GENERALI GROUP TAX TRANSPARENCY REPORT 2023

April 2024
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GENERALI

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1. INTRODUCTION

A complex geopolitical scenario has marked Financial Year 2023 with the prosecution of the war between Russia and Ukraine and the beginning of a new conflict in the Middle East. Moreover, the world economy had to cope with rising interest rates, affecting economic growth and public debt.

Despite this challenging macroeconomic environment, Generali confirmed to be fully on track to reach key financial targets of its Lifetime Partner24: Driving Growth strategy. In 2023 the Group achieved its best ever Operating and Net Result, with continued growth in Premiums, confirming a solid capital position as well. All of this was done maintaining Sustainability at the core of every aspect of the business.

These outstanding results were matched by a Total Tax Contribution that in 2023 amounted to about € 9.4 billion, calculated as the sum of taxes borne and taxes collected, which are the footprint of Generali in the countries where it operates in term of fair, effective and stable tax payments, representing a fundamental pillar in government funding, necessary to cope with health and humanitarian emergencies and to provide essential public services such as healthcare, security, education, pensions, infrastructures and active response to support people's spending power.

Doing business in order to maximize value creation, while contributing to the needs of the territories to which the Group belongs makes Generali not only a responsible company but also a true Lifetime Partner for its customers, employees and stakeholders and a responsible member of the communities where it operates.

A main role in Generali's commitment towards sustainability is played by its charitable foundation, THSN - The Human Safety Net, that provides an effective support to people living in vulnerable conditions and actively promotes the integration of refugees through work and entrepreneurship programs aiming at transforming the lives of their families and communities.

The Board of Directors, which is accountable for tax governance, management and control system in the Generali Group has approved our Tax Strategy basing it on principles that fully recognize the importance of taxation in its sustainability goals.

Moreover, since tax reporting is a main pillar in its approach to taxation, Generali has always supported any initiatives at OECD level to promote tax transparency. To that extent, the Group fully complies with any relevant regulations in the countries where it operates, and it has been submitting its Country-by-Country Reporting to the Italian Tax Authority since reporting year 2016.

Generali has also successfully managed the transition of its Financial Reporting to the two new IFRS accounting standards set for insurance contracts (IFRS 17) and for financial instruments (IFRS 9) and is strongly focused on full compliance with the forthcoming OECD rules set for Anti Base Erosion and Profit Shift (Pillar II).

The third edition of the Report, covering FY 2023, has maintained the same methodological approach that in the first two editions allowed the Group to reach the goal of a full score in the Tax Strategy section of the S&P Global Dow Jones Sustainability Indices (DJSI). In addition to that, the current edition has been shaped in order to bring the Group further along on the path to sustainability and to a public CbCR, with an even deeper disclosure of our Tax Strategy, of our approach to Tax Risk Management and Tax Compliance, including also an outlook on Pillar II effects and an enhanced Tax Reporting.

In line with S&P Global guidance for the DJSI, we are disclosing our data on the basis of OECD rules on CbCR. This is why, to some extent, such figures may differ from equivalent figures disclosed in the Annual Integrated Report and Consolidated Financial Statements of the Generali Group (a reconciliation is provided).

We continue our Journey toward Sustainability having in mind that Tax Transparency is not just a matter of reporting but it is a key part of the true commitment of Generali as a responsible investor, insurer, employer and corporate citizen.

Cristiano Borean
Group Chief Financial Officer

2. GENERALI GROUP TAX STRATEGY AND PRINCIPLES

2.1 THE GROUP TAX STRATEGY

The Generali Group **Tax Strategy** defines its overall sound and prudent management of the tax variable for the Generali Group Legal Entities.

More specifically, Assicurazioni Generali S.p.A. (Assicurazioni Generali), as parent company of the Generali Group, defined a common Group Tax Strategy to manage compliance with tax provisions with a view to pursuing the long-term growth of corporate assets and protecting the corporate reputation in the long term, in the interest of its shareholders.

The Group Tax Strategy is based on Generali **sustainability** principles, as tax revenues account for a significant contribution to the economic and social development of the communities in which the Group operates.

The Group Tax Strategy has the following **Tax Objectives**:
- to be compliant with any tax requirements and the relevant payment of taxes (Tax compliance);
- to be in control of, manage and mitigate the risk of breaching tax regulations or of abusing any principles or objectives of any applicable tax regulations (Tax risk management).

The Group Tax Strategy has been approved by the **Board of Directors** of Assicurazioni Generali, which is in charge of its application together with the promotion of its approach and principles.

The Tax Strategy is also available to the public on the website of Assicurazioni Generali

2.2 GROUP TAX PRINCIPLES AND GUIDELINES

The Group Tax Strategy is based on specific Tax Principles which reflect the core values underpinning the Group effort in the **sustainable management** of the tax affairs.

In detail, Generali Tax Principles are:
- Values. Assicurazioni Generali business is based on the values of honesty and integrity in the tax management, considering that taxes borne and taxes collected are a key mechanism for the Group to contribute to the economies and to the social development of the countries where Generali operates.
- Legality. Assicurazioni Generali is committed to comply with any local tax regulations in the countries where it operates and it interprets them in a manner that responsibly manages the tax risk to serve the interests of its stakeholders and to generate a positive impact on its reputation.
- Tone at the top. The Board of Directors is called upon to define the tax strategy, to ensure its implementation and to promote a corporate attitude based on the Group values. The top management is involved in major and complex tax issues to ensure full awareness of the management of tax risks.
- Transparency. Assicurazioni Generali has a co-operative and transparent approach with any relevant tax authorities, so that the latter can be fully aware of any facts and circumstances to which tax provisions apply.
- Shareholders' Value. As it complies with regulations on taxation, Assicurazioni Generali operates with a view to pursuing the primary interests of value creation for its shareholders in the mid-long term.

The Group Tax Strategy includes some detailed Tax Guidelines aiming at ensuring the implementation of its Tax Principles.

The two key Tax Guidelines are aligned with the Tax Objectives described in the Group Tax Strategy:
- Tax Compliance
  - Proper **application** of the local tax regulation in the countries where the Group operates.
  - Reasonable **interpretation** of the applicable tax regulation in the event of any interpretation issues with the competent tax authorities (so called: agree to disagree).

- Tax Risk Management
  - Design and implementation of an **internal regulatory procedural framework** (Tax Control Framework or TCF) that aims to properly identify, measure, manage and control Tax Risks in line with OECD guidelines on the co-operative compliance regime, as transposed by the Italian Tax Authority.
  - Progressive deployment of the TCF to key entities in the different jurisdictions where the Group operates in a way that encompasses the organizational commitments and safeguards compliance with any local tax regulations, ensuring the delivery of **sustainable tax outcomes** in terms of timeliness and correctness of the collection of taxes.

The other Tax Guidelines mentioned in the Group Tax Strategy are also perfectly aligned with the Tax Principles:

- Tax Transparency: Assicurazioni Generali fully cooperates with Tax Authorities to ensure accurate and prompt disclosure.
- Tax Planning:
  - Assicurazioni Generali does not engage in any conducts or operations resulting in purely artificial arrangements which do not reflect its business and which may reasonably generate any illegitimate tax advantages that are contrary to the aims and the rationale of any relevant tax regulations. More generally, the Group does not artificially use countries with privileged taxation (i.e. Tax havens)[1], for the sole purpose of reducing the Group's tax levy (the limited presence of entities in these countries is motivated by economic and / or strategic reasons linked to the Group's business).
  - If the applicable system includes any tax benefit, Assicurazioni Generali will leverage on such opportunities, provided these tax benefits are consistent with its business objectives.
- Soft Controls: Assicurazioni Generali promotes the Group tax culture and values to be fully compliant with any applicable tax regulations.
- Intercompany Transactions: Cross-border intra-group relations are regulated, for tax purposes, on the basis of market conditions (arms' length principle), as defined by the OECD (Model Tax Convention and Transfer Pricing Guidelines).

1 With this regards, our Tax Group Guideline points out the definition and the list of:
- Tax havens: countries or territories (other than Member States of the European Union and the European Economic Area with which Italy has entered into an agreement providing for an effective exchange of information) with a nominal level of taxation lower than 50 percent of what is applicable in Italy;
- Non-cooperative jurisdictions: countries or territories that, according to the European Union, have concerns regarding fiscal transparency, fair taxation and the implementation of measures to combat base erosion and profit shifting (BEPS).

3. TAX RISK MANAGEMENT AND INTERNAL GOVERNANCE

3.1 TAX INTO ESG

Assicurazioni Generali ensures practices of good Tax Governance considering tax in the ESG perspective regarding the "*Social*", "*Environmental*" and "*Governance*" sustainability factors.

From the **Social** tax perspective, Assicurazioni Generali ensures the support to the community through tax contributions not only as a taxpayer (*Taxes Borne*), but also as a tax withholding agent (*Taxes Collected*). Considering that the Group operates with about 82 thousand employees, 164 thousand agents and 70 million clients in different jurisdictions, it plays a significant role in ensuring the correct fulfillment of stakeholders' tax obligations (such as withholding taxes on employees expenses; withholding taxes on insurance products). At the same time, in case the tax law grants incentives or subsidies Assicurazioni Generali usually benefits of these incentives in compliance with the law and with principles set out in the Tax Strategy.

Regarding **Environmental** Taxes, the Group is generally not subject to specific tax obligations (such as carbon taxes, sugar taxes, plastic taxes). At the same time, Assicurazioni Generali promotes initiatives aimed at improving the environment and supporting the progressive reduction of CO_2 emissions towards the transition to decarbonization (i.e. issuing of green bonds, financing of green investments, etc) and benefits of green incentives in compliance with the tax law and ensuring that they are consistent with its business objectives.

Considering the **Governance** sustainability factor, through the Tax Control Framework, Assicurazioni Generali has implemented the tax processes necessary to be in control of tax, by complying both with the *letter* and the spirit of the tax laws and regulations applicable to the Group.

3.2 TAX RISKS AND TAX RISK MANAGEMENT

Tax Control Framework

As a general rule, the Generali Group cannot avoid **compliance and operational risks** which are intrinsically linked to its business, either directly or indirectly.

However, the Generali Group has developed and implemented policies, processes, procedures and methodological approaches, in line with international best practices, to:
- identify risk categories to which the Group Legal Entities are exposed to;
- measure and assess these risks;
- apply an effective risk management approach on the basis of the actual strategy, risk appetite and tolerances.

As taxation plays a vital role in achieving sustainable goals for the Group and its stakeholders, in the economies where it operates the Generali Group **tax risk appetite** is low and **tax risks** (i.e., breaching tax rules or manipulating the tax system) are **detected** and **managed** with adequate governance and appropriate processes and procedures, including IT tools ensuring consistency of figures underpinning tax calculations.

More specifically the Generali Group has designed a specific framework that is being implemented progressively across the Group to properly identify, measure, manage and control any Tax Risks (**Tax Control Framework - TCF**).

The TCF is defined and implemented in the wider context of the requirements of the **co-operative compliance** regime between taxpayers and Tax Authorities, as defined at international level by the OECD and transposed into the Italian legislation.

Tax Risk Management

According to the guidelines pointed out in the Group Tax Strategy, Assicurazioni Generali ensures the implementation and the maintenance of a Tax Risk Management System, to identify and update tax risks arising from new tax laws, new processes, or changes in the organization.

Through the TCF, the Group ensures the monitoring of *Compliance* risks and *Interpretative* risks in order to comply with the *letter* and with the *spirit* of the tax laws and regulations.

According to the recent tax updates and to the tax profile of the Group, amongst all the monitored tax risks, a growing attention is focused on:

- **Jurisdictional Tax Risks**: The Generali TCF ensures centralized tax monitoring and a pre-clearance process in the responsibility of the Head Office Tax Team for the incorporation and acquisition of foreign entities (including permanent establishments), in low tax jurisdictions and in non-cooperative jurisdictions for tax purposes;
- **Transfer Pricing Risks**: Generali is keen on focusing and coordinating the Transfer Pricing affairs at Group level to properly monitor that transfer pricing outcomes are better aligned with the Group value creation in line with the arm's length principle pursuant to OECD Transfer Pricing Guidelines. The Group Transfer Pricing documentation approach is fully aligned with the OECD three-tiered documentation standards (Masterfile, Local file and Country-by-Country Report).
- **Anti-hybrid rule**: Assicurazioni Generali is implementing procedures for the monitoring of misalignments with the effect of double deduction or deduction and not taxation that may fall within the anti-hybrid rule;
- **CFC rule**: Through the digitalization of relevant data, Assicurazioni Generali ensures the monitoring of controlled subsidiaries that may fall under the Italian CFC rule (i.e. passive income test and ETR test);
- **Global Minimum Tax (Pillar 2)**: Generali is implementing procedures and processes, duly supported by technology, to comply with the new rules about Global Minimum Tax.

TCF Safeguards

The Generali TCF ensures:

- a clear definition of **roles and responsibilities** in the different areas of the Group and local organizations involved in tax management activities (through the Tax Escalation Policy and the Tax Risk Map);
- the implementation of effective **processes** on Tax Risks detection, measurement, management and control, with the support of specific **IT tools** enabling effective management of data among the stakeholders involved in the process;
- the integration with the internal control system over **tax criminal offences** risks, in relation to which Assicurazioni Generali performed the risk assessment to identify specific control measures and implemented the whistleblowing procedure (pursuant to Italian Legislative Decree no. 231/2001);
- the implementation of effective procedures to **remedy** any possible shortcoming in its operation and any relevant remediation measures;
- an adequate engagement of the **Top Management** on tax risks and compliance issues.

From an ESG perspective, the Group ensures specific tax safeguards through its **value chain**, taking into account taxation with regard to the communities involved, clients, suppliers and employees:

- **Tax collected on insurance products**: adequate processes and procedures for fulfilling tax obligations on insurance products;
- **Tax risks monitored on suppliers**: definition of tax related processes within supply chain (i.e. VAT, withholding taxes);
- **Employees management**: ensuring the correct management of employees taxation.

3.3 TAX INTERNAL GOVERNANCE

Assicurazioni Generali has explicitly documented the Tax Control Framework through the **Group Tax Strategy**, which is a fundamental element of Generali tax risk management system, and the **Tax Group Guideline**, which defines a common framework for the Group to achieve both updated and detailed tax procedures and a responsible engagement of the senior management in the decision-making process that might impact on the tax burden. As a sign-off of the explicit statement that the business is committed to tax transparency and that the organization is in control of its tax processes:

- The Group Tax Strategy has been approved by the Board of Directors which is the governance body responsible for the definition and sign off of group tax principles and guidelines (tax in the boardroom);
- The Tax Group Guideline has been approved by the Group CEO and by the Group CFO.

More specifically, the main roles and responsibilities in tax risk management activities are allocated among the Group and its business units in line with the "**tone at the top**" principle:

- the **Board of Directors** of Assicurazioni Generali through the Risk and Control Committee receives annually a report on Tax Control Framework activities prepared by the Group Tax department, representing the results of monitoring activities on the TCF, the tax risks managed during the relevant period and the significant dialogues with the Tax Authority conducted within the co-operative compliance procedure;
- the **Group Chief Executive Officer** is responsible at a medium-high level for the decision making process on Tax Risk Management and Tax Strategy implementation;
- the **Group Chief Financial Officer** is accountable for any Tax Risk Management activities and for any internal regulations related to the TCF implementation at Group level;
- the **Group Tax Manager** is the main actor involved in the management of Tax Risk matters for the Group.

All tax issues and tax compliance processes are managed by **tax experts** working in structured teams with multidisciplinary and diverse tax skills. In this framework, the Generali Group provides customizable advance training to human resources in the tax department to increase and update their technical skills.

Additionally, regular national and international meetings facilitate the continuous **interaction** between the tax Group team and business units at local level to ensure the management of compliance with tax provisions.

All the Tax Risk Management activities are annually formalized in a Report presented to the Risk and Control Committee of Assicurazioni Generali, with specific regard to the testing activities that are planned and performed during the year, in terms of test of design and test of effectiveness of the controls mapped through the tax processes, in line with a risk-based approach.

4. TAX COMPLIANCE AND STAKEHOLDER ENGAGEMENT

4.1 RELATIONS WITH TAX AUTHORITIES

The Generali Group has always engaged in relations based on **cooperation** and **transparency** with tax authorities, both in Italy and in each tax jurisdiction where its business is carried out.

Assicurazioni Generali has joined the Co-operative Compliance program in Italy. Therefore, starting from the fiscal year 2020, the local Tax Authority has been informed in regular and ad hoc meetings of potential tax-relevant aspects of the business development; a transparent approach results into the engagement of a detailed discussion on the underlying facts to find an agreement over the appropriate tax treatment.

Besides joining the Co-operative Compliance program, the Generali Group has always tried to reach the previous clearing from the relevant Tax Authority to ensure certainty on relevant tax matters and achieve transparency.

As of 31 December 2023 a total of eleven Group Legal Entities in Italy had already joined the Co-operative Compliance program.

As for **Transfer Pricing**, the Generali Group has put in place different advance pricing agreement procedures with the competent authorities, including ones of a multilateral nature.

4.2 STAKEHOLDER ENGAGEMENT

Assicurazioni Generali ensures stakeholder engagement on tax matters as a sustainability factor, not only through the publication of this document and of the Tax Strategy but also with specific initiatives aimed to favor awareness and sharing of information such as the submission to the Italian Tax Authority of the annual report on TCF presented annually to the Board of Directors through the Risk and Control Committee.

The Group has also implemented a Whistleblowing policy to address concerns on practices or actions possibly in breach of internal or external regulations, including tax laws and regulations.

The Generali Group has close relations with its stakeholders to identify and better meet their information and dialogue needs. In this framework, Assicurazioni Generali has regular meetings with **investors**, **analysts** and **rating agencies**. It interacts with **Regulators** as well as European and International **Institution**s to keep good relations and share authoritative and updated information to properly interpret and apply any new regulations.

The Generali Group is committed to transparency in its relations with European public authorities as well. In 2014, the Group joined the **Transparency Register**, a joint initiative of the European Parliament and the European Commission with the aim of informing the public about how Generali represents its interests.

The Generali Group, directly or through its subsidiaries, is also a member of business and insurance **associations**, including ANIA, Assogestioni, Assonime and ABI in Italy, GDV in Germany, FFSA in France and Insurance Europe at EU level. As members of such associations, Generali advocacy is to support the development of fair tax systems and transparent tax disclosure.

Generali has been confirmed in the **Dow Jones Sustainability World** Index and in the **Dow Jones Sustainability Europe** Index, further strengthening its ranking also with particular regard to the scoring relating to sustainable tax issues.

Generali commitment to its stakeholders is also available in the website of Assicurazioni Generali

5. TAX REPORTING

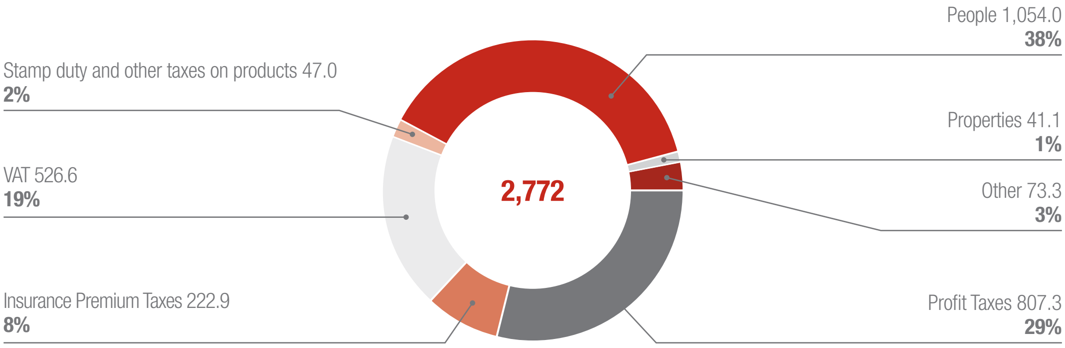
5.1 GENERALI GROUP TOTAL TAX CONTRIBUTION 2023 - TAXES BORNE AND TAXES COLLECTED - OVERVIEW

Generali Tax Reporting provides a comprehensive and straightforward overview of the **Group overall contribution**, in terms of economic and social impact, to the tax jurisdictions in which it operates through the taxes paid. The principle adopted to disclose the taxes paid in line with the Total Tax Contribution ("**TTC**") methodology is the **cash criterion**: TTC data take into account the amount of taxes paid during the relevant reporting year.

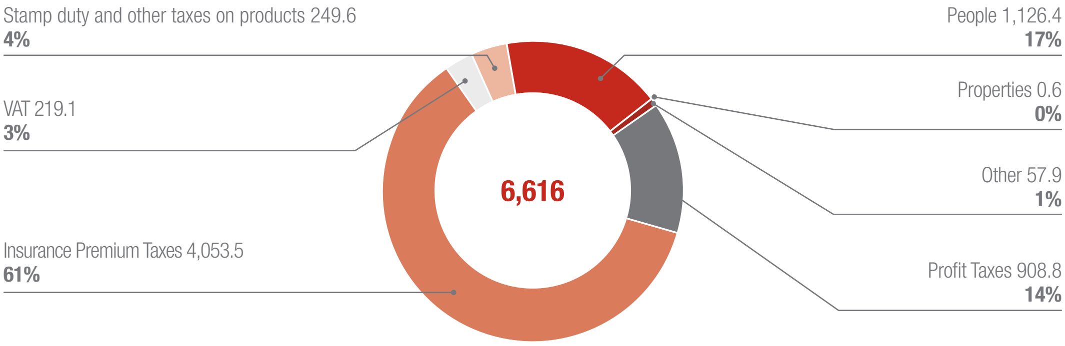
Taxes paid by the Generali Group are divided in **taxes borne** and **collected**, in line with international standards on tax transparency to highlight the importance of the role played by taxpayers, both as "contributors" of taxes that are a cost (Taxes borne) and as "collectors" (withholding agent) of taxes from third parties on behalf of governments (Taxes collected).

The **Total Tax Contribution** of Generali in 2023 amounted to 9,388 million euros: **30%** accounts for **taxes borne** and **70%** accounts for **taxes collected**.

TAXES BORNE (€ mln)



TAXES COLLECTED (€ mln)

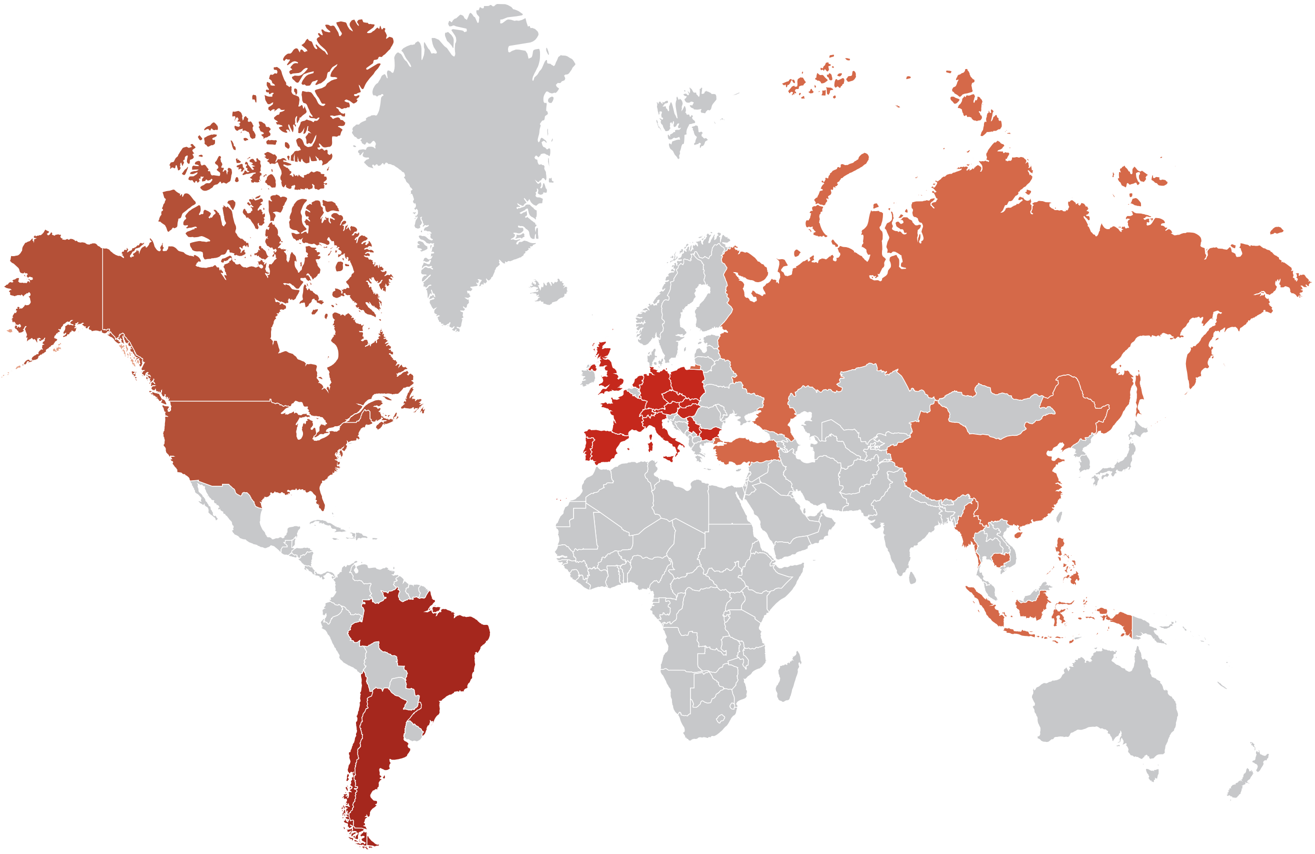


The **taxes borne** paid by Generali in 2023 amounted to **2,772 million**. The main component refers to **people taxes**, which accounts for **38%** of the total taxes borne. Other important categories are **profit taxes** that account for 29% and **VAT** for 19%.

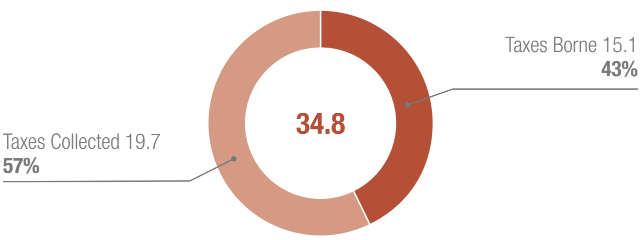
The **taxes collected** paid by Generali in 2023 amounted to **6,616 million euros**. **Insurance Premium Taxes** account for **61%** of taxes collected. The high incidence of such taxes compared to other categories is due to the specific nature of the insurance activity.

5.2.1 GENERALI GROUP TOTAL TAX CONTRIBUTION 2023 - AREA VIEW

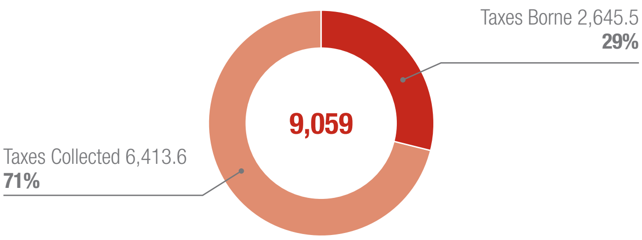
Generali's Total Tax Contribution by geographical area is concentrated in Europe (**95%** of **total taxes borne** and **97%** of **total taxes collected**), in line with the geographical distribution of the **Total Income** and **Profit Before Income Tax** of the Group, which in Europe represents, respectively, **94%** and **91%** of the total.



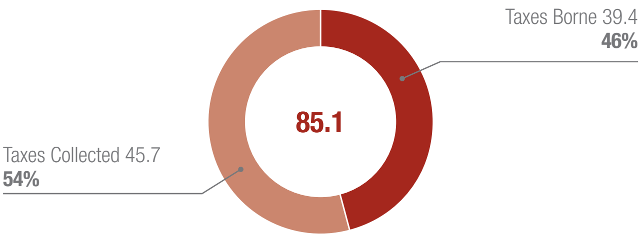
NORTH AMERICA (€ mln)



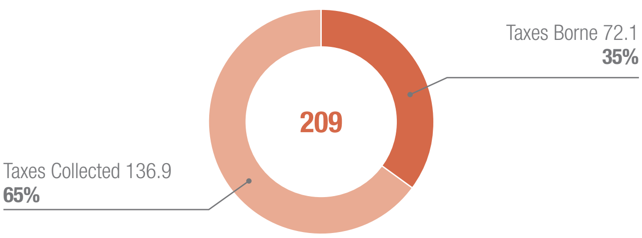
EUROPE (€ mln)



LATIN AMERICA (€ mln)



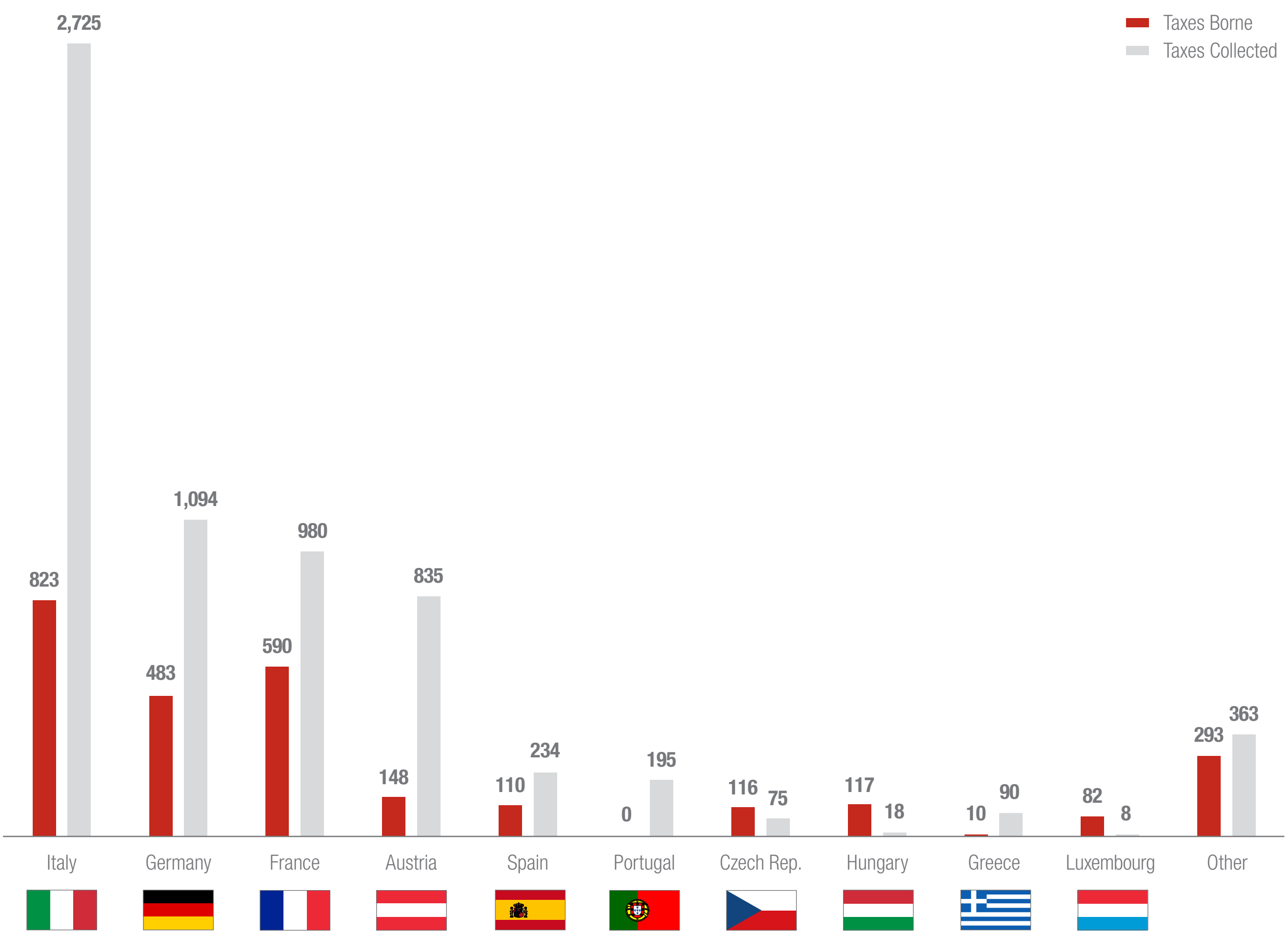
ASIA (€ mln)



5.2.2 GENERALI GROUP TOTAL TAX CONTRIBUTION 2023 - COUNTRY VIEW

The following 10 countries account for **93%** of the **Group Total Tax Contribution** and **85%** of the **Group Total Income.**

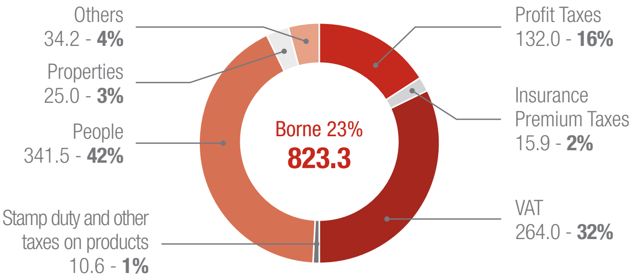
COUNTRY VIEW (€ mln)

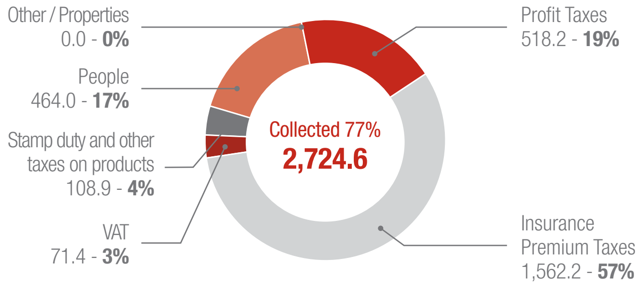


5.2.3 GENERALI GROUP TOTAL TAX CONTRIBUTION 2023 - MAIN COUNTRIES VIEW

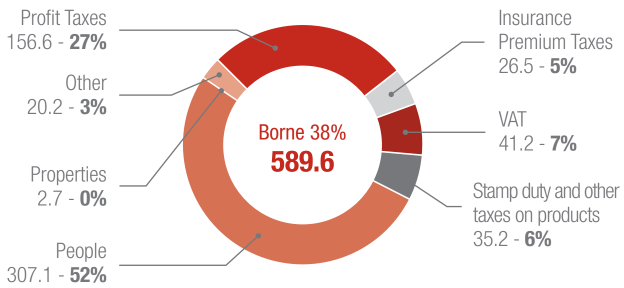
The breakdown of the Total Tax Contribution shows that it is concentrated for **82%** in **Italy**, **France**, **Germany** and **Austria** which account for approximately **74%** of **Group Total Income**.

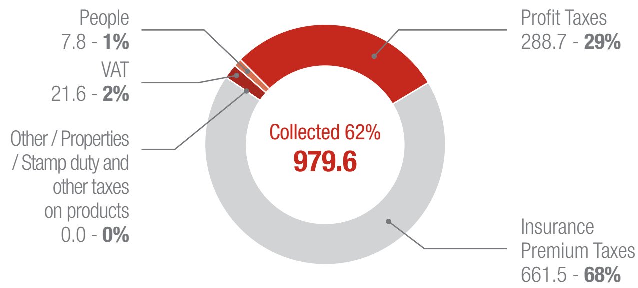
ITALY (€ mln)



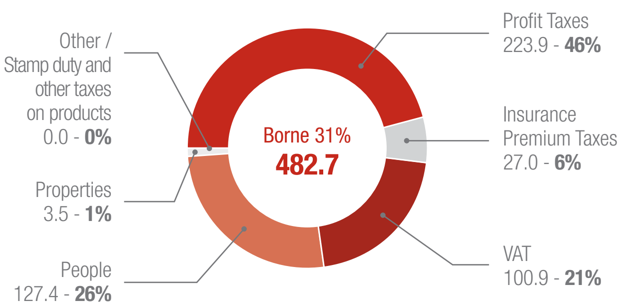


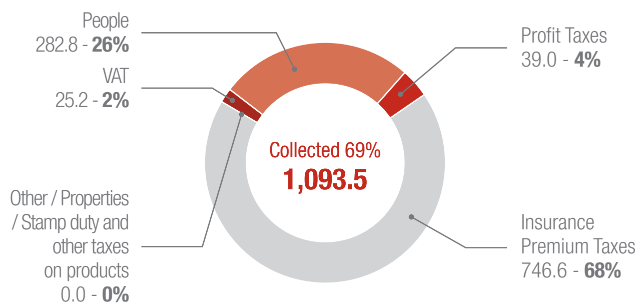
FRANCE (€ mln)



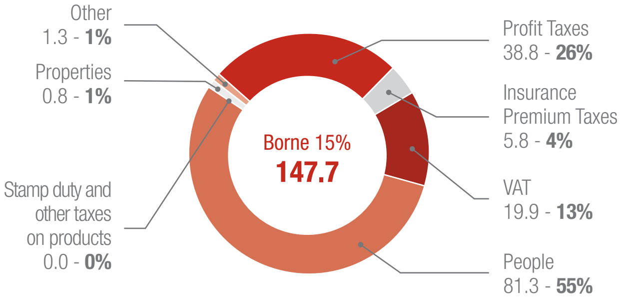


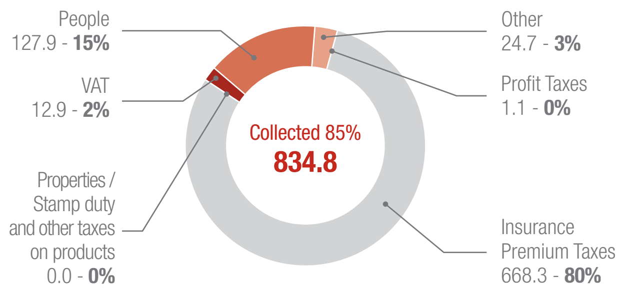
GERMANY (€ mln)





AUSTRIA (€ mln)

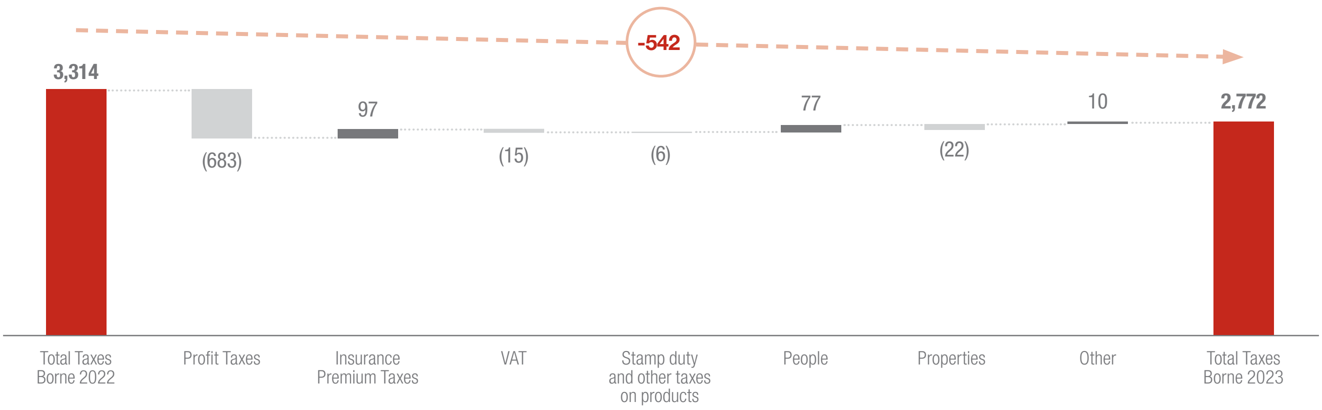




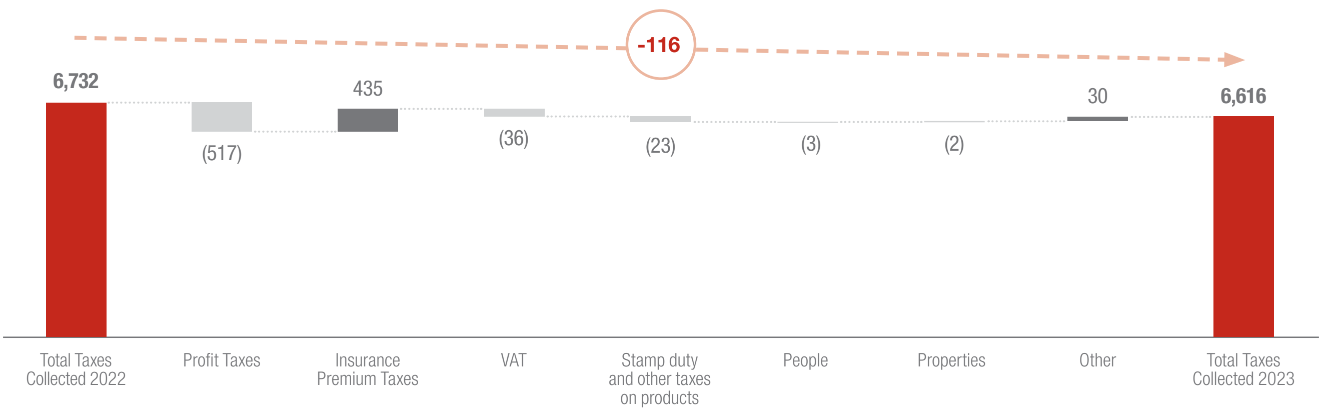
5.2.4 GENERALI GROUP TOTAL TAX CONTRIBUTION - COMPARISON BETWEEN 2022 AND 2023

Between 2022 and 2023 the Group TTC decreased by **658 million euros** (-7%), as a result of a decrease in both taxes borne and collected. This decrease is mainly due to a different reporting scope* and to specific reasons related to certain tax categories, as detailed below.

TAXES BORNE (€ mln)



TAXES COLLECTED (€ mln)



Taxes borne decreased by **542 million euros** (**-16%**). In addition to the already mentioned different reporting scope , this trend is mainly attributable to:

- **Lower profit taxes** as a result of i) the mechanism of advanced payments on the basis of historical method** in Italy that resulted in overpayments in 2022 that were offset during 2023 ii) extraordinary payments made in 2022 in Austria, that did not recur in 2023 iii) refund obtained in 2023 for excess payment made in previous FY in Portugal;
- **Higher Insurance premium taxes** mainly as a result of higher payments in 2023 related to windfall tax in Hungary.

Taxes collected decreased by **116 million euros** (**-2%**). In addition to to the already mentioned different reporting scope, this trend is mainly attributable to:

- **Lower profit taxes** as a result of i) in 2022 certain market segment recorded extraordinarily positive performance which did not recur in 2023; this led to lower withholding taxes in 2023 (ii) higher offsetting of tax on mathematical reserve during 2023 in Italy;
- **Higher Insurance premium taxes**: the increase is related to higher collected premiums mainly in Italy.

* The difference is mainly referred to the adoption of new consolidation rules applied to investment entities, following the adoption of the new accounting principles IFRS 9 and IFRS 17.

** In cases where advanced payments of income taxes are determined on the basis of the so called «historical method» (i.e.,on the basis of the taxes due for one or more previous FYs), payments made in a specific FY do not reflect the amount due on the taxable income of that specific FY.

5.3 COUNTRY-BY-COUNTRY DATA

The table below shows an overview of the economic and other data* in the main countries where the Group operates.

(€ mln)

Country	Unrelated party Income	Related party Income	Total Income	Profit before Income tax	Income tax accrued	Income tax paid	Tangible assets	Number of employees
Italy	26,221	10,156	36,376	1,532	248	132	2,113	19,368
France	20,968	1,636	22,604	690	271	157	431	10,379
Germany	14,883	3,611	18,494	648	207	224	357	10,165
Spain	3,047	892	3,939	272	50	51	46	2,304
Austria	3,236	330	3,567	327	59	39	174	4,823
Luxembourg	2,729	698	3,427	-154	36	75	4	272
Switzerland	3,185	190	3,375	71	5	13	9	1,991
Czech Republic	2,186	701	2,887	257	54	24	107	4,506
China	2,379	8	2,388	200	11	12	75	2,815
Portugal	1,417	77	1,494	109	14	-31	25	1,427
United Kingdom	1,037	168	1,204	91	6	8	2	274
Poland	1,028	148	1,176	80	12	12	109	1,767
India	1,054	22	1,076	4	6	5	15	5,637
Bulgaria	210	827	1,036	226	32	38	9	408
Hungary	722	121	843	5	6	6	46	1,756
Argentina	722	-5	718	20	10	0	32	2,114
Slovenia	571	61	632	2	2	3	31	1,340
Hong Kong	529	96	626	61	0	2	3	293
Malaysia	595	0	595	30	14	12	8	1,652
Greece	430	94	524	-1	0	0	47	618
Other	2,798	364	3,162	134	36	26	129	7,970
Total	89,947	20,194	110,141	4,605	1,077	807	3,771	81,879

* Figures (except for the Number of employees) are shown in million and rounded to the first decimal. Therefore, the sum of each rounded amounts may sometimes differ from the rounded total. For the definition, according to OECD guidelines, of Income (Total, Related party and Unrelated party), Profit before income tax, Income tax accrued, Income Tax Paid, Tangible assets and number of employees please refer to the Glossary at the end of the present document.

The above figures are aligned with the Country by Country Reporting ("**CbCR**") framework defined by OECD guidelines - as well as in line with the guidance of the Dow Jones Sustainability Indices ("**DJSI**") - aggregated by jurisdiction of tax residence (i.e., the jurisdiction in which the entities are resident for tax purposes). Therefore, these figures do not consider the effect of the consolidation adjustments equal to i) € 969 million for Profit before income taxes, and ii) - € 88 million for Tangible Assets. Furthermore, Income taxes accrued above do not include i) deferred corporate income tax for € 390 million, ii) income tax accrued on dividends for € 63 million and others tax accrued items for € 6 million. See the Table below for a reconciliation*.

For further details about the data definition included in the table, please refer to the Glossary.

Data disclosed in the report refer to all Consolidated line-by-line entities ("entities in scope") in line with the fully-integrated method or proportional (or "pro-rata") method. The list of entities including the relevant countries of tax residence and primary business activity is reported here.

(€ mln)

Reconciliation**	Profit before income tax	Income tax accured	Tangible Assets
Country-by- Country data	**4,605**	**1,077**	**3,771**
Consolidation adjustments	969		-88
Deferred income taxes		390	
Income tax accrued on intercompany dividends and others items		69	
Annual Integrated Report and Consolidation Financial Statemens	**5,574**	**1,536**	**3,683**

5.4 GROUP EFFECTIVE TAX RATE

The consolidated Effective Tax Rate of the Generali Group as at 31 December 2023 is equal to 27.6%, which is computed as the ratio between the overall Income tax accrued (€ 1,536 million) and the consolidated Profit before income taxes (€ 5,574 million).

The tax Rate decreased from 35.0% to 27.6% due to different effects among which the absence of some non-deductible charges booked in 2022 and to the non-taxable step up of some participations and the disposal of Generali Deutschland PensionKasse in 2023.

The tax benefit deriving from the tax losses that can be carried forward is recognized in the financial statements only to the extent that it is probable that a future taxable income will be available against which the aforementioned tax losses can be used by the respective due date.

Please, see also the Income Taxes section of Annual Integrated Report and Consolidated Financial Statements of the Generali Group which is available in our website

* The slight difference between the above data of Income tax paid (equal to € 807 million) and the one reported in the Statement of Cash Flows (indirect method) of the Generali group Annual Integrated Report and Consolidated Financial Statements for FY 2023 (equal to €806 million) is mainly attributable to the fact that figures are shown in euro million and rounded to the first decimal, therefore the sum of each rounded amount by country may result in a different rounded total amount.

** Following the adoption of new accounting principles IFRS 9 and IFRS 17, the consolidated income statement no longer presents a "total income" line item, while it shows a mixed presentation structure based mainly on margins (i.e., some types of revenues are shown net of related expenses). Therefore, a direct reconciliation between "income" included in the CbCR/ TTR and the consolidated income statement is no longer possible.

6. GLOSSARY

Unrelated party Income / Related party Income / Total Income

- **Unrelated party Income**: Income generated during the reporting period from transactions with third parties (entity that does not form part of the Generali Group);
- **Related party Income**: Income generated during the reporting period from transactions between entities that form part of the Generali Group (except for dividends which are excluded);
- **Total Income**: sum of Unrelated party Income and Related party Income.

The term "Income" includes all revenues generated during the reporting period both from ordinary activities (e.g., services, interest, premiums) and non-ordinary activities (e.g., extraordinary income and gains).

Profit before income tax

Profit (Loss) before income taxes generated during the reporting period, including all revenues and expenses both from ordinary and non-ordinary activities. Profit before income tax includes all revenues and expenses from transactions with third parties and between entities that form part of the Generali Group (except for dividends which are excluded from the Profit before income tax).

Income Tax accrued

Current income tax expense recorded on taxable profits or losses of the reporting period irrespective of whether or not the tax has been paid. Taxes similar to corporate income tax levied on income or profits are also included. Income tax accrued only reflects the relevant transactions in the reporting period and does not include deferred taxes or provisions for uncertain tax liabilities. Income tax accrued does not include taxes on dividends from entities that form part of the Generali Group.

Income tax paid

Income tax actually paid in the reporting period irrespective of the period to which the taxes refer, net of any refunds of income tax received during the same period. This includes Income tax paid by entities to the residence tax jurisdiction and to all other jurisdictions (e.g., withholding taxes incurred in other tax jurisdictions). Taxes similar to corporate income tax levied on income or profits are included as well. Income tax paid does not include income tax paid on dividends from Generali Group entities.

Tangible assets

Net book values of tangible at the end of the reporting period Tangible assets do not include cash or cash equivalents, intangibles, or financial assets.

Number of employees

Total number of employees at the end of the reporting period on a full-time equivalent (FTE) basis.

Total tax contribution framework

Universal framework that provides information on all taxes companies pay. It measures companies' contributions to government tax revenues by focusing on cash payments. TTC framework is based on three pillars: 1) the definition of tax, 2) the distinction of taxes between taxes borne and taxes collected, 3) the classification of taxes into different categories. It is important to note that the TTC framework is not an economic model. While taxes are categorized as taxes borne and collected, this does not necessarily align with economic incidence.

Tax

Under the TTC framework, in line with the OECD's classification*, tax is defined as a '*compulsory, unrequited payments to general government*'. Any payments that result in a direct return of value to the company or for a right or asset used in the business are not considered as taxes.

Taxes borne

Own taxes paid in the reporting period, that are direct costs to Generali and impact the financial results. These are the taxes paid during the relevant reporting period to the governments of different tax jurisdictions.

Taxes collected

Third-party taxes paid in the reporting period as a result of the economic activities carried out by Generali, but they do not affect the its profit and loss account. In this case, Generali collects taxes from other parties on behalf of governments.

* "OECD Revenues Statistics 2023: Tax Revenue Buoyancy in OECD Countries" - Annex A. The OECD classification of taxes and interpretative guide.

Total tax contribution
Sum of Taxes borne and Taxes collected.

Profit Taxes
Taxes levied on net income, profits, or capital gains that may be:
- borne - i.e., income tax paid above defined; or
- collected by applying a withholding tax at source on payments to a third party or to a physical person (e.g., withholding tax on professionals/agents, interest and royalties, annuities/pensions to policyholders).

Insurance Premium Taxes
Indirect taxes on insurance premiums paid by policyholders to the insurance company and remitted by the latter to the government. These taxes may be:
- borne in the case Generali acts as policyholder;
- collected by Generali (in the case it acts as insurance company) only from third parties and physical person.

VAT
Consumption taxes charged on value-added, irrespective of the method of deduction and the stages at which the taxes are levied. VAT may be:
- borne – i.e., non-recoverable input VAT on the purchases;
- collected – i.e., the Net VAT (the output VAT charged on the sale to customers minus the recoverable input VAT suffered on its purchases).

Property taxes
Taxes on the ownership, use or transfer of tangible or intangible property that may be:
- borne (e.g., taxes on the ownership and use of property, capital tax levied on share capital increase, transfer taxes on the acquisition or disposal of assets);
- collected (e.g., rental of business duty collected by the leaser).

People taxes
Taxes and social contributions on employment that may be:
- borne (e.g., social security contributions, health insurance/pension/disablement contributions and taxes on payroll and workforce) by Generali as the employer;
- collected (e.g., personal income tax or social security contributions) which are at the cost of the employees and collected by Generali as the employer.

Stamp duty and other taxes on products borne
Indirect taxes or duties levied on the production, sale or use of goods and services and taxes or duties levied on international trade and transactions not included in the tax categories labeled as Insurance premium taxes and VAT (e.g., stamp duties on insurance products, excise duties, custom duties and import duties). These taxes can be both borne and collected, on the basis of the definition included above.

Other taxes
Any taxes that are not included in other tax headings (e.g. social contributions in relation to professionals/agent), accounting for a residual tax category. These taxes can be both borne and collected, on the basis of the definition included above.

Disclaimer

This Report has not been audited nor signed off by Group external auditors.

This Report is drawn up in euro, the functional currency used by the entity that prepares the Annual Integrated Report and Consolidated Financial Statements. Unless otherwise stated, figures (except for the Number of employees) are shown in million and rounded to the first decimal. Therefore, the sum of each rounded amounts may sometimes differ from the rounded total.