation and bullying. We recognise the freedom of association and collective bargaining and prohibit any form of illicit work or exploitation, as well as all types of compulsory, forced or child labour.

Compliance with the core international standards of the International Labour Organisation is monitored by the Corporate Social Responsibility department, which every year sends a written questionnaire to the Group companies across the world. Monitoring is important because we have a presence in some countries that are considered at risk with regard to the respect for human rights. In 2013, this monitoring activity covered about 94% of the Group workforce and produced the following results:

- **child labour:** to ensure respect for this regulation, the companies verify the age of employees at the time of hiring.

No Group employee is younger than 16 years of age;

- **forced labour:** there are no cases of compulsory, forced or otherwise irregular labour within the Group. All employees are free to terminate their employment contract observing the notice period required by law. In no case do we withhold personal documents of our employees in order to limit their freedom of movement or their freedom to change jobs;
- **non-discrimination:** 14 cases of discrimination have been reported through the reporting procedures envisaged by the Code of Conduct;
- **freedom of association and collective bargaining:** 85.9% of employees work in Group companies where there is employee representation. 78% of employees are covered by collective bargaining agreements and, where such agreements are not in force, employees are hired with a formal written employment contract. 2.9% of employees work in companies located in countries where freedom of association and collective bargaining are legally restricted.

In order to raise awareness about fundamental human rights among our employees, which is essential for ensuring that they are respected, training on the existing Ethical Code was delivered via an e-learning course involving almost 19,000 people around the world (with priority given to those who work in high-risk countries). As previously mentioned, we are currently rolling out an introductory training programme on the Code of Conduct – in which the issue of human rights is discussed in detail – which must be followed by all Group employees.

With regard to suppliers, pursuant to the provisions of the Ethical Code for suppliers, they are required to comply with all applicable national and international laws and regulations, including the Declaration of the International Labour Organisation and the United Nation's Universal Declaration of Human Rights. They must also ensure that their respective supply chains comply with the aforementioned rules and principles.

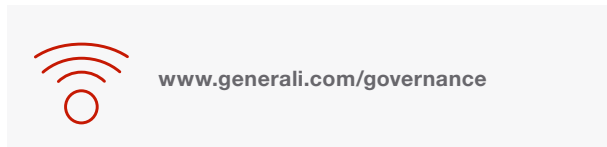
Even in this case, where the risk is specific to the geographical areas in which we operate, annual monitoring is performed via an internal questionnaire sent to the various countries in which the Group has a presence. In 2013, the check did not reveal any significant risks with regard to the possibility that some suppliers use forced or child labour. Instead, we found that in some countries, freedom of association and collective bargaining are not permitted by law (United Arab Emirates) or are permitted but with restrictions (China).

## Fight against corruption

As mentioned, the issue of **corruption** in its various forms is addressed in the Code of Conduct and its Group rules, as well as in other tools (policies, guidelines, regulations and practices).

Almost all of the countries in which we operate have legislation that prohibits the corruption of public and private entities and are required to comply with said legislation on pain of penal and/or civil sanctions. In this regard, we note that in Italy, the crime of corruption between private individuals was recently included in

the list of offences provided for by Legislative Decree 231/2001. As a result, we have reviewed and updated our Organisational and Management Model and performed a new mapping of risk areas in the context of business processes, identifying and implementing business controls to prevent the commission of such offences.



In addition, we require all of our stakeholders to engage in conduct to counter corruption and we adopt suitable measures to prevent conduct that is not in keeping with the principles of correctness, legality and transparency: specific policies; adequate internal controls; compliance programmes; risk assessment procedures that are consistent with the size and structure of the company, as well as the nature, scope and place of business; financial and accounting procedures that ensure that the books, records and accounts are kept in the correct manner and are not used to engage in corruption or conceal acts of corruption; and training and awareness initiatives.

The Code of Conduct and its Group rules also address the issue of gifts that employees and third parties operating on behalf of the Group (agents, suppliers, consultants, etc.) should not offer or accept from public officials or business partners (or their

relatives or business partners). The obligation to abstain from this conduct applies without exception in the case of unlawful payments such as bribes, payoffs or facilitating payments, which aim to speed up or facilitate the execution of routine operations. Gifts, entertainment or other benefits may only be offered or received provided they are of negligible value, are suited to the circumstances, are work-related, are permitted by local law and conform to the local commercial practice in use.

Among the measures envisaged to prevent the risk of corruption, we do not endorse any event or initiative essentially or exclusively of a political nature, refrain from exercising direct or indirect pressure on political representatives and do not make any contributions to associations in order to apply political pressure.

Aware of the fact that charity and sponsorship contributions may be used for corrupt purposes, we require specific preventive checks to be conducted on the beneficiaries and provides instructions on how to make payments. Similarly, in merger and acquisition transactions, we require due diligence to be performed in advance, to identify any instances of corruption, considering a reasonable period of time prior to the completion date of such transactions.

Again in order to prevent possible cases of corruption, relationships with business partners (agents and other intermediaries, consultants, etc.) must be documented by written agreements that refer to the Group anti-corruption policy and any payments for their services must comply with market conditions and not be made to ciphered or numbered accounts.



For situations where the possibility of **conflict of interest** is identified, specific measures are required, such as abstention, declaration at the time of recruitment, prior authorisation for conducting activities outside the company, and procedures regarding related parties. In this regard, in accordance with the provisions of the Consob Regulation adopted by means of Resolution n.17221/2010, a document has been prepared that governs related party transactions entered into, not only by Assicurazioni Generali but also by its subsidiaries, with the objective of ensuring that such transactions are carried out in observance of the principles of transparency and substantive and procedural fairness.

Staying in the context of offences that constitute other forms of corruption, Generali has adopted a series of measures to combat **fraud**, a fairly widespread practice in the insurance business, especially with regard to external fraud, which includes any intentional act to obtain a profit from the insurance company, such as, for example, claims for damage that did not occur or that is not related to the notified event (and thus increasing the claim expenses) and misrepresentation at the time of signing the policy or claim notification.

Enforcement measures put in place include the continuous exchange of best practices and collaboration between members of the local insurance network (for example, partnerships in Italy and Germany use national claim databases to help identify potential fraudulent claims), the use of predictive models and special investigative techniques and other Group initiatives to improve the processes of detection, investigation and prevention of anomalous or potentially fraudulent positions. Our claims departments also have special investigative units consisting of more than 200 specialists throughout our companies in Europe. These units are involved in defining guidelines, participating in local meetings to communicate anti-fraud issues, and training claims handlers to provide them with the necessary skills for identifying and combating fraudulent claims, and are in constant contact with the companies through the national trade associations.



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In order to discourage and combat any type of behaviour engaged in by collaborators to the detriment of the Group, we have defined a set of principles and organisational measures, contained in the Internal Fraud Policy. The document was issued by Assicurazioni Generali in 2010 and subsequently adopted by all Group companies.

The fight against **money laundering and terrorist financing** is another central concern for the Group. We have developed guidelines and minimum standards of conduct which Group companies must comply with, including recommendations by the Financial Action Task Force and the relevant provisions

contained in Directive 2005/60/EC. The Group Anti-Money Laundering Policy was approved by Assicurazioni Generali in 2012 and subsequently adopted by all Group companies across the world. In particular, the document sets out the responsibilities, duties and operational procedures related to risk management and highlights the behaviours to be adopted to prevent the use of financial transactions for the purpose of money laundering or terrorist financing. These measures include the performance of customer due diligence, the maintenance of a register populated with data obtained from this process, the identification of suspicious customers and/or transactions on the basis of risk indicators defined and the reporting of such transactions to the local Financial Information Unit, adequate controls, the use of appropriate management tools, the preparation of a detailed report on the matter and the prompt notification to the Head Office department in relation to any events that may expose the Group to high reputational risk.

Training is an important element of the management of risk associated with the different corrupt practices as it creates internal awareness and the skills needed to prevent cases of corruption.

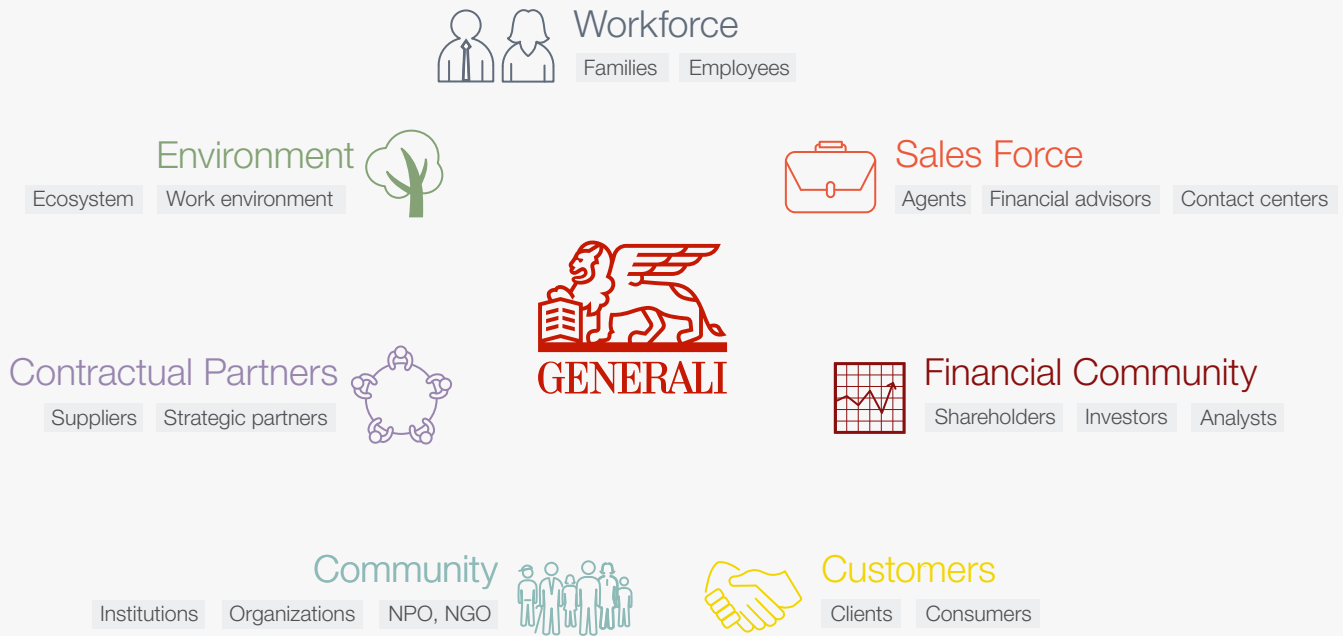
Therefore, we offer adequate and continuous training to our employees who are more likely to come into contact with corrupt practices and phenomena, and, if necessary, our agents and their collaborators. The objective is to provide them with the necessary elements to identify and manage activities that are potentially related to these forms of behaviour.

Training is provided through specific meetings and courses delivered primarily through e-learning platforms. This solution is used, for example, to communicate to all employees and agents of the Group Italian companies the content and principles of the Organisational and Management Model, as well as to provide training on money laundering and terrorist financing to employees of the Group Italian companies who are obliged to respect the rules, as well as agents and their collaborators.

## BE OPEN

When defining the paths and individual actions to turn into reality our desire to help improve the lives of people, the ability to take ownership of the value we hold dear is of utmost importance. As previously mentioned, Be Open is a cross-functional value that is applied to all of the Group activities and relationships. This value reflects our willingness to open up to the outside world and listen to their needs, to meet the challenges that the market presents, and to find the best solutions for us and our stakeholders in an ever-changing environment.

Knowing how to **listen, engage and create transparent relationships** with stakeholders is a prerequisite for companies that wish to be sustainable. Indeed, stakeholder engagement is the process through which an organisation involves its stakeholders (financial community, employees, customers, suppliers, local communities, etc.) in the responsible and effective management of its business.



The map above shows the main categories of stakeholders we have identified, taking into account our responsibilities in their regard, their influence on corporate governance and/or performance, and their proximity, significance and authority.

We forge relationships with these stakeholders to understand their needs and expectations and listen to their point of view with regard to what we do, the results achieved and future plans. We consider their contribution to be essential for defining our sustainable strategies and shared improvement paths, on which mutually satisfying relationships are based, which are essential for maintaining and enhancing our success over time and contributing to the economic growth and social development of the communities in which we operate.

In addition to the various forms of dialogue and discussion held with the individual categories of internal and external stakeholders and conducted with different and specific aims (satisfaction, brand perception, effective communication, etc.), we believe that **multi-stakeholder meetings** focused on a specific theme are particularly useful.

Indeed, dialogue between people who all care about certain issues and objectives, but who at the same time have interests and expectations that are only partly overlapping, can encourage the mind to open up to new and more efficient/effective solutions, thanks to the contribution, not just of ideas, but also of the different experiences and skills that each person brings to the table. For this reason, especially in this time of great change for our Group and the consequent redefinition of our sustainability strategy, we intend to increase the frequency of these opportunities to exchange views, on the basis of which fruitful and lasting collaborations are initiated.

Similarly, in an area such as CSR where cooperation is a distinctive and essential element for maximising the results, we consider it important to participate in national and international networks and initiatives by the insurance industry or indeed multi-sector groupings, which facilitate constant dialogue on various relevant issues. Of particular interest is the participation in working groups where the purpose of the exchange of ideas and experiences is to achieve concrete results, such as the definition of guidelines and common approaches.



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[www.generali.com/sustainability](http://www.generali.com/sustainability)

This open-mindedness and willingness to consider different opinions and suggestions will increasingly characterise the relationships within the Group, creating ways of working that promote the experiences of the different countries/companies

and listen more closely to the most common needs expressed in the context of meetings, workshops and various different opportunities for dialogue, with the goal of building together shared, practical and useful paths for the Group.



GLG Barcellona 2014

# Deliver on the promise

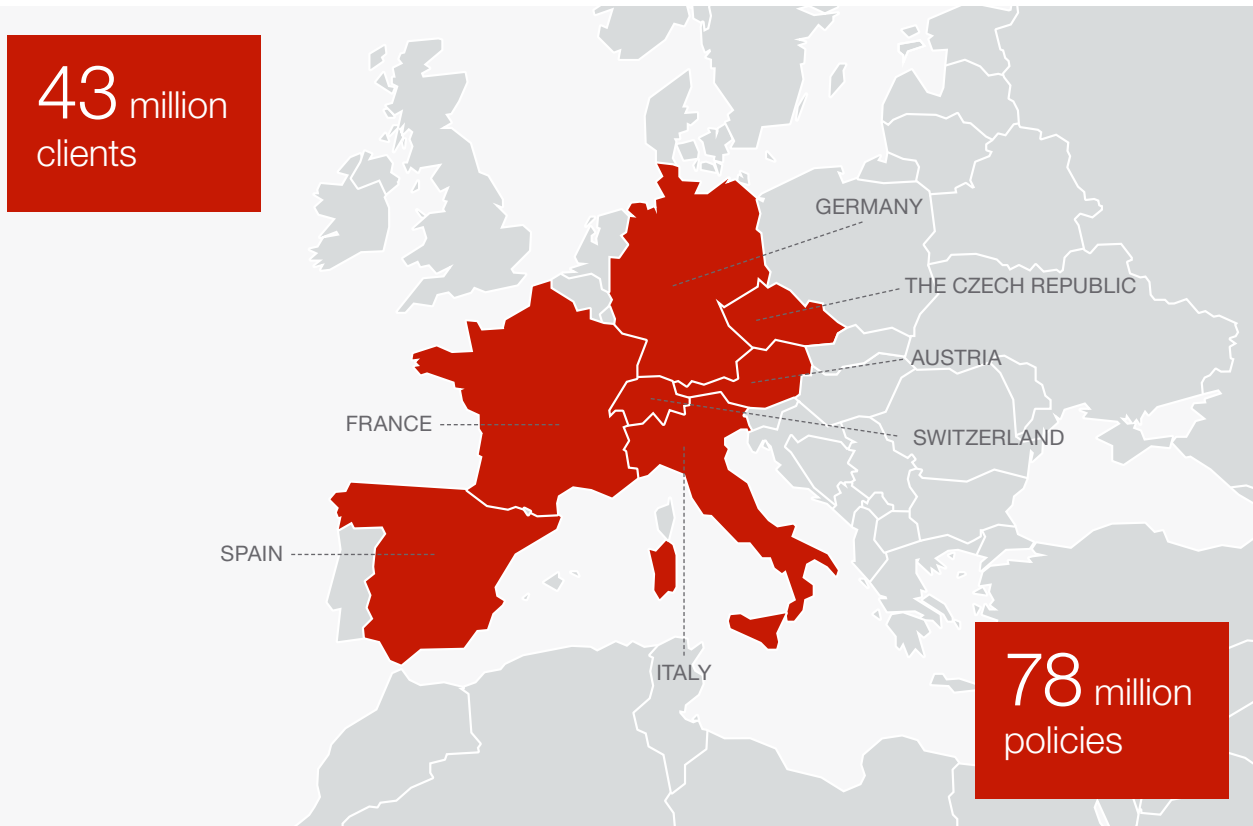
Our values express our beliefs and are the foundation of our commitment to stakeholders, on which we build the trust needed to maintain long-lasting relationships.

We do not simply make promises to our stakeholders, whether they are employees, clients or investors, but make the utmost effort to ensure that these promises become reality. We intend to gain the trust of our stakeholders and build long-term relationships with them based on their recognition of our actual, positive contribution to improving their lives.

In pursuing this goal we refer, on one hand, to the growth strategy of the Group outlined for the next three years and, on the other, to the commitments undertaken by our Board of Directors in the Charter of Sustainability Commitments of the Group, which we must concretely implement.







## COMMITMENT TO OUR CLIENTS

Our vision and mission places the focus on clients: our activities aim to proactively take care of people’s future and lives through insurance, knowing that we can improve their lives by ensuring well-being, safety, consulting and services.

As we are aware of the importance of customer loyalty for an insurance group such as ours, we work to develop products and services using a customer centric business approach. We believe it is only possible to create value for the Group by creating value for clients. For this reason, as we intend to become our clients’ first choice and confirm this preference over time, we aim to increase customer satisfaction by offering insurance solutions that effectively meet their needs.

In managing various activities, our commitment to clients is carried out by:

- simplifying and engaging consumers in product and service innovation;
- offering products that are immediately available and directly accessible, through the most convenient channel for each person in various situations;
- providing clear contractual language, to allow anyone to

easily understand the insurance terms and conditions, which comply with national laws and sector regulations;

- conducting all operations in a transparent manner;
- providing ongoing, accurate training to our sales networks.

### Become a true client centric company program

To become number one in customer satisfaction, a challenging, ambitious goal which is fundamental for achieving our mission, we have launched a specific strategic program.

This is **Become a true client centric company**, launched in 2013 as one of the key activities in the area of Technical Excellence. The program was developed starting from the Customer as an Asset community, created over the past few years to steer Generali change towards client centricity, composed of forty senior managers that are experts in Customer Relationship Management (CRM) in their countries.

The program is organised into 7 business streams and 4 IT streams. The key factors that are crucial for the implementation of the program are the implementation of IT solutions to support

the definition of all functions required for Customer Relationship Management and platforms that can be easily accessed and used by clients.

Each stream has the support of the international community and is coordinated by a senior manager who has already developed best practices at local level. This way, we have activated a network of experts to disseminate best practices within the Group and favour transnational synergies.

For each business stream, we identify possible Customer Management drivers and map best practices at Group level, which are then codified into guidelines to be implemented. Starting from the gap analysis, guidelines and best practices, each business unit defines their action plans, identifying specific initiatives.

The **Customer Value** stream focuses on changing customer relationship management. We intend to abandon the traditional, outdated view of focusing on the value of the policy purchased, to consider the relationship with the client in a holistic manner. This allows us to consider the specific characteristics of each client, obtaining a complete picture of the risks the client is exposed to and their personal needs for present and future protection.

The **Cross and Up-Selling** stream focuses on proactively identifying possible needs pertaining to financial well-being and protection of our clients. The goal is to be able to provide highly customised consulting, i.e. based on the client's characteristics and relating to their needs in each phase of their lives, in order to offer the most suitable insurance solution at all times.

**Retention** is one of the most important streams, because it focuses on what could be defined as the "moment of truth" in our relationship with the client. This stream focuses on building a relationship of trust, based on concrete, tangible services provided through careful consulting when needed by the client.

The **Customer Experience** stream analyses and understands our clients' needs, in order to design and create high quality products and services. To guarantee each client has an excellent experience every time they interact with the company and our distribution networks, we also take the opportunities provided by digitalisation and innovation.

The **development of Products and Services** stream is also highly important. In this stream, we identify best practices in the area of innovative, customised protection solutions through an in-depth examination of clients' new needs and behaviours, to

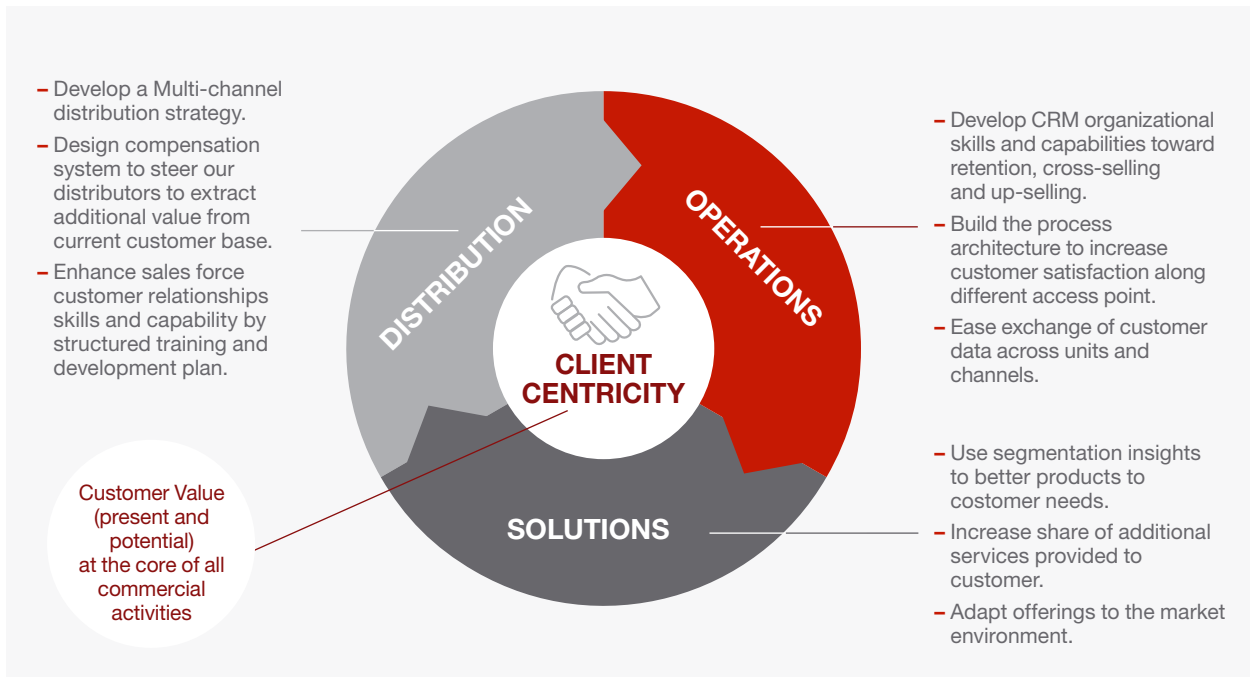
develop unique offers on the market. In this regard, it is important to note several examples of innovative products recently issued on the market, in which our clients showed great interest.

In Germany, CosmosDirekt launched three short and medium-term investment and pension products - Tagesgeld Plus, Flexible Vorsorge and Rente Plus - which offer competitive, transparent, extremely flexible on-line solutions. When the needs change, with just a simple click clients can change the destination of amounts invested, for example, by moving them from insurance investments to a pension plan.

Also on the German market, AachenMünchener has made two innovative packages available to clients - one life product (VASP) and the other a non-life product (VSP), featuring a modular protection system. In both cases, these provide structured processes to understand the specific requirements for protecting clients' life (non-life) assets. These take the form of an insurance and finance check-up carried out by a financial advisor to offer structured, customised solutions to close gaps in coverage, also supplementing any existing policies issued by Group companies or by other companies.

In Italy, Genertel offers the Quality Driver motor policy which, through the use of a sophisticated telematics system ("black box" and GPS satellite localisation system), provides clients with important services, such as roadside assistance, locating stolen vehicles, exact reconstruction of events in relation to claims, etc.. Moreover, the possibility of accurately checking the client's habits and driving may result in more precise pricing of insured risk, providing drivers with the possibility of obtaining a discount on the renewal price based on their driving behaviour.

In the area of the **Customer Satisfaction**, an internal team is working on developing guidelines based on the experience accrued in the various countries, following system-wide surveys such as the Net Promoter Score. This is a type of survey currently used in many countries, which measures how likely clients are to recommend their insurance company to third parties. We believe that the Net Promoter Score is a useful tool for improving the customer experience, as recommending one's insurance company goes well beyond rational factors, involving emotions. Clients recommend our Group only if they have an outstanding experience with us, and feel that we care of them in every aspect of the relationship. Being able to constantly measure customer satisfaction by implementing these types of systems is an important milestone in building a mutually satisfying long-lasting relationship with our clients.



## Engagement and dialogue

Attention to dialogue with clients and analysing the results of the numerous surveys organised periodically is a constant feature of our activities, in place well before the strategic projects currently under way. The surveys on brand perception and customer satisfaction for the products and services offered, as well as the analysis of client/consumer expectations and the reasons for their behaviour have always been the foundation of our development and expansion of our range of products and services, internal organisational processes and communication.

In all countries we conduct surveys aimed at identifying the level of **customer satisfaction** at the various stages of the relationship. These are generally interviews by phone or via web, with frequencies ranging from monthly, as in Switzerland, to once every three years, in the case of Austria. The surveys conducted in 2013 showed a good level of customer satisfaction, remaining stable on average. In Switzerland, satisfaction improved following a series of measures implemented based on the results of previous surveys. These measures specifically concerned the consulting provided, the efficiency of processes and the introduction of an on-line form for submitting complaints, which enabled direct, simplified contact with clients.

A critical, particularly important moment with regard to customer relationship management concerns claim settlement, when the policyholder can concretely verify the quality and scope of the insurance cover purchased. Considering this, periodic surveys are conducted in all geographical areas on the satisfaction with services related to managing reimbursement. The frequency of these surveys varies widely and also depends on the type

of survey conducted: in the Czech Republic the NPS is used in weekly surveys; in France and Spain surveys are conducted monthly and quarterly, respectively; while in Austria this type of survey is conducted every two years. In 2013 satisfaction remained steady in all geographical areas, with an increase in satisfaction recorded in Spain.

The results of the satisfaction surveys conducted with clients are supplemented with information gathered through the activities for **dialogue with the sales force**, which acts as a privileged monitor of ongoing, direct contact with clients. To facilitate dialogue and enable accurate, updated communication with the management structures dedicated to organising and managing the sales network, numerous contact channels have been developed: dedicated intranets, newsletters, on-line and hard copy publications and smartphone and tablet apps.

Dialogue with the networks primarily aims at verifying the sales force's satisfaction, investigating any areas for improvement, guarantee clients are provided with services always in line with their expectations and obtaining direct, immediate feedback on the market situation. Focus groups and meetings at various levels are periodically held for these purposes, where suggestions and indications are gathered to steer the innovation of products e services towards new needs. Furthermore, workshops are frequently held with the sales force both for the purposes of engaging them in corporate strategies and assessing the impact of new products and services.

In all countries **surveys** are conducted **on brand perception, image and advertising communication**. These surveys are conducted on consumers drawn from representative population samples, generally selected based on certain criteria, i.e. age and

sometimes several more specific criteria (gender, occupation, etc.). Occasionally, the sales networks are also involved.

The brand perception and image surveys are carried out at varying frequencies, depending on the country, and are associated with specific events (e.g. the launch of a new communications campaign) in order to assess their impact. In the last year, the results of periodic surveys showed that the perception of all Group brands were holding steady, with improvements in France, Germany and Spain. In the Czech Republic, specifically, Generali is perceived as an innovative insurance company owing to the services offered for claim management.

As regards surveys assessing the impact of specific initiatives, in Spain focus groups were organised on the Pago como Conduzco (Pay as you drive) project, to understand clients' perception and the effectiveness of the communication. A qualitative study was also conducted to identify the key factors in brand promotion, on which a quantitative study was subsequently conducted. The surveys conducted showed a highly positive reaction of the public to the advertising campaigns launched in Germany, the Czech Republic and Spain.

Surveys conducted in 2013 to understand the needs, wishes and behaviour of clients/consumers included a poll in Austria concerning motor coverage issues such as: use of the vehicle, whether the client plans to purchase a vehicle, preferred cover packages, the propensity to purchase electric cars and the

possible installation of security systems. As regards pension issues, a survey was conducted among persons under employment contracts on their aspirations and needs.

In Italy, Genertel and Genertellife conducted numerous surveys regarding both payment methods - and, in particular, the option to pay premiums in instalments - and flexibility in defining policy content and the criteria for defining prices.

Lastly, in Germany, two significant studies were conducted on issues that play a determining role in the current historical and market scenario: the aging of the population and climate change.

Climate change was analysed in a study conducted as part of a global project with strong backing from Gesamtverband der Deutschen Versicherungswirtschaft e.V. (GDV), the trade association for German insurance companies. Specifically, the Potsdam Institute for Climate Impact Research (PIK), which was assigned to conduct the study, analysed the impact of climate change on claims in the German insurance sector for pricing.



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## Generali Altersstudie

The **Generali Altersstudie** study (Generali Study on Aging) focused on understanding how the elderly live, think and interact with others. To this end, in 2012, the German Institut für Demoskopie Allensbach (German Opinion and Market Research Institute) interviewed a sample of more than 4,000 people aged between 65 and 85 on behalf of Generali Zukunftsfonds, the foundation that manages most of the activities carried out in Germany for the community.

The study was published in November 2013 and is available in all book shops. The Federal Center for Political Education issued an own edition with the same content.

This is a survey which, for the first time, performed a detailed analysis of day-to-day habits, behaviours and inclinations of this age range.

The results obtained demonstrate that the elderly lead a more active, independent life with social relations compared to 20 years ago. Most of them are satisfied with their living condition and feel 10 years younger than their actual age. Such rejuvenation partially offsets the impact of the aging population.

More than one in two live in an own property and has frequent and positive relations with their family and friends. The elderly not only follow a life of autonomy but also support their children and grandchildren in terms of money and time. The majority is in good health, even though they become less numerous when they are older than 75-80. The ability to lead an independent life in the future seems to be their highest value. Therefore, they expect skilled nursing services be provided by the State.

The analyses of the results obtained provide a full, varied picture of the needs of elderly clients and enable segmentation into the various areas of interest. These results will be crucial in understanding these categories of clients and should guide the development of new products, especially those in the life segment.



Old-Aged Survey, Germany

## Products and services with particular social and environmental value

In attempting to provide suitable responses to new needs expressed by our clients and/or the market, while concretely encouraging virtuous behaviour by consumers, we create and develop several products of particular social and/or environmental value.

All insurance products have social value by nature, as they constitute a response to clients' pension and protection needs. The **products with particular social value** include:

- the Dread Disease and Long Term Care policies, which involve the payment of a lump sum or annuity in the event

of serious illness or to cover the cost of care as a result of the loss of self-sufficiency;

- policies associated with medical prevention, such as those that set regular check-ups as incentives for health protection;
- policies that meet the needs of specific categories of clients, such as young people, the elderly, the disabled, immigrants, the unemployed, young business owners and people involved in volunteer activities. In 2013 a new product was launched in Germany for people between 18 and 27 years of age, providing life and non-life coverage, which permits clients to change the risks covered each year based on their changing individual needs, i.e. as a result of entering the job market, buying a home or starting a

family. In Spain, an accident product was launched which reimburses expenses clients incur in modifying their cars or homes to meet new needs as a result of disability due to an accident, and in the Czech Republic individual medical equipment such as wheelchairs or insulin injectors can be included in household insurance policies;

- policies that reward or penalise clients based on their behaviour in relation to specific risks;
- **microinsurance** projects which provide access to basic insurance products also for persons who could otherwise be excluded. These initiatives express our commitment to improving the lives and supporting the social and economic development of the persons in the most difficulty. Specifically, over the last few years in India agreements have been signed with leading microcredit institutions to provide coverage of medical expenses and injuries to a large number of low income people. Furthermore, in 2012 Future Generali launched Future Sampoorna Suraksha, a microinsurance product tailored to the specific needs of inhabitants of rural areas and the outskirts of cities, which includes guarantees to cover the costs of hospitalisation, injuries and buildings. Through these products, in 2013 insurance coverage was provided to a total of almost 139,000 people in India.

To guarantee the quality of our products and services also in terms of environmental sustainability and to favour eco-compatible behaviour of clients, we design and distribute

**products and services with particular environmental value.**

In the businesses segment we intend to engage the insured companies not only in complying with environmental protection laws but also in effectively preventing risks, making the provision of insurance coverage conditional to certain minimum measures, and suitably modulating the cost based on the measures adopted. To this end, the underwriting policy for property and third-party liability risks involves careful assessment of companies with high social and environmental risk and the provision of preventative consulting for the purpose of ensuring that the client adopts suitable safety measures to reduce exposure to risks. When gaps are found in the form and/or substance of the prevention measures adopted, premium increases are applied and, in the most serious cases, the insurance coverage may not be issued.

The following products with particular environmental value for companies are important:

- third-party liability policies for pollution to cover the reimbursement of costs for emergency or temporary measures to prevent or limit compensable damages;
- policies for financial losses as a result of pollution damage;
- policies covering equipment for the production of renewable energy;
- discounted prices to companies that are certified under EMAS and ISO14001.

**Agir pour notre avenir label**



In France, Generali offers small and medium enterprises a free assessment of performance and risk control standards based on various analysis criteria, some of which pertain to sustainable development.

Following the assessment, the company is

allocated a score. A score of 15/20 or higher earns the company the Agir pour notre avenir (Take action for our future) label specially created by Generali.

This quality label provides many benefits, including discounts of up to 30% on insurance premiums, advantageous three-year terms even in the event of a claim and additional services.

Our attention to eco-sustainable behaviour is also focused on the segment of individual clients, through:

- motor third-party liability policies providing discounts for clients insuring “green” vehicles or those expected to have low annual mileage;
- policies covering equipment for the production of renewable energy to cover weather damage to solar or photovoltaic panels or similar equipment. Such policies may be expanded to include cover for lost profit deriving from interruption or reduction in the production of electricity;
- policies covering catastrophic damages caused by natural disasters;
- consulting provided to clients to identify any opportunities to optimise the energy consumption in their homes.

Our commitment to increasing customers satisfaction also translates into the ongoing development of solutions and initiatives to **improve services offered**. To reach a greater number of clients and facilitate contact, we have combined on-line methods with traditional communications tools.

Using the constantly updated websites of the insurance companies, users can:

- identify agencies and claim settlement offices;
- obtain information on products, cover and contractual terms and conditions;
- obtain updated estimates;
- forward complaints.



In certain cases the service offered via the **web** also provides information on claim management procedures, allows users to request a consultation and provide a reserved area where clients can manage their insurance position in a completely confidential, secure manner.

The **call centres** are an additional point of contact providing remote support to clients and extended opening hours. The call centres provide the following:

- information and assistance;
- information on after-sales services;
- company website navigation support;
- timely responses to reports of poor service.

Moreover, certain Group companies can provide quotations, advice and assistance in completing the claim report and information on the claim settlement process via telephone.

To facilitate communications with clients and guarantee a service that is always available in terms of space and time, as well as functional for both clients and our sales force, we continue to implement IT projects to develop **apps** for smartphones and tablets. Using this method, our clients can:

- view their insurance positions;
- locate the nearest authorised body shop and request roadside assistance;
- report claims and submit the related documentation.

In certain cases, apps provide users with access to additional services, such as calendars that allow the user to enter the deadlines, estimating blood-alcohol rate by entering physical data and the number of drinks consumed, and measuring fuel consumption and recording the position of the vehicle through geolocation.

We have set up multiple channels so that clients can contact us and send their complaints using the methods best suited to their needs at the time.

In 2013 we received a total of slightly more than **51,700 complaints**, of which only one-third were accepted. Nonetheless, we took all the complaints received into consideration, because we believe that each of these provides an opportunity to improve not only our service, but also the customer experience. We are open to receiving criticism and suggestions and ready to put our beliefs to the test to meet the needs and expectations demonstrated by our clients.

Tools and processes for complaint management are very similar in all the companies, and enable us to promptly and accurately reply to requests received. The organizational units in charge of complaint management and monitoring the processing of complaints received work with the various business units to quickly reply to requests and to identify possible actions to take to resolve problems which have arisen.

To round out the information/training service provided to clients, we implement many local **insurance/financial literacy programs**. We send out newsletters and distribute information leaflets to clients and consumers, and periodically update the glossaries and Q&A (frequently asked questions and answers) sections on the websites to make it easier to understand sector terminology and provide accurate information on policies, the most common risks, financial matters and regulatory requirements in clear, understandable language. Several Group companies have developed dedicated micro-sites and on-line videos which, in a spirit of edutainment (education and entertainment), explain the benefits of insurance coverage available in all lines of business and offer tips on how to safely deal with everyday life.



#### Best practice

In 2013 in Germany, to increase awareness among consumers, CosmosDirekt created more than 50 Versicherungstipps (insurance tips), published via mass media to provide a widespread audience with general information on certain types of insurance and the most common risks that can be covered by an insurance policy. Furthermore, as regards social media, an important partnership is under way with the on-line portal gutefrage.net, where the company has launched a chat service providing impartial advice. In these chat sessions questions on specific insurance-related topics are answered, such as what types of coverage are important for women.

In Italy an exclusive 3D animated short film was made, broadcast through a travelling mini-cinema, whose locations also directly involved the agencies throughout the country. The goal of this initiative was to promote the role of insurance in daily life, to increase awareness of insurance needs.

In the Czech Republic, the financial education programme previously launched in secondary schools, delivered by the Group financial advisors was expanded with a financial game to make learning engaging and fun.



## Socially responsible investment products

To meet the growing demands from clients and the international market, for several years we have also offered investment products that meet SRI (Socially Responsible Investment) criteria.

We have internally developed a proprietary methodology to select socially responsible investments. For each company analyses, the methodology involves:

- the analysis of 34 environmental, social and governance (ESG) criteria, reviewed and updated annually, allocating related scores;
- the mapping of non-financial risks that may have an impact on the price of company shares (e.g. reputational risk and damage to brand image, class actions, legislative pressure, competitive advantage, intangible capital and carbon footprint) and the way in which they are regarded by corporate policies;
- the comparison of previous analysis results with the benchmark SRI universe, consisting of more than 200 European companies, resulting from the selection of the most “virtuous” companies;
- integration of financial criteria for the final selection of the companies identified.

A team of five expert analysts, supported by a scientific committee, selects securities from the best companies in terms of corporate social responsibility and sustainable development policies, also by means of a process of dialogue aimed at improving the performance of the companies considered, where necessary.

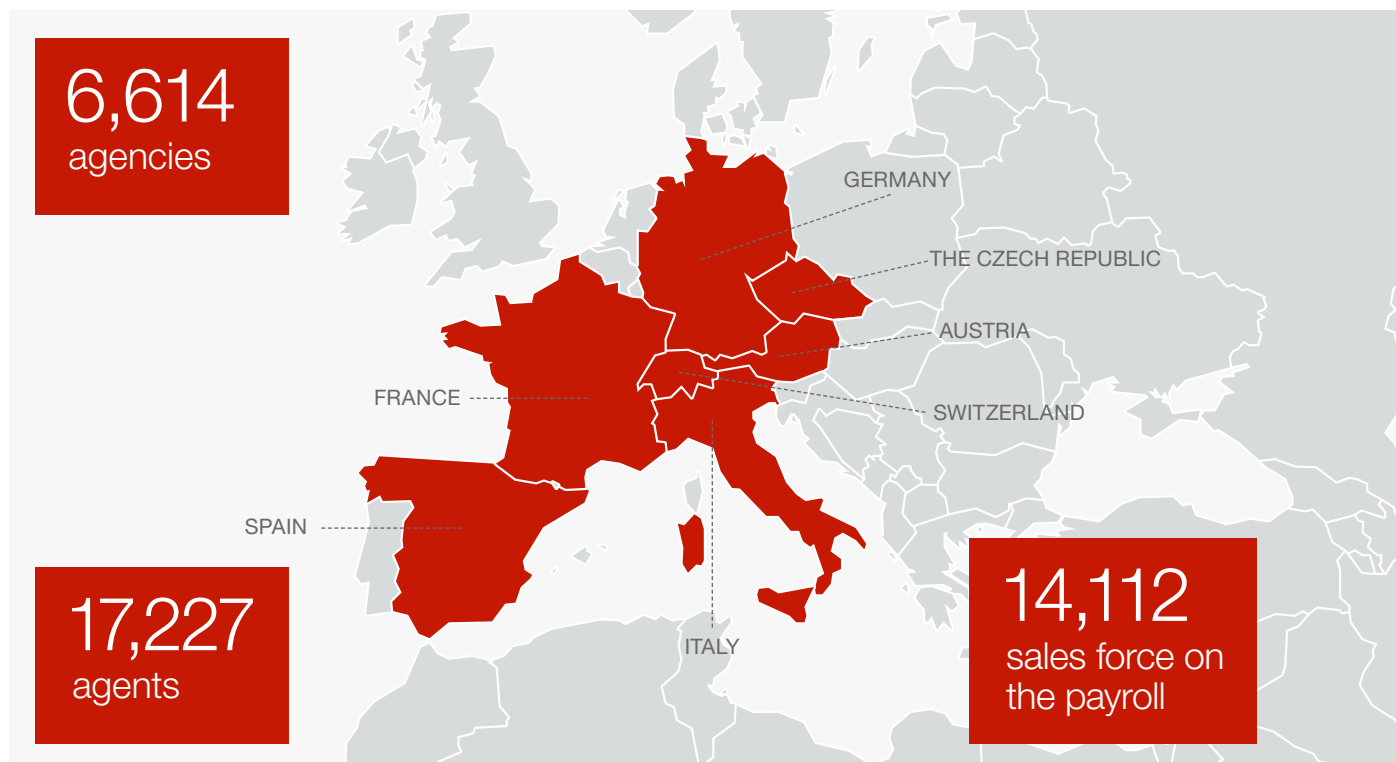
This approach led to the creation of an internal database called S.A.R.A. (Sustainability Analysis of Responsible Assets), through which several dedicated funds have been established, including the fund under Luxembourg law Generali Investments SICAV S.A.R.A. S.R.I. and the GIS European S.R.I. Equity fund. Specifically, in September 2013 the latter investment fund was awarded the important Novethic SRI Label, which Novethic, the leading French SRI Research Centre, uses to recognise the systematic application of ESG criteria in the investment process, the impact on the selection of issuers and on the quality of the resulting portfolio.

Our range of SRI products also includes the AIR (Agir pour l'Investissement Responsable) savings product, developed in collaboration with Generali Patrimoine on the basis of a selection of six thematic, long-term funds chosen based on a rigorous and transparent assessment process which also considered non-financial risks.

Currently, the methodology to select socially responsible investments is applied to 22 billion euro in assets under management.

## Multi-channels and multi-access services

We are committed to the ongoing development of solutions and initiatives to improve services offered and their accessibility, using an integrated approach. A total of 40 experts and coordinators counts oversee initiatives dedicated to the distribution network.





The agencies are the foundation of customer service and, despite the growing importance of new alternative channels, will remain the primary channel in all markets, both mature and rapidly growing markets. In this view, we are working on simplifying the administrative and operational activities of our agents and improving their skills. This will make it possible to develop our consulting services, targeting them to meet clients' needs and adjusting them to regulatory changes. To this end, in the area of Technical Excellence, we are moving forward with the Group strategic project named Excel in Tied Agents.

The aim of this project is to modernise and improve services offered to clients, working on key factors in the value chain, involving various people in 8 countries where the Group operates (Austria, France, Germany, the Czech Republic, Poland, Spain, Switzerland and Hungary). The main areas being developed are as follows: improving the efficiency of the network and the effectiveness of customer relationships through a targeted consulting approach that identifies and meets specific needs in a personalised manner, and setting up remuneration systems by defining a customer-oriented sales process based on value creation.

At local level, a specific three-year action plan is then defined, based on the above areas for development. These plans are implemented using the instruments and methods set up in the area of Technical Excellence, which include: an international network and team of experts, a Group knowledge exchange platform, workshops, reference guidelines, a manual of best practices, a specific set of indicators and the related monitoring system.

In view of a customer centric business model that focuses on clients and their needs, agents are a crucial channel of contact. For this reason, and based on the guidelines identified by the Excel in Tied Agents project, in recruitment, we select the best qualified and well-skilled people.

Furthermore, the agents' professional careers are built on structured development and training plans, featuring medium and long-term targets aimed at affirming loyalty and consolidating the relationships. This way, we guarantee that our clients have stable, long-lasting relationships with their agents, based on professionalism and cooperation, while searching for the most suitable solutions to the clients' needs.

As stated, our clients drive the evolution of sales processes, and are now interested in multiple contact methods, differing based on varying needs. The multi-channel strategy we have adopted to meet customer needs aims to increase and improve customer service, by developing new distribution models that combine various contact methods and provide direct access to the companies' services through innovative channels. New technologies are also used in this area, which provide greater transparency for all transactions, in compliance with legal requirements.

To renovate the agency model and develop relationships with clients from a multimedia viewpoint, the Enabling true Multi-channel Distribution project was launched. This involves about

forty managers in 22 countries and investigates the potential provided by new digital tools and on-line solutions to increase clients' opportunities for access. The goal is to reach the maximum level of integration between traditional and direct modes of access that match the behaviours and expectations of clients, to increase their satisfaction and the creation of value.

## The service provided to policyholders

The management of non-life claims is crucial for an insurance company, in which the service provided to the client, the efficiency and technical expertise are of primary importance. In this knowledge, we have organised claim management based on the areas of fundamental technical importance. In each area we have developed the following tools and processes, which play a key role in optimising the claim settlement procedure:

- a **highly-specialised organisational model** for claims, implemented to achieve excellence in claim management;
- **human capital enhancement**, through the training of assigned personnel and ongoing cooperation among the various technical functions involved;
- **automation and digitalisation** of procedures;
- **systematic controls** to ensure value creation for all of our stakeholders;
- **specialised technical areas**, identified to provide accurate responses on important issues in managing the customer relationship, such as anti-fraud measures, management of injury claims, disputes and recoveries;
- **continuous improvement of the Customer Experience**, by innovating procedures and customer service.

Specifically, in 2013 the Global Claims unit was created in the Head Office, which works closely with the local business units to ensure that Group guidelines are defined and best practices are followed in claim management. This unit is mainly in charge of:

- identifying and sharing best practices, supporting the companies in implementing them;
- constantly monitoring the management of non-life claims at local level and identifying any areas for improvement;
- checking the progress and quality of the service through regular meetings with the companies to assess the trends and performance, in order to guarantee their adequacy with regard to the set standards;
- identifying and developing talents, including them in work teams and pilot projects that enable them to develop new skills and specific experience in on-the-job training.

Based on the initiatives organised and the models implemented, we have **defined Group technical guidelines** for claim management, which set the standard for our clients in terms of the service provided and the efficiency of the procedures for claim settlement.

In 2013, we dedicated a total of **7,500 people** to claim management procedures, which include over **600 loss adjustors** and more than 200 specialists in fraud fighting. These structures manage over **10 billion euro in payments each year**.

## Flood emergency

In 2013, following the flooding in Central-Eastern Europe, Austria, Germany and the Czech Republic, the Generali Group demonstrated its ability to promptly take action to deal with the damage caused by the weather and quickly pay policyholders. The following were implemented to respond to the emergency: a task force of technicians in the most affected areas, services available 24-7 and special measures for claim settlement, in addition to several volunteer initiatives by employees.

In Austria, specifically, a 24-7 hotline was set up and a guide was published on the website explaining to clients how to proceed. In Germany, some of the staff in charge of claim settlement worked directly in the affected areas and, in some cases, crisis units were set up in specific geographical areas. In the Czech Republic, we have made available cash advances on claim settlements so that policyholders can promptly handle difficulties, and telephone and social media (Facebook and Twitter) channels have been activated to inform inhabitants about claim settlement procedures.

## Services for life insurance policyholders

In 2013 we paid a total of **5 billion euro** in death and disability claims, which provided financial support to our policyholders and their loved ones during critical times in their lives.

In addition, we paid more than **27.4 billion euro** in maturity and surrender proceeds from savings and pensions policies.

This is capital invested with us, often over many years (usually guaranteed capital which is not influenced by the volatility of the stock market), which we have managed in the interest of policyholders and which they may now use for their pensions, to pay off debts or to fund personal projects. Some clients decide to confirm their faith in us by reinvesting the capital accrued in pension products, to guarantee future income for themselves and their families.



Berlin, Germany



## COMMITMENT TO OUR SHAREHOLDERS

Making the best use of our shareholders' investments has proven to be one of our priority interests. Over the last year, we pursued this goal with a revised business policy that assures shareholders the achievement of the set financial targets and higher profitability of the business, as well as a satisfactory economic return for those who have placed their trust in the Generali Group. In confirmation of this, for 2013 the Group has decided to offer shareholders a dividend of 0.45 euro per share, more than double the dividend distributed in 2012. As a result, we are confident in stating that we are keeping the promise made to shareholders to work to increase the returns on their investments.

### Dividends policy

	2010	2011	2012	2013
Dividends (in million euro)	701	311	311	701
Dividend per share (in euro)	0.45	0.20	0.20	0.45

Generali's shareholders also include investors who adopt ethical criteria for investment. The total share capital held by these investors has remained stable at around 3%. This is mainly comprised of the stake held by Norges Bank Investment Management (1.69%), the division of the central bank that manages the Norwegian Government Pension Fund, followed by the stake of the American California Public Employees' Retirement System (0.26%) pension fund, in addition to smaller stakes held by other institutional investors and pension funds, primarily European.

Furthermore, a study by Nasdaq OMX, a financial services consulting firm, shows that the 75% of shares managed by investment advisors in Generali are held by institutions signatories of one of the four most important international agreements on social responsible investment (United Nations Principles for Responsible Investment, Institutional Investor Group on Climate Change, UK Stewardship Code and the CDP). This figure demonstrates the significant attention placed on sustainability issues also by most investors that do not define themselves as primarily ethical investors, which still constitute investors interested in our commitment to social responsibility and the results we have achieved.

The highly positive results achieved by Generali in 2013, both financial and in terms of business development, in spite of market conditions that remain challenging, are the fruit of our ongoing commitment to realise our clear vision, through the best leveraging of our discipline, simplicity and focus on the insurance business, the principles that guide our strategy and our actions.

A clear sign of the Group intrinsic soundness is provided by the ratings assigned by the leading international rating agencies, primarily the confirmation of the A- rating from Standard & Poor's in the first few months of 2014. This is an extremely important result, achieved following the stress test with positive solvency

in highly distressed scenario, a sign that our financial statements are deemed strong and capable of weathering highly adverse situations.

At the same, the ratings assigned by agencies specialising in sustainability issues continue to be improved. An increasing number of these agencies consider the financial instruments issued by Generali as social responsible investments (SRI). In 2013 the results achieved in the various areas of social responsibility confirmed Generali in many of the most prestigious ethical indices, including FTSE4Good, NYSE Euronext Vigeo Europe 120 and the ESG MSCI indices, as well as being included in the CDP Global 500 Climate Performance Leadership Index (CPLI).



General Meeting 2014, Trieste, Italy

In our relationship with the financial community, we consider maximum transparency in disclosure to be crucial. Relationships with institutional investors, financial analysts and rating agencies are becoming more vigorous, and are conducted through the publication of financial results, press releases and other communications as a result of significant changes in the Group, as well as through meetings with the Top Management and the Investor Relations team (roadshows and sector conferences). We also hold an Investor Day, usually once a year. This important event provides a detailed illustration of our main strategic goals, the performance of our business lines and the results achieved.

We also receive numerous requests from specialised ESG analysts, for more information on the Group commitment and

social and environmental performance as well as its governance, and from SRI investors, to assess the Group compliance with the defined criteria in order to consider the investment in Generali as socially responsible. Dialogue with “ethical” analysts, investors and rating agencies is managed with the support of the Corporate Social Responsibility department, mainly through telephone calls and video conferences, and requests to fill out questionnaires.

The financial community can directly communicate with the Company at all times through the Investor Relations team. Lastly, the Group website [www.generali.com](http://www.generali.com) provides considerable useful information for the public and for analysts, concerning both the financials and various sustainability issues.



# Value our people

People play a key role in helping to fulfil the Group strategic goals. We believe in the value of our employees and we build the competitive advantage on their expertise, experience and commitment.

To this end we create a corporate environment that is designed to encourage participation and communication, leveraging on programmes to develop the potential of every employee and guaranteeing an open, diversified environment based on trust and respect for values and rights.





## OUR PEOPLE

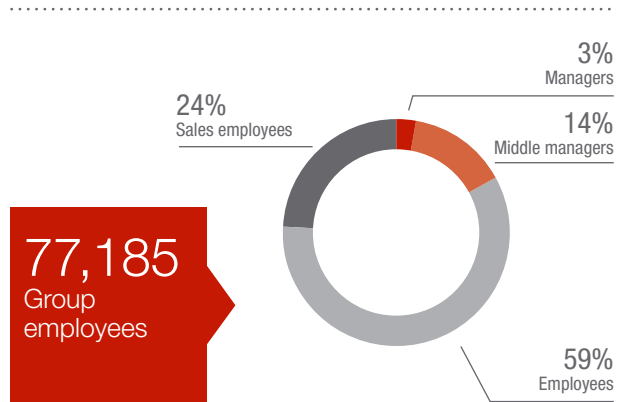
At the end of 2013 our staff was made up of 77,185 people, 48.5% of whom women, compared with 79,454 in 2012. This fall by 2,269 units (-2.9%) is due to the sale of the reinsurance business of the life segment in the United States, stakes in Mexico, and the insurance businesses in Russia, Kazakhstan, Ukraine and Belarus; on a like-for-like basis, the number of employees has remained largely stable (+0.2%).

With regard to the workforce, on a like-for-like basis one can see that, even in an economic context still characterised by uncertainty, stagnation and growing competition, in the last three years the Group has been able to keep its employment levels practically unchanged. It should also be pointed out that 92.3% of the Group employees have permanent contracts.

We are well aware that **employment** is one of the biggest problems in the major European countries in which we operate (Italy, Austria, France, Germany, the Czech Republic, Spain and Switzerland, where 63.1% of our employees work).

In a difficult economic context, in 2013 we have managed to contain the reduction of the workforce to around 1% in this area, with stable employment levels in Italy and Spain, and moderate growth in Austria.

In 2013, 95.6% of employees in the main European countries had permanent contracts. The use of temporary or project workers is very marginal and is limited to providing cover during



peaks of work, one-off projects and temporary staff absences due to maternity leave, sick leave or other reasons.

The contained reduction in the size of the workforce is also down to our responsible conduct in the management of reorganisation processes, such as the particularly wide-reaching process currently taking place in Italy.

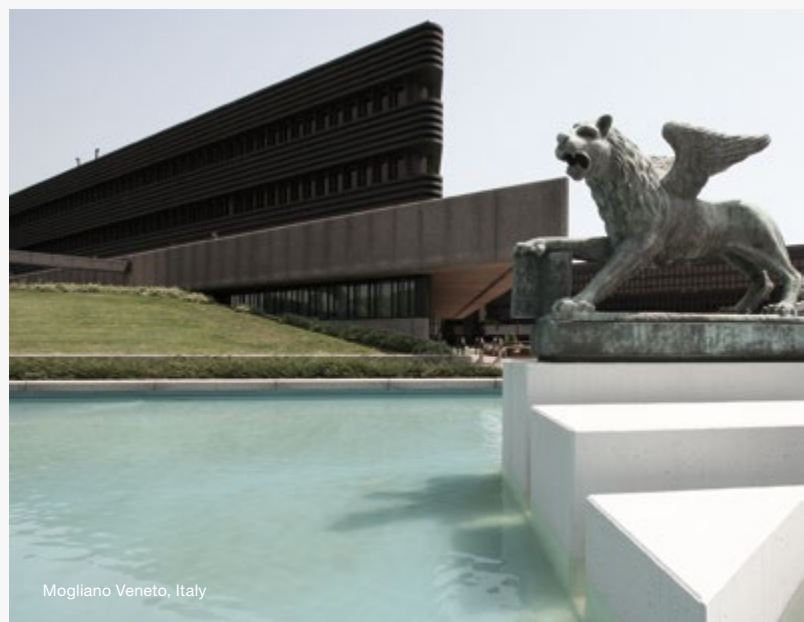
Still in the area of employment, it should be mentioned that in some countries the Group has played an active role in contributing to resolving the serious problem of youth unemployment through initiatives designed to help young adults enter the working world.

## Generalitalia Project

On 1 July 2013 the Generalitalia Project was launched in Italy with the creation of Generali Italia S.p.A., a company in which the insurance activities carried out by the agency networks and the business generated through brokers is concentrated. Through a gradual process, this restructuring project involving over 5,200 people will be completed in 2015 when the Group will operate just through three companies (Generali, Alleanza and Genertel), which will manage the same number of brands, business areas and distribution channels.

We manage the corporate restructuring operations connected with the Industrial Plan and the Generalitalia Project in accordance with the provisions of the Group union agreements in force, as well as the laws in force and the national collective bargaining contract in the insurance sector. To this end, no specific measures with regards to employees will be adopted, with the exception of definitions or redefinitions of transfers to other Group companies.

The professional conversion requirements that stem from the new organisational structures are managed through training and professional retraining programmes.







### Best practice

In Austria, some Group companies offer students of between 16 and 18 years of age the opportunity to carry out an internship at their offices. In this way they can acquire the professional experience they need so they find it easier to get work once they have completed their studies.

In France, Generali France adopted the Apprenticeship Policy, pledging to permanently hire 25% of the interns that worked at the company in the 2011-2013 period. Generali signed a partnership agreement with the Second Chance School of Saint-Denis which, through a series of specific re-education and employment programmes, helps the unemployed and unqualified people who leave school early to become part of the working population. Furthermore, in 2013 it signed the Contrat de Generation, which will involve the hiring of 300 people of under 30 in the next three years.

In Switzerland, the Graduate Programme offers talented young graduates of between 26 and 30 years of age the chance to carry out an 18-month training placement in the various departments and in other countries in which the Group operates. This will give them the opportunity to acquire international professional experience with a view to joining the company one day in a managerial role.

## COMMUNICATION WITHIN THE GROUP

We believe internal communication is fundamental to the value creation: it is the driver guiding information and engagement activities that are addressed to the Group employees, with the view of sharing and promoting transparency and synergies across geographical areas, business levels and professional skills.

In the last year great emphasis has been placed on direct communications with employees throughout the Group. Many initiatives have been launched to foster the development of digital communications and to promote meetings and dialogue with the Top Management.

July 2013 saw the launch of the new We, Generali Portal, which seeks to connect all of employees on a single digital platform for the first time. In just under ten months almost 70,000 people have been connected to the portal - from Portugal to Central-Eastern Europe, Japan to Argentina - providing them a channel of information in English that includes a global address book, news, organisation charts, policies, press reviews and other useful information for corporate life.

At the start of 2014 the first internal communications campaign was launched, involving all employees in the new cultural system of the Group (vision, mission and values) through the We, Generali concept. A structured campaign which - with dedicated meetings, specific activities on the digital media (We, Generali Portal, email, banners, wallpaper) and posters outlining the values in over 20 languages - will be developed throughout the year.

In addition, various initiatives designed to create a stronger and more direct dialogue with the Group Top Management were organised, including the creation of a dedicated email address for providing suggestions and recommending initiatives directly to the Group CEO.

**Meetings** between the Group CEO and employees at both the Head Office and the Group various sites across the world were also promoted and became more frequent. The following are organised at the Head Office:

- the **Strategy meetings**, which seek to present and share the Generali Group strategy, focusing on the role played by the Head Office in its development;
- **Lunch with the Group CEO**, an initiative promoted by the Group CEO to breed familiarity and encourage the exchange of opinions.



Strategy Meeting, Trieste, Italy



Both of these voluntary initiatives have proven to be very successful, involving over 600 Head Office employees.

So far around forty meetings have also been organised between the Group CEO and local employees during visits to Generali overseas sites.

## LEADERSHIP MODEL

The major changes that the Group has undergone in the last two years have also, as a matter of course, led to substantial changes in terms of our people, the key players in this strategic change.

We identified the leadership model as a priority action area, the goal being to create a top-level organisation that optimises business and operating synergies. To this end we have defined a coherent system of governance based on three key aspects:

- geography, which was separated into three dimensions: Head Office, regions and countries;
- functional excellence;
- business excellence, through the product, distribution and customer segmentation.

The new leadership model seeks to support the Group strategy through:

- the creation and definition of global organisational guidelines and principles to develop and maintain the highest standards of organisational efficiency and efficacy;

- the promotion of a coherent global Group organisational structure, leveraging on economies of scale and professional expertise and optimising synergies;
- the development of the organisational transparency, clarity and coherence of the entire Group;
- the monitoring, control and direction of the main organisational dynamics and the development of the strategic planning of the workforce at Group level.

We aim to foster a **cultural change** among our people, in line with the Group strategy and goals.

We guarantee transparent promotion and career development processes through the implementation of consistent performance management and talent review systems in order to drive the development of each individual as regards their role, responsibilities and potential, balancing these factors with our business priorities. Another of our goals is to guarantee managerial continuity, promoting the internationalisation of the Group.

With these goals in mind we have developed the **Global Leadership Group (GLG)**, a team consisting of around 200 strategic roles that have a major impact on the Group business results. The GLG was identified as a reference for the global implementation of a new remuneration system (both short- and long-term), a new leadership model and a new performance and talent management process, which includes the succession plans for the members of the GLG and their successors.

GLG Barcelona 2014



## TALENT MANAGEMENT

At Generali we strive to attract open, flexible people that are able to work in an international context and to manage cultural diversity and complexities; people that are passionate about their work, able to fulfil their potential and actively contribute to the growth of the Group through their own personal growth.

At international level, we promote Generali as one of the most attractive employers of choice, which selects the best profiles in line with the typical requirements of one of the world's leading groups.

We want to integrate people with different cultural and educational backgrounds in order to acknowledge and share the value of their diversity. To this end we adopt an inclusive approach that seeks to give tangible form to the belief that cooperation and exchange between different cultures and the exchange of expertise and experiences are crucial for a leading global business.

We are committed to hiring highly qualified people, following a recruitment process based on the principles of honesty and impartiality.

The recruitment, hiring, training, assessment and professional growth of our employees is based purely on merit and individual performance. None of these processes or related decisions are influenced by factors such as race, ethnicity, religion/creed, sexual orientation, marital status or political beliefs.

All of our employees are hired with regular employment contracts as we do not tolerate any form of illicit work, exploitation, forced, mandatory or child labour. On establishing a working relationship and during the course of same, we provide our employees with information on legal and pay-related issues. In addition, for the duration of our working relationship we provide our employees with all of the information they need to be able to understand the nature and the terms of the job they have been given so they can carry it out to a suitable level.

Employee recruitment is coordinated by the Group Recruitment, Selection and Employer Branding department and managed with the support of the Business Partner Human Resources departments of the various Group companies.

The Recruitment, Selection and Employer Branding department guarantees the timely and effective coverage of vacant positions with suitably qualified people through the monitoring of recruitment channels and the use of advanced selection and assessment tools.

More specifically, it develops contacts and promotes initiatives to raise awareness of Generali's Employer Branding, highlighting the distinctive features that make it attractive to promising young people and competitive in relation to other businesses

on the Italian and international job market. The key factors that persuade talented young professionals to work for the Group include: its reputation, the salary and related benefits (particularly pension contributions and health insurance), its work-private life balance policies, the opportunities for international mobility, the opportunities for professional growth through training, career opportunities, job security, the positive atmosphere in the workplace, the company's ethics and culture, and the sustainability policies adopted by the Group.

We adopt **talent attraction policies** and brand promotion policies by organising or participating in career guidance days that seek to put companies in contact with young graduates.

Ideal candidates must have a good academic background and a good degree completed in a relatively short space of time, good English and preferably also another foreign language, a great willingness to travel both nationally and internationally, good problem solving and customer service skills, and an openness to change and cooperation. For positions of high added value, priority is given to those with postgraduate degrees.

The skills requested of new hires continuously raise the overall education level of the workforce, where 42% of employees now have at least an undergraduate degree.

To guarantee educational training in line with the corporate needs and expectations, we sponsor initiatives and work with universities and institutes that organise master's degree courses in economics/finance and law. In addition, we also finance several scholarships for high-potential students and launch internship schemes with universities and post-graduate training institutions for undergraduates writing their dissertations and graduates, to enable them to acquire experience and make positive contacts with a view to developing the working relationship in the future. Finally, we also draft suitable professional development plans for specific positions of particular technical content (actuaries, analysts, sales force, etc.).

The success of the recruitment and selection activities is also due in part to a consolidated assessment process aimed at guaranteeing quality in the search for new staff, and an effective induction process aimed at facilitating the integration of new hires in the working context.



### Best practice

In Austria, for the third year in a row, Generali won the Careers Best Recruiters award for best company in the management of personnel selection processes.



## Talent Days

In 2013, the Talent Days initiative was held for the first time in Italy. Dedicated to children of employees of between 18 and 28 years of age, this one-day workshop provided professional guidance on active job searching techniques.

The primary goal of the initiative was to meet young adults of potential interest to the company and, together, to provide our employees, and in particular their children taking their first steps in the working world, with useful information to increase their effectiveness and give them a greater chance of success in the personnel selection.

Organised by the HR Community Academy (the network of HR managers), the workshop was attended by 150 young adults, confirmation of the significant interest it managed to generate.

The educators, Academy experts and HR managers of important companies, not all of which belonging to the Generali Group, described their experiences and provided practical

advice on the most appropriate professional training path for familiarising the youths with the most innovative tools for entering an increasingly selective and demanding job market. In fact, the Talent Days focus the attention on the 2.0 Generation, which includes young adults brought up in the digital age, in the constant contradictions in entering a job market which imposes flexible employment regulations whilst at the same time representing a great opportunity for Italy.

The directors and managers were then available to answer the questions of participants, correct their CV's and simulate job interviews. Thanks to the opportunity they were given to familiarise themselves with the different approaches adopted by the businesses to the selection, training and management of talented young adults, the workshops succeeded in giving the candidates hope but also confidence with regard to their forthcoming entry into the working world.

When selecting candidates for managerial positions we use specialised companies and publish advertisements in newspapers and on insurance and finance websites.

More specifically, for all Top Management roles we use the criteria adopted by the new Group Performance Management & Talent Review process and adopt succession plans. The main criterion for the definition of succession plans is readiness, i.e. the speed with which a potential successor is ready to cover a specific role. We evaluate successors according to the potential/performance matrix, taking account of skills and leadership, learning agility (i.e. the ability to adapt and willingness to learn new skills), professional aspirations and results achieved. We base our decisions on the professional profile of candidates and the experience they have acquired both within and outside of the Group.

The Group **retention** level is high: on average, our employees have a seniority of 12 years and over half (53.6%) have worked for the Group for over 10 years.

The **negative staff turnover rate**, calculated as the total number of contract terminations as a percentage of the total workforce at the beginning of the year, was 10.3% (only slightly higher, 11.3%, for women), while the voluntary redundancy rate was just 3.2% (3.5% in 2012).

## HUMAN CAPITAL DEVELOPMENT PROCESSES

We have defined our employee management policies with the

aim of focusing maximum attention on human capital, our most important intangible asset.

To help our employees to grow we use structured management processes, applied from the moment they join the company, which are designed to motivate and develop their skills through the diversification of professional experience, training, the definition of goals, involvement in initiatives that facilitate integration and company wellbeing. Mobility processes and job rotation are of fundamental importance during corporate restructuring processes - such as the one taking place in Country Italy - and involve the creation of structured professional conversion initiatives in order to support those resources that are moved to new positions.

More specifically, in order to retain valuable young professionals we use development programmes in which they are assigned with roles of growing responsibility, which provide the necessary training support required to develop their technical-professional and behavioural skills.

To support the development of our people we are working on the definition of a leadership training programme for each of the different categories of employees and we plan to increase their sense of belonging to the Group.

We leverage on our values and on the international profile of the Group to implement consistent processes and tools for our human resources with the goal of identifying, developing and retaining our people. On the basis of these premises, human resources processes are defined in such a way as to support the Group strategy in accordance with our mission, vision and values.



Team building Genertel, Italy

## International mobility

In line with our international profile, in 2013 we launched an International Mobility programme in order to drive the internationalisation of the Group and support our new business strategy. The key elements of the programme are:

- centralized and disciplined processes;
- central budget for reallocation of costs for an overall investment of 12.5 million euro in 4 years;
- a new International Mobility Policy;
- quotas of expats allocated to countries/regions;
- an IT tool dedicated to mobility.

The first results of the programme have already achieved: in 2013 there were 274 employees on the international mobility scheme thanks to 80 new assignments launched during the year, a 70% increase compared with 2012. Also of some significance was the increase in the number of assignments given to women, which rose from 23% to 35%, reflecting the Group's attention to gender equality and its commitment to increasing diversity.

The main drivers for international transfers were organisational requirements and the need for individual development.

All employees that speak English and have the necessary professional requisites can join the programme.

## Remuneration policies and incentive systems

Our remuneration policies reflect our goal of attracting, motivating and retaining people who create concrete advantages for the Group because of their technical and managerial expertise and their different profiles in terms of background, gender and experience. We believe that an effective remuneration policy can strengthen their commitment and compliance with organisational goals consistent with our mission, culture and values. The pillars of our remuneration approach are as follows: equity and consistency, alignment with corporate strategy, competitiveness, value merit and performance, governance and compliance.

The Group governance as regards remuneration is focused on Group Executives (Group CEO, members of the Group Management Committee and the Global Leadership Group) and entails a wage structure that is aligned with market practices



and legal requisites. The principles of the remuneration policy are extended to the entire Group organisation, taking account of business type and specific local laws.



[www.generali.com/governance/remuneration-report](http://www.generali.com/governance/remuneration-report)

Managers are offered a salary consisting of a fixed sum - according to role and responsibility, also taking account of experience, the quality of the contribution made to the achievement of business results and the level of excellence achieved in carrying out the roles assigned to them - and a variable sum, which rewards the short- and mid/long-term results they have achieved. Their total remuneration package is completed by a series of benefits.

The basic salary of employees in non-managerial positions is linked to National Collective Bargaining Agreements and supplementary agreements in force at each company. The remuneration package consists of a fixed sum, a variable sum and a series of benefits, which include a supplementary pension scheme, a welfare package, Long Term Care and other benefits for employees and their families.

In general, at the various levels female employees receive a lower gross annual salary than their male counterparts. (In Italy, for example, the overall remuneration received by female employees is 32% lower than that of their male colleagues). In non-managerial roles, the main reason for this is maternity leave and the greater number of part-time contracts held by women, who on average have also worked for the company for less time. French female office workers are the exception to the rule, earning 3.5% more than their male colleagues.

In Italy, the gross annual remuneration paid to newly hired office workers (i.e. those at the 4<sup>th</sup> pay level according to the insurance industry national collective bargaining agreement) at Generali is around 15% higher compared with the average in the insurance sector, while in Austria, Germany, the Czech Republic, Spain and Switzerland it is aligned with the average in the national insurance sector. In France, where remuneration is set according to gender, compared with the average remuneration paid for the same role by other companies in the insurance sector, remuneration for new hires at Generali is 17% higher for men and 9.6% higher for women.

Generally speaking, **staff assessments** are carried out periodically by managers who evaluate the results attained by employees according to parameters such as working performance, development of knowledge and skills, and professional development. The performance and talent management process requires managers to assess the potential of their staff as well as their performance.

The **incentive systems** award results achieved in the short- and mid-long term. Performances are evaluated through a multi-temporal and multi-dimensional approach that takes account of the results achieved by individuals, by the departments in which they operate and, as regards the Top Management, the overall results of the Company/Group as well as those of competitors, who constitute the peer panel of reference.

The incentive systems for the Top Management are based on the achievement of annual and multi-year goals, such as the Short-Term Incentive (STI) – the annual bonus system for the Group CEO, the members of the Group Management Committee (GMC) and the members of the Global Leadership Group (GLG) - and the Long-Term Incentive (LTI) – the multi-year program for Group executives and selected key resources, paid out in Generali shares upon the approval of the General Meeting.

For managers our incentive systems are based on the attainment of annual goals through the balanced scorecard system. This tool was adopted in order to translate the strategies of the Group industrial plan into a series of operating goals that are able to significantly impact on the Group's global performances and which are diversified according to the various skills and spheres of action of the recipients. The goals assigned are both quantitative – economic, financial, risk, return measures - and qualitative, and make it possible to monitor multiple aspects of the corporate performance.

In general there are no systems for the recognition of bonuses to middle managers and office workers and any eventual variable components are subject to an individual performance assessment. There are no long-term incentive programmes.

In Germany, Generali Deutschland Service GmbH represents an exception as it offers office workers bonuses connected with the attainment of energy consumption reduction targets.

## Group training

We regard training, professional re-education and knowledge sharing as crucial elements for supporting the profound transformation process taking place.

As mentioned, we are working on the definition of a leadership training programme for each category of employee. In fact, the Group strategies through to 2015 require a new commitment to people and the development of new managerial and technical expertise.

In 2013 we launched a project for a new **Group Corporate University** which supports this cultural and strategic change at Group level.

The new Group Corporate University, which will carry out its first activities in the summer of 2014, will be a key pillar in the

leadership development strategy:

- developing and strengthening the new leadership capabilities required to achieve the 2015 strategic goals;
- fostering the sharing of and alignment over the 2015 strategic priorities and the new Group culture;
- identifying and developing talented people in structured succession processes;
- supporting career paths, both functional and managerial, with the development of the necessary skills;
- activating a digital platform that makes it possible to share good practices and which supports training activities, also supplementing it with suitable assessment tools;
- supporting a process to guarantee the consistency and harmonisation of the training programmes in various geographical locations and departments;
- contributing to attracting and retaining talent and making the Generali Group an employer of choice.

During this transitional phase new editions of some of the existing training programmes were developed, including the Ulysses Programme, the Solvency II Group Training Programme and the Internal Audit Programme. Of particular note was the resumption of the Marco Polo programme, aimed at employees that embark on international mobility programmes, and the launch of an on boarding initiative for new hires at the Head Office, which also includes a training module on the key principles of insurance. We also provided training on Project Risk Identification and Management (PRIMa), designed to implement the new Group risk management system.

At local level, in all countries in which the Group operates, we have introduced language, IT, legal (privacy, anti-money laundering, administrative liability, health and safety, etc.) and commercial training programmes as well as initiatives to develop technical expertise and managerial and behavioural skills.

The number of Group employees and members of the sales force not on the payroll involved in at least one training programme during the year exceeded 162,000 units, 5.8% down compared with the previous year for a total percentage of 81.4% of the workforce. More specifically, 82.8% of employees (93.8% of managers, 74.8% of middle managers, 69.5% of office workers and 100% of sales staff) and 80.5% of the sales force not on the payroll took part in training courses.

All in all we provided over 6 million hours of training, 2.6 million hours of which to female employees. The average number of hours of training per capita was 30.3 hours (32.6 in 2012), a fall of 7.1% compared with 2012. The average number of hours of training provided to female employees also fell to 29.4 hours per capita (-8.5% compared with the previous year).

We invested 77.5 million euro in training at an average expense per employee of 389 euro, an increase of 1.0% and 2.6% respectively compared with 2012.



#### Best practice

In France, the integrated training program for newly hired people, includes a section devoted to sustainability issues. Such topics will be added to an e-learning training course for people already employed, which will be disseminated as from 2015.

## DIVERSITY AND INCLUSION

We improve our employees also through the promotion of diversity, which we regard as an opportunity for enrichment thanks to the contribution they can make to the organisation, and we strive to foster inclusion.

As established by our Code of Conduct, the Generali Group guarantees a working environment free of all types of discrimination and harassment, promoting the diversity and inclusion of its employees in the belief that cooperation between people from different cultural backgrounds, with different skills, opinions and experience, is an essential prerequisite for attracting talent and guaranteeing business growth and innovation.

The concepts of diversity and inclusion, part of our daily lives, also have deep roots in our values, which represent the bridge between our traditions and our future strategic aspirations. For this reason we want to go beyond the straightforward respect for the laws in force by adopting best practices that make the Generali Group a **global employer of choice**.

### The Group approach

We have adopted an **integrated approach** in the management of human resources designed to create an **inclusive working environment** that encourages the expression of individual potential, using it as a strategic lever in order to meet organisational goals.

We plan to implement a method of managing people which, based on the conscious awareness of diversity, is able to generate a cultural change that makes it possible to **capitalize on plural perspectives and inclusiveness**.

**Our main goal** for the 2014-2016 period is to strongly promote the **diversity&inclusion (D&I)** strategy, accelerating the definition of policies and guidelines at global level, including the key concepts and relative performance indicators in our practical activities in the area of human resources management, and investing in the implementation of training programmes.



To meet this goal, priority will be given to “visible D&I indicators” such as: **gender, nationality and age**. However, we want to go beyond this and in subsequent phases expertise, working skills and mental approaches will also be included, as we have already established in our Leaders of the Future expertise model.

In 2013 the Group COO was appointed **Group Chief D&I Sponsor**, with responsibility for supporting the diversity strategy and its implementation, and the Head of Leadership Training was appointed **Group HR D&I Officer**, with responsibility for defining the policies and implementing them in all countries in which the Group operates.

From an operational perspective, the HR Directors will appoint **Country HR D&I Officers**; in addition, a D&I Advisory Board, made up of the key figures in charge of D&I, will define the strategies and regularly monitor their implementation and efficacy. When the Group D&I approach has been established, it will be communicated to the Global HR Business Partners to get their feedback, thoughts and proposals.

Three main action areas have been identified:

1. increase the number of people with outstanding professional experience in the international arena;
2. increase female presence in leadership positions;
3. reduce the average age of those in leadership roles, increasing the variety of experience and expertise.

The relative indicators are currently being defined and will be disseminated in 2014.

D&I is also one of the key issues that will be included in all Leadership Training Programmes on the verge of being defined and launched in the second half of 2014.

As regards **multicultural** D&I, experience in different fields is a characteristic that will be further developed to enable people to work in an increasingly complex and fast-changing environment.

Some of the most relevant initiatives include:

- the **Marco Polo** programme, which will have 4 new editions in 2014, is important for understanding the importance of the cultural levers at the base of different work and communication styles. The programme is not only dedicated to people that participate in internal mobility initiatives, but also to new hires deployed overseas;
- the **Pangea** on-line programme is being updated and will be redefined by 2014 so the majority of people that work for the Group can acquire the skills required to promote the development of a multicultural environment.

As regards **gender** D&I, a number of focus groups were held involving women from the talent pipeline in order to understand and define the key moments in their career paths at the Group. An important meeting was also held with the female managers who participate in the Generali Leadership Group. In this way it was possible to define the challenges that will allow us to develop our business and improve our performances in an inclusive working environment. Specific training activities will be developed on the basis of these results and launched in 2014.



#### Best practice

In Austria, the **Charta of Diversity** was adopted in 2013, highlighting the importance of diversity, equal opportunities, integration and inclusion among all internal and external stakeholders, as well as the daily commitment to creating a collaborative climate of reciprocal acceptance and trust.

## WORK-LIFE BALANCE

Alongside the Group approach which, as mentioned, will be developed in the next few months, in many countries there are tools for improving the integration of people in the workplace by helping them to overcome problems related to managing commitments outside of the workplace.

These work-life balance tools include **flexible working hours, horizontal and vertical part-time roles and company crèches**, present in Italy, the Czech Republic, Switzerland and Germany (where there is also an infant school). In some overseas Group companies **telecommuting** is also a possibility.

In accordance with the law, National Collective Bargaining Agreements and supplementary agreements in force at each company, Group employees are entitled to take **paid leave** for: marriage, the death of a relative, pregnancy, breastfeeding, maternity/paternity leave, children's illnesses, medical appointments and tests, study, care for disabled relatives and giving blood. Subject to the corporate organisational requirements, workers are also granted **paid leave, leave with compensatory working time and banking hours**, which can be taken in hours or fractions of working days.





**Best practice**

In Italy, we double the number of hours of paid leave granted to employees with disabilities and employees with children under three years of age or with serious disabilities. Our conditions as regards leave for medical appointments and treatment and study leave are also more favourable than those provided by the laws in force and the sector National Collective Bargaining Agreements. Employees are also entitled to take periods of unpaid leave of a maximum of 12 months for justified personal or family reasons.

In Austria, we were certified as family-friendly until 2015 because of our advanced work-life balance policies.

In Germany, through Generali Versicherung AG and Dialog we have been awarded the Audit Beruf und Familie (family-friendly certificate), a quality mark that the not-for-profit Hertie foundation, with the endorsement of the Federal Ministry of the Economy, awards to companies with outstanding work-life balance policies.





# Live the community

The community, understood as the social, economic and environmental fabric of society, is the foundation on which we have built our history and our brand recognition.

In the various countries of operation we engage with local communities and over time have built a sound relation to create value and develop their business.

In 2013, the Group's renewed vision **Our purpose is to actively protect and enhance people's lives** placed emphasis on the impact that we have on the community and on the quality of people's lives. From this perspective, the Group's policy regarding community projects has been reviewed and is currently being validated.

In most cases, we manage initiatives that benefit the community directly, through the appropriate departments within the individual Group companies. However, a number of local foundations exist – including the Assicurazioni Generali Foundation – that use their resources in accordance with the purposes of their respective articles of association.





## DONATIONS AND COMMERCIAL SPONSORSHIPS

The impact on the local community and continuity over time are the criteria that guide the selection of initiatives to be implemented. The approaches adopted are philanthropic and commercial.

Our **philanthropic initiatives** consist mainly of the donation of funds or resources in kind, but the company also performs corporate volunteering activities, through which we provide support to non-profit organisations and/or institutions to provide a social service to the community. Over time we have established long-term relationships with a number of associations and institutional operators. However, we are always open to new collaborations supported by means of occasional donations or a multi-year commitment, in the case of projects with a broader scope.

Even when selecting **commercial initiatives** to support the Group's brand and image, we prefer sponsorships that allow the continuation of high-value artistic, scientific or sports activities, offering the community opportunities to enjoy performing arts, culture and entertainment. Some of these initiatives are able to seamlessly combine commercial objectives with a social and/or environmental purpose.

One example is the French **Observatoire Atmosphérique Generali** project, launched in 2013 in collaboration with AIRPARIF (Air quality monitoring network) and the CNRS (National Centre for Scientific Research).

Over the next five years, a balloon will fly in the skies above Paris, promoting the Generali brand and fulfilling a scientific and educational purpose. The Observatoire Atmosphérique is the first flying urban laboratory, which will allow scientists to precisely study the quality of the air at an altitude of 150 metres, in real time, 24 hours a day. Measurements are captured using an instrument developed by the CNRS that is installed in the balloon and is able to pick up even ultrafine particulate matter (PM), the most harmful form, and to provide information about their size and nature in relation to their altitude.

Thanks to equipment that collect the data and send them to the processing centre at AIRPARIF, the people on board can see colourful pictograms of the vehicles and monuments of Paris that change colour depending on the level of air pollution. An information pavilion completes the educational element of the initiative.

A total of about 6,000 students per year can climb on board the hot air balloon and visit the information pavilion for free. This experience allows them to better understand the issues related to air quality and recognise the potential health impact of major pollutants.

At other times of the day, the balloon becomes a paying tourist attraction, that is much appreciated by the public. In 2013, a total of about 50,000 people flew over Paris in the Generali balloon.



Observatoire Atmosphérique Generali, Paris, France

## Volunteering

In addition to donations in cash and in kind, in recent years Generali has started to provide different forms of corporate volunteering, offering its employees the opportunity to perform various activities to help non-profit organisations during working hours.

We consider corporate volunteering as an important tool because of the positive impact it generates for the community and also for employees and the company. From a business perspective, it represents a valuable tool that fosters relationships between employees and the company, increasing team spirit, enthusiasm, motivation and providing a sense of belonging.

Within the community, volunteering, as well as providing an immediate benefit to the organisations that are targeted by the activity, also serves as a catalyst to promote the culture of social engagement and the exchange of experience and know-how. Corporate volunteering, therefore, allows the company to create lasting relationships that go beyond each individual initiative, multiplying the positive impact.

The volunteering activities performed by our employees can be divided into three main types:

- **skills-based volunteering**, when employees provide their expertise to help different entities, from non-profit organisations to schools of every type and level.
- **relationship-based volunteering**, when employees take part in recreational activities for the elderly or provide assistance and care to the sick, or work in other areas where interpersonal relationships are central to the activity.
- **general volunteering**, which encompasses a variety of activities, such as cleaning, gardening and refurbishing.

In countries where this type of activity is not yet performed in a structured way, initiatives are taken by employees, who collect money, donate assets in kind or join different volunteering activities; in some cases they are spontaneous

initiatives, while in others they are promoted by the companies concerned.

An example of this type of approach is **Generali Solidario** in Portugal, where once a year the Global Solidarity Team comes into action, consisting of more than 250 people, including employees, agents and family. In 2013, over a weekend, the team refurbished the reception area of the Casa da Luz Emergency Centre, a shelter that provides short-term accommodation to 30 high-risk young women aged between 12 and 18 years; Adolfo Coelho House, which offers longer-term accommodation; and the Institute for Social Development, a school aimed at all young people seeking an alternative to the conventional education system in the areas of social services and the arts. Generali's contribution consisted of organising the day and purchasing the materials needed to complete the works.





In 2013, the desire to spread this kind of initiative led to the creation of a contest of ideas, with the aim of giving all Group employees the opportunity to propose a volunteering project that they would like to see implemented to make a tangible contribution to improving the quality of life in their community.

The **Generali Volunteering Challenging Ideas** contest, launched on We Generali portal in mid-October, attracted 216 entries from 24 different countries. The winning idea will be developed, in collaboration with the person who proposed it, as a project that the Group will commit to implement.

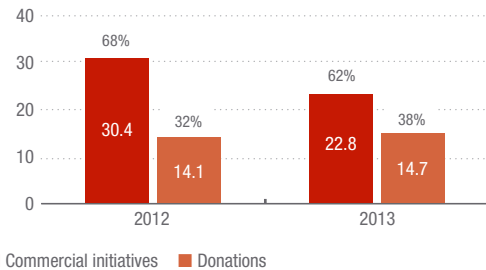
### Figures for 2013

In the past year, philanthropic initiatives increased by 5.5%, including corporate volunteering, which implement corporate policies to support the needs of the community. This increase demonstrates our ability to respond concretely to the needs of the community, especially in these difficult economic and social times being experienced by many of the countries where we operate.

The value of the donations reported do not include donations of used assets, which mostly consist of computer equipment such as PCs, printers, keyboards, etc. and are intended for non-profit organizations and schools.

Commercial sponsorships significantly decreased as a natural result of business needs.

Allocation to the community by type million euro



38 million euro for the community



Generali Solidario, Portugal

## OUR APPROACH

We are aware of our role in the communities in the over 60 countries where we operate. We represent a key reference for them.

However, we think that since we are a multinational and large Group, we should not just be limited to the concerns of local areas in which Group companies have a presence, but should also enlarge our scope, facing international projects and solving the problem concerning the planet.

Our commitment is therefore expressed at both local and global level, with initiatives implemented outside the country where the Group has a presence, thus reaching specific areas where population faces severe concerns (e.g. African countries hit by hunger and/or AIDS), and with projects that are not directly linked to a particular area but produce results for the benefit of all, such as benefits from scientific research.

In the field of scientific research a project that makes us particularly proud is the partnership with Revert, an Italian non-profit organization that performs clinical trials aimed at finding a cure for neurodegenerative diseases.

In 2013 we signed a three-year partnership. It will allow the international team led by Professor Angelo Vescovi to complete

a clinical trial of a cellular therapy for ALS (Amyotrophic Lateral Sclerosis) by the Autumn, which will later also be extended to other neurodegenerative diseases.

We are investing in an experimental study that is conducted in accordance with the highest international scientific, clinical and ethical standards and aims at finding new solutions for currently incurable diseases.

This partnership allows Revert to expand the scope and impact of the research, offering an honest, tangible hope for future cures for patients and their families, whilst confirming Italy's leading role amongst countries currently conducting trials in the field of stem cells.

When supporting local projects, we promote deserving ideas and initiatives, enhancing their social usefulness, and collaborate with national institutions. We also ensure our financial support to the organizations that prove to be more reliable and to pursue objectives in line with those of the Group.

Our companies in France, Germany and the Czech Republic are particularly active with regard to networking. The various initiatives implemented include two best practices in different action areas, i.e. sports and social, that are described in the following paragraphs.



Professor Vescovi



## Charte du Sport Responsable

In 2010, Generali France launched the Charte du Sport Responsable (Responsible Sports Charter) with a view to extending the sustainability policy promoted by the Group to sports clubs and federations.

The Charter aims to uphold and promote its six principles at a national level:

1. making sports accessible to everyone, including the disabled;
2. promoting the values of sport;
3. raising awareness of the health benefits of sport and of the correct safety precautions;
4. adopting eco-responsible practices in managing the facilities and equipment used in sports;
5. supporting athletes in their professional integration or retraining;
6. raising awareness among sporting associations, athletes, the public and sponsors about the implementation of this initiative.

The French equestrian, golf, volleyball and cycling federations have already signed up to the Charter, pledging to promote its principles.

Following the publication of the document, a website [www.sport-responsable.com](http://www.sport-responsable.com) was created where, in addition to information on the Charter, you can also find information on member federations and sports clubs, news, initiatives, competitions and events. The common thread of all the activities promoted on this website is sport played in a sustainable and responsible manner.

## Generali Zukunftsfonds

In Germany, the Generali Zukunftsfonds (Generali Future Fund), established in 2008 to address the issue of demographic change, supports projects and initiatives that aim to deal with the consequences of an aging population, paying particular attention to enhancing the skills, time and energy of older people.

The objective of the Fund is to drive change and promote networking initiatives in the area of civic engagement, in cooperation with public and private entities.

Prior to the launch of the initiative, in 2009, a study known as the Engagement Atlas was carried out to analyse the levels of civic engagement of the German population, and in particular in relation to volunteering activities. Generali Zukunftsfonds used the results of this study to define its mission and scope of action.

There are three intervention programmes:

- **Bürger unternehmen Zukunft** (Citizens for the future): this programme supports all of the national and regional projects that aim to improve the lives of the over 55s by getting them involved in various activities. The objectives of the programme are as follows: to promote transparency on issues of civic engagement among the elderly; to provide practical recommendations with the contribution of science; to provide professional support to volunteering initiatives; to create a network of the various actors involved in volunteering activities; to create a new culture in which the value of civic engagement among the elderly is recognised through the promotion and awarding of prizes and awards.
- **economic development activities;**
- **Helfen hilft–Gemeinsam stark** (Helping helps – together we are strong), the corporate volunteering programme involving employees of the German companies.

In partnership with Institut für Demoskopie Allensbach, the Generali Altersstudie study on living conditions and habits of the German population aged between 65 and 85 years also investigated in its civic engagement and, especially, in its volunteering activities. The study demonstrated not only that 45% of the elderly are active in volunteering and committed to 1.2 billion hours per year, but also that a quarter of such commitment arises for the first time in old age. It highlights that it is possible for one out of five, especially in the highest levels of education and in the ages lower than 75 years, to get even

**Charte Sport Responsable**

**“Être responsable ensemble, c’est :**

- Rendre notre sport accessible** au plus grand nombre en favorisant tout ce qui rapproche les générations, l’univers des valides et des personnes en situation de handicap, les catégories sociales et les différentes cultures.
- Encourager une meilleure reconnaissance** de la pratique féminine du sport : en luttant contre toute forme de discriminations liées au genre dans la gestion, l’encadrement et la pratique de l’activité sportive.
- Sensibiliser les pratiquants aux bons réflexes santé et sécurité** en informant sur les bénéfices du sport pour une bonne hygiène de vie, sur la nécessaire vigilance contre le dopage, sur les précautions à prendre pour que les efforts physiques se fassent en toute sécurité.
- Adopter des pratiques éco-responsables** en les appliquant au sein de notre fédération, de ses clubs, et autour de ses événements afin de mieux maîtriser les ressources et les énergies et de faire des choix responsables pour nos matériaux et nos équipements...
- Faciliter l’insertion et la reconversion de nos sportifs** en les accompagnant dans un projet de carrière qui allie harmonieusement performances sportives et scolaires pour faciliter leur reconversion et leur insertion professionnelle.
- Entraîner dans notre démarche nos clubs, nos sportifs, nos publics et nos partenaires.**

[www.sport-responsable.com](http://www.sport-responsable.com)

**GENERALI**



more involved in volunteering. It is therefore important to follow a life of autonomy and to decide when and to what extent they are active. The willingness to take long-term commitments is much lower.

In early 2014, the next phase of this research was published – the Generali Hochaltrigenstudie – conducted in collaboration with Institut für Gerontologie of Heidelberg University. In this new study, 400 elderly people aged between 85 and 99 years were interviewed in order to highlight the issues and the potential with regard to the civic engagement of people in this age bracket.



Deliver on the promise (p. 36)

## OUR ACTION AREAS

Within the general framework described, the initiatives supported are grouped into specific action areas, also because of their relation to our business:

- health and safety;
- social and economic inclusion;
- caring for tomorrow.

### Health and safety

As insurers, we take care of people's **health** and the associated risks that may threaten it, whether due to disease or the consequences of various kinds of accidents, particularly road traffic accidents. For this reason, the majority of the initiatives we support consist of activities to raise awareness and educate people in relation to health issues regarding the active aging of the population, the prevention of diseases and addiction, maternal and newborn health and the adoption of healthy lifestyles.

Also considered here are amateur sports initiatives, particularly those for children and adolescents, as we believe that sport is an excellent vehicle for promoting the values of a healthy and responsible lifestyle.

The initiatives we support in this area include the Lokar Bianca Growth Plan in China, a programme that aims to increase the nutritional standards of children attending two primary schools in the Yunnan and Sichuan provinces. The funds contributed allow each child in the schools to receive an egg a day.

In Bulgaria, we sponsor a national football tournament for children aged 10-14 years in the cities of Burgas, Varna and Stara

Zagora. The tournament is part of a programme implemented by the Bulgarian Football Association and the Ministry of Sport and is the only initiative of its kind in the country. The purpose of the project is manifold: on the one hand, it focuses on the physical development of the children while, on the other, in a context of high school dropout rates, children who participate in the programme have an opportunity to access dedicated schools and continue their studies.

In Germany, for a number of years now, in partnership with the association Allianz Chronischer Seltener Erkrankungen (ACHSE), the Group assigns the ACHSE-Central-Award dedicated to people with rare chronic diseases. This year the award was given to Kinder-Augen-Krebs-Stiftung (KAKS), an association involved in research and support for the families of children with cancer of the eyes.

The association is also involved in training in the disease which, if diagnosed in a timely manner, can be cured, but often due to lack of information the symptoms are not recognised, resulting in the death of those affected by the disease.



In terms of **road safety**, we are focusing not only on education/awareness initiatives but also on projects to improve road safety (signage, road surfaces, lighting, etc.) and on activities to support those involved in accidents.

In the Czech Republic, numerous initiatives related to road safety have been undertaken. In particular the Vymoly project aims to make roads safer through the continuous monitoring of potholes. By means of a dedicated website and mobile app, the general public can report any potholes they come across on their travels throughout the country. The reports are added to the website so that all travellers are made aware of the danger and the road maintenance workers can fix the road surface.



The website offers:

- an updated database of potholes;
- information on roads in a critical condition;
- photos and videos of particularly dangerous stretches of road, with the possibility of assessing and updating their state of deterioration;
- information on the risks associated with the roads and the damage they may cause;
- tips and advice on how to proceed and whom to contact in the event of damage to your vehicle;
- interviews with representatives of the competent authorities.

In addition, the public is invited to participate in competitions to award the title of worst pothole of the week and the year, as well as the user who reports the highest number of potholes.

This initiative is such a success that it is being extended to include Slovakia and Hungary.

## Social and economic inclusion

In a context of general economic crisis, we are also attentive to social issues, particularly with regard to **employment and integration**. We support initiatives for social and occupational inclusion/reintegration and the rehabilitation of young people, both in a school environment and in the workplace.

We believe in the value of **diversity**: for this reason, we support initiatives to develop personal skills, aimed at mixed groups in terms of gender, race and disability, and projects focusing on the social integration of disadvantaged people (the poor, immigrants, the disabled, etc.) at school, at work, in sport and in culture.

In this regard, Spain has signed a partnership with DKV Integralia, a foundation whose objective is the social and occupational integration of people with disabilities, with the aim of helping the disabled find work in the city of Badajoz.

This project gave rise to Integracall, a telephone support service aimed at and run by disabled people, to which we have contributed by providing the necessary technology and training for operators.

In Panama, we work with Casa Esperanza, an organisation that aims to eliminate child labour for children living in extreme poverty. Generali's intervention allows children to return to school and have access to education, while households are guaranteed a basic income that is sufficient to cover their needs.

As a financial Group, we believe that it is essential to roll out **financial and insurance education** programmes to expose people to topics that are important for the life of each individual, but of which they are often not aware. We also believe that it is equally important to guarantee access to financial/insurance products with a basic performance for people on low incomes.

In this regard, in Italy, in partnership with SIF Chair of Social Entrepreneurship and the Bocconi University in Milan, we supported the training school for microcredit operators in the San Patrignano Community. The aim of the school is to train a team of specialists/operators who will be responsible for:

- assisting young people who want to start a micro-enterprise to prepare a business plan;
- selecting applications for access to microcredit from banks based on business requirements.

The first course was held from May to December 2013, representing a total of 200 hours of educational activities, and resulted in the award of 22 diplomas to operators who became trainers themselves. Currently in San Patrignano, these young people are responsible for stimulating the creation of project ideas among young people at an advanced stage of recovery (from the third year onwards), and assisting them in turning their ideas into concrete business plans.

The project will finance the guests of the community, who, having completed their four-year rehabilitation course, are considering making a return to the labour market. To this end, a Centre for Studies and Professional Training has been created

**Are they bugging you?  
Report them!**

Are you bugged by the way the roads are gradually eating up our cars? Send current potholes to road maintenance workers from your mobile phone or PC.

in the community in the belief that study and professional training are major contributing factors to the successful recovery from drug addiction and help prepare young people to return to the workplace.

In Brazil, a pilot project is currently underway in collaboration with the Centre for Digital Inclusion (CDI), a non-governmental organisation that aims to improve the lives of people through technological inclusion. This initiative, which is aimed at people living in shanty towns, is developed along two lines: the definition of microinsurance plans, including life insurance products and cover for funeral expenses, and the provision of insurance/financial training for people in the community in order to sell these products.

### Caring for tomorrow

Another feature of our business is the fact that it is based on long-term activities and the relationship of trust between us and our clients. These elements naturally lead us to care for and preserve what we have today over the long term in order to be able to enjoy the same relationships in the future.

In particular, we care for our planet with regard to **climate change**, by promoting studies on this issue, contributing to securing areas at risk, and undertaking awareness and education activities in relation to the environment.

Our companies in China, India, Hong Kong and Dubai have joined the WWF's Earth Hour 2013 initiative to help raise public awareness about the issue of climate change by turning off the lights in their offices for one hour on 23 March and encouraging their employees and clients to join the initiative at an individual level.

In China, the initiative was communicated to employees by means of a blog and emails, which encouraged them to adopt sustainable behaviour. For each day of the week, practical suggestions were provided, such as eating more vegetables, using recyclable shopping bags, etc., with the goal of transforming these little actions into long-lasting habits aimed at protecting the environment.

In Germany, we collaborate with the Licherode Centre for Environmental Education, which offers educational programmes on sustainable development to children and teachers. Children aged 6 to 14 years can participate in the school camps for one week in a village built entirely according to ecological criteria, where they have the opportunity to live in contact with nature, experience organic farming and learn about biodiversity. The issues addressed in these open-air workshops include habitats, raw materials, natural resources, waste recycling, food and agriculture.

60+  
EARTH HOUR  
熄燈一小時

www.org.hk/earthhour

為未來，全港熄燈一小時

1 EARTH CITY HOUR

23.3.2013 | 8:30 PM

GENERALI Assicurazioni Generali S.p.A.  
忠利保險有限公司

承諾支持世界自然基金會地球一小時  
is committed to WWF Earth Hour

We also believe that it is important to act to preserve not only the environment but also the **artistic and cultural heritage** accumulated by man over the centuries.

To this end, in 2013 in Italy, in partnership with the Pro-Venice Foundation, restoration works were carried out on the Cappella dei Tessitori (weavers' chapel) in the Chiesa dei Gesuiti (Jesuit church) in Venice and on works by the artists Carpoforo Tencalla and Abbondio Stazio.

In Vienna, the Generali Foundation is an example of the commitment to protecting the contemporary culture of the 1960s and 1970s with a focus on conceptual trends. It has a collection of 2,100 works by 250 international artists, in addition to an important documentary archive and a library; of particular importance is the video library which has 500 films and videos of artists. The Generali Foundation also organises art exhibitions and artistic events, publishes texts on the theme of art and restores artefacts.

# Generali and the environment

We cannot think about improving people's lives unless we look after the environment in which they live, which is increasingly threatened by heedless and inconsiderate behaviour that risks endangering the key resources and habitability of the planet for the future generations.

For this reason, as a leading international Group, we have decided to make a pledge to safeguarding the environment and combating climate change, highly topical issues at global level that are the subject of in-depth discussion and which demand the attention and responsible actions of governments, businesses and the general public.





## OUR APPROACH: OBJECTIVES AND COMMITMENTS

Five years have passed since we decided to launch a project to address the environmental impact of our activities in a structured way. The progress we have made in this time in terms of reducing this impact and the numerous initiatives launched to encourage our stakeholders to adopt sustainable behaviour demonstrate that our commitment to safeguarding the environment is stronger and more heartfelt than ever.

The **Environmental Policy of the Generali Group**, which is applicable to all of the Group companies, contains the objectives and commitments that shape our decisions and actions with the aim of positively contributing to the environment in which we live and safeguarding its natural resources for the future generations. It was by thinking of tomorrow's men and women that we were able to identify the objectives contained in the document to try and reduce our direct environmental impact, connected with the Group insurance and financial activities, and our indirect impact, associated with the supply chain, commercial activities and corporate and investment activities.

We feel that we have to take action on both fronts: in fact, even if insurance activities do not have a particularly significant impact on the environment, because of the size of the Group we could substantially reduce our direct impact if we managed our activities in an optimal manner. Moreover, by taking suitable measures we can encourage the adoption of environmentally sustainable behaviours in our spheres of influence, particularly among our clients/consumers, suppliers and the companies in which we invest.

To satisfy the new requirements and to promote environmentally-sustainable practices among our clients, we develop and provide products and services with a particular environmental value such as coverage for the losses caused by natural disasters, earthquake coverage as part of household insurance policies and, as regards motor insurance, policies that reward drivers

with low mileage (pay as you drive) and discounts for drivers of hybrid vehicles.

We also want to encourage virtuous behaviour in our supply chain and for this reason we have introduced a few environmental criteria in the assessment of suppliers, giving priority to those with environmental policies or certification.

Finally, in our investment activities we exclude companies that are involved in episodes of serious environmental damage from our investment universe in order to avoid involvement in business that is not in line with our principles and, at the same time, to promote the adoption of environmentally-sustainable behaviour at issuing companies.

We want our environmental approach to be as transparent as possible, acting as promoters of change. For this reason, since 2010 we have been a signatory of the Climate Change Programme run by the CDP, the prestigious British organisation that represents 767 investors across the world for a total of 92,000 billion dollars of assets managed. This programme seeks to disclose and assess the actions taken by organisations to improve efficiency, reduce costs and promote the business opportunities that stem from energy management, CO<sub>2</sub> emissions and climate change. The Generali Group recorded an important milestone in September when it was included in the **CDP Global 500 Climate Performance Leadership Index**, created by CDP for companies that stand out for the reporting of their emissions and the improvements they have made in reducing them. In 2013 we recorded a score of 87/100 for disclosure and were included in band A for our performances (in 2012 we had recorded a score of 80/100 and were in band B) thanks to the positive action taken to mitigate climate change, with particular reference to the reduction of greenhouse gas emissions.



[www.cdp.net](http://www.cdp.net)



Maciachini Business Center, Milan

## THE TOOL FOR MANAGING THEM: THE ENVIRONMENTAL MANAGEMENT SYSTEM

To manage the most significant environmental issues as per the Environmental Policy, we have implemented a Group **Environmental Management System** (EMS) that respects the requisites of the **ISO14001** standard. Around 70 Group company sites in six countries (Italy, Austria, France, Germany, Spain and Switzerland) are involved in the implementation of the EMS, and these are joined by over 350 local offices in Austria and Spain. Over time we have sought to increase the scope of the System: when first implemented it included 35.6% of the Group in terms of its workforce and 79.3% in terms of overall gross direct premiums, while today it covers 42% of our employees and 84% of premiums.

With the aim of implementing and maintaining the objectives contained in the Environmental Policy, every three years specific targets are established that the countries involved in the EMS are committed to meeting. The close of 2012 marked the end of the first three-year period (2010-2012) during which time there was a reduction in the consumption of electricity (76% of which now comes from renewable sources) and paper (over 90% of which is now environmentally-friendly) and, above all, a 12.8% reduction in greenhouse gas (GHG) emissions produced by the heating fuels consumption and by the journeys made by the corporate fleet (Scope1), or connected with electricity and district heating consumption (Scope2). These results were also possible thanks to the involvement of all of the Group employees who, through their daily actions, contribute to an effective environmental management process aimed at protecting natural resources.

In April 2013 we defined the Group objectives and targets for the 2013-2015 three-year period which, like the other social responsibility goals, were included in the Charter of Sustainability Commitments and approved by the Board of Directors of the Parent Company.

To meet the 2013-2015 objectives and targets we drafted the **Group Environmental Programme**, which outlines all of the initiatives that the countries included in the System have pledged to meet in the three-year period in order to contribute to achieving the Group objectives and targets.

The System is supported by a dedicated **organisational structure** made up of the Environmental Management System (EMS) Review Committee and the EMS Committee.

The **EMS Review Committee** is the executive body, made up of members of the Top Management, which reviews the System once a year and can follow this up by proposing changes to the Environmental Policy, to the Group objectives and targets, and to other elements of the EMS, in line with the goal of continuous improvement. The **EMS Committee**, meanwhile, is the operational body responsible for meeting the Group environmental objectives. It consists of the Group EMS representative and representatives

of the EMS of the individual countries involved in the project aimed at implementing an environmental management system within the Group. The **Corporate Social Responsibility** unit is tasked with coordinating the Committees and drafting documentation for the System at Group level. The Group environmental organisational structure is completed by national support structures in some countries, which have purely environmental responsibilities.

In accordance with the ISO14001 standard, the correct implementation of the EMS and the specific meeting of its objectives are guaranteed by periodic **internal audits**, constant monitoring and an **information system** that produces six-monthly reports and an annual report entitled Inventory of Greenhouse Gas (GHG) Emissions of the Generali Group which quantifies, analyses and reports the GHG emissions in a clear, detailed and transparent way.

In order to demonstrate our commitment in the environmental sphere and the truthfulness of the information published, we decided a certification body checked and validated our data on GHG emissions from Scope1 and Scope2 in accordance with the **ISO14064** international standard for the quantification and reporting of emissions and their removal. The independent body RINA Services S.p.A. certified data on GHG emissions for 2011, 2012 and 2013. At the present time Generali is one of the few companies in Europe to have obtained certification according to this new standard.

## THE REDUCTION OF DIRECT IMPACT

As regards the environmental impact directly associated with our activities, for years we have been working to reduce our consumption of energy, water and paper, to make waste management more efficient, and to improve corporate mobility by reducing travel through the growing use of video and teleconferencing and prioritising the use of public transport or shared transport arrangements.

Below is a summary of the 2013 performances of the **companies included in the EMS**, highlighting the variations on a like-for-like basis, i.e. considering the same properties, surface areas and calculation methods used in 2012.

### Energy

Objective/target	
2013 2015	5% reduction in per capita energy consumption
	Maintain the quota of electricity from renewable sources above 75%

To pursue the goal of reducing our direct environmental impact we carry out constant work on our property which, as well as reducing consumption, also improves the wellbeing of those



that work there. To this end, environmentally friendly criteria are applied whenever possible, with special attention focused on energy saving, limiting greenhouse gas emissions and on the materials used.

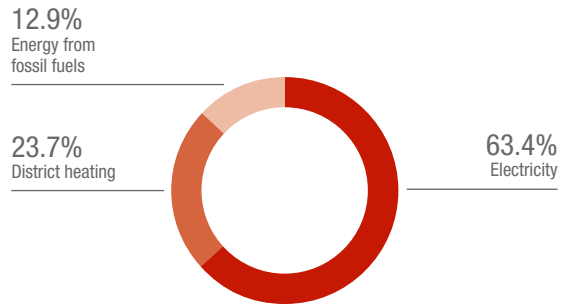
Our goal is to create a new lifestyle that is more respectful of the environment and attentive to people's needs by leveraging on our professionalism, experience and technological innovation.

As regards energy consumption, in 2013 we consumed a total of **824,214 Gigajoules**, equal to **25 Gigajoules** per capita (-5.4% compared with 2012). Starting this year, we have decided to calculate per capita energy consumption as the ratio of total consumption to the total number of workstations occupied at the sites monitored in the EMS.

Electricity accounts for the large part of the Group energy consumption: **145,104,835 kWh** was consumed at our sites in 2013 with a per capita consumption level of **4,328 kWh** (-7.2% compared with 2012).

The total consumption also includes the electricity consumed by the Data Processing Centres (DPC), certainly one of the biggest sources of electricity consumption within the Group, other areas

**Breakdown of energy consumption**



including lighting, the operating of machinery, air conditioning and, in some countries, heating. In 2013 the DPC's consumed a total of **25.4 million kWh** (-10.9% compared with 2012), equal to 17.7% of the total. Of the various structures, the Mogliano Veneto Centre (Italy) is the most energy intensive also because - like the DPC in Germany - it carries out marginal activities on behalf of Group companies in other countries.



**Best practice**

In order to cater for the energy consumption of the DPC in Mogliano Veneto, a natural gas-fuelled trigeneration plant was developed that makes it possible to produce combined power, heating and cooling energy with notable savings in terms of consumption. The plant became fully functional in December 2013 producing 1,330,560 kWh. In the immediate future, the energy produced at the plant should be enough to meet all of the energy required by the Mogliano Veneto complex.

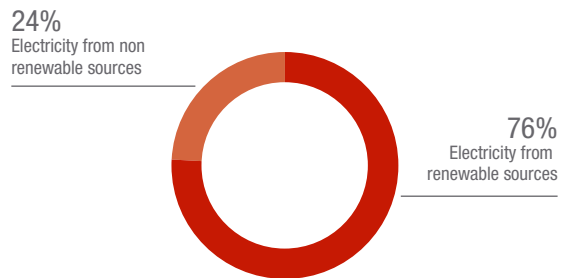
In recent years, various measures have been implemented to reduce the amount of electricity consumed in our DPC's. For example, the cold corridor system is used which requires the machines to be set up in a line so that only the corridor has to be cooled and not the entire room. New, less energy-intensive machines have also been introduced and there has been a switch to new virtualisation systems. The introduction of the latter has also made it possible to manage the surfaces and the spaces dedicated to the DPC's more efficiently.

In recent years there has also been a major increase in **thin client workstations**, whereby all users use the same server with estimated electricity savings of 10%.

In order to reduce environmental impact, we have also made a commitment to increasing the use of **electricity from renewable sources** which, as mentioned, currently account for **76%** thanks mainly to the efforts of Germany and Italy. In Germany, the certification body TÜV certifies that all electricity used comes from a hydroelectric source, while in Italy the electricity consumed at all sites is offset with CO-FER certificates, which attest to the

renewable origin of the sources used by plants for the production of electricity.

**Electricity quota from renewable sources**



36.6% of the energy consumed at EMS sites derived from the consumption of **fossil fuels** (natural gas and diesel oil) and **district heating** to heat the work spaces. Natural gas is the



most widely used fossil fuel by the Group companies (2,406,114 m<sup>3</sup>), while diesel oil is used increasingly less often. In 2013 only 343 m<sup>3</sup> of diesel oil was used (-18.6% compared with 2012) thanks to the gradual replacement of diesel oil boilers with next-generation condensing gas boilers, a process that has almost been completed.

In terms of heating and cooling systems, wherever possible attempts are made to use environmentally efficient technologies

such as ceiling or under-floor systems or direct expansion systems, such as heat pumps. In recent years there has also been greater use of building envelopes and other energy saving solutions such as insulation and thermal doors, external temperature detectors, thermostatic valves and thermostats. In many sites we have installed movement sensors or clocks/timers for controlling the switching on/off of lights and heating and air conditioning systems. We always seek to replace used light bulbs with energy saving light-emitting diodes.



### Best practice

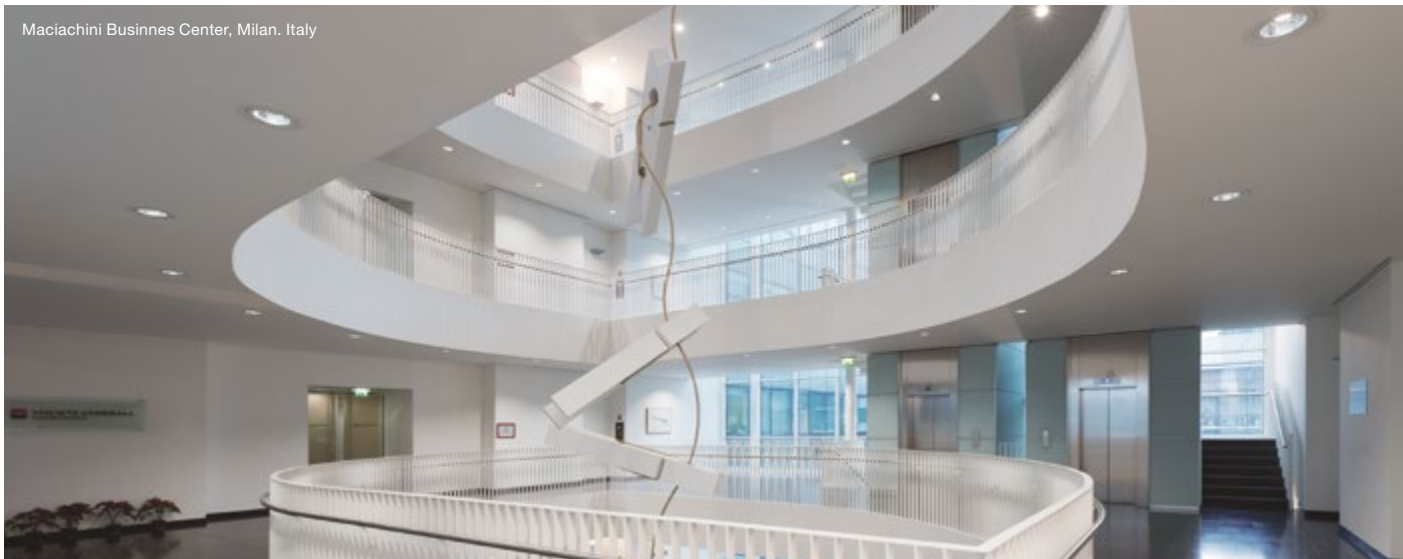
As part of the **Progetto Efficienza e Sostenibilità** relating to its property, Generali Real Estate has taken a series of measures (and others are ongoing), installing light fittings with LED (Light Emitting Diode) technology in its offices. This technology, which represents the near future of lighting in buildings, is undergoing continuous development as regards its light efficiency (lumen/Watt) and makes it possible to obtain notable electricity savings, reducing electrical power by around 50% on a like-for-like basis in terms of the number of hours the systems are used for. In addition to this, the fact that LED bulbs last over twice as long as traditional fluorescent bulbs means that there are also financial savings to be made. Generali was one of the first companies in Italy to use LED technology not only in the common areas of buildings but also in the offices in which its employees and consultants work. More specifically, at the Mogliano Veneto site around 21,000 fluorescent tubes were replaced with an identical number of LED tubes, resulting in a 45% reduction in the amount of electricity required for lighting, an approx. 85 MWh reduction in the amount of electricity consumed for air conditioning in the summer, an annual saving of around 100,000 euro and a consequent ROI timeframe of around 4 years.

In Italy, the implementation of the **Progetto Misura** continues with the aim of installing devices to measure electricity, natural gas and water in the various self-used and investment properties in order to continuously monitor the performances of the buildings and take prompt action in the event of any anomalies. Similar systems have also been installed in some buildings in France and Germany.

We believe that energy certification and sustainability assessment

are very important for measuring the energy performance of the systems and identifying possible areas for improvement. For this reason, in Austria the majority of buildings have Energieausweis energy certification attesting to the energy performance of the building, while in France the majority of sites have High-Quality Environmental certification (HQE). In Italy all buildings in the System have been awarded energy certification and subjected to sustainability assessments.

Maciachini Business Center, Milan. Italy





## Water

Objective/target	5% reduction in per capita water consumption
2013	
2015	

We believe that water is an extremely important resource and we try to use it sparingly at all Group sites. In 2013, **562,898 m<sup>3</sup>** of water was consumed, equal to **17 m<sup>3</sup>** per capita (-11.6% compared with 2012). The water is mainly used for hygienic and sanitary purposes and for the operation and cooling of air conditioning equipment; only at some sites is water also used to water green areas. Almost all of the water consumed comes from municipal or state water mains; only a tiny quantity of the water consumed, equal to 0.1%, is groundwater, which is used only rarely, above all in the summer, in Austria (200 m<sup>3</sup>) and Germany (171 m<sup>3</sup>). In addition, 240 m<sup>3</sup> of rainwater was collected using special tanks at some sites in Germany and then reused to water green areas.

We also withdrew **426,469 m<sup>3</sup>** of water from the Po River in Italy and Lake Lugano in Switzerland, and used it as industrial water for the cooling systems. As such, a total of **989,367 m<sup>3</sup>** of water was withdrawn.

To reduce water consumption we have introduced systems at our sites that mix water and air; alternatively, we have installed photocells or timed controls that make it possible to control water flows and reduce the waste of this resource to a minimum.

In order to reinforce and demonstrate its commitment to reducing water consumption, in 2011 the Group signed the **CDP Water Disclosure Project**, an international initiative that seeks to raise the awareness of businesses as regards the sustainable management of water.

## Paper

Objective/target	5% reduction in paper consumption
2013	
2015	95% environmentally-friendly paper

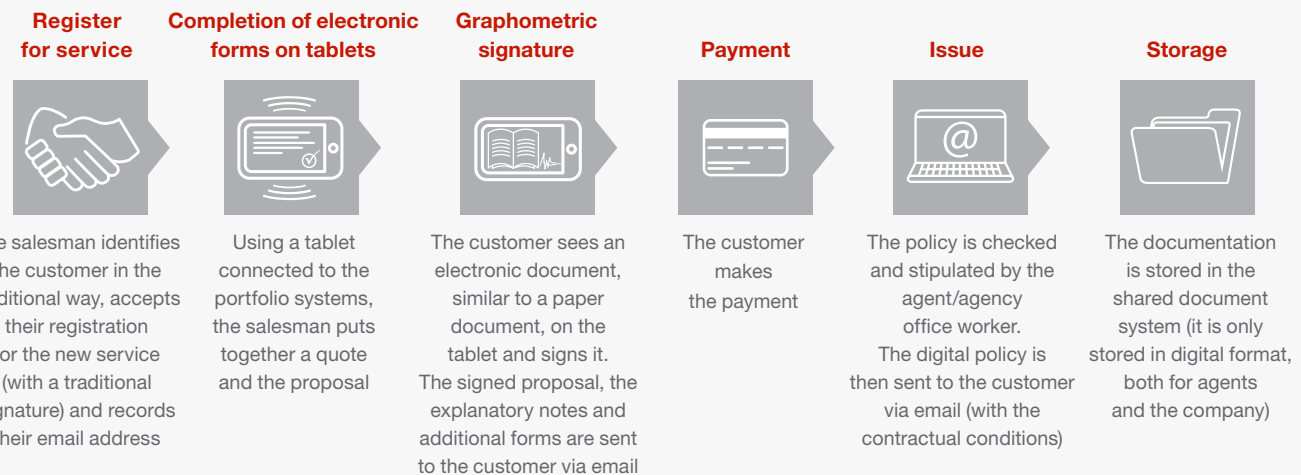
Paper is still the main material used in insurance and financial activities. For this reason, we are committed to introducing increasing numbers of measures to reduce the consumption of both white paper and printed paper.

In 2013 our companies consumed **61,313 hundred kilograms** of paper, **-6.2%** compared with 2012: this means that in the space of a year we managed to save around 77,000 trees.

The reduction in consumption achieved in recent years has been possible thanks to various initiatives, such as the standard practice of printing on both sides of the paper, the replacement of individual photocopiers and fax machines with multifunctional machines or centralised printers for the office/floor, and the reduction of internal paper-based correspondence. In many agencies policies are only printed when taken out, with the elimination of pre-printed forms, and policy conditions are available on the company websites. In addition, for communications between companies, agencies and clients, attempts are being made in all countries to switch to alternative systems to paper, such as email and text message. Where possible we try to encourage our employees to scan documentation relating to various types of request (reimbursements, absence request forms, etc.) and to send it by email or upload it in special areas in order to avoid pointless print-outs.

In Italy, a working group evaluated the feasibility of evolving the process of selling insurance products using tablets and graphometric signatures. The project will be limited in scope initially but we plan to extend it to all Italian companies by 2015.

## Sales via tablets



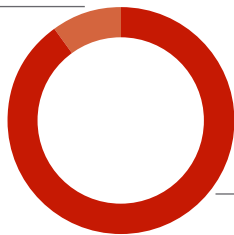
One of the advantages of sales via tablets is the fact that the agent/salesman remains the main channel for accessing the company's services, but the pre-sales, sales and payment phases all take place in a single visit to the client with the **complete elimination of paper** (thanks to the digitalisation of the documents). Thanks to this system, from 2017, 35 million sheets of A4 paper (160 hundred kilograms) will be saved in Italy, the equivalent of 3,000 trees a year and 1,000 tonnes of CO<sub>2</sub>.

The electronic storage and digitalisation of documents is increasingly widespread in the various areas of the business activities, with benefits in terms of both the accessibility and the security and confidentiality of the documents. Thanks to electronic storage, in 2013 savings of almost 315 million sheets of paper were made.

**Ecological paper quota**

9.3%

Non ecological paper



90.7%  
Ecological paper

We are also committed to increasing the amount of **ecological paper** as a quota of total paper consumption, which in 2013 exceeded **90%**. Currently, 100% of the paper purchased in Austria, Spain and Switzerland is certified as ecological as it satisfies the criteria established by national and international certification systems. In Austria, in particular, paper made with the cellulose of the eucalyptus tree is used, a tree that grows very quickly and absorbs a lot of CO<sub>2</sub>.

In addition, where possible we purchase paper with a lower than normal unit weight, equal to 75 g/m<sup>2</sup>, with additional savings in terms of the natural resources employed even if the current consumption rate in terms of sheets of paper remains the same. As well as ecological paper, the Group companies also use a small quantity of recycled paper, equal to 4.9%.

As well as ecological paper, we are also committed to purchasing stationery and toner with low environmental impact. Indeed, many countries have a catalogue of 'green' products which includes, for example, solvent-free pens with water-based ink, pencils made with wood from sustainably managed forests, and toner produced with recycled and/or regenerated materials. In 2013, we purchased 695 hundred kilograms of toner cartridges, of which 13.7% were regenerated and 9.3% recycled. In this context, the network of Alleanza agencies in Italy is equipped with EcoBoxes, boxes

provided directly by the toner supplier who manages the delivery and collection of the boxes and the refilling of the cartridges.

Generali Austria



The majority of the measures described above have had positive effects on paper consumption as well as toner and energy consumption. This reduction in consumption can be added to the reduction resulting from changes already made or ongoing with regard to the real estate assets of the Group.

**Waste**

Objective/target

2013  
2015

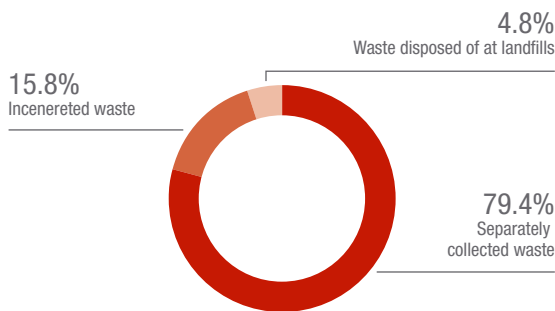
80% of waste collected separately

In recent years we have invested heavily in separate waste collection and the recycling of waste as we are aware that nothing must be wasted and that everything can be recycled



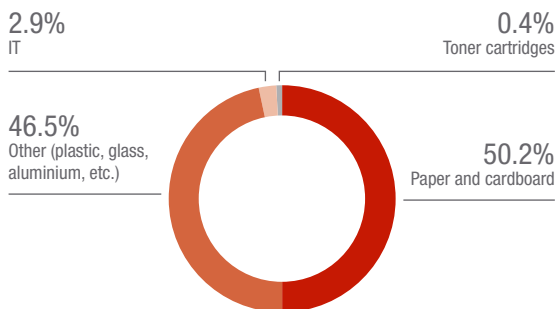
or reused. There are bins for the separate collection of waste at all sites and new agreements for the collection and recycling of materials were introduced in both 2012 and 2013. In order to increase the effectiveness of these measures, many companies have carried out special campaigns to raise employee awareness about separate waste.

**Methods of waste collection**



In 2013 a total of **72,518 hundred kilograms** of waste was tracked (-3.4% compared with 2012), of which 57,588 was collected separately, 11,484 incinerated and 3,445 disposed of at landfills. Paper and cardboard, plastic, glass, aluminium and other metals, wood, wet waste, used oil, sanitary waste, hazardous waste and IT and toner waste are subject to separate waste collection. Per capita waste comes to around **2.2 hundred kilograms**, a 7.3% fall compared with 2012.

**Breakdown of separately collected waste**



Given our insurance-financial activities, the majority of our separately collected waste is made up of **paper and cardboard**. At some sites, employees have special bins exclusively for paper and cardboard waste.

In all countries, **IT waste**, comprising of discarded electronic devices, is returned to suppliers or to plants responsible for disposal and the retrieval of reusable parts. IT waste trends may

follow the cycles established for the replacement of obsolete devices with new devices that are more sustainable from an environmental point of view.

The majority of used **toner cartridges** (3 out of 4) are returned to suppliers to be recycled or refilled, while the remainder are disposed of in accordance with the law.

**Hazardous waste** (neon tubes, batteries, etc.) represents only a tiny percentage (0.4%) of separately collected waste and is disposed of separately in an appropriate manner using specialist companies and by maintaining registries and mandatory documentation, as per the relevant regulations in force in the various countries. More specifically, during the year 243 hundred kilograms of hazardous waste was collected together with 0.6 hundred kilograms of sanitary waste, such as gauze and bandages, which was used at sites where there is an infirmary.



**Best practice**

In Austria used oil from the corporate canteen is collected by a specialist company that transforms it into biofuel.

Since 2012 in France, the organic waste from the corporate canteen in one of the Saint Denis sites has been disposed of using an internal incinerator; this process has made it possible to improve the management of spaces and reduce disposal costs, and has also had a positive effect on transportation, as the waste no longer needs to be moved elsewhere. Given the positive results achieved, the company is also considering purchasing a machine for other sites.

Another interesting initiative implemented in 2013 in France was the collection of coffee capsules which, after being used, are returned to the supplier who then separates the aluminium, which is recycled, from the coffee, which is used as compost.

**Mobility**

Within the Group, in recent years increasing importance has been given to mobility management, developing and implementing strategies to ensure that personnel and cargo are transported efficiently and sustainably.

Our main objective in this area is to reduce employee travel as far as possible, above all reducing the use of private vehicles and increasing the use of public transport in order to decrease air pollution in cities. In all countries, we seek to assign mobility

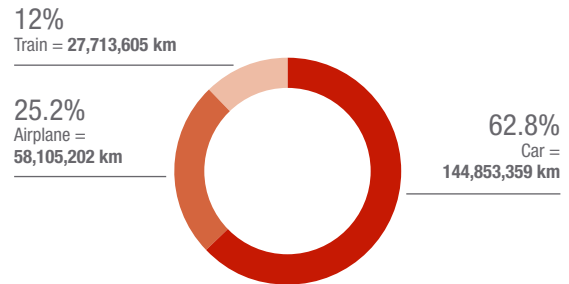
management to a dedicated person, the **mobility or travel manager**, who is responsible for planning sustainability initiatives, improving home/work commutes, maintaining relations on these issues with the municipal authorities and, sometimes, also managing the corporate fleet or defining contractual conditions with transportation service providers. In all countries there are **travel policies** which prioritise the use of public transport and, more specifically, promote the use of the most environmentally-friendly types of transport, as well as **car policies** which establish the maximum limits of carbon dioxide (CO<sub>2</sub>) emissions for corporate cars.

In 2013 the work-related journeys by car, air and train made by the Group employees amounted to a total of **230,672,166 km**.

To reduce travel, shuttle services connecting the offices with train stations or airports have been introduced where possible. In Italy an application was created by the HR department where employees can offer/take advantage of lifts by colleagues that make the same journey.

In all countries, the corporate policies promote the use of trains, even though the range of different methods of transport available

#### Kilometers travelled by employees on duty



for work-related journeys is linked to the location of the Group sites in the country, as well as the quality of the existing rail and air connections. In Austria train journeys are environmentally-friendly as the majority of the energy used by the Austrian railway network is hydroelectric.



#### Best practice

In Germany, for a number of years now we have had an agreement with Deutsche Bahn (the German national railway company) whereby all journeys made by train by employees on duty are carbon neutral, meaning the emissions are offset through environmentally-sustainable initiatives.

In recent years Generali has also established agreements with the Postal Service in Austria and Deutsche Post/DHL in Germany which involve the offsetting of CO<sub>2</sub> emissions relating to each package shipped through the purchase of certificates that use environmental initiatives to neutralise these emissions.

In all countries there are incentives for video and teleconference systems, which make it possible to reduce the work-related journeys by Group employees and, at the same time, provide a visual connection. In 2013, the number of videoconference calls totalled 38,578, an increase of 17.3% compared to 2012. Videoconference calls can also be made from individual workstations in France, Germany and, in the last few months now, also in Italy.

In the last few years, more environmentally-sustainable vehicles have been introduced to the corporate fleet in France: an electric car is used for transporting packages and post between the three buildings located in Saint-Denis. A hybrid car has also been purchased for a member of the company's Top Management.

We also try to make home/work mobility more environmentally sustainable by promoting the use of bicycles or covering part of the costs of annual tickets for public transport in some countries/companies.

In Italy, Austria and France, **tele-expertise** systems for claims remain in place, which limit the number of car journeys by assessors.

In several countries, **telecommuting** has also been possible for several years now: in Austria, France, Germany and Switzerland some Group employees have the opportunity of working from home, reducing both home/work journeys, and trips to clients, with a consequent reduction in greenhouse gas emissions.



## Greenhouse gas emissions

Objective/target <b>2013</b> <b>2015</b>	5% reduction in greenhouse gas emissions from Scope1 and Scope2
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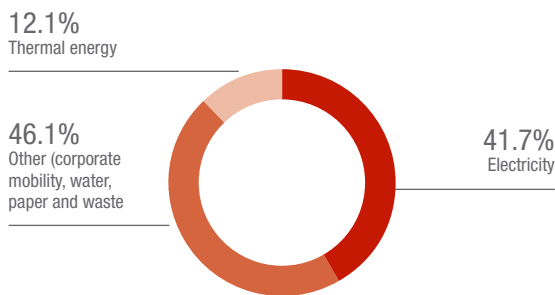
We are well aware that the correct and systematic quantification and reporting of GHG emissions enables the Group to reduce their associated impact, contributing to a reduction in global pollution.

To limit the amount of harmful emissions released into the atmosphere, a monitoring system involving periodic checks has been introduced at all sites. In light of the results of the monitoring process, measures are implemented to guarantee the efficiency of the systems and the efficacy of the ongoing actions in the Group.

In recent years we have significantly reduced our GHG emissions: in 2010-2012 they fell by 12.8% and we are committed to reducing them further in 2013-2015.

In 2013 total GHG emissions amounted to **98,448 tonnes** of carbon dioxide equivalent (CO<sub>2</sub>e) deriving from electricity, thermal energy, corporate mobility, water, paper and waste. Our emissions per employee came to around 2.9 tonnes of CO<sub>2</sub>e.

### Breakdown of greenhouse gas emissions

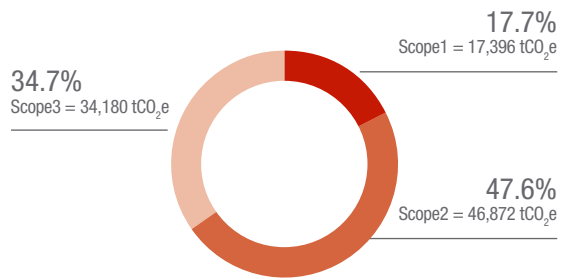


As established by the reporting standards, we have divided our GHG emissions into three categories:

- **Scope1:** emissions deriving from the direct burning of fossil fuels, acquired for heating, for the production of electricity and thermal energy, and for running the corporate fleet;
- **Scope2:** emissions deriving from the production of electricity purchased and used by the organisation for electrical devices, heating and the indoor lighting of buildings;
- **Scope3:** emissions other than indirect GHG emissions from energy consumption that derive from greenhouse gas

sources owned by the company or by other organisations, such as emissions connected with business trips, assets used (water, paper, etc.), the mobility of employees, etc..

### Breakdown of emissions by Scope



Scope1 and Scope2 GHG emissions amounted to **64,268 tonnes** of CO<sub>2</sub>e, a **3.3% reduction** compared to 2012. They are in-depth reported in our document Inventory of GHG Emissions of the Generali Group, that is certified in accordance with ISO14064 standard by an independent body.



[www.generali.com/sustainability](http://www.generali.com/sustainability)

## CLIMATE CHANGE: A GLOBAL PROBLEM

Since we began addressing environmental issues in a more systematic way, there has been a consistent increase in the amount of attention focused on climate change. In fact, one of the commitments outlined in the Environmental Policy of the Group is the integration of preventive measures for the protection of the climate in its strategies. For our sector, the issues related to climate change represent both a risk factor and an opportunity. For this reason, we seek to monitor them constantly and to analyse them in the short, medium and long term with the dual goal of identifying all risks for which suitable mitigation/adaptation measures must be adopted and, on the other hand, taking advantage of opportunities to develop business and improve efficiency.

### Risks and opportunities for insurers

From the studies carried out, we know that the main and the most immediate risk area can already be observed and constitutes the **greater frequency and impact of catastrophic**

**events**, such as storms and floods. For insurers, who traditionally offer protection for this type of risk, this means an increase in the cost of claims and relative reinsurance - in both the life and non-life segments - and an inevitable increase in premiums as a consequence.

This increase in risk corresponds to an increase in insurance requests, driven by a greater need to feel protected, and this translates into an opportunity to develop and expand the insurance business. However, it is important to remember that insurance companies have to respond to the growing demand for coverage, adapting their offers in order to safeguard an adequate technical management, preventing adverse risk selection, i.e. the concentration of risk in the most exposed areas, to avert the risk of uninsurability.

To exploit the business growth opportunities connected with the coverage of damage caused by natural disasters it is also necessary for insurers to introduce suitable mitigation and prevention measures that reduce the costs of the events and increase the resilience of the economic and social fabric as regards such catastrophes, making it possible to guarantee the insurability of the risk.

On the basis of these premises, there must be reward mechanisms for positive behaviour in terms of risk protection and greater resilience, and penalties for situations in which regulations and minimum standards are not respected which push the market to carry out actions involving the standardisation or strengthening of the most vulnerable properties and which discourage the inhabitation of high-risk areas.

## Our approach

In the context described, which presents both risks and opportunities, it is important to study catastrophic events with the aid of the most recent technologies, such as the use of **catastrophe models to forecast damage**, or through the simulation of realistic scenarios that make it possible to quantify the economic and insurance impact of individual events.

To this end, in Austria we use a sophisticated tool to assess the risk of flooding, storms, hail, earthquakes and other climatic implications, developed in association with the Ministry of the Environment and the association of Austrian insurance companies. In France, meanwhile, a model for the assessment of claims caused by the wind was introduced to the insurance portfolio so reinsurance plans and the risk capital level can be established.

As well as monitoring the evolution of risk and tailoring our range of products as a consequence, we have concentrated our efforts to provide **innovative and timely services to our customers** in order to assist them as much as possible in the event of claims due to catastrophes.



### Deliver on the promise (p. 41)

We are also committed to investing in research and in studies regarding problems connected with climate change. More specifically, for years Generali France has funded a university teaching position for the study of climate change with the aim of understanding its implications for the insurance industry and improving current models relating to the risks connected with natural phenomena.

Since 2007 Generali Deutschland has participated in a climate change project that has been strongly supported by the German trade association Gesamtverband der Deutschen Versicherungswirtschaft (GDV). The study, entitled *Auswirkungen des Klimawandels auf die Schadenssituation in der deutschen Versicherungswirtschaft* (Impact of climate change on claims in the German insurance sector), was carried out by Potsdam-Institut für Klimafolgenforschung (PIK), the German institute for climate change impact, and analysed the possible claims that can derive from storms and flooding in the next ten years and up until the second half of the century. The preliminary assessments suggest that we will be able to keep the danger associated with natural phenomena under control if effective climate protection measures are taken; to this end, efforts were made to involve the German Government as much as possible so that new climate protection goals can be established.

Another goal of this project was the prevention and containment of damage through the dissemination of information to the public so that people are more aware of the risks related to natural phenomena and the consequences of climate change.

Finally, we collaborate with national and international associations in the sector (ANIA, GDV, Insurance Europe etc.) over issues related to climate change in order to study the phenomena and help define future regulations and market decisions. We are also involved in numerous initiatives and working groups on environmental issues and connected with climate change that have been launched in various countries as part of organisations such as Perils AG, of which Generali is one of the founders, Econsense, VfU, Global Compact, etc..

## PREVENTION AND RAISING AWARENESS: OUR ROLE

As it is felt that education is a fundamental element in furthering environmentally-sustainable behaviour, for years we have promoted numerous education, awareness and stakeholder dialogue initiatives on environmental issues, directed at both our employees, through various kinds of programmes and schemes, and at our clients and the general public, through awareness campaigns, conferences on the subject, guides and information booklets containing useful advice and suggestions.



More specifically, documents, guidelines and information about current social and environmental initiatives are provided on the majority of corporate intranets. There are also posters and brochures in public areas designed to raise the awareness of employees as regards respect for the environment, saving energy, reducing the consumption of paper and water, and separate waste collection aimed at reusing and recycling natural resources.

There is the tendency everywhere to provide an increasing number of training courses via e-learning, which has a dual benefit for the environment: a decrease in the consumption of paper linked to the distribution of hard copies, and the reduction in CO<sub>2</sub> emissions by reducing journeys.

Events and meetings with the community are also organised in order to communicate and get people's opinions.

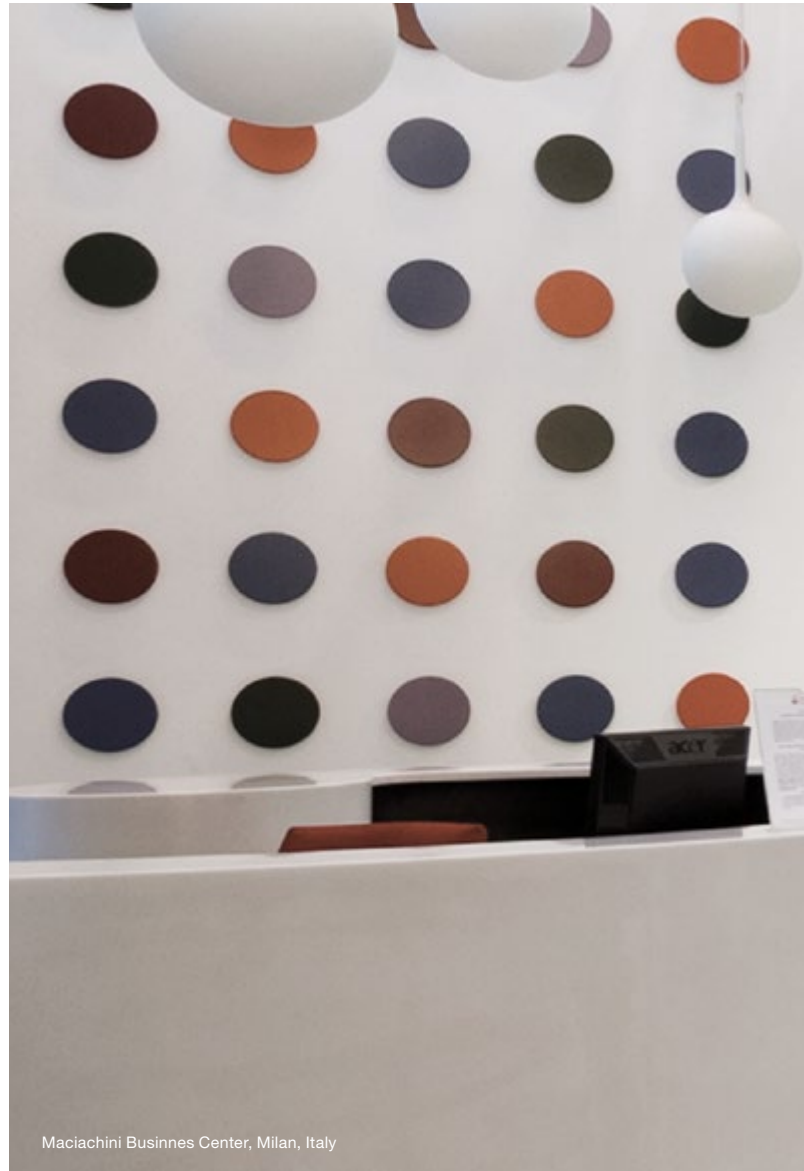
Since 2013, in Germany Generali Deutschland has supported various initiatives for the protection of the climate such as Wirtschaft pro Klima (pro climate economy), promoted by the Bundesdeutscher Arbeitskreis für Umweltbewusstes Management e.V. (BAUM) association (German environmental management association). Member companies of the association must insert information on their climate protection actions in a public database. Furthermore, through the VfU – Verein für Umweltmanagement und Nachhaltigkeit in Finanzinstituten e.V. (association for environmental management and sustainability in financial institutions), Generali has become a member of the Climate Change Finance Forum, a research and dialogue platform that aims to promote cooperation with the German Ministry of Education, Research and Technology (BMBF).



#### Best practice

In Italy, as part of Sustainable and Responsible Investment Week promoted by Forum per la Finanza Sostenibile (FFS), Assicurazioni Generali organised the conference Climate Change - Assicurazione, Finanza e Impresa: le vie del cambiamento (Climate Change - Insurance, Finance and Business: the ways of change) together with Ca' Foscari University of Venice. The aim of the conference was to raise awareness of climate risks and to provide an up-to-date overview of the changes taking places, also underlining how the costs incurred to mitigate them right now are actually an investment that will lead to major savings, for both the public and private sector, when the effects of climate change become manifest. A round table involved the large public present - around 150 people, including many students - demonstrating the commitment that the authorities (Ministry of the Environment), businesses (Generali Investments Europe) and non-profit organisations (CDP Europe and WWF) have made in this area with the common goal of transforming the risks connected with climate change into opportunities for development and improving living conditions, in the knowledge that the future of our planet is in the balance.

The conference was followed by a stakeholder engagement meeting involving representatives of the authorities, of non-profit organisations, and of consumers and businesses, as well as lecturers, researchers, etc.. The goal of the meeting was to acquire feedback on the activities that Generali is carrying out in the environmental sphere in order to receive suggestions on how to improve its approach to the issue.



Maciachini Business Center, Milan, Italy



Another important initiative was launched by Generali Real Estate, which decided to make the Maciachini Business Center (Milan), an investment property, a more modern, efficient and sustainable place. The complex was completely refurbished; more specifically, the fluorescent lights in the common areas (external sheltered areas, halls, stairs and garages) were replaced with LED devices, which make it possible to increase the energy efficiency of the lighting system. This measure involved the replacement of around 1,000 lighting devices with a reduction in the electricity requirement of around 52%, an annual saving of around 38,000 euro and a reduction in CO<sub>2</sub> emissions of approx. 95 tonnes/year.

A communications campaign was also created to inform and raise the awareness of residents in the complex about the benefits of the restructuring process, a key decision in terms of budget, quality of life and the environment. The communications campaign involved the positioning of totems in common areas that illustrated the reduction of consumption and CO<sub>2</sub> emissions and the longer life of LED lighting. A brochure was also distributed to all tenants in order to raise awareness of the benefits obtained from the new technologies.



# Appendix



Bruxelles, Belgium









# Sustainability Objectives and Commitments for 2013-2015

## SUSTAINABILITY OBJECTIVES AND COMMITMENTS FOR 2013-2015

AREA	STRATEGIC OBJECTIVE	OPERATIONAL OBJECTIVE	
<b>GOVERNANCE</b>	<b>to disseminate and promote a culture of social and environmental sustainability</b>	to place sustainability firmly on the agenda of the Board of Directors	
		to move towards increasing integration between financial information and non-financial information	
		to develop institutional communication tools with a greater focus on sustainability issues	
		to spread the content of the Code of Conduct	
		to ensure compliance with the Code of Conduct through a whistleblowing system	
		to implement a system for introducing ESG variables into investments	
		to assess corruption risk in the corporate business activities	
	<b>to ensure compliance with requirements concerning corruption</b>		

GROUP COMMITMENT	TIMING	OBJECTIVE ACHIEVEMENT
annual review of the Charter of Sustainability Commitments	by May of each year	
development of an integrated reporting model for the publication of the first integrated report with reference to 2013	by March 2014	
publication of sustainability articles on the Group's websites and in corporate magazines	continuous	
organisation/sponsorship of at least one event on sustainability topics	by December 2013	
organisation of information initiatives aimed at customers	by December 2015	
adoption of the Code of Conduct and the Group Rules by all Group companies	by June 2014	
publication, on the Group's websites, of the version of the Code of Conduct in the local language and in line with the legislation of the country concerned	by June 2014	
implementation of the various channels envisaged for the reporting of breaches of the Code of Conduct	by December 2013	
monitoring of reports of breaches of the Code of Conduct	continuous	
approval of new ethical guidelines for investments	by December 2013	
preparation of tools for implementation of the new ethical guidelines for investments	by December 2013	By December 2014, in the context of review of the investment governance at Group level.
insertion into the compliance plans of a periodic assessment of corruption risk associated with the business activities	by December 2014	

## SUSTAINABILITY OBJECTIVES AND COMMITMENTS FOR 2013-2015

AREA	STRATEGIC OBJECTIVE	OPERATIONAL OBJECTIVE	
<b>CLIENTS</b>	<p><b>to pursue the Group's growth objectives by creating, together with economic value, social and environmental value for all stakeholders</b></p>	<p>to provide access to insurance for those excluded from the traditional market due to their income status</p>	
	<p><b>to guarantee, including in terms of social and environmental sustainability, the quality of the Group's products and services as the basis for its competitiveness and enhancement of its reputation</b></p>	<p>to ensure the adoption of behaviour in line with the Code of Conduct by the sales network on payroll and fiduciaries</p>	
		<p>to extend the obligation of compliance with the Code of Conduct to third parties who act on behalf of the Group</p>	
		<p>to improve relations with clients</p>	
<b>EMPLOYEES</b>	<p><b>to disseminate and promote a culture of social and environmental sustainability</b></p>	<p>to disseminate the content of the Code of Conduct among all employees</p>	
		<p>to ensure the adoption by employees of behaviour in line with the Code of Conduct</p>	
		<p>to promote a culture of sustainability among employees</p>	



GROUP COMMITMENT	TIMING	OBJECTIVE ACHIEVEMENT
greater distribution of microinsurance products that meet the specific needs of the working poor in the countries where the Group operates	continuous	
implementation of training courses on relevant aspects of the Code of Conduct	by December 2015	
introduction into new mandates of a clause concerning compliance with the Code of Conduct	by December 2015	
development of new types of pre- and post-sale contacts	by December 2015	
distribution of the Code of Conduct to all employees	by June 2014	
implementation of training programmes to introduce the Code of Conduct to all employees	by December 2014	
preparation of a section devoted to sustainability on the Group's portal, which will make it possible to reach all Group employees worldwide	by June 2014	
creation of a globally coordinated internal communication plan that uses various tools (bollettino.com, Bollettino, dedicated newsletters, intranet, HR portal/new Group portal) to present experiences of sustainability issues through internal testimonials, features by external experts, etc.	continuous	
creation of an institutional video for employees on the main drivers of the Code of Conduct	by December 2013	

## SUSTAINABILITY OBJECTIVES AND COMMITMENTS FOR 2013-2015

AREA	STRATEGIC OBJECTIVE	OPERATIONAL OBJECTIVE
<b>EMPLOYEES</b>	<p><b>to disseminate and promote a culture of social and environmental sustainability</b></p>	<p>to stimulate the engagement of employees in sustainability topics</p>
	<p><b>to enhance human capital, attracting and retaining the best talent and fostering constant development of the skills and professionalism of all the people who work in the Group</b></p>	<p>to ensure the managerial continuity of the Group by disseminating a common culture and the development of human resources by enhancing diversity and internationalisation</p>
		<p>to ensure competitiveness on the external market through the dissemination of a culture based on dialogue, merit and internal equity</p>

GROUP COMMITMENT	TIMING	OBJECTIVE ACHIEVEMENT
creation of an interactive forum space on the new Group portal	by December 2014	
organisation of virtual conferences on topics of particular interest	by December 2014	
collection of proposals from employees through challenge idea initiatives, and implementation of at least one of these	by December 2014	
definition and monitoring of succession plans for the Group's key positions	by 2015	
identification of talent through structured and global processes	by 2015	
design of coherent development and career plans	by 2015	
implementation of processes and tools for the development and retention of young people	by 2015	
identification of professional development programmes based on diversification of experience	by 2015	
increase in international mobility	by 2015	
design and implementation of a global performance management system based on common and shared criteria	by 2015	
dissemination of feedback as a strategic lever for development	by 2015	
development of competencies with a focus on results	by 2015	




## SUSTAINABILITY OBJECTIVES AND COMMITMENTS FOR 2013-2015

AREA	STRATEGIC OBJECTIVE	OPERATIONAL OBJECTIVE	
<b>EMPLOYEES</b>	<b>to ensure and promote respect for fundamental human and labour rights in all of the Group's spheres of influence</b>	to promote diversity and inclusion	
<b>CONTRACTUAL PARTNERS</b>	<b>to disseminate and promote a culture of social and environmental sustainability</b>	to disseminate the content of the Ethical Code for suppliers of the Generali Group	
		to ensure compliance by suppliers with the Ethical Code for suppliers of the Generali Group	
	<b>to ensure and promote respect for fundamental human and labour rights in all of the Group's spheres of influence</b>	to analyse the risks associated with the supply chain in relation to respect for human rights and protection of the environment	
<b>COMMUNITY</b>	<b>to improve the conditions of the communities in which the Group is based, playing a role of corporate citizenship in collaboration with the competent institutions and organisations</b>	to maximise the social impact of social, cultural, environmental and sporting initiatives in order to optimise the investment	

GROUP COMMITMENT	TIMING	OBJECTIVE ACHIEVEMENT
appointment of a chief diversity and inclusion officer	by December 2013	
development of policies and guidelines for the promotion of diversity and inclusion	by December 2014	
development of training programmes for the promotion of diversity and inclusion	by December 2015	
distribution of the Ethical Code for suppliers of the Generali Group	continuous	
adoption of measures to oblige contractual partners to observe the Ethical Code for suppliers	continuous	
mapping of the supply chain	by December 2015	
development of global policies to define guidelines for action in the community, aimed at the creation of shared value	by December 2013	
development of ways of assessing the social impacts generated by investments in the community, in order to manage and maximise those impacts	by December 2015	

## SUSTAINABILITY OBJECTIVES AND COMMITMENTS FOR 2013-2015

AREA	STRATEGIC OBJECTIVE	OPERATIONAL OBJECTIVE	
<b>ENVIRONMENT</b>	<b>to contribute to the protection of the environment and the prevention of pollution</b>	to reduce the direct and indirect environmental impacts of corporate business activities	

GROUP COMMITMENT	TIMING	OBJECTIVE ACHIEVEMENT
contribution to the implementation of the Group Environmental Management System aimed at continual improvement	by 2015	
5% reduction of per capita energy consumption	by 2015	
maintaining the electricity quota from renewable sources above 75%	by 2015	
5% reduction of total paper consumption	by 2015	
achieving 95% in the amount of ecological paper	by 2015	
5% reduction of per capita water consumption	by 2015	
achieving 80% in the amount of separate waste collection	by 2015	
5% reduction of emissions from Scope1 (heating fuels and kilometres travelled by company fleet) and Scope2 (electricity and district heating)	by 2015	
carrying out at least 1 project per year in each Country to raise employees' awareness on the efficient use of resources	by 2015	
appropriate training to all employees directly involved in the implementation of the Environmental Management System of the Group	continuous	 <p>In 2013 training was done only in some countries (Germany and Spain). In Head Office, training was decided to be postponed to 2014 as to include training on the new software for environmental data collection.</p>
improving Scope1 through calculation of GHG emissions from refrigerant gases	by 2015	
improving Scope3 through calculation of GHG emissions from waste	by 2015	

## SUSTAINABILITY OBJECTIVES AND COMMITMENTS FOR 2013-2015

AREA	STRATEGIC OBJECTIVE	OPERATIONAL OBJECTIVE
<b>ENVIRONMENT</b>	<b>to contribute to the protection of the environment and the prevention of pollution</b>	to reduce the direct and indirect environmental impacts of corporate business activities
		to ensure at all times that the environmental objectives and targets of the Group are in line with environmental requirements, changes in the Group's activities and expectations of the stakeholders
		to engage stakeholders in the continual improvement in environmental policies and performance of the Group



GROUP COMMITMENT	TIMING	OBJECTIVE ACHIEVEMENT
completing data collection on corporate mobility	by 2015	
dissemination, reception and respect of the Environmental Policy by all suppliers	by 2015	
carrying out at least 1 initiative per year in each Country to raise suppliers' awareness on environmental issues	by 2015	
carrying out at least 1 initiative per year in each Country to induce eco-sustainable choices by the clients	by 2015	
exclusion of non eco-sustainable investments according to the Ethical Guidelines of the Group	by 2015	
carrying out at least 1 initiative per year in each Country to raise awareness of local communities on environmental issues	by 2015	
review of the document Group objectives and targets for environmental improvement	by May of each year	
introduction of new ways of listening to the stakeholders	by December 2013	

## SUSTAINABILITY OBJECTIVES AND COMMITMENTS FOR 2013-2015

AREA	STRATEGIC OBJECTIVE	OPERATIONAL OBJECTIVE
INNOVATION	to disseminate and promote a culture of social and environmental sustainability	to raise users' awareness of sustainability issues
		to convey the Group's image, including with regard to social and environmental issues
	to respond to the needs and expectations of the stakeholders in relation to economic, social and cultural changes, with innovations in terms of products, business models, services and processes to increase their satisfaction	to increase participation in Shareholders' Meetings
		to investigate the market in order to identify the needs and expectations of customer segments interested in environmental and social issues
		to create a working environment that can foster the development of more flexible working methods



OBJECTIVE ACHIEVED



OBJECTIVE ONGOING



OBJECTIVE NOT ACHIEVED



[www.generali.com/sustainability](http://www.generali.com/sustainability)

GROUP COMMITMENT	TIMING	OBJECTIVE ACHIEVEMENT
development of an app for calculating the ecological footprint	by December 2014	
development of new ways to communicate the socio-environmental commitment	by December 2015	
development of a live webcast for shareholders	by December 2015	
mapping of customers' needs in order to meet pension requirements and make savings products more accessible	by December 2013	
study on the existence of market opportunities for products and services for ethnic groups with special needs (takaful insurance, immigrants, etc.)	by December 2015	
study on the existence of market opportunities for social insurance products	by December 2013	
assessment of possible action to increase the flexibility of deployment of employees in the working environment and to encourage the development of collaboration and exchanges between people	by December 2014	



Content index  
(GRI 3.1) and  
UN Global  
Compact  
Principles

## 1. STRATEGY AND ANALYSIS

GRI INDICATORS	DESCRIPTION	REPORTED	GLOBAL COMPACT PRINCIPLES
1.1	Statement from the most senior decision-maker of the organization about the relevance of sustainability to the organization and its strategy.	fully	
1.2	Description of key impacts, risks, and opportunities.	fully	

## 2. ORGANIZATIONAL PROFILE

2.1	Name of the organization	fully	
2.2	Primary brands, products, and/or services.	fully	
2.3	Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures.	fully	
2.4	Location of organization's headquarters.	fully	
2.5	Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	fully	
2.6	Nature of ownership and legal form.	fully	
2.7	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries).	fully	
2.8	Scale of the reporting organization.	fully	
2.9	Significant changes during the reporting period regarding size, structure, or ownership.	fully	
2.10	Awards received in the reporting period.	fully	

## CROSS-REFERENCE/DIRECT ANSWER

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SR 2013, p. 4  
Annual Integrated Report 2013, p. 18-19; 44-45; 56-59

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SR 2013, p. 24-25; 76-77  
Annual Integrated Report 2013, p. 32-37

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Assicurazioni Generali S.p.A.

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Annual Integrated Report 2013, p. 48

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[www.generali.com/about-us/management](http://www.generali.com/about-us/management)  
Annual Integrated Report 2013, p. 276-303

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Assicurazioni Generali S.p.A.  
P.zza Duca degli Abruzzi 2 - 34132 Trieste - Italy

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Annual Integrated Report 2013, p. 48; 305-306

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SR 2013, p. 42  
Corporate Governance and Share Ownership Report 2013, p. 13

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Annual Integrated Report 2013, p. 48-53

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Annual Integrated Report 2013, p. 14-17; 85

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Annual Integrated Report 2013, p. 274-275

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[www.generali.com/sustainability/ethical-indices-SRI-ratings-and-rankings](http://www.generali.com/sustainability/ethical-indices-SRI-ratings-and-rankings)  
SR 2013, p. 23; 49  
Information on other awards received by the Group companies is available on their websites.

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GRI INDICATORS	DESCRIPTION	REPORTED	GLOBAL COMPACT PRINCIPLES
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### 3. REPORT PARAMETERS

3.1	Reporting period (e.g., fiscal/calendar year) for information provided.	fully	
3.2	Date of most recent previous report (if any).	fully	
3.3	Reporting cycle (annual, biennial, etc.).	fully	
3.4	Contact point for questions regarding the report or its contents.	fully	
3.5	Process for defining report content.	fully	
3.6	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers).	fully	
3.7	State any specific limitations on the scope or boundary of the report.	fully	
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations.	fully	
3.9	Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the Indicators and other information in the report.	fully	
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g., mergers/acquisitions, change of base years/periods, nature of business, measurement methods).	fully	



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**CROSS-REFERENCE/DIRECT ANSWER**

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Quantitative information is as at 31 December 2013 whereas qualitative information may also refer to events after that date.

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The most recent previous Sustainability Report, that was approved by the Board of Directors of the Parent Company and later published on the Group website, dates at May 2013.

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The reporting cycle is annual.

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[www.generali.com/sustainability/contacts](http://www.generali.com/sustainability/contacts)

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SR 2013, p. 10-11

The process of definition of the contents is based on the principles of materiality, stakeholder inclusiveness, sustainability context and completeness, and the process to guarantee information quality is based on the principles of balance, comparability, accuracy, timelines, clarity and reliability envisaged by the GRI.

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SR 2013, p. 11

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SR 2013, p. 11

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Information in the Report concern two financial years, 2013 and the previous year, for which homogeneous data are presented, to allow comparisons without misrepresentations.

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In order to ensure the reliability of the information reported, directly measurable amounts have been included, reducing the use of estimates to a minimum.

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Information in the Report concern two financial years, 2013 and the previous year, for which homogeneous data are presented, to allow comparisons without misrepresentations.

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GRI INDICATORS	DESCRIPTION	REPORTED	GLOBAL COMPACT PRINCIPLES
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	fully	
3.12	Table identifying the location of the Standard Disclosures in the report.	fully	
3.13	Policy and current practice with regard to seeking external assurance for the report.	fully	

#### 4. GOVERNANCE, COMMITMENTS AND ENGAGEMENT

4.1	Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight.	fully	
4.2	Indicate whether the Chair of the highest governance body is also an executive officer.	fully	
4.3	For organizations that have a unitary board structure, state the number and gender of members of the highest governance body that are independent and/or non-executive members.	fully	
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	fully	
4.5	Linkage between compensation for members of the highest governance body, senior managers, and executives, and the organization's performance.	fully	
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided.	fully	

**CROSS-REFERENCE/DIRECT ANSWER**

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SR 2013, p. 11

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SR 2013, p. 100-155

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The decision not to request an external assurance for the Sustainability Report is confirmed. This choice is based on the desire of the Group to focus its available resources on improving its social and environmental performance and maintaining an effective reporting system, in terms of the quality and quantity of information provided and its consistency with the interests of the various stakeholders with whom the Group has various types of relations. The Group asked the independent body RINA Services S.p.A. to check and validate 2013 data on direct GHG emission (Scope1) and indirect emissions from energy consumption (Scope2) in accordance with the ISO14064 standard.

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SR 2013, p. 18-19  
Annual Integrated Report 2013, p. 39-42

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Annual Integrated Report 2013, p. 41

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SR 2013, p. 19

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SR 2013, p. 47  
[www.generali.com/careers/human-resources/european-works-council](http://www.generali.com/careers/human-resources/european-works-council)  
Articles of Association, Art. 17 available on [www.generali.com/governance](http://www.generali.com/governance)

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Annual Integrated Report 2013, p. 42-43

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SR 2013, p. 27

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GRI INDICATORS	DESCRIPTION	REPORTED	GLOBAL COMPACT PRINCIPLES	
4.7	Process for determining the composition, qualifications, and expertise of the members of the highest governance body and its committees, including any consideration of gender and other indicators of diversity.	fully		
4.8	Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation.	fully		
4.9	Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles.	fully		
4.10	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.	fully		
4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organization.	fully		
4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses.	fully		
4.13	Memberships in associations (such as industry associations) and/or national/international advocacy organizations.	fully		
4.14	List of stakeholder groups engaged by the organization.	fully		

## CROSS-REFERENCE/DIRECT ANSWER

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Corporate Governance and Share Ownership Report 2013, p. 31-34

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SR 2013, p. 16-17; 20-24  
[www.generali.com/careers/human-resources/european-social-charter](http://www.generali.com/careers/human-resources/european-social-charter)

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SR 2013, p. 18-19  
The Sustainability Report, Sustainability Objectives and Commitments, Group codes and policies as well as their updates are subject to the approval of the Board of Directors of the Parent Company.

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Corporate Governance and Share Ownership Report 2013, p. 38

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SR 2013, p. 4

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[www.generali.com/sustainability/adhesion-to-external-initiatives](http://www.generali.com/sustainability/adhesion-to-external-initiatives)

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The Generali Group is member of the following trade associations in the main countries where it operates: Versicherungsverband Österreich (VVO) in Austria, Fédération Française des Sociétés d'Assurances (FFSA) in France, Gesamtverband der Deutschen Versicherungswirtschaft e.V. (GDV) in Germany, Associazione Nazionale Imprese Assicuratrici (ANIA) in Italy, Unión Española de Entidades Aseguradoras y Reaseguradoras es la Asociación Empresarial del Seguro (UNESPA) in Spain, Schweizerischer Versicherungsverband (SVV) in Switzerland.

The Generali Group provides routine membership dues and views memberships in associations as strategic.

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SR 2013, p. 28

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GRI INDICATORS	DESCRIPTION	REPORTED	GLOBAL COMPACT PRINCIPLES	
4.15	Basis for identification and selection of stakeholders with whom to engage.	fully		
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	fully		
4.17	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting.	fully		

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## CROSS-REFERENCE/DIRECT ANSWER

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A Head Office working group, supported by some CSR consultants, adopted the AccountAbility1000 principles when defining and selecting the stakeholders.

SR 2013, p. 28

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SR 2013, p. 34-36 (clients, sales force and community); 47-48 e 54 (employees); 79 (community)

Given the number and variety of stakeholder engagement initiatives carried out in the various countries in which the Group operates, it is not easy to generalize about their frequency. The employee satisfaction surveys are usually carried out every two years. However, as part of project activities in the various countries, every year there are engagement activities (mostly focus groups) that involve small groups of employees for specific purposes. Each company in the various countries engages clients and consumers with different purposes and frequencies ranging from monthly to once every three years. The dialogue with stakeholders is ongoing within networks, working groups, trade associations, etc. at national and international level. In the process of checking the CSR strategy and communication the stakeholder engagement envisages multi-stakeholder meetings on specific topics at least once a year.

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SR 2013, p. 11; 24

The Charter of Sustainability Commitments considers both key topics raised through engagement of different Head Office departments and outcomes of various forms of dialogue and exchanges of opinion with Group stakeholders.

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## ECONOMIC PERFORMANCE INDICATORS

### Disclosure on management approach

Considering a strong brand, a wide and diversified international presence, large premiums and assets, a consolidated leadership in the life segment and solid performance in the property&casualty segment, the Generali Group has developed a strategy aiming at maximizing profitability and creating value for all its stakeholders. It is based on three key criteria: discipline, simplicity and focus on core insurance business.

The Generali Group also takes special care of the climate change, considered as a source of risks, on the one hand, and opportunities in conducting and developing its business, on the other. It accordingly analyses possible consequences connected with climate change over the short, medium and long term, in order to identify the risks against which it must find suitable mitigation measures and the opportunities for developing business and improving its efficiency. Integration of climate protection prevention measures into the corporate strategies represents a specific commitment, clearly stated in the Environmental Policy of the Group.

As a provider of specific insurances covering losses from natural phenomena, specifically from atmospheric ones, the Group constantly monitors the evolution of the situation, both with regard to existing and emerging risks, using specific stochastic simulation models of natural phenomena, in order to ensure that its products and risk mitigation tools are always suitable to the contingent situation.

The attention to the topic of the climate change is confirmed by the Group adhesion to CDP.

The Generali Group has always linked its growth to the development of the local communities where it operates and adopted employee policies that do not discriminate anybody and aim at enhancing local abilities, giving importance to the contribution of local people in terms of market knowledge. This approach is also adopted by companies

GRI INDICATORS	DESCRIPTION	REPORTED	GLOBAL COMPACT PRINCIPLES
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## ECONOMIC PERFORMANCE INDICATORS

<b>EC1. Core</b>	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	fully	
<b>EC2. Core</b>	Financial implications and other risks and opportunities for the organization's activities due to climate change.	fully	7



recently acquired or newly created, whose workforce almost entirely numbers local employees, in the management positions as well.

As for the supplies, local suppliers are largely preferred. This policy also has positive effects on the social and economic fabric of the communities where Group companies operate, as it creates jobs and stimulates economic growth. At the same time, selecting local suppliers reduces the impact the corporate activities on the environment, an objective which in some cases also contributes to the selection of suppliers that implement ecological criteria, such as optimisation of deliveries and the use of green vehicles, or offer the possibility to offset emissions related to the services provided.

Indirect economic impacts are mainly linked to corporate citizenship initiatives. In order to improve life conditions in the countries where Group companies operate, they themselves work together with local institutions and not-for-profit associations, providing one-shot or, most often, recurrent financial support for different public utilities (educational services, health services, social integration services, professional integration of the disabled, etc.) and/or for infrastructures such as schools, day care centres and health care centres. Zukunftsfonds in Germany represents a great, structured example of collaboration with local institutions and not-for-profit associations. There are also some microinsurance projects, that express the Group commitment to improving the lives and supporting the social and economic development of the persons in the most difficulty, thus providing them with access to basic insurance policies.

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## CROSS-REFERENCE/DIRECT ANSWER

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Global Added Value (GAV) expresses the wealth generated by the Group's activities over the year for the various stakeholder categories. It is not, however, able to measure the benefits that the investments have on the economy and environment of reference. This indicator is calculated as the difference between total income (85,043.4 million euro at 31 December 2013) increased/decreased by the result of discontinued operations, and total expenses (82,719.9 million euro at 31 December 2013) net of the cost for employees, agents and financial advisers, costs incurred for grants and sponsorships, and interest expense. At the end of 2013 GAV amounted to 13,277.6 million euro, distributed as follows:

- 1,214.1 million euro to the Group (9.1%)
- 927.6 million euro to shareholders (7%)
- 4,259 million euro to employees (32.1%)
- 4,719.7 million euro to agents and financial advisers (35.5%)
- 742 million euro to the State (5.6%)
- 1,377.3 million euro to providers of credit capital (10.4%)
- 38 million euro to the community (0.3%)

The tax rate of the main countries is reported in the Annual Integrated Report 2013, p. 229.

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SR 2013, p. 76-77

Annual Integrated Report 2013, p. 36-37

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GRI INDICATORS	DESCRIPTION	REPORTED	GLOBAL COMPACT PRINCIPLES
<b>EC3. Core</b>	Coverage of the organization's defined benefit plan obligations.	fully	
<b>EC4. Core</b>	Significant financial assistance received from government.	fully	

## MARKET PRESENCE

<b>EC5. Additional</b>	Range of ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation.	fully	1
<b>EC6. Core</b>	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.	fully	
<b>EC7. Core</b>	Procedures for local hiring and proportion of senior management hired from the local community at locations of significant operation.	fully	6

## INDIRECT ECONOMIC IMPACTS

<b>EC8. Core</b>	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement.	fully	
<b>EC9. Additional</b>	Understanding and describing significant indirect economic impacts, including the extent of impacts.	fully	

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## CROSS-REFERENCE/DIRECT ANSWER

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SR 2013, p. 76-77  
Annual Integrated Report 2013, p. 36-37

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The Generali Group did not receive any significant financial assistance from government in 2013.

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SR 2013, p. 52

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SR 2013, p. 21  
The Group prefers national suppliers and, specifically, enterprises capable of providing goods and/or services throughout the country: on average, 95.2% of procurement expenses of its seven main countries occurred with local suppliers, i.e. operators located in the same country and in many cases in the same region or town where the offices of the Group companies are located.

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96.8% of managers are from the country in which they work.

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SR 2013, p. 61-65

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SR 2013, p. 37; 64-65

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## ENVIRONMENTAL PERFORMANCE INDICATORS

### Disclosure on management approach

Safeguarding the environment as a primary asset is one of the guiding values of the Generali Group, which is committed to gearing its own choices towards guaranteeing compatibility between economic initiatives and environmental requirements. Objectives and commitments with the aim of making a positive contribution to sustainable development are defined in the Environmental Policy of the Group. Specific targets for both direct and indirect environmental impacts are defined in the document Group Objectives and Targets for Environmental Improvement. Actions to work towards attaining the Group objectives and targets are described in the Environmental Programme.

The key environmental aspects are managed through an Environmental Management System (EMS) which complies with the requirements of the ISO14001 standard and meets some ethical requirements. Such System currently involves six of the most important countries for corporate business, i.e. Italy, Austria, France, Germany, Spain and Switzerland.

The System is supported by an organizational structure in the Head Office that is composed of the EMS Review Committee and the EMS Committee, the members of which are also the Country EMS representatives. The task

GRI INDICATORS	DESCRIPTION	REPORTED	GLOBAL COMPACT PRINCIPLES
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### MATERIALS

<b>EN1. Core</b>	Materials used by weight or volume.	fully	8
<b>EN2. Core</b>	Percentage of materials used that are recycled input materials.	fully	8, 9

### ENERGY

<b>EN3. Core</b>	Direct energy consumption by primary energy source.	fully	8
<b>EN4. Core</b>	Indirect energy consumption by primary source.	fully	8
<b>EN5. Additional</b>	Energy saved due to conservation and efficiency improvements.	fully	8, 9

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of coordinating these committees and drafting documentation for the System at Group level is carried out by the Corporate Social Responsibility unit. Some countries have also national structures with solely environmental powers that support local Country CSR Committees in their activities.

The proper implementation of the EMS and the specific attainment of the objectives are guaranteed by periodic monitoring of several indicators which cover all of the most significant environmental aspects in terms of direct or indirect impact of the Group activities, i.e. electricity, water and paper consumption, waste disposal, corporate mobility, greenhouse gas emissions, products and services, procurement processes and investment activities. Data obtained feeds an internal information system which provides for the annual review by the Top Management, in order to constantly assess the efficiency and effectiveness of the EMS with a view towards continual improvement. As to stress its interest in environmental issues, in particular in climate change one, the Group has adopted a responsible and transparent approach and decided to meet the ISO14064-1 standard as for measuring and voluntary reporting on GHG emissions, and to have direct emissions and indirect emissions from energy consumption certified by an independent body.

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### CROSS-REFERENCE/DIRECT ANSWER

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SR 2013, p. 72-73

Materials mean paper and toner cartridges that the Generali Group purchases from external suppliers. Information on non-renewable and direct materials used is therefore not applicable to the financial sector.

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SR 2013, p. 73

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SR 2013, p. 69-70

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SR 2013, p. 69-70

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SR 2013, p. 70-71

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GRI INDICATORS	DESCRIPTION	REPORTED	GLOBAL COMPACT PRINCIPLES
<b>EN6. Additional</b>	Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.	fully	8, 9
<b>EN7. Additional</b>	Initiatives to reduce indirect energy consumption and reductions achieved.	fully	8, 9

## WATER

<b>EN8. Core</b>	Total water withdrawal by source.	fully	8
<b>EN9. Additional</b>	Water sources significantly affected by withdrawal of water.	fully	8
<b>EN10. Additional</b>	Percentage and total volume of water recycled and reused.	fully	8, 9

## BIODIVERSITY

<b>EN11. Core</b>	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	fully	8
<b>EN12. Core</b>	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	fully	8
<b>EN13. Additional</b>	Habitats protected or restored.	not	8
<b>EN14. Additional</b>	Strategies, current actions, and future plans for managing impacts on biodiversity.	not	8
<b>EN15. Additional</b>	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.	not	8

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## CROSS-REFERENCE/DIRECT ANSWER

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SR 2013, p. 37

Reductions in the energy requirements of products and services cannot be quantified in the financial sector. The products of the Generali Group are mainly policies.

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SR 2013, p. 70-71; 74-75

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SR 2013, p. 72

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The Group companies do not draw sufficient quantities of water to significantly affect water sources.

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SR 2013, p. 72

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In Italy, an area of 110,675 m<sup>2</sup> in the Mogliano Veneto site is located within a zone subject to the Dese River restrictions pursuant to Art. 142 of Legislative Decree No. 42/2004. This zone, designated as a park, has no protected species and no company activities are carried out there.

In Germany, an area of 8,800 m<sup>2</sup> in the Bernried site where the training centre of Generali Deutschland is located is next to the natural reserve of Starnberger See (LSG00403.01). The activities run by the training centre do not impact on biodiversity.

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There are no significant direct and indirect impacts on biodiversity in the areas subject to restrictions.

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Information required is not material for the core business of the Generali Group.

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Information required is not material for the core business of the Generali Group.

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Information required is not material for the core business of the Generali Group.

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GRI INDICATORS	DESCRIPTION	REPORTED	GLOBAL COMPACT PRINCIPLES
<b>EMISSIONS, EFFLUENTS AND WASTE</b>			
<b>EN16. Core</b>	Total direct and indirect greenhouse gas emissions by weight.	fully	8
<b>EN17. Core</b>	Other relevant indirect greenhouse gas emissions by weight.	fully	8
<b>EN18. Additional</b>	Initiatives to reduce greenhouse gas emissions and reductions achieved.	fully	7, 8, 9
<b>EN19. Core</b>	Emissions of ozone-depleting substances by weight.	not	8
<b>EN20. Core</b>	NO <sub>x</sub> , SO <sub>x</sub> , and other significant air emissions by type and weight.	fully	8
<b>EN21. Core</b>	Total water discharge by quality and destination.	not	8
<b>EN22. Core</b>	Total weight of waste by type and disposal method.	fully	8
<b>EN23. Core</b>	Total number and volume of significant spills.	not	8
<b>EN24. Additional</b>	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally.	not	8
<b>EN25. Additional</b>	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organization's discharges of water and runoff.	not	8



**CROSS-REFERENCE/DIRECT ANSWER**

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SR 2013, p. 76

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SR 2013, p. 76

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SR 2013, p. 70; 75-76

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Emissions of ozone-depleting substances are not measured, as immaterial for the Group activities.

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SR 2013, p. 76  
Air emissions for categories other than carbon dioxide, nitrous oxide and methane are not calculated, as immaterial for the core business of the Generali Group.

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Discharged water is not measured, since water effluents from insurance-banking activities are similar to domestic sewage.  
Only in Switzerland water is returned to the Lugano lake without harming the environment.

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SR 2013, p. 73-74

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The risk of potential spills of hazardous substances is not significant, when considering the insurance-banking activities of the Generali Group.

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Total weight of transported, imported, exported and treated hazardous waste are managed by suppliers of Group companies.

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Discharged water from the Group activities washes into the urban sewage systems without significantly harming the environment.

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GRI INDICATORS	DESCRIPTION	REPORTED	GLOBAL COMPACT PRINCIPLES
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## PRODUCTS AND SERVICES

<b>EN26. Core</b>	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	fully	7, 8, 9
<b>EN27. Core</b>	Percentage of products sold and their packaging materials that are reclaimed by category.	not	8, 9

## COMPLIANCE

<b>EN28. Core</b>	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	fully	8
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## TRANSPORT

<b>EN29. Additional</b>	Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce.	fully	8
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## OVERALL

<b>EN30. Additional</b>	Total environmental protection expenditures and investments by type.	fully	7, 8, 9
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**CROSS-REFERENCE/DIRECT ANSWER**

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SR 2013, p. 73

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There is no recycling and reuse system for the products in the Group.

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From the information available in 2013, there were no fines or monetary sanctions imposed on Group companies for non-compliance with environmental laws and regulations.

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SR 2013, p. 74-75

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In 2013, environmental management and protection costs came to 22.6 million euro, mainly due to the installation of cleaner technologies (implementation of new videoconferencing systems, LED lighting, etc.), training courses for employees directly involved in environmental management, external services, the purchase of green products and other management costs (purchase and implementation of new software for the management of environmental accounting, etc.). In addition, around 480,000 euro was spent on waste disposal, emissions treatment and the purchase and use of certificates to offset greenhouse gas emissions.

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## SOCIAL PERFORMANCE INDICATORS

### LABOR PRACTICES AND DECENT WORK

#### Disclosure on management approach

The Group employee policies are characterized by enhancement of employees, professional development, protection of rights and respect for corporate values.

The principles and fundamental rights of employees are outlined in the Code of Conduct of the Generali Group and reiterated in the European Social Charter that are based on the Universal Declaration of Human Rights and the International Labour Organization's Declaration. All staff are given a formal written employment contract.

Exploitation, forced or compulsory labour and child labour are not tolerated in any form. The Group also recognises the right of its employees to join a trade union, to appoint workers' representatives and to exercise the relative functions (e.g. the right of collective bargaining), in accordance with local regulations and practices.

The personal and professional growth of its employees and the improvement of their competencies are encouraged through training activities that are managed by the Group Corporate University and developed as to guide training investment in accordance with the Group strategic objectives.

Employees regularly receive performance appraisal through appropriate methods, also with a view of developing their carrier.

GRI INDICATORS	DESCRIPTION	REPORTED	GLOBAL COMPACT PRINCIPLES
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#### EMPLOYMENT

LA1. Core	Total workforce by employment type, employment contract, and region, broken down by gender.	fully	
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The Group values its employees and promotes diversity that is considered as an opportunity for enrichment thanks to the contribution they can make to the organisation and as an essential prerequisite for attracting talent and guaranteeing business growth and innovation. An integrated approach is adopted to create an inclusive working environment that encourages the expression of individual potential, using it as a strategic lever in order to meet organisational goals.

The Generali Group ensures a working environment free of any kind of discrimination or harassment, promoting diversity in the belief that cooperation between people with different culture, skills, perspectives and experiences encourages mutual knowledge and ensures an inclusive working environment.

The policies guaranteeing equal opportunities to specific categories such as women, the disabled, etc. aim at reducing possible barriers through actions that are defined with them.

The remuneration approach is based on the following pillars: equity and consistency, alignment with corporate strategy, competitiveness, value merit and performance, governance and compliance.

The Group protects and guarantees working conditions that are respectful of individual dignity in safe, healthful working environments.

## CROSS-REFERENCE/DIRECT ANSWER

### Workforce by level

Country	Managers		Middle Managers		Office workers		Sales Force on payroll		Other		Total	
	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013
Italy	246	297	1,732	1,797	7,038	6,894	5,767	5,800	15	11	14,798	14,799
Austria	51	49	168	178	2,626	2,647	1,848	1,877	0	0	4,693	4,751
Czech Republic	56	47	307	318	3,481	3,376	766	774	5	3	4,615	4,518
France	124	115	3,235	3,190	2,129	2,059	1,729	1,749	0	0	7,217	7,113
Germany	202	200	654	663	9,871	9,872	2,964	2,681	25	4	13,716	13,420
Spain	59	57	269	277	807	874	753	673	11	11	1,899	1,892
Switzerland	25	24	31	25	1,614	1,577	588	558	0	0	2,258	2,184
<b>TOTAL</b>	<b>763</b>	<b>789</b>	<b>6,396</b>	<b>6,448</b>	<b>27,566</b>	<b>27,299</b>	<b>14,415</b>	<b>14,112</b>	<b>56</b>	<b>29</b>	<b>49,196</b>	<b>48,677</b>
<b>Incidence%</b>	<b>1.6%</b>	<b>1.6%</b>	<b>13.0%</b>	<b>13.2%</b>	<b>56.0%</b>	<b>56.1%</b>	<b>29.3%</b>	<b>29.0%</b>	<b>0.1%</b>	<b>0.1%</b>	<b>100.0%</b>	<b>100.0%</b>

GRI INDICATORS	DESCRIPTION	REPORTED	GLOBAL COMPACT PRINCIPLES
<b>LA1. Core</b>	Total workforce by employment type, employment contract, and region, broken down by gender.	fully	

## CROSS-REFERENCE/DIRECT ANSWER

### Female workforce by level

Country	Managers		Middle Managers		Office workers		Sales Force on payroll		Other		Total	
	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013
Italy	26	36	321	337	3,513	3,448	2,201	2,247	4	2	6,065	6,070
Austria	4	5	35	35	1,439	1,454	234	239	0	0	1,712	1,733
Czech Republic	5	5	122	120	2,175	2,113	695	681	1	0	2,998	2,919
France	34	32	1,581	1,641	1,471	1,438	467	431	0	0	3,553	3,542
Germany	22	25	127	136	5,291	5,307	558	498	11	0	6,009	5,966
Spain	6	6	45	50	418	455	229	200	3	3	701	714
Switzerland	4	2	5	5	926	883	24	16	0	0	959	906
<b>TOTAL</b>	<b>101</b>	<b>111</b>	<b>2,236</b>	<b>2,324</b>	<b>15,233</b>	<b>15,098</b>	<b>4,408</b>	<b>4,312</b>	<b>19</b>	<b>5</b>	<b>21,997</b>	<b>21,850</b>
<b>Incidence%</b>	<b>0.5%</b>	<b>0.5%</b>	<b>10.2%</b>	<b>10.6%</b>	<b>69.3%</b>	<b>69.1%</b>	<b>20.0%</b>	<b>19.7%</b>	<b>0.1%</b>	<b>0.0%</b>	<b>100.0%</b>	<b>100.0%</b>

### Workforce by contract type

Country	Full-time permanent employees		Full-time fixed-term employees		Part-time permanent employees		Part-time fixed-term employees		Total	
	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013
Italy	13,120	12,977	355	427	1,133	1,212	190	183	14,798	14,799
Austria	4,107	4,147	0	0	586	604	0	0	4,693	4,751
Czech Republic	3,720	3,699	770	685	112	105	13	29	4,615	4,518
France	5,876	5,790	555	557	776	759	10	7	7,217	7,113
Germany	11,224	10,823	184	157	2,285	2,406	23	34	13,716	13,420
Spain	1,765	1,762	11	9	122	120	1	1	1,899	1,892
Switzerland	1,788	1,739	37	20	412	405	21	20	2,258	2,184
<b>TOTAL</b>	<b>41,600</b>	<b>40,937</b>	<b>1,912</b>	<b>1,855</b>	<b>5,426</b>	<b>5,611</b>	<b>258</b>	<b>274</b>	<b>49,196</b>	<b>48,677</b>
<b>Incidence%</b>	<b>84.6%</b>	<b>84.1%</b>	<b>3.9%</b>	<b>3.8%</b>	<b>11.0%</b>	<b>11.5%</b>	<b>0.5%</b>	<b>0.6%</b>	<b>100.0%</b>	<b>100.0%</b>

93.7% of female employees had permanent contracts.

89.2% of part-time employees were women and around one in four women (24%) had a part-time contract.

GRI INDICATORS	DESCRIPTION	REPORTED	GLOBAL COMPACT PRINCIPLES	
<b>LA2. Core</b>	Total number and rate of new employee hires and employee turnover by age group, gender, and region.	fully	6	
<b>LA3. Additional</b>	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation.	fully		
<b>LA15. Core</b>	Return to work and retention rates after parental leave, by gender.	fully		

## LABOR/MANAGEMENT RELATIONS

<b>LA4. Core</b>	Percentage of employees covered by collective bargaining agreements.	fully	1, 3	
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## CROSS-REFERENCE/DIRECT ANSWER

### Turnover

Country	≤34		35-54		≥55		Total	
	Recruitments	Terminations	Recruitments	Terminations	Recruitments	Terminations	Recruitments	Terminations
Italy	941	826	275	294	6	134	1,222	1,254
Austria	281	177	110	86	4	74	395	337
Czech Republic	538	448	196	289	10	80	744	817
France	740	608	224	273	14	201	978	1,082
Germany	449	493	362	480	25	248	836	1,221
Spain	52	30	19	36	0	12	71	78
Switzerland	201	177	76	148	7	33	284	358
<b>TOTAL</b>	<b>3,202</b>	<b>2,759</b>	<b>1,262</b>	<b>1,606</b>	<b>66</b>	<b>782</b>	<b>4,530</b>	<b>5,147</b>

The majority of new hires fell into the under-35 category (70.7%), as did the majority of people leaving the Group companies, equal to 53.6% of the total; this scenario was influenced by the termination of fixed-term contracts and the greater propensity among the young to change jobs. The 35-54 age range accounted for 27.9% of new hires and 31.2% of contract terminations, while among the over-54's there were few new hires (1.5%) in comparison with those whose contracts came to an end (15.2%).

1,176 people were hired on short-term temporary contracts and left the Group before the end of the year, 656 of whom women (55.8%).

SR 2013, p. 50

SR 2013, p. 52

Mandatory maternity leave is applied to all Group employees based on the laws in force in the various countries. In 2013, 1,890 employees, 1,504 of whom women, took mandatory leave.

All the Generali Group employees can make use of parental leave in accordance with local laws and regulations in force.

The Generali Group gathered and analysed information on employees who returned to work after parental leave ended and on employees who returned to work after parental leave ended who were still employed twelve months after their return to work. Such information is not significant, since the timing to return to work is different in each country and depends on individual choice. It is therefore difficult to connect data that refer to different groups and to calculate the rates required.

SR 2013, p. 25

GRI INDICATORS	DESCRIPTION	REPORTED	GLOBAL COMPACT PRINCIPLES
<b>LA5. Core</b>	Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements.	fully	3

## OCCUPATIONAL HEALTH AND SAFETY

<b>LA6. Additional</b>	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs.	fully	1
<b>LA7. Core</b>	Rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities by region and by gender.	fully	1
<b>LA8. Core</b>	Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.	fully	1
<b>LA9. Additional</b>	Health and safety topics covered in formal agreements with trade unions.	fully	1

## CROSS-REFERENCE/DIRECT ANSWER

Employee representatives in the main countries where the Group operates are suitably informed of significant organizational changes at least 30 days prior to the implementation of such changes (25 days in the event of company transfers). The only exception is France, where the minimum notice period for these initiatives is eight days before the meeting at which they are fully communicated to employee representatives. Most of the collective bargaining agreements include the notice period and/or provisions for consultation and negotiations.

On average, 70% of the employees in the main countries where the Group operates were represented by joint management-worker health and safety committees present in each companies.

In 2013 accidents were 573, stable compared with 2012, of whom 228 (39.8%) involved women. Absenteeism rate as a result of accidents was 0.08%.

As regards sick leave, leave following accidents in the workplace and unpaid leave, the rate of absenteeism is calculated as the ratio of the number of days of absence (total absence or for the various reasons identified) to the number of working days in the year (excluding Saturdays, Sundays and public holidays) multiplied by the number of employees at the end of the year.

In 2013 the average rate of absenteeism in the main countries where the Group operates was 4.6%. Trends differed from one country to the next: France had the highest absenteeism rate (6.7%), followed by Germany (5%). Switzerland (1.7%) and Spain (2.1%) had the lowest rates of absenteeism. Italy is below the average with a rate of 4.2%, as were Austria (4.3%) and the Czech Republic (3.6%).

The average rate of absenteeism among women was 5.7% due to the higher average rate of absence for illness (5%) and unpaid leave (0.6%). The female absenteeism ranged from 7% in France and 1.3% in Switzerland. No information on independent contractors was given, since this category is not relevant for the core business of the Group.

The Group evaluates the risks and identifies the causes of work-related stress. To prevent it, the following measures are adopted: training courses, workshops, surveys, dedicated teams, reduction in overtime, flexible working hours and property maintenance in order to make sure that the workplaces are able to ensure employee safety, to provide more comfortable working conditions and to increase the efficiency and reliability of machinery and equipment. Absenteeism caused by work-related stress is also monitored annually. Information on workers who are involved in occupational activities who have a high incidence or high risk of specific disease is not relevant for the financial sector.

Legislative Decree No. 81 of 9 April 2008, Testo Unico in materia di tutela della salute e della sicurezza nei luoghi di lavoro, is in force in Italy and in the insurance industry is joined by the Agreement for the Protection of Health and Safety in the Workplace (Attachment to National Collective Bargaining Agreement 7 March 2012) which regulates the Representation of Workers in terms of Safety. In most Group companies operating in the main countries (except in Germany and Switzerland), there are protocols of understanding or formal agreements in place with the trade unions that govern health and safety issues in the National Collective Bargaining Agreements, such as the participation of employee representatives in: inspections and audits on the health and safety of employees, investigations into accidents, training, commitments regarding performance goals or the level of practices to adopt, periodic inspections and the presence of joint health and safety committees.

GRI INDICATORS	DESCRIPTION	REPORTED	GLOBAL COMPACT PRINCIPLES	
<b>TRAINING AND EDUCATION</b>				
<b>LA10. Core</b>	Average hours of training per year per employee by gender, and by employee category.	fully		
<b>LA11. Additional</b>	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	fully		
<b>LA12. Additional</b>	Percentage of employees receiving regular performance and career development reviews, by gender.	fully		

## CROSS-REFERENCE/DIRECT ANSWER

### Average hours of training activity by level

Country	Managers		Middle Managers		Office workers		Sales Force on Payroll		Sales force not on payroll	
	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013
Italy	11.9	15.6	13.6	15.4	12.6	13.4	29.6	22.3	34.0	34.6
Austria	-	1.8	26.0	16.2	24.3	23.2	90.4	84.7	-	-
Czech Republic	88.2	44.3	48.2	36.3	29.4	34.8	33.8	63.0	42.0	50.1
France	46.5	48.2	20.6	17.3	47.7	47.5	60.7	64.7	16.2	15.7
Germany	28.7	29.8	27.5	32.2	23.4	19.8	54.8	46.7	46.0	44.4
Spain	32.2	44.0	22.4	19.2	23.9	21.0	32.6	43.6	56.5	59.3
Switzerland	22.7	20.5	57.6	23.8	31.4	16.0	52.8	50.8	-	-
OTHER EUROPEAN COUNTRIES*	50.7	35.7	40.4	28.1	25.1	18.8	44.5	64.4	50.1	33.0
The Americas**	40.6	54.3	34.5	42.7	27.9	44.0	12.9	13.1	14.8	2.3
AFRICA AND ASIA***	58.3	80.5	32.9	36.7	30.8	29.9	216.7	178.4	17.1	19.2
<b>GENERALI GROUP</b>	<b>36.3</b>	<b>33.8</b>	<b>28.4</b>	<b>22.6</b>	<b>25.0</b>	<b>24.1</b>	<b>52.3</b>	<b>50.4</b>	<b>32.7</b>	<b>30.2</b>

\* Belgium, Bulgaria, Croatia, Greece, Guernsey, Hungary, Ireland, Liechtenstein, Luxembourg, Montenegro, the Netherlands, Poland, Portugal, Principality of Monaco, Romania, Serbia, Slovakia, Slovenia, Turkey, the United Kingdom.

\*\* Argentina, Bahamas, Brazil, Canada, Colombia, Ecuador, Guatemala, Panama, USA.

\*\*\* China, the United Arab Emirates, Philippines, Japan, Hong Kong, India, Indonesia, Singapore, Thailand, South Africa, Vietnam.

SR 2013, p. 53

SR 2013, p. 52-53

In 2013 no information on transition assistance programs to support employees who are retiring or who have been terminated was available from the main countries where the Group operates.

On average, 73.7% of employees in the main countries where the Group operates were subject to performance and career development assessments. This percentage was 100% in Austria and Switzerland, 99.5% in the Czech Republic and 91.7% in Germany. It is below average in France (70.1%) and Italy (48%). More specifically, 77.6% of managers, 70% of middle managers, 65.8% of office workers and 89.9% of the sales force on the payroll in the Group were subject to performance and career development assessments.

On average, 69.6% of women underwent performance and career development assessments.

GRI INDICATORS	DESCRIPTION	REPORTED	GLOBAL COMPACT PRINCIPLES
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## DIVERSITY AND EQUAL OPPORTUNITY

<b>LA13. Core</b>	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity.	fully	1, 6
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## EQUAL REMUNERATION FOR WOMEN AND MEN

<b>LA14. Core</b>	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation.	fully	1, 6
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## CROSS-REFERENCE/DIRECT ANSWER

### Workforce by age bracket

Country	<34 years		35-44 years		45-54 years		>55 years	
	2012	2013	2012	2013	2012	2013	2012	2013
Italy	26.5%	23.6%	36.4%	37.0%	26.7%	28.2%	10.4%	11.2%
Austria	23.5%	23.8%	29.3%	27.1%	35.9%	36.9%	11.2%	12.2%
Czech Republic	44.8%	43.8%	26.1%	26.8%	19.7%	19.6%	9.4%	9.8%
France	25.2%	25.1%	27.5%	27.4%	29.2%	28.6%	18.2%	18.8%
Germany	21.6%	19.9%	28.5%	27.5%	35.9%	37.3%	14.0%	15.3%
Spain	19.2%	18.9%	28.3%	27.6%	35.9%	35.1%	16.6%	18.3%
Switzerland	43.5%	41.9%	26.4%	25.8%	18.9%	19.2%	11.2%	13.1%
<b>TOTAL</b>	<b>26.8%</b>	<b>25.3%</b>	<b>30.5%</b>	<b>30.2%</b>	<b>29.8%</b>	<b>30.7%</b>	<b>12.8%</b>	<b>13.8%</b>

Breakdown of employees per employee category according to gender is under LA1.

In 2013 the number of disabled people employed in the Group companies in the main countries came to 1,739, 810 of whom were women (46.6%).

Directors of the Board of the Parent Company are 59.6 years old on average. Specifically, four directors (36.4%) - of whom three are women - age between 30 and 50 years old and seven directors (63.6%) - of whom one is a woman - age over 50 years old. A director (9.1%) is of foreign nationality.

### Woman/man remuneration

Country	Managers		Middle Managers		Office workers		Sales Force on payroll	
	Remuneration*	Basic salary**	Remuneration	Basic salary	Remuneration	Basic salary	Remuneration	Basic salary
Italy	0.78	0.85	0.82	0.99	0.80	0.90	0.77	0.86
Austria	0.85	0.94	0.88	0.95	0.68	0.77	0.68	0.82
Czech Republic	0.88	0.88	0.85	0.70	0.72	0.77	1.19	0.95
France	0.94	0.94	0.88	0.89	1.04	1.04	0.77	0.82
Germany	0.86	0.90	0.84	0.91	0.79	0.80	0.73	0.76
Spain	0.90	0.89	0.78	0.83	0.80	0.81	0.84	0.91
Switzerland	0.89	0.90	0.84	0.85	0.76	0.75	0.56	0.52

\* Annual amount paid by the Group to employees including not only what established by the National Collective Bargaining Agreement by the Company Collective Agreement, but also any other type of additional remuneration, such as company seniority, overtime work, bonuses, benefit.

\*\* Amount concerning just the National Collective Bargaining Agreement, without including any type of additional remuneration.

## HUMAN RIGHTS

### Disclosure on management approach

The Generali Group commits to ensure and promote fundamental human and labour rights in all its spheres of influence. Such commitment is stated in the Code of Conduct of the Generali Group, in the Ethical Code for suppliers of the Generali Group, in the Ethical Guidelines for Investments and in the European Social Charter. It is further confirmed by the support of the UN Global Compact initiative.

Respect for human and labour rights is a priority for the Group. Its main spheres of influence, where human rights may be violated, are employees and suppliers. As for the former, the risk is related to locations of companies and to employee policies adopted. Annually the Group monitors through questionnaires the prohibition of child, forced and compulsory labour, non-discrimination and freedom of association and collective bargaining in all Group companies. It offers an e-learning course to create awareness of such aspects among its employees.

The risk of human rights violation in the supply chain is related to locations and type of activities. The Group adopts the Ethical Code for suppliers, where it requires the contractual partners to comply with all national and international applicable rules and regulations, including the International Labour Organization's Declaration and the Universal Declaration of Human Rights. It also requires them to align with the corporate policies while performing business and to ensure compliance with all the levels of the relevant supply chain.

GRI INDICATORS	DESCRIPTION	REPORTED	GLOBAL COMPACT PRINCIPLES
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### INVESTMENT AND PROCUREMENT PRACTICES

<b>HR1. Core</b>	Percentage and total number of significant investment agreements and contracts that include clauses incorporating human rights concerns, or that have undergone human rights screening.	fully	1, 2, 3, 4, 5, 6
<b>HR2. Core</b>	Percentage of significant suppliers, contractors and other business partners that have undergone human rights screening, and actions taken.	fully	1, 2, 3, 4, 5, 6
<b>HR3. Core</b>	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	fully	1, 2, 3, 4, 5, 6



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As an institutional investor, the Generali Group adopts Ethical Guidelines that forbid investment in financial instruments issued by companies that do not respect the fundamental human rights. On the one hand, it thus avoids being involved, through investments, in serious violations of human rights and, on the other, it persuades issuing companies to act responsibly. The Group set up a Council on Ethics for Investments, a consultative body for possible exclusion procedures from the investment universe of companies that violate the Group's ethical criteria. Investments are constantly monitored and checks designed to prevent the acquisition of securities issued by excluded companies are made.

Breaches or suspected breaches of human rights can be reported via mail or post to the Group Compliance department of Assicurazioni Generali, also anonymously, unless prohibited by local law. A dedicated line accessible via phone or web and managed by an external specialised and independent supplier has recently gone online. Reports received are evaluated applying the procedures established by the Group Rules of the Code of Conduct.

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## CROSS-REFERENCE/DIRECT ANSWER

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The majority of direct investments (excluding real estate) of the Group insurance companies where they bear the risk - that are represented by premiums paid by clients for all insurance contracts and liabilities for policyholders - are invested in accordance with the Ethical Guidelines of the Group which forbid investments in financial instruments issued by companies that do not respect the fundamental human rights.

Assets that were subject to negative screening were 49.8% of total assets under management.  
SR 2013, p. 22

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In 2013 no information on suppliers, contractors and other business partners that underwent human rights screening was available from the main countries where the Group operates.

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In order to raise awareness about human rights among the employees, training on the existing Ethical Code was delivered via an e-learning course lasting an hour and involving almost 19,000 people around the world (almost 1/4 of the total workforce). In 2014 the Group has started rolling out an introductory training programme on the Code of Conduct – in which the issue of human rights is discussed in detail – which must be followed by all Group employees.

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GRI INDICATORS	DESCRIPTION	REPORTED	GLOBAL COMPACT PRINCIPLES	
<b>NON-DISCRIMINATION</b>				
<b>HR4. Core</b>	Total number of incidents of discrimination and corrective actions taken.	fully	1, 2, 6	
<b>FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING</b>				
<b>HR5. Core</b>	Operations and significant suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and actions taken to support these rights.	fully	1, 2, 3	
<b>CHILD LABOR</b>				
<b>HR6. Core</b>	Operations and significant suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor.	fully	1, 2, 5	
<b>FORCED AND COMPULSORY LABOR</b>				
<b>HR7. Core</b>	Operations and significant suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor.	fully	1, 2, 4	
<b>SECURITY PRACTICES</b>				
<b>HR8. Additional</b>	Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations.	not	1, 2	

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## CROSS-REFERENCE/DIRECT ANSWER

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In 2013, 14 reports related to human rights issues (discrimination) were presented, 6 of which are still pending. The remaining reports were settled adopting appropriate disciplinary measures. Further details will be available in 2016, when the process for reviewing and implementing the Group procedures to manage such issues will be completed.

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SR 2013, p. 25

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SR 2013, p. 25

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SR 2013, p. 25

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Security services, that mainly concern night surveillance of the buildings, are provided by external organizations. There are no evidence on training provided by them.

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GRI INDICATORS	DESCRIPTION	REPORTED	GLOBAL COMPACT PRINCIPLES
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### INDIGENOUS RIGHTS

<b>HR9. Additional</b>	Total number of incidents of violations involving rights of indigenous people and actions taken.	not	1, 2
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### ASSESSMENT

<b>HR10. Core</b>	Percentage and total number of operations that have been subject to human rights reviews and/or impact assessments.	fully	
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### REMEDIATION

<b>HR11. Core</b>	Number of grievances related to human rights filed, addressed, and resolved through formal grievance mechanisms.	fully	
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**CROSS-REFERENCE/DIRECT ANSWER**

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The risk of violations involving rights of indigenous people is not significant, when considering the insurance-banking activities of the Generali Group.

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SR 2013, p. 25

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In 2013, 14 reports related to human rights issues (all concerning cases of discrimination) were presented. 12 reports concerned Group employees' activities, half of which have been settled. The remaining 2 reports concerned agents' activities; both of them were settled during the year, one of which with the termination of the contract.

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## SOCIETY

### Disclosure on management approach

The impacts of activities on local communities have not only an economic nature, i.e. those associated to job offer and purchase of goods and services from local suppliers, but mainly concern logistic and environmental aspects. The former are, in fact, linked to commutes and transfers for duty whereas the latter are due to both transfers and building management.

Before starting new activities – specifically, before entering new markets or moving a significant number of employees to new buildings, that are usually located in the same country or even in the same city – impacts from commutes in terms of their direct management (shuttle) or facilitation (through agreements with public transport companies) are carefully assessed.

The impact on the social fabric of the communities where Group companies operate is also taken into consideration. The Group interacts with the local communities through several cultural, educational, etc. initiatives as to create a collaborative mood to favour integration and to have positive effects on both Group companies and the communities where they operate. In the main cities the Group constantly works together with institutions as to promote new initiatives with the aim of reducing traffic and emissions from commutes.

An eco-friendly and economic management of the corporate mobility also contributes to limit the impact of operations on the communities.

As for the access to products and services, sales and claims settlement networks of the Group are widespread in several markets and in low-populated areas, too. The distributional diversification of the Group and the possibility of communicating by phone or internet with the companies, not only in case of underwriting but also in the claim

GRI INDICATORS	DESCRIPTION	REPORTED	GLOBAL COMPACT PRINCIPLES
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## COMMUNITY

<b>SO1. Core</b>	Percentage of operations with implemented local community engagement, impact assessments, and development programs.	not		
<b>SO9. Core</b>	Operations with significant potential or actual negative impacts on local communities.	fully		
<b>SO10. Core</b>	Prevention and mitigation measures implemented in operations with significant potential or actual negative impacts on local communities.	fully		

settlement process, contribute to reduce barriers to access to services. One of the Group goals is to provide those who would otherwise be excluded from the traditional market with insurance products. It is pursued through some specific microinsurance projects.

In its sphere of influence, the Generali Group is also committed to working against corruption in all its forms. The Group joins the UN Global Compact consistently with such commitment, that is stated in the Code of Conduct. It requires to all its stakeholders to conduct ethically as to counter corruption, provides suitable tools for the prevention of conduct in contrast with principles of correctness, lawfulness and transparency, and implements all measures against corruption. The issue of the fight against corruption is also in the Ethical Code for suppliers of the Generali Group and in the Ethical Guidelines for Investments.

As stated in the Group Rules of the Code of Conduct, the Group does not support any event or initiative whose aim is mainly or exclusively of a political nature. Furthermore, it refrains from any direct or indirect pressure on political representatives and does not make any contribution to trade unions or associations in order to apply political pressure.

The Group recognizes free competition in the market as a crucial factor for growth and constant business improvement. It bases its competitiveness on the quality of products and services provided and not on competitors' discredit.

As stated in the Code of Conduct, the Group conducts business in compliance with law, internal regulations and professional ethics.

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## CROSS-REFERENCE/DIRECT ANSWER

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The Group constantly dialogues with the various local institutions and other organizations, including public transport companies, as to assess the relevant impacts the corporate activities and decision may have on the communities.

The percentage required is not available, since a measurement system for this indicator is not implemented.

When considering the Group core activities, the negative impacts on local communities are the following: economic impacts, i.e. those associated to job offer and purchase of goods and services from local suppliers; logistic impacts, i.e. those linked to commutes and transfers for duty; and environmental impacts, i.e. those due to transfers and building management (pollution risk).

The Group is committed to a sustainable management in the environmental field (see Generali and the environment in SR 2013) and in the social one (employment agreements and policies for business combinations and corporate restructuring, as described in the SR 2013, p. 46).

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GRI INDICATORS	DESCRIPTION	REPORTED	GLOBAL COMPACT PRINCIPLES
<b>FS13. Core</b>	Access points in low-populated or economically disadvantaged areas by type.	not	
<b>FS14. Core</b>	Initiatives to improve access to financial services for disadvantaged people.	fully	

## CORRUPTION

<b>SO2. Core</b>	Percentage and total number of business units analyzed for risks related to corruption.	fully	10
<b>SO3. Core</b>	Percentage of employees trained in organization's anti-corruption policies and procedures.	fully	10
<b>SO4. Core</b>	Actions taken in response to incidents of corruption.	fully	10

## PUBLIC POLICY

<b>SO5. Core</b>	Public policy positions and participation in public policy development and lobbying.	fully	1, 2, 3, 4, 5, 6, 7, 8, 9, 10
<b>SO6. Additional</b>	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country.	fully	10

## ANTI-COMPETITIVE BEHAVIOR

<b>SO7. Additional</b>	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes.	fully	
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## CROSS-REFERENCE/DIRECT ANSWER

Sales and claims settlement networks of the Generali Group are widespread in several markets and also in low-populated areas. The possibility of communicating by phone or internet with the Group companies in case of underwriting and in the claim settlement process also contribute to reduce barriers to access to services.

SR 2013, p. 37-38; 64-65

The websites of the Generali Group companies are in accordance with the Group web guidelines which comply with the international standards defined by Web Accessibility Initiatives (WAI). The guidelines also provide some suggestions about usability and accessibility for the disabled, such as increasing font size, increasing contrast of font and page background, suitable colour choices for font and background, keyboard navigation, automatic underlining of all links, limited use of flash animation, HTML version of the press releases, communications and sections, thereby guaranteeing access to the greatest possible number of users and avoiding all forms of discrimination.

Information as for 2013 is not available. The Generali Group is committed to carry out a new risk assessment for corruption during 2015 (data will be available in 2016).

SR 2013, p. 27

In accordance with information reported from the main countries, almost 1/3 of Group workforce received training on corruption.

SR 2013, p. 20

There was no evidence of concluded legal cases regarding corrupt practices brought against the Group companies or their employees.

SR 2013, p. 26

The Generali Group has relations with public institutions mainly through national trade associations.

SR 2013, p. 26

Six legal actions were initiated against Group insurance companies in 2013. There was no evidence of the outcomes of such actions.

GRI INDICATORS	DESCRIPTION	REPORTED	GLOBAL COMPACT PRINCIPLES
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## COMPLIANCE

<b>SO8. Core</b>	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	fully	
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## PRODUCT RESPONSIBILITY

### Approccio gestionale

Customer satisfaction plays a key role in the strategic vision of the Group that is committed to developing its products and services according to a customer-driven business approach. The ability of the Group to constantly meet actual customer needs and expectations is a prerequisite for creating and maintaining trust in order to build lasting relationships. Many initiatives of dialogue with customers are periodically organized as to learn needs and satisfaction with regard to products and services provided.

Managing relations with customers gains in importance and sales force therefore play a key role in achieving commercial strategies. The Group provides sales force with specific training courses, adequate support and guidelines on how they should go about their work.

Contracts and communications with customers are based on the principles of correctness and honesty, professionalism, transparency and cooperation with a view to finding solutions that are most suited to their needs. Information provided to customers before any contract is signed is complete, transparent and comprehensible so they can make conscious purchase choices. To this end, Group companies implement information and training programmes with the aim of disseminating insurance and financial know-how.

GRI INDICATORS	DESCRIPTION	REPORTED	GLOBAL COMPACT PRINCIPLES
<b>FS15. Core</b>	Policies for the fair design and sale of financial products and services.	fully	

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## CROSS-REFERENCE/DIRECT ANSWER

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In 2013 Group companies received fines for just over 1.3 million euro. Of these, about 572,000 euro involved sanctions for non-compliance with laws and regulations other than those reported in the EN28 and PR9 indicators. The total number of non-monetary sanctions for non-compliance with laws and regulations is not available.

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As for corporate identity activities, the Group respects the fundamental ethical values, maintaining the veracity of its contents and repudiating the use of coarse or offensive messages, in keeping with the provisions in the Code of Conduct of the Generali Group and the directives issued by the relevant control authorities.

The Group processes personal data of employees and clients (actual and potential), injured parties, etc. and takes all necessary steps to guarantee its security and protection. Minimum standards to be followed when processing personal data within the Group companies and implementing measures are provided in the Group Rules of the Code of Conduct that were issued in January 2014.

As stated in the Code of Conduct, the Group conducts business in compliance with law, internal regulations and professional ethics.

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## CROSS-REFERENCE/DIRECT ANSWER

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SR 2013, p. 32-33

Emerging needs, the results of market analyses and any new features introduced through laws are considered when developing, distributing and providing products and services. These elements have led to the introduction of products with particular social and environmental value and the use of new channels at the service of customers. Moreover, sales force is constantly and adequately trained in order to guarantee the quality of the services provided by the Group.

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GRI INDICATORS	DESCRIPTION	REPORTED	GLOBAL COMPACT PRINCIPLES
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## CUSTOMER HEALTH AND SAFETY

<b>PR1. Core</b>	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.	not	1
<b>PR2. Additional</b>	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services, by type of outcomes.	not	1

## PRODUCT AND SERVICE LABELLING

<b>PR3. Core</b>	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements.	not	8
<b>PR4. Additional</b>	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes.	not	8
<b>PR5. Additional</b>	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	fully	
<b>FS16. Core</b>	Initiatives to enhance financial literacy by type of beneficiary.	fully	

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**CROSS-REFERENCE/DIRECT ANSWER**

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Products/services impacting on health and safety are not distributed/provided.

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Products/services impacting on health and safety are not distributed/provided.

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Products and services are not labelled.

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Products and services are not labelled.

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SR 2013, p. 34

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SR 2013, p. 38

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GRI INDICATORS	DESCRIPTION	REPORTED	GLOBAL COMPACT PRINCIPLES
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## MARKETING COMMUNICATIONS

<b>PR6. Core</b>	Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.	fully	
<b>PR7. Additional</b>	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by type of outcomes.	fully	

## CUSTOMER PRIVACY

<b>PR8. Additional</b>	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	fully	1
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## COMPLIANCE

<b>PR9. Core</b>	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.	fully	
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## CROSS-REFERENCE/DIRECT ANSWER

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Corporate identity activities respect the fundamental ethical values, maintaining the veracity of its contents and repudiating the use of coarse or offensive messages, in keeping with the provisions in the Code of Conduct of the Generali Group and the directives issued by the relevant control authorities. The graphics and content of advertising material produced by the marketing or sales departments are examined by the Corporate Identity unit in order to identify any statements that could lead to misunderstandings regarding the characteristics of the product or service. The advertising material is then validated by the legal department, which assesses the compliance of the commercial message with existing legislation, the rules dictated by the supervisory board, the basic principles enshrined in the Code of Conduct and the provisions of other self-regulatory codes. At the end of 2013 the first version of the new Brand Book was released, with the aim of ruling and coordinating the main communication tools according to the principles of consistency and uniformity in style to be applied to all Group companies having the Generali brand.

The Generali Group reviews codes and voluntary standards when necessary.

The Generali Group does not sell products that are banned in certain markets or the subject of stakeholder questions or public debate.

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In 2013 no incidents of non-compliance with regulations or voluntary codes were reported concerning marketing communications of Group companies.

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In 2013 insurance companies in the main countries where the Group operates received from clients and recognized as legitimate 382 complaints regarding breaches of customer privacy. Reasons lain in 22 leaks, 4 thefts and a loss of customer data as well as in 355 undesired commercial communications, improper data transmission and incorrect use of data.

In Italy, France, Germany and Spain also the Privacy Authorities guaranteeing the protection of personal data and similar regulatory bodies recognized as legitimate 13 complaints from clients about undesired commercial communications and incorrect use of data.

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In 2013, 124 fines amounting to about 768,000 euro were issued to the insurance companies in the main countries where the Group operates for non-compliance of products and services with laws and regulations in force at various levels: local, regional, national and international.

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## PRODUCT AND SERVICE IMPACT

### Disclosure on management approach

By their very nature, insurance products have a social value because they provide protection for clients and meet their pension needs. Their social role becomes even more crucial against a general gradual reduction in public services.

Among the range of products and guarantees offered there are also some with particular social or environmental value that meet needs of specific categories, that reward the virtuous conduct of the policyholders or that cover facilities that produce renewable energy. Even if they represent a very small part of the corporate business, they contribute to raise awareness and persuade customers to act responsibly.

The Group plays on investments of technical reserves that are in line with the guidelines complying with the Principles for Responsible Investment, sponsored by ONU, as to qualify all its products as ethical. Through investments according to such criteria, the Group ensures its clients not only the risk protection and adequate financial returns but also respect for human rights and environmental protection.

GRI INDICATORS	DESCRIPTION	REPORTED	GLOBAL COMPACT PRINCIPLES
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### PRODUCT PORTFOLIO

<b>FS1. Core</b>	Policies with specific environmental and social components applied to business lines.	fully		
<b>FS2. Core</b>	Procedures for assessing and screening environmental and social risks in business lines.	fully		



The management system provides for constant monitoring of investments, including checks designed to prevent the acquisition of securities issued by companies that do not meet ethical criteria.

Believing that there has to be consistency between investment policy and voting policy, the Group favours integrating ESG criteria into the voting policy. It formalized and the Group Voting Policy that sets out guidelines for voting at the General Meetings of the companies invested.

The Generali Group is then committed to introducing systematic internal audits on several CSR activities, especially in the environmental field.

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## CROSS-REFERENCE/DIRECT ANSWER

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As described in the Environmental Policy, the Generali Group has the objective of providing incentives for clients to adopt eco-sustainable behaviour by offering insurance and investment products that promote environmental awareness. The Group also gives importance to issues related to climate change that can be both a risk and an opportunity for the conduct and development of its business.

In-depth information on climate change risks and opportunities is available in the SR 2013, p. 76-77.

Moreover, the Group aims at including, through microinsurance, members of society who would otherwise be excluded from the insurance market. Thanks to this tool, the poorest sections of population are, for example, provided with health insurance products.

Information on products with particular social and environmental value distributed by the Generali Group is reported in the SR 2013, p. 36-37.

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SR 2013, p. 76-77

Information on the Risk Management System is reported in the Risk Report, to which a specific section of the Annual Integrated Report 2013 is devoted.

If significant, social and environmental risks in insurance contracts are considered at the underwriting time and they influence not only on the pricing but often represent also a requirement for obtaining the cover. Compliance with laws in force is essential; moreover, the presence of measures aiming at reducing the risk of claims may be required to obtain the cover and led, in any case, to lower premiums. Specifically, as for significant risks, inspections are common to identify measures to be adopted for an efficient and effective risk management. As for life and health products, the risk assessment is based on a detailed questionnaire on medical history and it is sometimes integrated with a thorough medical examination.

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GRI INDICATORS	DESCRIPTION	REPORTED	GLOBAL COMPACT PRINCIPLES	
<b>FS3. Core</b>	Processes for monitoring clients' implementation of and compliance with environmental and social requirements included in agreements or transactions.	fully		
<b>FS4. Core</b>	Process(es) for improving staff competency to implement the environmental and social policies and procedures as applied to business lines.	fully		
<b>FS5. Core</b>	Interactions with clients/investees/ business partners regarding environmental and social risks and opportunities.	fully		
<b>FS6. Core</b>	Percentage of the portfolio for business lines by specific region, size (e.g. micro/ SME/large) and by sector.	fully		
<b>FS7. Core</b>	Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by purpose.	fully		
<b>FS8. Core</b>	Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose.	fully		

## CROSS-REFERENCE/DIRECT ANSWER

In the insurance contracts statements of the client on the risk status made at the time of signing the contract are binding; they are verified when the claim occurs and, if they are not true, the compensation for the loss is reduced or even not due in cases where the cover would not have been given. Monitoring is not applicable because the relevant risk in insurance contracts is assessed at the underwriting time.

SR 2013, p. 32; 52-53

In 2013 training was done to those employees directly involved in the implementation of the Environmental Management System only in some countries (Germany and Spain). In Head Office, training was decided to be postponed to 2014 as to include training on the new software for environmental data collection.

The Generali Group is engaged in risk prevention in various ways, including through partnership with organizations promoting the interests of consumers. With regard to health and safety in the home, in France, Generali France was one of the founding companies of the insurers' health and prevention association (APS), which also publishes illustrated guides on the main topics related to health and the prevention of accidents in the home. Over the last few years, various road traffic initiatives have also been carried out within the Generali Group. The Italian Group companies are part of the Fondazione per la Sicurezza Stradale - established within ANIA on a request by insurance companies - which carries out traffic risk prevention activities, promoting the education of responsible driving. In Germany, Generali Versicherung, the industry association Gesamtverband der Deutschen Versicherungswirtschaft and the committee of the German road safety Deutscher Verkehrssicherheitsrat e.V. work together on initiatives to raise awareness about traffic risks. In Spain, the Group participates with the national trade association Unión Española de Entidades Aseguradoras y Reaseguradoras es la Asociación Empresarial del Seguro (UNESPA) in a project to provide clear product information and in research programmes on road safety. Information is qualitatively reported.

Annual Integrated Report 2013, p. 14; 20; 48-53; 171-172

SR 2013, p. 36-37

Premiums from insurance products with particular social value amount to almost 1,320 million euro and they represent almost 2.4% of total gross written premiums.

SR 2013, p. 37

Premiums from insurance products with particular environmental value amount to almost 1,600 million euro and they represent 2.8% of total gross written premiums.

GRI INDICATORS	DESCRIPTION	REPORTED	GLOBAL COMPACT PRINCIPLES
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## AUDIT

<b>FS9. Core</b>	Coverage and frequency of audits to assess implementation of environmental and social policies and risk assessment procedures.	fully	
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## ACTIVE OWNERSHIP

<b>FS10. Core</b>	Percentage and number of companies held in the institution's portfolio with which the reporting organization has interacted on environmental or social issues.	fully	
<b>FS11. Core</b>	Percentage of assets subject to positive and negative environmental or social screening.	fully	
<b>FS12. Core</b>	Voting polic(ies) applied to environmental or social issues for shares over which the reporting organization holds the right to vote shares or advises on voting.	fully	

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## CROSS-REFERENCE/DIRECT ANSWER

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SR 2013, p. 69

The Group procedure for the internal audit on the Environmental Management System (EMS) envisages an audit on the System to be conducted by the Group Audit at least once every three years. All non-compliance concerning EMS organizational structure and the formalization of some Group procedures, that were resulted from the audit in 2012, were filled in 2013.

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The Group interacts with issuing companies through dialogue as to encourage them to act responsibly and to require to justify any conduct that does not conform to its ethical criteria.  
Data are not available, since the Group worked, in 2013, on a new voting policy that was formalized in early 2014.

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SR 2013, p. 22

No screen is required by law.

Assets that were subject to negative screening were 49.8% of total assets under management.

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SR 2013, p. 22-23

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## Statement GRI Application Level Check

GRI hereby states that **Generali** has presented its report "Group Sustainability Report 2013" to GRI's Report Services which have concluded that the report fulfills the requirement of Application Level A.

GRI Application Levels communicate the extent to which the content of the G3.1 Guidelines has been used in the submitted sustainability reporting. The Check confirms that the required set and number of disclosures for that Application Level have been addressed in the reporting and that the GRI Content Index demonstrates a valid representation of the required disclosures, as described in the GRI G3.1 Guidelines. For methodology, see [www.globalreporting.org/SiteCollectionDocuments/ALC-Methodology.pdf](http://www.globalreporting.org/SiteCollectionDocuments/ALC-Methodology.pdf)

Application Levels do not provide an opinion on the sustainability performance of the reporter nor the quality of the information in the report.

Amsterdam, 4 June 2014

A handwritten signature in black ink, appearing to read "Ásthildur Hjaltadóttir".

Ásthildur Hjaltadóttir  
Director Services  
Global Reporting Initiative



*The Global Reporting Initiative (GRI) is a network-based organization that has pioneered the development of the world's most widely used sustainability reporting framework and is committed to its continuous improvement and application worldwide. The GRI Guidelines set out the principles and indicators that organizations can use to measure and report their economic, environmental, and social performance. [www.globalreporting.org](http://www.globalreporting.org)*

**Disclaimer:** Where the relevant sustainability reporting includes external links, including to audio visual material, this statement only concerns material submitted to GRI at the time of the Check on 30 May 2014. GRI explicitly excludes the statement being applied to any later changes to such material.

**SUSTAINABILITY REPORT**  
**Corporate Social Responsibility**

The document is available on:  
[www.generali.com](http://www.generali.com)

**GRAPHIC CO-ORDINATION**  
**Group Marketing**  
**Group Communications & External Relations**

**GRAPHIC DESIGN**



**MERCURIO GP**  
[www.mercuriogp.eu](http://www.mercuriogp.eu)

**PHOTOS**

The photos used in the cover, internal title pages and vision, mission and values of this Report represent the countries where Generali operates.

The other images are photos of buildings owned by the Group and initiatives organized or supported by the Group.

**PHOTO CREDITS:**

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