



23/09/2011

NOTE

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CHAIRMAN, GENERALI

OPENING ADDRESS TO THE GENERAL COUNCIL, VENICE 23.09.2011

Dear Council Members, Directors,

before introducing today's speaker, Dr. Nassim Nicholas Taleb, I would like to say a few words about the context in which we operate and the Group.

The economic situation is very difficult and, in the medium term, there are few signs of recovery on the horizon. Stagnation of economic growth and extremely low and persistent interest rates remain and the problem of fragility induced by the debt of various EU countries, but also the United States, is worsening.

The only risk factor that seems to fade a little is the insistence of regulatory and supervisory authorities, which are forced to deal with the pro-cyclical aspects of the proposed measures - a tough test of the impact on banking and insurance industry of the new regulations on solvency and accounting. It is no coincidence that application of Solvency II has been put back a year and many discussions are taking place on the review of regulatory aspects which could prove to be too challenging and even dangerous for the sector. But even here the picture is not homogeneous. The insurance industry in fact risks, wrongly, to be identified, along with large international banking groups, as a source of systemic risk and discussions are taking place, also at a domestic level, regarding possible criteria and measures to be applied in this sense.

Faced with these challenges, management has been able to firmly guide our Group, achieving important operating results, promoting efficiency and reducing costs, innovating and pursuing expansion and geographic diversification efforts. The first part of this year shows solid operating results, improved profitability in the non-life segment and stability in the life segment. The effort to reduce costs and increase efficiency has also been further consolidated and completed. The campaign abroad continues successfully, with new agreements in the field of financial management in the Far East and new frontiers taken into consideration. Geographical diversification is crucial, given the gap in potential and growth rates of emerging markets compared to the West, and perfectly consistent with the global DNA of our Group.

Faced with the risks arising from financial volatility, instability of sovereign debt instruments as well as low interest rates and sluggish economic growth, the Group has responded by adjusting product characteristics so as to reduce the impact on "spread business" and guaranteed products, improving and refining financial and risk management techniques and modulating the allocation of investments.

I believe our management has thus far rigorously and successfully met this challenge and I trust that it will continue to do so in the future.

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In these times of turbulence and uncertainty, the thinking of Nassim Taleb is quite appropriate. After showing us that our lives (and investments) are driven by "Black Swans", today Taleb is here to tell us how to become robust, or rather "anti-fragile", in such an unpredictable world. Taleb is Lebanese, probably sharing the tradition of curiosity towards the world and new frontiers of those Phoenician merchants whose spirit of discovery and conquest has permeated the culture of our Group and this city for centuries and millennia, respectively. A citizen of the world, Taleb has studied in Philadelphia and Paris, is a sophisticated mathematician and finance expert, philosopher and connoisseur of classical culture, and in his writings is inspired by Thales of

Miletus, but also Hume, Bachelier and Jensen, philosophers, mathematicians and epistemologists. He is also a successful investor, convinced that more is to be learnt from experience than from books, and that one must demonstrate the value of one's claims in practice and not just in the lecture theatres of a university. Today he teaches in England and New York and is the author of books famous throughout the world, such as "Fooled by Randomness" and "The Black Swan". In his writings, he has warned us against the simple forecasts and unrealistic optimism of those who believe that the future mechanically repeats the past and that events unfold over time according to an "mean" path. He has shown us how uncertainty, volatility and non-linear processes are often the drivers of our lives, often with devastating impacts. In his next best seller, Taleb will explain how to orient ourselves in such an uncertain and volatile world, not so much by trying to anticipate the future with simple models or optimising constructs, but rather by learning from nature to be robust, to always have back-up solutions (many, as in the evolutionary process), to guard against building mechanisms "too big to fail" and even learn how to benefit from volatility, becoming "anti-fragile". Taleb is not only a philosopher and epistemologist: his suggestions on how to improve life and the chances of survival and success are founded on deep and complex mathematical analyses and non-linear probabilistic calculations aimed at identifying "favourable convexities" in the phenomena analysed. His algorithms, "simple heuristics" as he calls them, are under observation by institutions and governments, including the International Monetary Fund, McKinsey, the European Parliament and the Japanese Government in Fukushima.

In conclusion, I would like to mention an aspect of "anti-fragility" which should give us some cause for relief and pride: durability over time is a good sign of success in an uncertain world, just like a large Group that has existed and been growing for almost two centuries.