ANNUAL INTEGRATED REPORT AND CONSOLIDATED FINANCIAL STATEMENTS 2022

191st YEAR
generali.com

ANNUAL INTEGRATED REPORT AND CONSOLIDATED FINANCIAL STATEMENTS 2022

2022 was the first year of Generali's *Lifetime Partner 24: Driving Growth* strategic plan for sustainable growth.

The report on the efforts and the results tells a tale of financial solidity and profitability, technological innovation and a connection with clients. It also tells a tale of sustainability that dovetails with our role as insurers and investors, as well as our position as employers and 'corporate citizens'. Last but not least, it sets out how an entity with a global imprint operated within a sector of huge significance to civil welfare and individual wellbeing, managing uncertainty and future risks with a professional guiding hand.

The images that accompany this story are snapshots of adults and children going about their daily lives as they work, study and relax, and of an environment of blue skies and trees. Alongside these are images of smart and eco-friendly cities, representing Generali's ambition to be a Lifetime Partner to its clients and a point of reference for the communities in which it is active.

This Annual Integrated Report and Consolidated Financial Statements has not been filed, pursuant to art. 154-ter of legislative decree of 24 February 1998, no. 58 - Testo Unico delle disposizioni in materia di intermediazione finanziaria (TUF) - as amended and pursuant to art.8 and 21 of law of 6 February 1996, no.52.
The Company will publish the final version of the Annual Integrated Report and Consolidated Financial Statements 2022 in accordance with prevailing law, and include the Board of Statutory Auditors' Report and Independent Auditor's Reports.

In compliance with the provisions of Directive 2004/109/EC and Delegated Regulation EU 2019/815 (European Single Electronic reporting Format - ESEF), this Annual Integrated Report and Consolidated Financial Statements 2022 is drafted also in XHTML format and will be available in its final version on the Group website.

Please note that the Report is translated into English solely for the convenience of international readers.

CORPORATE BODIES AT 13 MARCH 2023

Chairman	Andrea Sironi
Managing Director and Group CEO	Philippe Donnet
Board members	Marina Brogi Flavio Cattaneo Alessia Falsarone Clara Furse Umberto Malesci Stefano Marsaglia Antonella Mei-Pochtler Diva Moriani Lorenzo Pellicioli Clemente Rebecchini Luisa Torchia
Board of Statutory Auditors	Carolyn Dittmeier (Chairwoman) Antonia Di Bella Lorenzo Pozza Silvia Olivotto (Alternate Auditor) Tazio Pavanel (Alternate Auditor)
Board secretary	Giuseppe Catalano

Assicurazioni Generali S.p.A.
Company established in Trieste in 1831

Registered office in Trieste (Italy), piazza Duca degli Abruzzi, 2
Share capital € 1,586,833,696 fully paid-up
Fiscal code and Venezia Giulia Companies' Register no. 00079760328
VAT no. 01333550323
Company entered on the Register of Italian insurance
and reinsurance companies under no.1.00003
Parent Company of the Generali Group, entered
on the Register of insurance groups under no. 026
Pec: assicurazionigenerali@pec.generaligroup.com

ISIN: IT0000062072
Reuters: GASI.MI
Bloomberg: G IM

Contacts available at the end of this document

Comments and opinion on the Report can be sent to
integratedreporting@generali.com

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Management Report

Consolidated Financial Statements

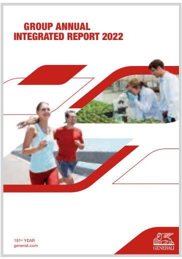
Attestation

THE INTEGRATED OVERVIEW OF OUR REPORTS

Our story of creating sustainable value continues to be based on the evolutionary adoption of integrated thinking, allowing us to live according to our values and to implement practices and processes aligned with our purpose. We tell our story adopting a Core & More[1] approach.

CORE

The Group's Core report is represented by the Annual Integrated Report, which illustrates, for the benefit of all stakeholders, the business model and the value creation process in a holistic way, integrating financial and non-financial information identified as material.



GROUP ANNUAL INTEGRATED REPORT

It provides a concise and integrated view of the Group's financial and non-financial performance, also pursuant to legislative decree (leg. decree) 254/2016 and Regulation EU 2020/852.

MORE

The More reporting includes other Group's reports and communication channels with the aim of providing detailed information intended for a specialized audience or for actors who intend to deepen some specific issues.

ANNUAL INTEGRATED REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

It expands the content of the Group Annual Integrated Report, providing details of its financial performance in compliance with national and international regulations.

CORPORATE GOVERNANCE AND SHARE OWNERSHIP REPORT

It outlines the corporate governance system of Assicurazioni Generali and its ownership structure.

REPORT ON REMUNERATION POLICY AND PAYMENTS

It provides specific information on the remuneration policy adopted by the Group and its implementation.

MANAGEMENT REPORT AND PARENT COMPANY FINANCIAL STATEMENTS

It provides information on the performance of Assicurazioni Generali, in accordance with currently effective regulations.

GROUP ACTIVE OWNERSHIP REPORT

It reports how the Group implements its engagement policy, including a description of dialogue with investee companies, exercise of voting rights and cooperation with other investors.

CLIMATE-RELATED FINANCIAL DISCLOSURE

It provides investors and other stakeholders with relevant information to assess the adequacy of the Group's approach to climate change and its ability to manage the risks and opportunities it brings.

GREEN BOND REPORT

It outlines the use of proceeds collected from the Generali's green bond issuance and the related impacts in terms of lower GHG emissions.

SUSTAINABILITY BOND REPORT

It outlines the use of proceeds collected from the Generali's sustainability bond issuance as well as the related impacts in terms of lower GHG emissions and the expenses for the social initiatives undertaken.

GREEN INSURANCE-LINKED SECURITIES REPORT

It describes how the freed-up capital coming from the green ILS is allocated and the related impacts in terms of lower GHG emissions.

TAX TRANSPARENCY REPORT

It describes the pillars of Generali sustainable tax outcomes and details the Group Total Tax Contribution, that is the contribution of our companies to the jurisdictions in which they operate in terms of taxes borne and collected.

generali.com
for further information on the Group and the Core & More reporting

1. The Core & More approach was developed by Accountancy Europe, which unites 50 professional organisations from 35 countries that represent one million qualified accountants, auditors and advisors. www.accountancyeurope.eu/ for further information.

ABOUT THE ANNUAL INTEGRATED REPORT

This Annual Integrated Report carries the Group's financial and non-financial performance and explains, through our value creation process, the connections between the context in which we operate, our strategy, the corporate governance structure and our remuneration policy.

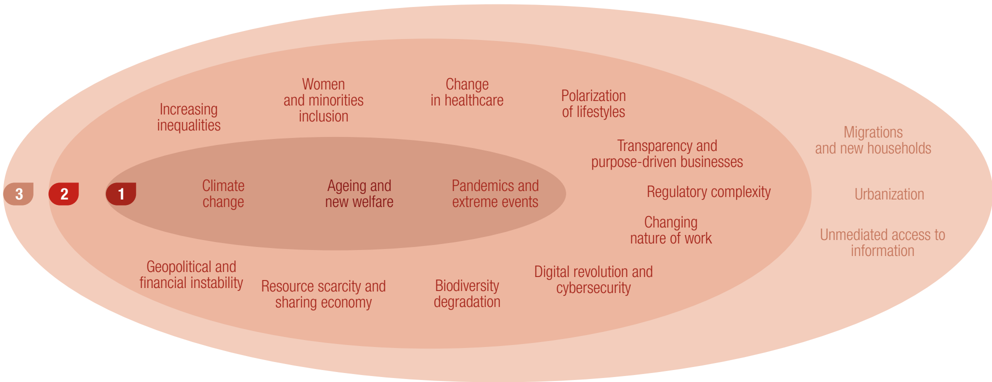
Information in the Annual Integrated Report refers to the topics identified as significant through a materiality analysis process, carried out by engaging both internal and external stakeholders.

NFS

1 Central cluster that identifies the material mega trends on which the strategic initiatives common to the Group are focused and the disclosure of which is included in this Report

2 Intermediate cluster that groups the mega trends of considerable relevance, which are addressed by specific business units or functions

3 External cluster that groups the mega trends to be monitored, which are of minor relevance compared to the other factors analysed



Consolidated Non-Financial Statement, p. 171 for further information on the materiality analysis process and results.

The Report is drafted in compliance with currently effective regulations, among which the provisions of leg. decree 254/2016 on the environmental, social, employee-related, respect for human rights and anti-corruption and bribery information, that forms the content of the Consolidated Non-Financial Statement (NFS) and is clearly identified through a specific infographic, as well as the provisions of Regulation EU 2020/852 (known as EU Taxonomy Regulation) and the relative Delegated Regulations.
The Report is in accordance with the criteria of the *International <IR> Framework*[2]. It adopts for the disclosure of non-financial matters envisaged by leg. decree 254/2016: selected indicators from the *GRI Standards 2021* and indicators in accordance with a proprietary methodology.
The Report is in line with the 2022 priorities on non-financial information by ESMA[3] and considers the Task force on Climate-related Financial Disclosures (TCFD) recommendations and the guidelines on non-financial reporting of the European Commission as for the the environmental matters.

Notes to the Management Report, p. 184 for the criteria of the International <IR> Framework and selected indicators.

Responsibility for the Annual Integrated Report

The Board of Directors of Assicurazioni Generali is responsible for the Annual Integrated Report. The Board, through its competent Committees, and the Board of Statutory Auditors are regularly engaged by the management in specific meetings aiming at sharing the approach to the preparation and presentation of the Report.

2. The responsibility of the document, developed by the International Integrated Reporting Council (IIRC) in 2021, has been assumed by the IFRS Foundation starting from August 2022.
3. The document *European common enforcement priorities for 2022 annual financial reports* is available on www.esma.europa.eu.
4. *Guidelines on non-financial reporting: supplement on reporting climate-related information* (C/2019/4490) were published in June 2019. They are available on eur-lex.europa.eu.

LETTER FROM THE CHAIRMAN AND THE GROUP CEO

Dear readers and Generali shareholders,

This last year 2022 was, once again, one of great complexity. At the end of February, the invasion of Ukraine by the Russian Federation brought war back to Europe, causing a humanitarian crisis of historic proportions and a growing number of daily casualties.
The conflict also generated a series of wide-ranging consequences: the strongest geopolitical tensions in recent years, with an increasingly clear polarization between democratic and authoritarian systems; disruptions to food, fuel and fertilizer supplies, which led to a significant increase in prices; and finally, an energy crisis that has particularly affected Europe and forced governments to make crucial strategic choices. There are also the effects of rising inflation when all the major global economies were showing signs of a slowdown, and there is the ever-present challenge of the climate emergency.

In this scenario, Generali has successfully managed the uncertainties and difficulties of the external environment by leveraging its business model and solidity while continuing to play an important social role.
Gabriele Galateri di Genola's term as Chairman of the company ended after eleven years at the Shareholders' Meeting at the end of April. We, and all the Group's employees, would like to thank him wholeheartedly for his work, dedication and support. The Shareholders' Meeting also elected the Board of Directors that will remain in office until the approval of the financial statements for the year ending 31 December 2024, with a resounding majority for the list presented, for the first time in the Group's history, by the outgoing Board. This critical step means that we now have a Board comprised of a majority of independent directors. It represents tangible proof of the extensive work done to improve corporate governance and align it with the best practices of large international public companies.

The result of the vote also testifies to the shareholders' appreciation for the work of the current management team and confidence in the *Lifetime Partner 24: Driving Growth* strategic plan.
This plan, which we presented to the financial community in December 2021, will confirm Generali as a leading company in Europe and as an increasingly integrated insurer and asset manager, a champion in sustainability and a company capable of generating a positive impact for all stakeholders.
We are also strengthening our ambition to be a Lifetime Partner for all our customers. In the past year, we have continued to build an increasingly consistent and personalized relationship with them, taking advantage of all the opportunities made available by digital technologies. Confirming that all the efforts made are receiving the appreciation of the people and companies that every day place their trust in Generali, for the second year in a row, we kept our first position ahead of our principal European competitors in terms of Relationship Net Promoter Score. This indicator measures customer loyalty and satisfaction.

In the first twelve months since its launch, the implementation of *Lifetime Partner 24: Driving Growth* has proceeded with discipline and rigor, supported by a new organizational structure designed to help achieve our priorities, which include accelerating the Group's digital transformation and further integrating sustainability into the business.

The year's financial results confirm yet again the success of our Group's current transformation journey. Generali, once again, posted a record operating result thanks in large part to the Life segment and the growth in the P&C segment, an increase in the net result and an extremely solid capital position. As a consequence, we propose a higher dividend compared to the previous year of 1.16 euro per share.

Looking at the main milestones in our insurance business, the acquisition of Cattolica Assicurazioni's ordinary shares in Italy was successfully closed, and its integration is progressing quickly and effectively. Completing the acquisition of La Médicale, an insurance company for healthcare professionals, strengthened the P&C business in the French market. At the same time, we continued to grow in Portugal, also through the strengthening of Tranquilidade's distribution capacity. Looking beyond Europe, Generali further consolidated its positions in India and Malaysia by becoming the majority shareholder in the insurance joint ventures in which it was already involved, in line with the strategic aim of strengthening its presence in high-potential markets.

In every sphere of activity, our actions continue to be guided by sustainability, which represents the originator of our current strategic plan. The year 2022 saw us committed to the objectives of the Group's climate change strategy, announced in 2018 and continuously updated. We are particularly proud of the successful placement of our third green bond and of receiving a series of external awards confirming our path's solidity. These include the fact that MSCI, one of the world's leading ESG rating agencies, has raised Generali's rating to AAA, the highest possible rating, because of the excellence of our sustainability approach.

We are convinced that the crucial challenges of our time can only be faced and overcome through joint effort, and we consider partnerships a key tool for that. During the year, we announced a three-year agreement with UNDP, the United Nations Development Programme. We will work together to develop innovative solutions in the insurance sector to promote its role in achieving the United Nations Sustainable Development Goals. At the same time, we have continued our move towards a zero-emission economy within the Net-Zero Insurance Alliance, of which we are one of the eight founders, and the Net-Zero Asset Owner Alliance, of which we are active members.

Finally, working for the communities in which we are present remains a cornerstone of what our Group is and has represented for over 190 years. Five years after its creation, our foundation, The Human Safety Net, has already reached over 200 thousand people in 24 countries through its programmes, which aim to develop human potential in the most vulnerable contexts. And at the beginning of April, we opened the new home of The Human Safety Net in the unique setting of the Procuratie Vecchie in Piazza San Marco in Venice, which is open to the public for the first time in 500 years after a meticulous five-year restoration. This success story again testifies to Generali's remarkable ability to build its future thanks to its unique historical and cultural heritage.

In the same way, we will also respond to the challenges facing us in the months to come, bolstered by the passion and expertise of the 82 thousand colleagues and 161 thousand agents who every day represent our Group in 50 countries worldwide, and by the trust and support of our shareholders, whom we thank again for their continued support.

Andrea Sironi
Chairman

Philippe Donnet
Group CEO

WE, GENERALI

GROUP'S HIGHLIGHTS[1]

Glossary available at the end of this document

We are one of the largest global players in the insurance industry and asset management. With 82 thousand employees and 161 thousand agents serving 68 million customers, we have a leading position in Europe and a growing presence in Asia and Latin America.

GROSS WRITTEN PREMIUMS	€ 81,538 mln	+1.5%
OPERATING RESULT	€ 6,509 mln	+11.2%
NET RESULT	€ 2,912 mln	+2.3%
ADJUSTED NET RESULT[2]	€ 2,912 mln	+4.2%
PROPOSED DIVIDEND PER SHARE	€ 1.16	+8.4%
PROPOSED TOTAL DIVIDEND[3]	€ 1,790 mln	+5.8%
TOTAL ASSETS UNDER MANAGEMENT (AUM)	€ 618 mld	-12.9%
SOLVENCY RATIO	221%	-6 p.p.

LIFE

LIFE NET INFLOWS	€ 8,696 mln	-36.1%
NEW BUSINESS VALUE (NBV)	€ 2,478 mln	+4.2%
OPERATING RESULT	€ 3,522 mln	+25.1%

GROSS WRITTEN PREMIUMS € 52,902 MLN (-2.4%)

PROPERTY & CASUALTY (P&C)

GROSS WRITTEN PREMIUMS	€ 28,636 mln	+9.8%
COMBINED RATIO (COR)	93.2%	+2.4 p.p.
OPERATING RESULT	€ 2,696 mln	+1.7%

ASSET & WEALTH MANAGEMENT

OPERATING RESULT	€ 972 mln	-9.6%

HOLDING AND OTHER BUSINESSES

OPERATING RESULT	€ 202 mln	+28.9%

Our financial performance, p. 101

Share performance, p. 144 for further information on the dividend

1. All changes in this Report were calculated on 2021, unless otherwise reported. Changes in premiums, Life net inflows and new business were on equivalent terms, i.e. at constant exchange rates and consolidation scope; as a result, the contribution from the Cattolica group was neutralised in the calculation for changes on equivalent terms. Changes in operating result, general account investments and Life technical provisions excluded any assets under disposal or disposed of during the same period of comparison; as a result, they considered the contribution from the Cattolica group in percentage changes.
The non-financial indicators in the NFS referred to consolidated line-by-line companies, unless otherwise reported in the chapters dedicated to them.
2. The adjusted net result - defined as the net result without the impact of gains and losses related to acquisitions and disposals - coincided with the result of the period at 31 December 2022 and increased by 4.2%. In 2021, it was € 2,795 million, excluding € 52 million relating to the acquisition of the control of the Cattolica group and to related extraordinary costs.
3. The proposed total dividend takes into account all the transactions resolved by the Board of Directors up to 13 March 2023 or carried out on the share capital up to the same date, and excludes the own shares held by the Company.

NFS

RESPONSIBLE INVESTOR

CARBON FOOTPRINT OF INVESTMENT PORTFOLIO (EVIC)[4]

100 tCO_2e/€ mln — -45.1% vs 2019 (baseline)

NEW GREEN AND SUSTAINABLE INVESTMENTS (2021-2022)

€ 5,727 mln

FENICE 190 (2020-2022)

€ 2,080 mln

RESPONSIBLE INSURER

PREMIUMS FROM INSURANCE SOLUTIONS WITH ESG COMPONENTS[5]

€ 19,868 mln — +11.7%

RELATIONSHIP NPS

18.2 — +4

RESPONSIBLE EMPLOYER

WOMEN IN STRATEGIC POSITIONS

30%

UPSKILLED EMPLOYEES

35%

ENTITIES WORKING HYBRID

100%

ENGAGEMENT RATE

84% — +1 p.p.

GHG EMISSIONS FROM GROUP OPERATIONS (SCOPE 1 AND SCOPE 2)

55,804 tCO_2e — -21.6% vs 2019 (baseline)

RESPONSIBLE CITIZEN

The Human Safety Net

ACTIVE COUNTRIES

24 — +4.4%

ACTIVE PARTNERS

77 — +26.2%

Our strategy, p. 40

4. The indicator refers to the carbon footprint of direct general account investment portfolio of the Group's insurance companies in listed equities and corporate bonds, in terms of carbon intensity (EVIC).
5. Generali confirms its commitment to be transparent on virtuous behavior of its customers. Noted the evolution of the regulatory context on sustainability, it decided to chanhe the name of the indicator from *premiums from sustainable insurance solutions* - as previously communicated to the market - to *premiums from insurance solutions with ESG components*.

2022 KEY FACTS

JAN 22

On 13 January, the director Francesco Gaetano Caltagirone, Deputy Vice-Chairman, non-independent director and member of the Appointments and Remuneration; Corporate Governance, Social and Environmental Sustainability; Investments; and Strategic Operations Committees, announced his resignation from the Board of Directors of Assicurazioni Generali.

On 16 January, the director Romolo Bardin, independent director and member of the Appointments and Remuneration; Investments; Strategic Operations; and Related Party Transactions Committees, announced his resignation from the Board.

NFS

Generali was awarded by Assosef (European Association for Sustainability and Financial Services) during the 15th edition of Green Globe Banking 2030 - Grand Prize for Sustainable Growth - Financial Services for SDGs, an annual event recognising the contribution of banks, insurers and financial institutions to achieve the goals of the United Nations' 2030 Agenda for sustainable development. The Assosef Scientific Committee awarded Generali for its "integrated approach to financial and non-financial information" and because it "has identified the material mega trends on which to focus the Group's strategic initiatives with the aim of engaging all business units and corporate functions, with particular reference to climate change, ageing population, pandemics, and extreme events." In addition, they highlighted "the commitment of Generali in promoting the objectives of enhancing the relationship with retail customers, on the one hand, with a significant increase in premiums from environmental products, and on the other, through the development of digital tools".

On 25 January, the director Sabrina Pucci, independent director and member of the Remuneration and Appointments and Risk and Control Committees, announced her resignation from the Board.

On 27 January, the companies of the Caltagirone group exercised their right of withdrawal from the Shareholders' Agreement, that was initially stipulated with Delfin S.à.r.l. and that Fondazione CRT later entered, with immediate effect and for the total shares held and previously under the Agreement. Therefore, the Agreement binds Delfin S.à.r.l. and Fondazione CRT, helding together an overall number of shares equal to 8.331% of the share capital of Assicurazioni Generali.

FEB 22

Assicurazioni Generali decided to submit a request to IVASS, the Italian insurance regulator, to establish whether the overall stake acquired by the Caltagirone Group, Fondazione CRT and Delfin S.à.r.l. (equal to 16.309% of the share capital as of the last official communication) is subject to prior authorisation, in accordance with the legislation for the insurance sector regarding coordinated purchases of qualified shareholdings that exceed 10% of shares. It also decided to submit a request to Consob, the Italian markets regulator, as to whether these purchases are subject to obligations such as the disclosure of future intentions in accordance with current legislation for shareholders and consortia holding in excess of 10% of the share capital, and if the rules regarding the disclosure of relevant information to the market have been respected.

The Board of Directors of Assicurazioni Generali approved changes to the membership of the Board Committees, also following the resignation of Paolo Di Benedetto from the Related Party Transactions Committee.

The Board of Directors of Assicurazioni Generali took note of the decision of the Chairman Gabriele Galateri di Genola to withdraw his name from consideration for the upcoming Board renewal.

The Board of Directors of Assicurazioni Generali approved the Guidance for the shareholders on the dimensions and composition of the Board of Directors for the three-year period 2022-2024.

www.generali.com/info/download-center/governance/assemblee/2022 for further details

The Board of Directors of Assicurazioni Generali announced the co-optation of Alessia Falsarone, Andrea Sironi and Luisa Torchia as members of the Board and verified the suitability of the new members with the professional, reputational and independence requirements set forth for listed insurance companies by the applicable provision of law and by the Corporate Governance Code. At 28 February, the new members held no shares in Assicurazioni Generali.
Andrea Sironi will be put forward as the Board's candidate for Chairman in the list for the upcoming renewal of the Board of Directors.

Our governance and remuneration policy, p. 88

MAR 22

Since the start of the war in Ukraine, Generali has been closely monitoring the situation and implications for operations and financial markets. As a result, it announced the closing of its Moscow representative office and the wind-down of Europ Assistance business in Russia in 2022, and it resigned from positions held on the Board of the Russian insurer Ingosstrakh, in which it holds a minority investment stake of 38.5% and on whose operations it therefore has no influence. Generali's minor exposure to the Russian market in terms of investments and insurance business is also under constant evaluation and fully compliant with all applicable sanctions.
The Group also donated € 3 million to support refugee programmes, including a donation to UNHCR, which is currently at the forefront of the humanitarian response in Ukraine. An employee donation campaign was launched, with donations matched 1:1 by Generali, which was given to UNICEF in support of the work that it will carry out to help impacted families.

NFS

Our strategy, Responsible citizen, p. 80

The Board of Directors of Assicurazioni Generali approved the following Reports: Annual Integrated Report and Consolidated Financial Statements, the Parent Company Financial Statements Proposal and the Corporate Governance and Share Ownership Report at 31 December 2021 and the Report on Remuneration Policy and Payments. The Board also approved a capital increase of € 5,524,562 to implement the Long-Term Incentive Plan 2019-2021, having ascertained the occurrence of the conditions on which it was based. Lastly, the Board resolved to submit to the approval of the Shareholders' Meeting both the proposal of the Long-Term Incentive Plan 2022-2024, supported by a buyback program for the purposes of the plan, and the proposal of the new share plan for the Group's employees, providing the opportunity to purchase at favourable conditions Company ordinary shares arising from a buy-back program for the purposes of the plan.

The Board of Directors of Assicurazioni Generali approved the composition of its list of candidates to be submitted at the Shareholders' Meeting for the renewal of the Board, mandated to cover the period until the approval of the financial results as of 31 December 2024. The list of candidates will position Generali above the European average[6] in terms of independence and gender balance. It will also bring the average age of Board members below the European average. A large majority of the candidates also have significant senior management experience from previous roles in international companies. The list was composed in order to balance the continuity between the expertise from previous Board mandates together with new skills and perspectives from the new candidates. In addition, a significant majority of candidates hold experience in ESG and strategy.

On 28 March the Board of Directors of Assicurazioni Generali took the decision to terminate the employment of Mr. Luciano Cirinà with immediate effect. Mr. Cirinà was previously suspended from his role as the Austria & CEE Regional Officer on 23 March.

Following the agreement signed in January 2022, Generali completed the acquisition of the entire stake (around 16%) held by Industrial Investment Trust Limited (IITL) in Future Generali India Life (FGIL) and the subscription of additional shares in FGIL, following receipt of all necessary approvals from the relevant regulatory and competition authorities. Generali now holds a stake of around 68% in FGIL, which may increase further to 71% by the end of 2022, following further subscription of shares by Generali. The deal is fully in line with the *Lifetime Partner 24: Driving Growth* strategy, strengthening Generali's position in fast-growing markets and confirms the Group's commitment to deliver profitable growth whilst creating value for customers.

APR 22

Generali opened Procuratie Vecchie on Saint Mark's Square in Venice to the public, after an extensive five-year recovery work. This building becomes the home of the initiative The Human Safety Net and will be a place for exchanging ideas and dialogue to overcome the major social challenges of today's world as well as to inspire visitors to take action to unleash the potential of people living in vulnerable conditions.
Generali also signed an ambitious multi-year agreement with the United Nations Development Programme (UNDP) to work together to accelerate the delivery of the Sustainable Development Goals, focusing on designing innovative, insurance-related solutions.

NFS

Our strategy, Responsible citizen, p. 80

The first educational initiative of the Data Science & Artificial Intelligence Institute, created by Assicurazioni Generali and Friuli-Venezia Giulia research entities, was launched for the development of the Business Translator. It is an innovative profession that will act as a bridge between business and data science as well as being an enabler of the use of advanced analytics and artificial intelligence in order to improve business performances and results.

NFS

6. Corporate Governance Workshop 2021. The European House - Ambrosetti.

NFS

Generali, in line with market best practice, published on its website its first Tax Transparency Report, which provides an overview of the Group's commitment to its tax responsibilities.
Considering comprehensive tax reporting as an enabling factor in its approach to taxation, Generali has always promptly supported OECD initiatives to promote tax transparency, submitting its Country-by-Country Report to the Italian Tax Authority since the reporting year 2016.

Our rules for running business with integrity, p. 84

On 14 April, the share capital of Assicurazioni Generali, fully subscribed and paid up, increased to € 1,586,593,803 in execution of the Long Term Incentive Plan 2019-2021, adopted by the Shareholders' Meeting in 2019.

The Shareholders' Meeting – in occasion of which Generali launched the initiative *Un albero per Azionista* (A tree for a Shareholder) supporting a reforestation project in Italy – approved the Parent Company Financial Statements at 31 December 2021, announcing the distribution to the shareholders of a dividend of € 1.07 per share, and the Report on remuneration policy, expressing a favourable consultative vote on the Report on remuneration payments. After setting the size of the Board at 13 members, a new Board of Directors has also been elected to hold office for three financial years, that is, until approval of the financial statements for the year 2024, and its remuneration has been determined.
The Shareholders' Meeting approved the share buyback programme for the purpose of cancelling own shares as part of the implementation of the 2022-2024 strategic plan, for a maximum total disbursement of € 500 million and for a maximum number of shares corresponding to 3% of the Company's share capital. The aim of the programme is to make use of excess liquid funds accumulated during the three years 2019-2021 and not used for the purpose of capital redeployment and to provide shareholders with remuneration in addition to the distribution of dividends.
The Shareholders' Meeting has also approved the Group's Long Term Incentive Plan (LTIP) 2022-2024, authorising the purchase and disposal of a maximum number of 10 million and 500 thousand treasury shares to serve the 2022-2024 LTIP and the Share Plan for Generali Group employees, authorising the purchase and disposal of a maximum number of 9 million of treasury shares to serve the plan.
The Shareholders' Meeting approved the proposals relating to the amendment of the Articles of Association.

MAY 22

The Board of Directors of Assicurazioni Generali resolved on the assignment of corporate offices for the three-year period 2022-2024, electing Andrea Sironi as Chair and Philippe Donnet as Managing Director and Group CEO, with the confirmation of the previous delegations of powers and the role of director in charge of the internal control and risk management system. At a future meeting, the Board will establish the Board Committees and appoint their members. The Board of Directors has also resolved on the new administrative body for The Generali Human Safety Net Foundation ONLUS.

Following the agreement signed in January 2022, Generali completed the acquisition from Future Enterprises Limited of 25% of the shares of Future Generali India Insurance (FGII), following receipt of all necessary approvals from the relevant regulatory and competition authorities, thus holding a stake of around 74% in FGII. The deal is fully in line with the *Lifetime Partner 24: Driving Growth* strategy, strengthening Generali's position in fast-growing markets and confirms the Group's commitment to deliver profitable growth whilst creating value for stakeholders. Generali is the first player among international insurers to step-up to a majority stake in both its Indian insurance joint venture companies since the new foreign ownership cap came into effect.

Moody's upgraded Generali's Insurer Financial Strength (IFS) rating to A3 from Baa1. At the same time it upgraded Generali's debt ratings by one notch: senior unsecured debt to Baa1 from Baa2; senior subordinated debt to Baa2(hyb)/Baa2 from Baa3(hyb)/Baa3; junior subordinated debt to Baa3(hyb) from Ba1(hyb), preferred stock to Baa3(hyb) from Ba1(hyb). The outlook remains stable and the upgrade reflects the Group's improved credit profile and the expectation that the Group's diversification in revenues, earnings, and assets beyond Italy enables Generali to withstand potential severe Italian sovereign stress scenarios. Moody's also said that Generali has made strong progress in improving its liability risk profile, particularly in the life book and has successfully shifted its business to less interest rate sensitive products (unit-linked and protection).

The Board of Directors of Assicurazioni Generali resolved to establish the Board Committees and appoint their members, also ascertaining their compliance with the requirements of good standing, professionalism and independence set by the Italian laws for insurance companies. The Directors Marina Brogi, Francesco Gaetano Caltagirone and Flavio Cattaneo renounced, at that time, to be part of the Board Committees, requesting the establishment of a Board Committee for the prior assessment of strategic transactions. The Board of Directors instructed the Appointments and Governance Committee to prepare a proposal in light of the request, considering the benchmark from market best practice.

The Board of Directors of Assicurazioni Generali approved the Financial Information at 31 March 2022.

Generali completed the transaction for the purchase of ordinary shares of Società Cattolica di Assicurazioni S.p.A. through a reverse accelerated book-building procedure addressed exclusively to Italian qualified investors and foreign institutional investors, becoming holder of 91.506% of Cattolica's share capital and exceeding the participation threshold of 90%. Consequently, Generali disclosed that it does not intend to proceed with the restoration of a free float sufficient to ensure the regular trading of Cattolica's ordinary shares and started the procedure for the fulfilment of the obligation to purchase on the ordinary shares of Cattolica.

The 2021 dividend payout on the shares of Assicurazioni Generali, equal to € 1.07, was distributed.

On 27 May, the non-independent director Francesco Gaetano Caltagirone announced his resignation from the Board of Directors with immediate effect.

Generali exercised the early redemption option in respect of all outstanding subordinated notes due July 2042 and related to ISIN XS0802638642 for the current outstanding principal amount equal to € 301.6 million. The early redemption was approved by Istituto per la Vigilanza sulle Assicurazioni (IVASS) and took place on 10 July 2022 in accordance with the relevant terms and conditions.

JUN 22

The Board of Directors of Assicurazioni Generali examined the proposal of the Appointments and Corporate Governance Committee to proceed with the appointment by co-optation of Roberta Neri - the first unelected candidate in the list presented by the shareholder VM 2006 S.r.l. at the Shareholders' Meeting held on 29 April - to replace Francesco Gaetano Caltagirone, in line with the Company's Articles of Association. Following a vote by the Board of Directors, the candidate declined to accept the position. As a result, the Board of Directors has instructed the aforementioned Committee to propose a new candidate following the procedure described by the Company's Articles of Association. Furthermore, the Board of Directors has redefined the Board Committees and assigned the Investment Committee the task, inter alia, to instruct investment and divestment operations, for which ultimate responsibility lies with the Board, as well as merger and acquisitions, alliances and strategic partnerships, also through the creation of joint ventures, with a minimum value of € 250 million. The directors Marina Brogi and Flavio Cattaneo, elected from the list submitted by VM 2006 S.r.l., declared their availability to be part of the Board Committees starting from the date on which the Board will co-opt its new member, also depending on the competencies of the new director.

The Board of Directors of Assicurazioni Generali approved, as proposed by the Group CEO, Philippe Donnet, the new Group organizational structure that will be effective as of 1 September 2022. This new organizational structure, which builds on the strength of the Group's pool of talent, is designed to fully support the priorities of the strategic plan *Lifetime Partner 24: Driving Growth*. Its main objectives are to reinforce the role of steering and coordination of the Group Head Office towards all the business units; enhance the levers aimed at achieving the operational efficiency targets of the plan and accelerate the digital transformation of the Group; further embed sustainability into the core business, through the implementation of the Group's ESG strategy in investments and products and enriching the culture of sustainability within the Group; redefine the organizational and geographical oversight of markets and multi-country lines of business to facilitate coordination and operating synergies.

Based on the results of the KPIs achieved as of 31 December 2021 for EPS Growth and as of 20 June 2022 for TSR (Total Shareholders Return) and having verified that all the additional conditions set forth under the plan related to the 2019-2021 mandate of the Group CEO, approved by the Shareholders' Meeting on 30 April 2020, are met, the Board of Directors resolved - by way of implementation of the Plan - a capital increase for the purpose of granting Philippe Donnet 50% of the shares under the Plan, including the additional shares calculated based on the amount of the overall dividends distributed during the three-year performance period according to the so-called dividend equivalent mechanism. 50% of the shares granted will be subject to a lock up period for one year from the grant. After two years from the granting of the shares of the this shares and upon the assessment of the other conditions set forth in the Plan, the remaining 50% of the shares may be granted, the 50% of which will be subject to a lock up period for one year from the grant.

NFS

Generali concluded the placement of a new Euro denominated Tier 2 bond due in July 2032, amounting to € 500 million, issued in green format in accordance with its Sustainability Bond Framework. It is the third green bond of Generali. This transaction confirms Generali's commitment on sustainability matters: an amount corresponding to the net proceeds from the notes will be used to finance/refinance Eligible Green Projects. The notes attracted an order book of € 1.05 billion from 116 highly diversified international institutional investors, including a significant representation of funds with Sustainable/SRI mandates.

Our rules for running business with integrity, p. 83

JUL 22

Generali completed the acquisition of La Médicale from Crédit Agricole Assurances, with which it had signed an agreement in February 2022 following the exclusive negotiation announced in November 2021, as well as the purchase from Predica[7] of the death coverage portfolio marketed and managed by La Médicale following all necessary approvals from the relevant regulatory and competition authorities. This acquisition is part of Generali's strategy to strengthen its distribution through agents and to consolidate its position in the professionals market by acquiring a specific network of independent health professionals.

Generali anticipated the key findings from a survey of over 1,000 European Small and Medium Enterprises (SMEs) carried out by SDA Bocconi. The full results of the survey will be shared in October at the second edition of SME EnterPRIZE, Generali's flagship project designed to inspire SMEs to develop sustainable business models and stimulating public debate on the topic while recognising entrepreneurs that can become an inspirational model for others to follow.

Our strategy, Responsible insurer, p. 70

NFS

With reference to the procedure for the fulfilment of the obligation to purchase on the ordinary shares of Società Cattolica di Assicurazione S.p.A. as a result of the exceeding by Assicurazioni Generali of the threshold of 90%, Consob:

- determined the consideration in € 6.75 for each share of Cattolica tendered in the procedure, with a total maximum amount equal to € 84,693,168, which will be paid by Assicurazioni Generali, in case all of the shares of Cattolica subject to the procedure are tendered;
- approved the information document drawn up and filed by Assicurazioni Generali in June. The information document was then published on the websites of Cattolica, of Assicurazioni Generali and the global information agent of the procedure.

On 14 July, the share capital of Assicurazioni Generali increased to € 1,586,833,696 in execution of the co-investment share plan related to the 2019-2021 mandate for the Managing Director and Group CEO, approved by the Shareholders' Meeting in 2020.

On 15 July, the Board of Directors of Assicurazioni Generali announced the co-optation by majority of Stefano Marsaglia as a member of the Board, following the resignation of Francesco Gaetano Caltagirone.

On 25 July, the shareholder VM 2006 S.r.l. filed before the Court of Trieste a complaint against the resolution of the ordinary Shareholders' Meeting held on 29 April relating to the appointment of the Board of Directors. The Company confirms the full validity of the appointment of the Board in office which is operating in the interest of all the stakeholders. On 19 July, the Court of Trieste had rejected the request filed by VM 2006 S.r.l. for the appointment of a special curator for the Company, having ascertained the absence of conflict of interests between the Company and its representative corporate bodies.

AUG 22

Assicurazioni Generali started a share buyback, implementing the resolution of the Shareholders' Meeting of 29 April 2022, that has authorised the purchase and disposal, for the purposes of cancellation and in one or more transactions, for a total disbursement of up to € 500 million and for a maximum number of shares representing 3% of the Company's share capital, until 29 October 2023. The buyback programme is part of the *Lifetime Partner 24: Driving Growth* strategic plan in relation to capital management policy and its aim is to make use of excess liquid funds accumulated during the three years 2019-2021 and not used for the purpose of capital redeployment as well as to provide shareholders with remuneration in addition to the distribution of dividends. The purchase and disposal of treasury shares was instrumental to the cancellation, which may be in multiple stages, of said shares without reducing the share capital.

The Assicurazioni Generali Board of Directors approved the Consolidated Half-Yearly Financial Report at 30 June 2022.

The Assicurazioni Generali Board of Directors agreed on the integration of the Board Committees.

In compliance with the request of Consob, Assicurazioni Generali disclosed its considerations on the decision taken by the Board of Directors on 15 July 2022 about the co-optation of Stefano Marsaglia.

Moody's confirmed Generali's Insurer Financial Strength (IFS) rating at A3 with a stable outlook. The rating action follows the rating agency's change in outlook on the government of Italy (Baa3) to negative from stable. The confirmation reflects the strong geographical diversification of the Group, as well as continued improvements in its financial profile. Moody's also said that the IFS rating of Generali remains above the sovereign rating, reflecting its ability to withstand severe stress on the sovereign.

7. It is a life insurance company, wholly owned by Crédit Agricole Assurances.

Considering the achievement of the threshold of 95%, Assicurazioni Generali exercised the right to purchase the outstanding ordinary shares of Cattolica, thus holding 95.112% of the share capital of Cattolica on 12 July and 97.36% on 3 August. Assicurazioni Generali also complied with the obligation to purchase remaining outstanding ordinary shares of Cattolica (equal to 2.64%), carrying out a joint procedure agreed with Consob and Borsa Italiana.
In order to execute said procedure, Assicurazioni Generali provided the related communications on 12 August. This resulted in the transfer of ownership of the remaining shares of Cattolica to Assicurazioni Generali and in the revocation from listing shares of Cattolica, resolved by Borsa Italiana.

Generali completed the acquisition of the majority stakes in the AXA-Affin joint ventures in Malaysia, therefore becoming a top-tier P&C insurer player in the country, in line with its strategy to strengthen its leadership position in high potential markets. Generali has acquired a 70% stake in the AXA Affin Life Insurance joint venture, named Generali Life Insurance Malaysia Berhad in March 2023 (49% from AXA and 21% from Affin) and an approximate 53% stake in the AXA Affin General Insurance joint venture, named Generali Insurance Malaysia Berhad in March 2023 (49.99% from AXA and 3% from Affin). The Group has also increased its current 49% stake in MPI Generali Insurans Berhad to 100%, acquiring the shares held by its Malaysian joint venture partner, Multi-Purpose Capital Holdings Berhad (MPHB Capital). Generali plans to integrate the businesses of MPI Generali and AXA Affin Generali Insurance and on completion will hold 70% of the combined business. Affin Bank will hold 30% of both the Life and P&C insurance businesses. The acquisitions position Generali as one of the leading insurers in the Malaysian market and allow Generali to access the country's Life insurance segment. Generali has also entered into an exclusive bancassurance agreement with Affin Bank for the sale of conventional P&C and Life insurance segments.

SEP 22

In the 2022 edition of the All-Europe Executive Team annual ranking by Institutional Investor, the specialist magazine and independent research company in the field of international finance, Generali Group CEO, Philippe Donnet, was named the Best CEO in the insurance sector and Group CFO, Cristiano Borean, was awarded the first place as Best CFO.
The Investor & Rating Agency Relations team ranked first in the Best IR Team, Best IR Professionals, Best IR Program and Best IR Event categories. Generali was also awarded first position in the Best ESG and Best Company Board categories.

Fitch confirmed Generali's Insurer Financial Strength (IFS) rating at A with a positive outlook. The agency has also confirmed Generali's Long-Term Issuer Default Rating (IDR) at A-.

NFS

The best agent in 2022 from the Group's global network was elected at the Generali's fourth Global Agent Excellence Contest at Procuratie Vecchie of Venice. The agents were assessed on key criteria - digitalisation, customer contact, production and customer retention - which are at the heart of Generali's Lifetime Partner ambition. There was also recognition for agents who have promoted the activities of Generali's The Human Safety Net Foundation, including fundraising to support vulnerable families and the integration of refugees through work.

OCT 22

On 12 October, the shareholder VM 2006 S.r.l. filed before the Court of Trieste a complaint against the resolution adopted by the Board of Directors on 15 July, which approved the co-optation of Stefano Marsaglia as replacement of the resigned director Francesco Gaetano Caltagirone. The Company confirms the full validity of the appointment of the director Stefano Marsaglia, also highlighting that the challenged resolution is the result of a decision-making process in full compliance with the Law and the By-Laws.

NFS

The Italian Ministry of Foreign Affairs and International Cooperation and the United Nations Development Programme (UNDP), in partnership with Generali and The Human Safety Net Foundation, presented the 2021/2022 edition of the Human Development Report (HDR), *Uncertain Times, Unsettled Lives: Shaping our Future in a Transforming World* in Europe. The presentation of the Human Development Report, which aims to turn the new uncertainties from challenges into opportunity, with the ambition to focus on human development in order to unleash creative and cooperative capacities, was held in Venice at Generali's Procuratie Vecchie, the home of The Human Safety Net. This choice comes in the wake of the partnership between UNDP's flagship initiative, the Insurance and Risk Finance Facility, and Generali, launched in April 2022.

NFS

The second edition of Generali's SME EnterPRIZE, a flagship initiative designed to promote a culture of sustainability among European SMEs, was brought to a close in Brussels after a one yearlong search for Europe's most sustainable SMEs.

Our strategy, Responsible insurer, p. 70

Assicurazioni Generali, with the approval of Istituto per la Vigilanza sulle Assicurazioni (IVASS), exercised the early redemption option (call date 12 December 2022) in respect of all outstanding subordinated notes due December 2042.

NOV 22

Generali reached a long-term agreement in Portugal, with renewable five-year exclusivity periods, for the distribution of Life and P&C policies. The partnership is reinforced by the acquisition of a stake in Banco CTT by Generali, through a € 25 million reserved capital increase. Generali will become a shareholder of the institution with an approximate 8.71% stake. This transaction will be completed after approval by the relevant regulators.

The Board of Directors of Assicurazioni Generali approved the Financial Information at 30 September 2022.

DEC 22

The share buyback for the purposes of cancelling own shares, started in August in implementation of the resolution of the Shareholders' Meeting of 29 April 2022, has been completed. Overall treasury shares equal to 2.5% of the share capital of Assicurazioni Generali have been purchased.

NFS

MSCI upgraded the ESG rating of Assicurazioni Generali from AA to AAA. The assessment found that the Group adopts industry best practices to mitigate climate related risks in underwriting, modelling, and products related to climate change adaption and mitigation. MSCI also cited Generali's leadership among its sector on social issues, including privacy and data security, human capital management, and responsible investment. It moreover recognised Generali's leadership in corporate governance among peers, underlining its majority independent board, independent chair, split roles between chair and CEO, and gender balance in the Board of Directors as an aid to strong management oversight and alignment with investor interests.

Our strategy, p. 40

Our governance and remuneration policy, p. 88

Generali Group updated the financial community on the implementation and expected impact of the new IFRS 17 and IFRS 9 accounting standards. The Group also provided an update on the integration of Cattolica, showing higher synergies than originally expected at the launch of the public tender offer.
The new accounting standards will significantly improve the visibility and predictability of profits in Generali's Life business, while having no impact on cash and capital generation, net holding cash flow, dividends or Solvency. Generali expects its shareholders equity to be broadly stable compared to the level at year end 2021. The Contractual Service Margin (CSM) - the insurance liability representing the present value of future profits - is expected to be around € 33 billion at transition, reflecting the profitability of the Life in-force book. Finally, Generali expects its Group operating result to remain broadly stable.

AM Best confirmed Generali's Financial Strength Rating (FSR) of A and the Long-Term Issuer Credit Rating (Long-Term ICR) of A+. Additionally, AM Best has confirmed the long-term issue credit ratings (Long-Term IRs) of debt instruments issued or guaranteed by Generali. The outlook is stable. The ratings reflect Generali's balance sheet strength as well as its strong operating performance, very favourable business profile and appropriate enterprise risk management.

SIGNIFICANT EVENTS AFTER 31 DECEMBER 2022 AND 2023 CORPORATE EVENT CALENDAR

JAN 23

Assicurazioni Generali started a share buyback for the purposes of the Group Long Term Incentive Plan (LTI Plan 2022-2024) approved by the Shareholders' Meeting of 29 April 2022 as well as of all remuneration and incentive plans approved by the Shareholders' Meeting and still under execution. The buyback transaction has as its object the purchase of a maximum number of treasury shares equal to 10 million and 500 thousand and the disposition of the same - jointly with those previously repurchased - within the framework of the aforementioned plans. The authorisation has a term of 18 months from the date of the Shareholders' Meeting, while the authorisation to dispose of treasury shares under the Plans was granted without any time limits. The repurchase started on 20 January 2023 and will end by March 2023. The minimum purchase price of the shares may not be lower than the implicit par value of the share, currently equal to € 1, while the maximum purchase price may not exceed 5% of the reference price recorded by the share during the stock exchange session on the day prior to the completion of each individual purchase transaction, and in any case for a total maximum countervalue of no more than € 210 million.

FEB 23

NFS

Generali is searching for the most innovative insurtech start-ups through an international contest at the upcoming Insurtech Insights, the conference that every year brings together industry executives, entrepreneurs, and investors to debate around technology trends impacting the insurance sector, as well as connect industry leaders and decision makers with innovative start-ups to create mutual business opportunities and accelerate growth. Winners of the competition will have the chance to develop a pilot with Generali.
Generali is also among the nominees for the Ambitious Insurer Awards, which recognise the most ambitious and innovative projects in the sector, with two projects: *bAlby: The AI-based Baby Cry Translator*, using Artificial Intelligence to translate the cries of infants between 0-6 months in order to provide indications to parents on the five basic needs of their children, and *Innovation Champions*, the programme to build a global network of innovation experts promoting learning opportunities, knowledge sharing, and the scaling-up of ideas, in order to steer and deliver innovation across the Group.

MAR 23

NFS

The Foreign Policy Association presented Generali Group CEO Philippe Donnet with the *Corporate Social Responsibility Award*, celebrating his commitment to sustainability, which is at the heart of the Group's strategy. This award is presented to individuals and companies who are committed to good corporate citizenship in the communities they serve.

Generali completed the share buyback for the purposes of the Group Long Term Incentive Plan (LTI Plan 2022-2024) as well as the Group's incentive and remuneration plans under execution. The weighted average purchase price of the shares, equal to 10 million and 500 thousand, was € 18.16. At 10 March 2023, Generali and its subsidiaries then held 50,161,243 treasury shares, representing 3.16% of the share capital.

13 March 2023. Board of Directors: approval of the Annual Integrated Report and Consolidated Financial Statements, the Parent Company Financial Statements Proposal and the Corporate Governance and Share Ownership Report at 31 December 2022 and the Report on Remuneration Policy and Payments
14 March 2023. Release of the results at 31 December 2022

APR 23

28 April 2023. Shareholders' Meeting: approval of the Parent Company Financial Statements at 31 December 2022

MAY 23

24 May 2023. Dividend payout on the share of Assicurazioni Generali
24 May 2023. Board of Directors: approval of the Financial Information at 31 March 2023
25 May 2023. Release of the results at 31 March 2023

AUG 23

9 August 2023. Board of Directors: approval of the Consolidated Half-Yearly Financial Report at 30 June 2023
9 August 2023. Release of the results at 30 June 2023

NOV 23

16 November 2023. Board of Directors: approval of the Financial Information at 30 September 2023
17 November 2023. Release of the results at 30 September 2023

NFS

THE VALUE CREATION PROCESS

In a global context characterized by countless challenges, we are committed to leveraging our capitals - classified according to *International <IR> Framework* principles - by leveraging our solid and resilient business model. We create value over the time for all our stakeholders, in order to guarantee a safer and sustainable future.

FINANCIAL CAPITAL
HUMAN CAPITAL
SOCIAL AND RELATIONSHIP CAPITAL
INTELLECTUAL CAPITAL
MANUFACTURED CAPITAL
NATURAL CAPITAL

Glossary available at the end of this document

OUR PURPOSE

Our purpose is the reason why we exist and it inspires us. We have always driven our efforts with the intention to improve people's lives. In an increasingly complex world, our ability to care and help people by offering innovative, personalized solutions will enable them to take decisions and shape a safer future for themselves, their loved ones, their business.
We have defined our values and behaviours. Values describe what is important for us and we stick to them. Behaviours describe how we want to manage our business every day; they are what makes us different. They are our commitment, as a community and as individuals. They are the way we want to measure how we achieve results.

www.generali.com/it/who-we-are/our-culture

OUR STRATEGY

Our strategy sets out a clear vision for the Group in 2024 and is built on three pillars: drive sustainable growth, enhance earnings profile, and lead innovation. We will go further in our sustainability commitments, with a continued focus on making a positive social, environmental and stakeholder impact. We will continue to invest in our people to ensure they are engaged with the successful delivery of the new plan while fostering a sustainable work environment..

Our strategy, p. 40

OUR GOVERNANCE

We believe that our is adequate for effectively pursuing our strategy and the sustainable success of the Company.

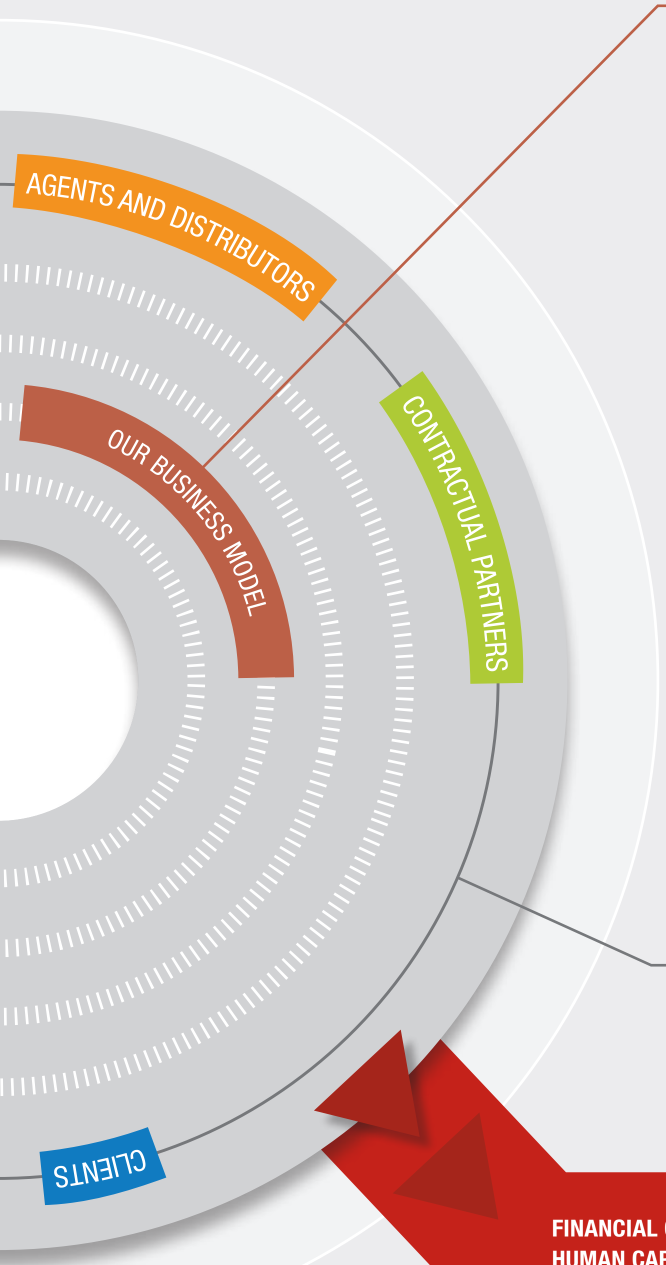
Our governance and remuneration policy, p. 88

NFS

EXTERNAL CONTEXT

The industry in which we operate is at the crossroads of some of the great contemporary issues: geopolitical and financial instability; digital revolution and cyber security; climate change; ageing and new welfare; pandemics and extreme events. These challenges can be opportunities to offer our customers new and increasingly customised protection models.

Challenges and opportunities of the market context, p. 24



OUR BUSINESS MODEL

We develop simple, integrated, customized and competitive Life and Property&Casualty insurance solutions for our customers: the offer ranges from savings, individual and family protection policies, unit-linked policies, as well as motor third-party liability (MTPL), home, accident and health policies, to sophisticated coverage for commercial and industrial risks and tailored plans for multinational companies. We expand our offer to asset management solutions addressed to institutional (such as pension funds and foundations) and retail third-party customers. We rely on innovation as a key driver for future growth to allow for tailored solutions and quicker product development. We also offer solutions with ESG components. Rigorous criteria for the risk selection are applied in the underwriting process.

We distribute our products and we offer our services based on a multi-channel strategy, while also relying on new technologies: not only through a global network of agents and financial advisors, but also through brokers, bancassurance and direct channels that allow customers to obtain information on alternative products, compare options for the desired product, acquire the preferred product and rely on excellent after-sales service and experience.
Proprietary networks are a key and valuable asset for our business model. Their role is to regularly dialogue with and assist customers at their best, striving for customer experience excellence and promoting the Generali brand.

We receive premiums from our customers to enter into insurance contracts. They are responsibly invested in high quality assets, with a particular attention to the impact that such assets may have on the environment and society.

We pay claims and benefits to our policyholders or their beneficiaries after death, accidents or the occurrence of the insured event. The payment is guaranteed also through appropriate asset-liability management policies.

STAKEHOLDER

We engage several categories of stakeholders, both internal and external to the Group, in order to understand and meet their needs.

Notes to the Management Report, p. 184 for further information on stakeholders than indicated in the related chapters

FINANCIAL CAPITAL p. 101
HUMAN CAPITAL p. 72
SOCIAL AND RELATIONSHIP CAPITAL p. 45, 82
INTELLECTUAL CAPITAL p. 45, 88
MANUFACTURED CAPITAL p. 51, 83
NATURAL CAPITAL p. 78

CHALLENGES AND OPPORTUNITIES OF THE MARKET CONTEXT

NFS

We live in a constantly and rapidly changing world. We face unprecedented challenges. We take them into account with a view to sustaining our ability to create value over time.

We assess the risks for the Group and our stakeholders in a systematic way, while guaranteeing that they are adequately monitored. We manage our activities and seize the opportunities from the context.

Risk Report, p. 147 in the Annual Integrated Report and Consolidated Financial Statements 2022 for more detailed information on the risk management model and on the capital requirements

Geopolitical and financial instability

The year 2022 was characterized by the war in Ukraine as well as the tail end of the Covid-19 pandemic. The conflict sparked energy supply fears, exacerbating the price pressures that had already been felt following the post-Covid economic recovery. Rising inflation led to exacerbation of monetary policy.

In the Eurozone, the historical dependence on Russian gas, prior to the conflict between Russia and Ukraine, exposed the Old Continent to an element of vulnerability. The conflict contributed to an inflationary spike in 2022 (8.4%). This prompted the ECB to raise its benchmark deposit rate from 0% to 2% at the end of 2022. In this context, good GDP growth in 2022 (3.3%) is likely to decelerate in 2023 (1%).

The US economy was less impacted than Europe by rising energy prices, but still experienced significant monetary tightening (the Fed Funds rate increased from 0.25% to 4.5% by year-end 2022), following an upsurge in prices (8% inflation in 2022) also due to a stronger-than-expected labour market. The rate hikes caused corporate lending rates to rise, which could exert a negative impact on the US economic outlook. GDP expanded by 2% in 2022 and is expected to grow by 0.6% in 2023.

Financial markets were affected by geopolitical events, economic performance and economic policy responses and were characterized by heightened volatility, especially with regard to bonds. US and German 10-year yields rose in 2022 to the highest levels in a decade. Stock markets plunged 9% in Europe and 18% in the US in 2022, although they rebounded sharply in late 2022, with the recovery spilling over into the early months of 2023.

Our management

The Group's asset allocation strategy is still mostly guided by consistency between liability management and targets on return and solvency. The higher interest rates allowed to lock-in attractive yields both for government bonds with high rating, which are the main instruments used to pursue the matching of long term liabilities, and for the investments in corporate bonds. Geographical diversification and selective focus on private investments (private equity and private debt) and on real assets (real estate and/or infrastructure investments, both direct and indirect) continue to be important factors in current investment activities which aim to increase diversification and sustain current return; the multi-boutique Asset Management platform developed by the Group aims to enhance investment capacity in these market sectors.

NFS

ESG dimensions play a more and more relevant role in the process of investment allocation, specifically focusing on climatic change, backing companies that have a lower impact in terms of fossil emissions and that are focused on sustainable development, both environmental and social.

Our strategy, Responsible investor, p. 51

RISKS

We are exposed to market risks arising from the fluctuations in value investments and to credit risks linked to the risk of counterparties' non-fulfilment as well as to expansion of the credit spread. We are handling these risks by following principles

of sound and prudent management, in line with the Prudent Person Principle and with the Group Investment Governance Policy and risk guidelines. We measure financial and credit risks using the Group's Partial Internal Model, which offers us a better representation of our risk profile. We also assess the impacts of the macro-economic and financial scenarios deriving from the geopolitical context on the Group's solvency and liquidity position, considering different levels of severities.
We are also exposed to operational risks: pressure on supply chains and business interruptions, together with energy crisis leading to possible blackouts, increase risks related to business continuity and unavailability of facilities/utilities as well as business interruptions deriving from unavailability of the IT systems and the related critical infrastructure. To ensure business continuity, both internal and external operational resilience has to be guaranteed: the risk of business interruption can also derive from third parties management, in case of service failures by external providers (mainly linked to the increased use of cloud services), contract conditions not respected and relationship issues, as well as from unavailability of utilities services (e.g. electricity, water, internet outages) due to external events. This is why the formalization of a third party risk management Group framework is underway, with the aim to ensure effective management and integrated oversight of risks with underlying third parties and contracts. Even cyberattacks or crimes gained further relevance in light of the recent geopolitical tensions, targeting also essential services (such as energy suppliers) and leading to an increase of cyberattack events as well as a sophistication of the methods used.
The potential losses due to an unavailability of the IT infrastructure have been estimated in a specific scenario analysis, as well as for the cyberattack event. A peculiar scenario analysis has been performed also for the unavailability of utilities (electricity).

Digital revolution and cyber security

NFS

The rapid evolution and interaction of different technologies is bringing an equally intense growth in the sensitivity to ethical aspects and implications of the adoption of such technologies: on the one hand, Internet of Things (IoT), cloud services, cognitive computing, Advanced Analytics (AA), Smart Automation (SA), Artificial Intelligence (AI), Customer Relationship Management (CRM), digital tools, 5G and hyperconnected infrastructures may thoroughly renew products and operations, optimising efficiency and delivering personalisation for customers, agents and employees; on the other, side trustworthiness and fairness of these technologies and applications should always be driving the development and implementation roadmap.
We are surrounded by data, public, paid and context data, which, thanks to the increasing digitalisation of customer's interactions, the computational power available and the growing capabilities to generate meaningful and trustworthy insights, allow all businesses - including insurance - to transform their way of creating value and interacting into the so-called world of digital ecosystems, where the boundaries between different industries and players blur to provide customers with a relevant mix of innovative services and traditional products.
Technological evolution also involves exponential growth in cyber threats, such as attacks aimed at stealing information or blocking operational processes. Adequate management of this risk is therefore fundamental in order to limit potential effects of economic and operational nature but also to preserve, in particular, the confidence of customers in the processing of their data, which are frequently sensitive. The issue is also increasingly relevant for regulators which have in recent years introduced specific safety measures as well as reporting processes in the case of security incidents (for example, General Data Protection Regulation - GDPR, Network and Information Security Directive - NIS, Digital Operational Resilience Act - DORA).

Our management

Our digital ambition translates into our lust to provide our customers, agents and employees with a superior experience, transforming Generali into an agile, innovative, digital organization that leverages strategic and trustworthy usage of data. We want digital to accelerate the change in paradigm we have identified: for example, moving from a traditional world of insurance coverage, policy renewal upon expiry and reimbursement of any claim, to an innovative world where we offer tailor-made solutions, which integrate the insurance component, which remains central, to services with a high technological content of prevention and customer support.
We pursue responsible usage of data and algorithms to gain full digital trust from all our stakeholders, leading to a sustainable competitive advantage and a stronger Lifetime Partner relationship.
Our ambition is to become a truly innovation-led, digitally-enabled, data-driven and agile organization to our people, our agents and our customers. Our goals are to become Lifetime Partner to our customers; to support the digital transformation of the distribution network; to transform our operating model with a view of greater digitalization leveraging AI and automation.

NFS

To feed and accelerate our path to become true Lifetime Partners and digitize the operating model, we defined the new transformation strategy which relies on four transformation levers:
- Innovation;
- Digital and Ecosystems;
- IT Convergence;
- Data, Artificial Intelligence and Automation.

Our strategy, Lead innovation, p. 45

The digital path is enriched by a particular attention to convergence, a fundamental strategy for a Group with a global presence like ours. Convergence towards Group standards, common taxonomy, centers of excellence and selected solutions that we adopt in specific areas identified as priorities of the digital world. The goal we have set ourselves is to accelerate the so-called time to value, i.e. speed and flexibility in implementation, while respecting our Group organizational model.

With a view to continuous improvement and exploring new applications, we are continuing to find new opportunities into the insurance business, leveraging innovative technologies and platforms that allow to enable digital ecosystems, both within the Group and with selected partners.

We are committed to guaranteeing that the Group is constantly equipped with appropriate cybersecurity systems, thus becoming increasingly more reliable for our stakeholders.
To be able to effectively manage the increasing complexity of security-related risks, we have adopted a *One-Security* approach, based on a strong integration between Information & Cyber and Physical & Corporate Security. The adoption of such holistic approach for security leads to the integration of processes and tools for the identification, assessment and management of security risks and to an increasing resilience against adverse events. More specifically, we pledge to:
- protect the Group's ecosystem and strengthen its security standards;
- define internal security regulations and monitor their implementation;
- define a solid management process for IT security-related risks;
- ensure the implementation of security measures for the management of threats;
- raise awareness and understanding around the issue among all Group employees.

We achieved the objectives of the IT security plan 2020-2022, named Cyber Security Transformation Program 2, 2020-2022, increasing in particular our security posture through the adoption of innovative and advanced solutions and standardising and centralising the Group security services. We engage more than 40 countries and business units through 35 projects.
In 2022, we launched a new plan, named Security Strategic Program.

Our strategy, Lead innovation, p. 45

We adopt tools and implement actions through which we guarantee constant protection from threats, such as:

the Security Operation Center (SOC) to monitor all events recorded by our security solutions 24 hours a day, detect potential incidents and step in with containment and restoration actions. SOC's performance are monitored in a structured manner through specific indicators, which are not reported due to security reasons. We have defined a Business Continuity and Disaster Recovery plan together with an Incident Response procedure to adequately guarantee the preservation or the timely recovery of data, services and critical business activities in case of a significant incident or crisis;

our cyber intelligence service that monitors the cyber threats landscape evolution and trends, thus enabling us to proactively prevent or be ready to react to potential threats;

internal and external vulnerability assessments in order to identify potential IT vulnerabilities in our systems. We also test the response capacities of our SOC through cyberattack simulations as well as customer solutions, including those based on Internet of Things technology;

processes focusing on the whole supply chain management that enable us to identify, assess - also with the use of cyber risk rating systems - and manage the third-party security risk, with a strong commitment to secure the transition to and the use of cloud services;

- proper procedures to guarantee the protection of company buildings, internal workspaces and employees during business travels as well as to manage all the aspects related to the corporate security;

an intervention assessment and prioritisation framework in accordance with the operational risk management model. It is supported by an IT tool available to the countries where we operate to execute periodic risk assessments and to continuously take a census of and manage cyber risks. Cyber risk measurements are underway in the different countries according to an ad hoc defined methodology;

a structured regulatory framework, that is constantly updated with respect to regulatory developments, market standards and cyber threats;

an IT security awareness program for all our employees which consists of various initiatives such as dedicated training courses, videos and ad hoc communications. Internal campaigns simulating phishing have also involved the Group and virtual challenges like cyber quiz designed to increase the engagement of employees and promote good conduct practices in the area of IT security;

a Group insurance policy to reduce residual exposure to cyber risk. Its effectiveness is considered in the Group's Internal Model for calculating the capital for operational risks;

elevant certification released to Generali Operations Service Platform (GOSP), a company that provides IT services and infrastructures to the main Group countries.

GOSP is certified according to standard ISO/IEC 27001:2013 - Information Security Management System. This certificate is valid for: information security management for the delivery of IT infrastructural services for the Group companies; delivery of hardware, IT services, IT engineering, project management, organization, security services; as well as management of information security incidents according to the ISO/IEC 27035-1:2016 and ISO/IEC 27035-2:2016 guidelines.

GOSP is certified by an external auditor according to standard ISAE 3402 Type 2 - Third Party Assurance Report. This standard, widely used and internationally recognized for service providers, aims at certifying that the internal control system is suitably designed and operates effectively.

www.generali.com/our-responsibilities/responsible-business/cyber-security for further information on security and the Security Group Policy

RISKS

Risks related to cyber security and dysfunctions of IT systems have increased not only because of the digitalisation trend and workforce remotisation after the Covid-19 pandemic but also in light of the recent geopolitical tensions.

They are operational risks we measure following the regulatory standards and with qualitative and quantitative models that allow us to grasp our main exposures and to define the adequacy of the existing controls. Specifically, against a potential rise in the inherent risk, we continued to implement a security strategic program to mitigate this risk with a set of countermeasures to improve the overall control system effectiveness and reactiveness.

NFS

Climate change[8]

Climate change is a material mega trend with complex impacts in different geographies and different sectors.
Climate change risks can be divided in:
- physical risks, arising from the worsening of catastrophic events such as storms, floods, heat waves;
- transition risks, arising from the economic developments generated by the transition to a greener economy, with lower or virtually zero levels of greenhouse gas emissions.

Climate change also generates opportunities for companies that are able to develop solutions supporting the transition to a climate resilient economy and that increase its resilience through adaptation.

As for the insurance industry, the worsening of climate-related weather phenomena - as part of physical risks - may impact on the P&C segment in terms of pricing, frequency and intensity of catastrophic events, impacting- conditions being equal - the number and cost of the claims and their management expenses, as well as reinsurance costs.
The Life segment might also be impacted: the intensification of the heat waves, the increased frequency of floods and the expansion of the habitats suitable for hosting carriers of tropical diseases indeed might worsen the expected mortality and morbidity rates.
The physical risks caused by climate change, which worsen the living conditions of the population and increase damages not covered by insurance, might also lead to a deterioration of socio-political stability and the macroeconomic and geopolitical conditions, with cascade effects on the financial system and on the overall economy.

The transition to a greener economy (transition risks) is driven by changes in national or international public policies, in technologies and in consumer preferences that might affect different sectors, especially those with a higher energy intensity, up to leading to the phenomenon of the so-called stranded assets, which is the loss of value for the so-called carbon-intensive sectors.
A good portion of the impact of these risks depends on the speed to come into line with stricter environmental standards and on the public support that will be guaranteed for reconversion. The transition risks are therefore influenced by factors marked by a high degree of uncertainty, such as political, social and market dynamics and technological changes. Even though the speed of transition and its risks are hard to determine today, they will probably have wide-ranging consequences, especially in several sectors such as energy.
Financing or insuring companies operating in sectors characterized by high greenhouse gas emissions and do not have adequate decarbonisation strategies might also expose to reputational risks.

Climate mitigation and adaptation strategies offer investment opportunities as well as opportunities for the development of the insurance market. As weather phenomena and extreme natural events evolve and intensify, a related increase in the demand for protection through specific insurance solutions and risk management is plausible.
The new regulations and the public plans launched in Europe aimed at creating incentives for transition to a green economy, together with the changes in consumer preferences, are supporting the demand for insurance products tied to the sector of renewable energy, energy efficiency and sustainable mobility. They are increasing the retail demand for green insurance products and services linked to sustainable lifestyles and strengthening the demand for investment products linked to green finance.
The decarbonisation of the economy and, more specifically, the large-scale spread of systems producing energy from renewable sources require substantial investments that are only partly covered with public funds, in this way increasing investment opportunities for private parties.

Our management

We have defined processes and tools to mitigate climate risks and to seize the opportunities arising from the green transaction. These include monitoring the adequacy of the actuarial models to assess and rate risks, recourse to risk transfer mechanisms, periodical analysis of the investments, product and service innovation processes, dialogue with stakeholders and development of partnerships to share knowledge and identify effective solutions. Particularly noteworthy is our participation in the Net-Zero Asset Owner Alliance, the Net-Zero Insurance Alliance, the PRI (Principles for Responsible Investments) Climate Action 100+ network, and the PRI and LSE[9] Investing in a Just Transition project.

8. The *Climate change* mega trend also includes extreme events.
9. *The London School of Economics and Political Science*.

RISKS

We manage short-term physical risks by adopting a risk monitoring and careful selection aimed at optimizing the insurance strategy with the use of actuarial models that are periodically updated in order to estimate potential damage, including natural catastrophe damage, influenced by climate change.
We turn to reinsurance contracts and alternative risk transfer instruments, such as the issue of insurance securities protecting against natural catastrophe risks, i.e. cat bonds, like Lion III Re.

Our rules for running business with integrity, p. 83

In order to reduce exposure to physical risks of our corporate customers in the Property & Casualty segment, we provide consulting services to introduce technical-organisational improvements capable of increasing the protection of the insured assets even from extreme natural events, and we define claim prevention programs and periodically monitor them.
We have set up special procedures to speed up damage appraisal and claims settlement in the case of natural catastrophes and extreme events so as to strengthen the resilience of the territories struck and to facilitate the post-emergency assistance and return to normality phase.

As for the transition risk management, we are reducing the already limited exposure of the investment portfolio to issuers of the coal sector in order to reach zero exposure in OECD countries by 2030 and in the rest of the world by 2040. A gradual exclusion approach is also applied to the tar sands sector and to oil and gas extracted through fracking and in the Arctic. We also set the target of transitioning our investment portfolio to net-zero greenhouse gas (GHG) emission by 2050, in line with the Paris Agreement's goal of limiting global warming to 1.5°C compared to pre-industrial levels.

Our strategy, Responsible investor, p. 51

The exposure of our client portfolio to fossil fuel sector is low: we exclude underwriting risks associated with coal, gas and oil exploration and extraction - conventional and unconventional - and since 2018 we no longer offer insurance coverage for the construction of new coal-fired power plants, for existing coal-fired power plants of new customers and for the construction of new coal mines. Also for underwriting, we set the goal of gradually reducing our current limited exposure to the thermal coal sector in order to reach zero exposure in OECD countries by 2030 and in the rest of the world by 2038. In parallel with what we are doing for investments, we are also committed to ensuring that the emissions associated with our insurance portfolio enable the achievement of the objectives set out in the Paris Agreement, through a strategy of decarbonisation of our portfolios. Finally, Generali champions the principles of the Just Transition through its engagement activity with issuers and clients. This activity has historically been targeted at energy companies in countries heavily dependent on coal as a primary energy resource. The purpose is in fact to accelerate their energy transition, combining climate protection with the adoption of measures to protect communities and workers.

Our strategy, Responsible insurer, p. 66

To demonstrate consistency with the commitments required to our customers, issuers and business partners, we are reducing greenhouse gas emissions generated by our operations by optimizing spaces, purchasing green energy, pursuing digitalization and promoting the use of more sustainable means of transport.

Our strategy, Responsible employer, p. 78

In order to seize the investment and development opportunities arising from mitigation and adaptation to climate change, we offer: insurance solutions to protect customers from natural catastrophe damage, including damage influenced by climate change; coverage for industrial power generation plants from renewables; and insurance solutions to support customers in adopting sustainable lifestyles. We are also working to expand the offer of thematic investment products linked to green finance for the retail segment.
We are increasing our direct investments in green and sustainable assets as stated in our *Lifetime Partner 24: Driving Growth* strategy and we continue to issue bonds with the aim of financing or refinancing also projects relating to green buildings, renewable energies, energy efficiency and clean transportation.

Our strategy, Responsible insurer, p. 66
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NFS

Climate change risk management framework

Among sustainability risks, integrated in the broader Risk Management process and whose management is at the heart of the *Lifetime Partner 24: Driving Growth* strategy, we are carrying on the project focused on the climate change risk that was launched in 2019.

The project, known as Climate Change Risk Project, is encompassed within:

- the process of emerging and sustainability risks' identification, already defined in the Risk Management Group Policy and carried out within the Main Risk Self Assessment (MRSA), which includes main and emerging risks;
- the Strategy on Climate Change and, in particular, to help monitoring the targets of the Net-Zero Asset Owner Alliance and Net-Zero Insurance Alliance initiatives..

La nostra strategia, Investitore responsabile, p. 51

La nostra strategia, Assicuratore responsabile, p. 66

Given the nature of the impacts related to sustainability risks, for climate change risk, two perspectives[10] are considered:

- outside-in (or incurred risk) related to the impacts of climate change on the Group, in particular on the value of investments and on the profitability of products and services. The Group assesses the impacts of:
  - physical risk, related to losses caused by changes in frequency and severity of climate-related natural events;
  - transition risk, related to losses caused by variation in costs and revenues deriving from the transition to a green economy;
- inside-out (or generated risk) related to the impacts that the Group generates through its operations and, indirectly, through investments, services and products.

In terms of governance, given the cross-cutting nature of the risk and the need to ensure its effective integration in the business as well as a shared understanding of the methodological aspects related to its assessment, the project working group includes Group Sustainability & Social Responsibility, Group Integrated Reporting and Group Corporate Affairs functions, as well as Group P&C, Claims & Reinsurance, Group Actuarial Function and Group Investments.

The work is then shared with Group companies to grant an adequate and timely implementation.

The framework is based on the four phases of the Risk Management process already defined in the Risk Management Group Policy, being identification, measurement, management and reporting.

During 2022, we have:

- defined a proprietary methodology and an internally developed tool, (Clim@Risk), for assessing the impact of climate scenarios on the investment and P&C underwriting portfolio;
- designed a system of risk limits to manage both the exposures to this risk in the outside-in perspective and the monitoring of the defined targets' achievement in the inside-out perspective;
- strengthened the risk reporting process, on the framework and the findings of the assessments conducted, which were presented to:
  - the top management, the Board of Directors and the Risk and Control Committee;
  - the Supervisory Authority through the Own Risk and Solvency Assessment (ORSA) Report at Group and local level, the latter after sharing this methodology with Group entities;
  - the market, through this disclosure;
  - the rating agencies and as part of the required disclosure on sustainability risks.

A further cue to raise awareness on the importance of climate risks has been also provided in the Emerging Risk Booklet, which identifies the main emerging risks and the related impacts.

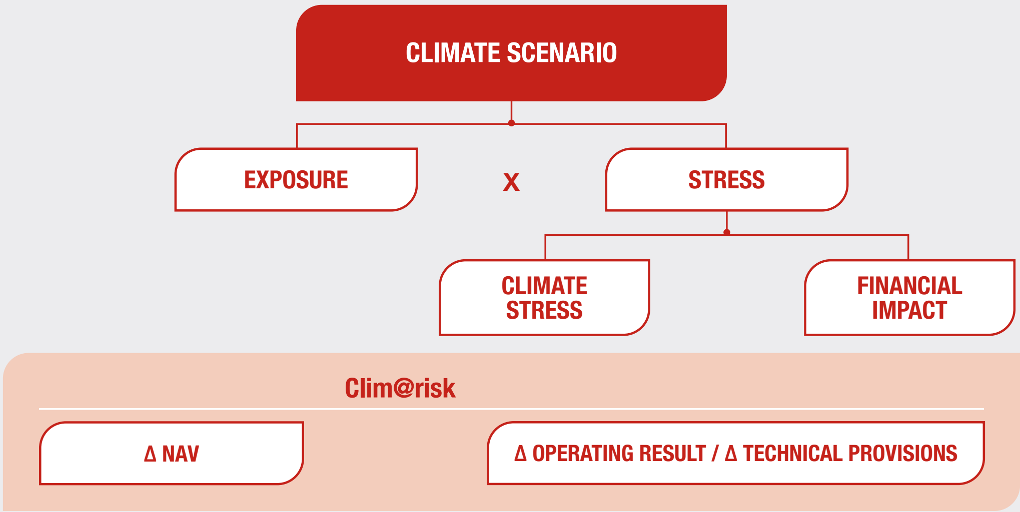
www.generali.com/what-we-do/emerging-risks

10. In the first phase of the framework's definition, transition risk and physical risk were included. Litigation risk, which stems from lawsuits for environmental damages and/or following improper or missing corporate disclosure on environmental standards, will be considered within ongoing future developments.

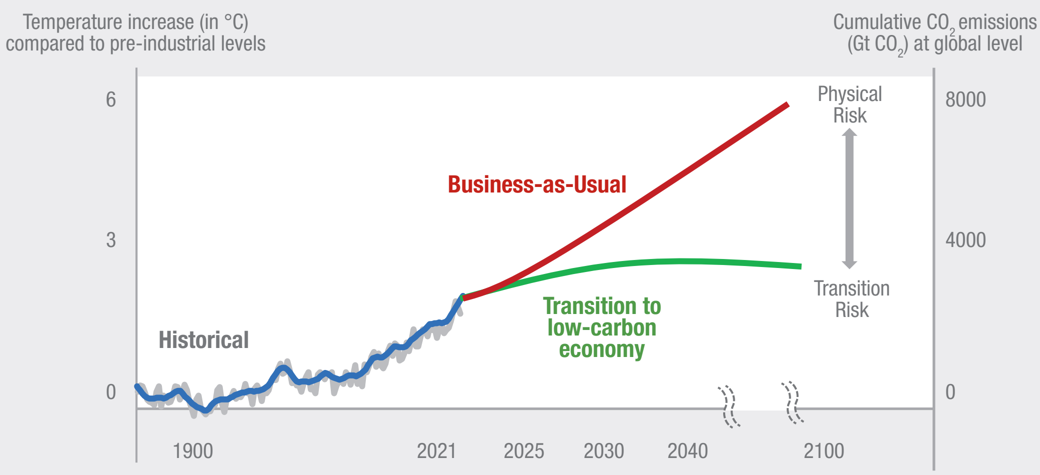
The risk assessment model - outside-in perspective

The impact of climate change risk on the Group's portfolio is assessed through the Clim@Risk methodology that allows to capture, for each reference climate scenario, the impact on the Group's exposures through the application of different levels of climate stress representing:

- the change in frequency of severity and intensity of climate perils for physical risk;
- the change in the profitability of the various economic sectors for transition risk.

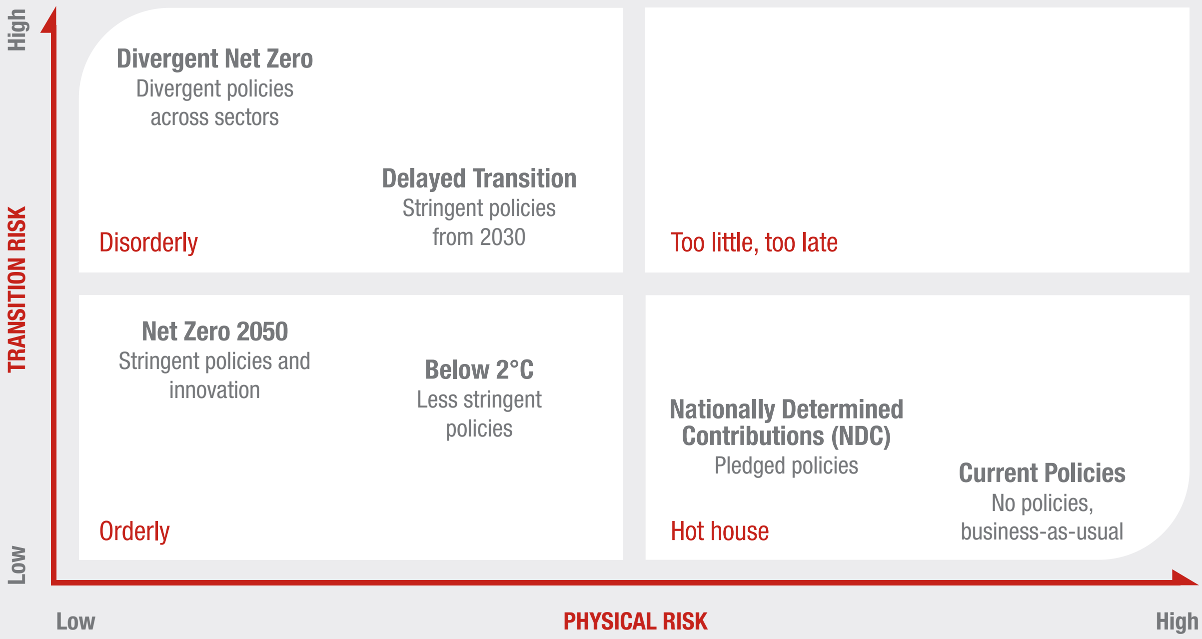


Climate scenarios currently used describe a change in the global temperature expected at the end of the century compared to the pre-industrial period, mainly deriving from the assumptions of greater or lower emissions of CO_2 and other greenhouse gases in the atmosphere and their effect on geophysical variables that regulate the Earth's climate.
Each scenario is identified by the global warming level assumed in 2100 compared to pre-industrial levels. Scenarios that consider the implementation of policies to contain greenhouse gas emissions are characterised by a limited increase in global temperature by 2100 and, therefore, are mainly exposed to transition risks, mainly concentrated in the short-medium term. On the contrary, scenarios which consider weak (or absence of) policies to support the transition are characterised by significant increases in temperature by 2100 and, therefore, by a high physical risk, the effects of which are expected to span over longer time horizons, with a more pronounced acceleration in the second half of the century. For the purpose of the transition risks' calculation, scenarios are also distinguished based on how the decarbonisation policies are implemented, which can be in a more or less orderly and timely manner.



We have selected six scenarios with different possible future trends based on the most recent recommendations of the Network for Greening the Financial System (NGFS)[11] and the Intergovernmental Panel on Climate Change (IPCC) that allow for capturing both the transition impacts, taking into account different speed and order for the implementation of decarbonisation policies, and the physical impacts[12].

We consider the following NGFS scenarios:



Net Zero 2050	Assumes a gradual and homogenous introduction of stringent climate policies for all economic sectors ("orderly" transition), as well as an increasing development and penetration of innovative low-carbon power generation technologies, thus reaching net zero CO_2 emissions around 2050 and limiting global warming to 1.5°C by 2100.
Below 2°C	Assumes an orderly transition like the Net Zero 2050, but with less stringent policies and a more contained technological development, thus limiting global warming to 2°C by 2100 in line with the 2015 Paris Agreement (COP 21).
Divergent Net Zero	Shares with the Net Zero 2050 scenario the common target of net zero emissions by 2050, although pursued in a disorderly manner and characterised by higher costs to sustain the decarbonisation process, due to less planned climate policies and differently impacting each economic sector ("disorderly" transition).
Delayed Transition	Is characterised by a "disorderly" transition in terms of timing, as it assumes a business-as-usual scenario until 2030 and the introduction of very stringent policies from that year onwards to limit warming to 2°C by the end of the century.
Nationally Determined Contributions (NDC)	Assumes the achievement of all announced decarbonisation targets by 2030 and a business-as-usual scenario from that year onwards; the projected temperature increase is above 2°C by 2100.
Current Policies	Assumes a business-as-usual scenario with no further climate policy introduced nor technological development to support the transition; also in this scenario, the target of limiting the temperature increase to below 2°C by 2100 is not achieved.

11. The Network for Greening the Financial System (NGFS) is a group of central banks and supervisors committed to sharing best practices, contributing to the development of climate - and environment - related risks management in the financial sector and mobilising mainstream finance to support the transition toward a sustainable economy.
12. In the 2022 exercise we used the scenarios defined by the NGFS Phase III, published in September 2022, and for the physical part, the IPCC Coupled Model Intercomparison Project, Phase 6 (CMIP6).

In addition to the NGFS scenarios, for physical risks the corresponding IPCC scenarios were considered: Shared Socioeconomic Pathways - SSP1-2.6, SSP2-4.5 and SSP5-8.5.

To capture the most significant expected impacts, we focused on short, medium and long-term time horizons, respectively 2025, 2030, and 2050.

Regarding the scenarios' selection, we are monitoring the evolution of the regulatory environment and of market best practices, in particular the development of the NGFS recommendations following the recent geopolitical instabilities, the development of IPCC's Shared Socioeconomic Pathways (SSP) evidences, together with the regulatory stress tests introduced within European countries.

In carrying forward the activities already undertaken, our analysis focused on the:
- investment portfolio, including equities and corporate bonds, government bonds and real estate of the general account portfolio[13];
- P&C underwriting portfolio.

The analyses were performed on the existing portfolios and no further management and mitigation actions are considered in the assessment.

As for investments, to identify the most material exposures, we analysed economic sectors for the equities and corporate bonds portfolio and focused on the ones most vulnerable to climate change, classified according to the Climate Policy Relevant Sectors (CPRS) literature and to the geographical distribution of the activities. In particular, a limited exposure to the sectors most impacted by climate change, such as fossil fuel and transportation, was confirmed.
Government bonds were classified based on the reference country, mostly attributable to European countries, and assessed on the basis of the sectoral composition of the related economies.
Also the real estate portfolio, analysed on the basis of the buildings' energy consumption characteristics, of the CO_2 equivalent emissions, and of their geolocation, is diversified among all energy classes and is mostly based in the European countries in which the Group operates.
Similarly to the investment portfolio, also for P&C underwriting portfolio we considered the different geographies and, for the purpose of the analysis, we focused on the Solvency II lines of business most relevant for the Group, namely Fire and other damage to property and Motor.

We then measured physical risk and transition risk using a model that allows to determine impacts of climate scenarios on the exposures identified based on climate stress tests.
In terms of exposures, we use:
- internal data, related to the Group's investments and P&C underwriting portfolios' exposures;
- external data, such as detailed information on assets, transition plans, technologies and geographical distribution of each issuer in the portfolio.

The value of the stresses is defined based on the trend of the available NGFS and IPCC variables. The level of each risk factor varies according to the underlying scenarios and the reference time horizon and allows to derive a:
- change in frequency and severity of climate perils for each geography;
- change of the profitability of the different economic sectors for each geography, and of the single counterparties in the portfolio, taking into account transition plans.

The financial impact is primarily determined by the climate stress which is multiplied by the exposures, resulting in an impact on the balance sheet (Market Value Balance Sheet - MVBS).
In particular, for investments, the financial impact of such variations is then determined through dividend discount models or based on rates to take into account the loss probability to derive the impact on the Net Asset Value (NAV). The change in NAV is assessed for equities and corporate bonds at counterparty level, as a combination of sector and geography, and for real estate at energy class level. For government bonds the relevant country has been considered.
From the NAV impact, the impacts on own funds resulting from the change in asset values under the different climate scenarios are then estimated.
On the other hand, for the P&C underwriting portfolio, the financial impact is calculated in terms of:
- higher claims resulting from the change in perils' frequency and severity, also considering the different vulnerabilities of each insured asset;
- change in premiums as a result of higher/lower demand for insurance coverage in each economic sector.

The impact is presented in terms of change in operating profit for each combination of line of business, sector and geography, and a further estimation on technical provisions and own funds.

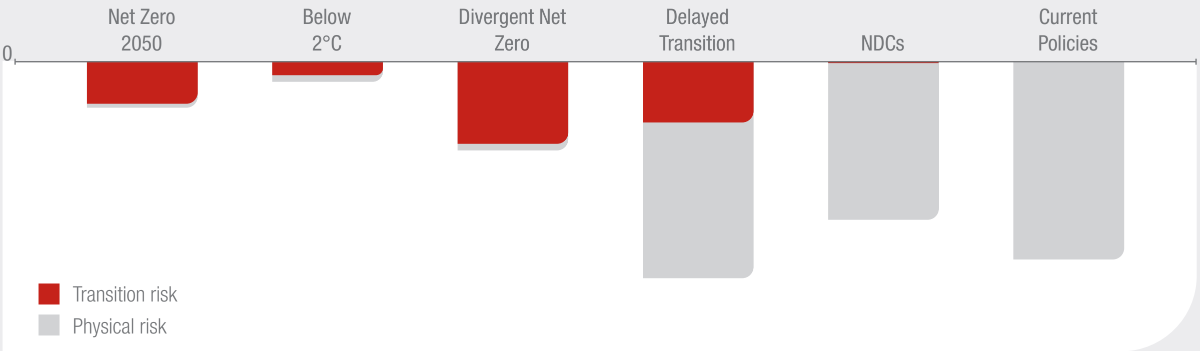
The results obtained provide forward-looking indications of the effects of climate change on the Group's portfolios and mainly show

13. The assessment does not cover the issuers of the UL portfolio and those underlying the investment funds.

NFS

impacts deriving from physical risk, which are especially high in scenarios characterised by higher temperature rise, while the effects of transition risk in the short and medium term remain significant, particularly in absence of orderly decarbonisation measures.

The following chart shows the impacts of transition risk and physical risk for the investment portfolio, in terms of change in NAV.

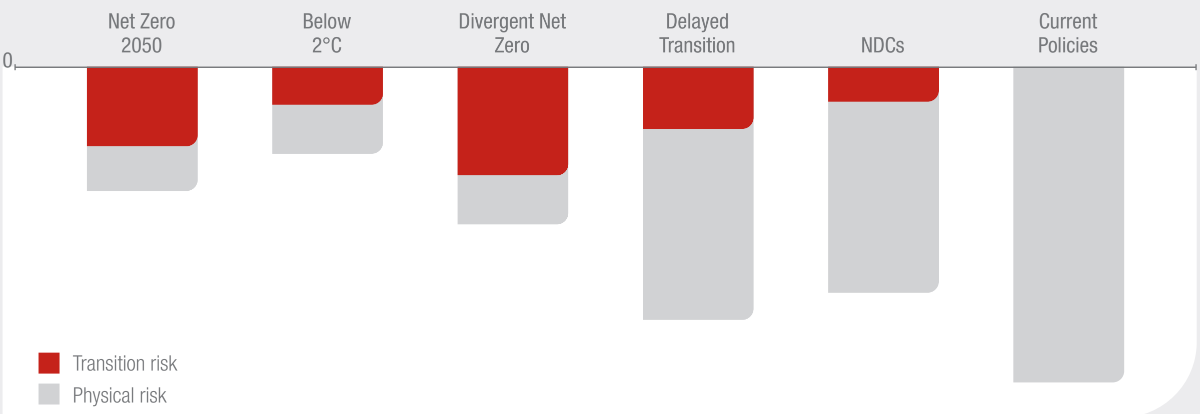


The physical risk in the Below 2°C and Divergent NZ scenarios increases more in the second half of the century due to the delayed effects of the impacts' occurrence.

It can be observed that:
- transition risk is particularly severe in the scenario with disorderly implementation of decarbonisation measures (Divergent NZ) and in the scenario with delayed implementation (Delayed Transition), in contrast with the Net Zero scenario, which, in the presence of orderly and timely measures, assumes a substantial balancing of costs and opportunities, resulting from the high level of diversification of the Group portfolio and the low exposure to particularly emissive sectors. Therefore, the impact of transition risk remains limited with estimated losses on the Group portfolio of less than 5% of NAV;
- physical risk remains the most relevant and increasing risk in the medium and long term, with impacts ranging from 5% to 10% in the scenarios assuming lower emissions' reductions. It is worth noting that all climate scenarios foresee an intensification of extreme weather events in the second half of the century.

More specifically, in analysing the investment portfolio we observed that:
- the equity and corporate bond portfolio shows the trend already described, which differentiates scenarios with orderly from disorderly transition where the impact of the transition is higher. In particular, as the Group has little exposure in highly emissive sectors, such as coal and metallurgical ones, the impacts of transition remain limited, partially offset by the opportunities in sectors where growth is expected, such as the utilities one;
- the government bond portfolio shows limited impacts, while maintaining the general trend that differentiates scenarios with orderly transition from disorderly ones. Specifically, impacts from transition are minimal for all scenarios, due to the greater presence of exposures in European countries, which already have a higher level of preparedness regarding the implementation of transition policies with respect to other regions. In the scenarios with low or no transition, the physical impacts are more significant, though still limited, particularly in the second half of the century;
- the real estate portfolio shows impacts mainly related to the transition to the energy efficiency requirements represented by the alignment with the CRREM (Carbon Risk Real Estate Monitor) targets. It is worth noting that the physical risk is less significant and mainly attributable to properties used as offices, located in the countries where the Group has its main operations.

The following chart shows the impacts of transition risk and physical risk for the P&C underwriting portfolio, in terms of change in operating profit.



The physical risk in the Below 2°C and Divergent NZ scenarios increases more in the second half of the century due to the delayed effects of the impacts' occurrence

In analysing the P&C underwriting portfolio, we observed that::

- in scenarios with stringent emissions reduction policies, the impacts of an orderly transition (Net Zero) are limited, while the impacts of a disorderly transition (Divergent NZ) are more significant, albeit limited. The most vulnerable line of business is Motor, given the expected increase in the use of car sharing and public transport to support the reduction of emissions from private transport. On the other hand, the Fire and other property damage line of business benefits from the increase in the value of insured assets subject to renovation for energy efficiency;
- in scenarios where little or no transition is expected, physical risk is prevalent and increasing over time. The most relevant physical impacts derive from floods and storms, whose increase in frequency and intensity is foreseen in all geographical areas where the Group operates. In particular, in the worst case, by 2050, the increase in flood risk, in specific areas, is expected to exceed 300% in Europe compared to the current level. The intensification of the phenomena of droughts and wildfires, as well as tropical cyclones, has also been assessed. Although, according to some studies, these are expected to increase by more than 200% in some Caribbean areas and in the United States, they do not present significant impacts given the Group's limited exposure. It should also be noted that the Group, through its Internal Model for calculating the capital requirement, already considers the increasing level of losses due to catastrophic events including floods and storms.

The use of different scenarios, which should be understood in light of the multiple assumptions used, the underlying uncertainties and the simplifications needed, has proven effective in obtaining a broader understanding of the Group's resilience to climate change risk and of the complexity of the phenomenon addressed in the short, medium and long term.

The risk assessment model - inside-out perspective

Our analysis focused on the investment portfolio, including equities, corporate bonds and real estate, in line with the targets already announced as part of the Net-Zero Asset Owner Alliance (NZAOA) initiative.

In relation to the investment portfolio's carbon intensity decarbonisation target of 25% by 2024, the Group has defined a system of intermediate targets, with related tolerances, to be monitored on a regular basis, in order to identify, monitor and manage any deviation from these and from the announced target. In particular, these targets have been defined taking into account the carbon intensity metric components, i.e. the active portfolio management lever and the levers not directly under Generali's control (individual counterparty emissions and their market value trend, expressed in terms of Enterprise Value Including Cash - EVIC). Possible remedial actions to be activated in case of deviation from the internal investment's portfolio carbon intensity decarbonisation targets have also been defined.

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On the other hand, for the P&C underwriting portfolio, we focused on the Motor retail and Commercial (small and medium-sized enterprises and Corporate & Commercial) lines of business, which represent the perimeter for the definition of decarbonisation targets within the Net-Zero Insurance Alliance (NZIA) initiative.

Our strategy, Responsible insurer, p. 66

Management

Climate change risk, considering both incurred and generated risk, is integrated in decision-making processes through the definition of a specific appetite, including limits and escalation processes in case of breaches.

During 2022, we defined limits for the investment portfolio, complementing the already existing set of controls related to the application of the ESG principles in the investment and underwriting processes.

In relation to the outside-in perspective (or incurred risk), this integration aims at maintaining the Group's risk profile within the thresholds defined based on the *Clim@Risk*, at portfolio level.

In relation to the inside-out perspective (or generated risk), this integration aims at ensuring the achievement of emissions' reduction targets by setting a tolerance limit on transition targets with an annual monitoring of intermediate targets as well as the adoption of mitigation measures or the review of the investment strategy.

NFS

Ageing and new welfare

Modern communities continue to be influenced by distinct demographic and social phenomena with a strong impact on their socio-economic balances.
In the more mature European economies, we are witnessing a continual process of population aging, driven by an increase in life expectancy, net of the still uncertain long-term pandemic effects, and a decrease in birth rates. The international migration phenomena only partially counter-balance this trend, which is in any case otherwise influenced by socio-political initiatives adopted locally.
In most European markets, the adult working-age population is often affected by the pressure of combining work and caregiver responsibilities for elderly age groups (a growing phenomenon), children and young people.
The younger age groups are affected by a reduced and often discontinuous capacity to generate average income; this is strongly influenced by a flexible but precarious labour market that does not ensure reasonable certainty for financing the public welfare system. We confirm the presence of unbalanced communities, where the increase in social security and healthcare needs does not match the appropriate funding and coverage of public systems by the active population.
The healthcare need naturally evolves towards increasingly sophisticated, hence costlier, supplies and services, which have to face new needs. The stable expansion of the elderly and vulnerable age groups highlights the trend of a constant increase in chronic diseases with severity and incidence prolonged over time.
At the same time, a widespread and enhanced awareness of the bond between health, lifestyles and the environmental context is noted thanks to both public social initiatives and greater proactiveness and promotion from private market.
In the context described above, the limited financial resources produced by the younger categories of the population, or from private savings in general, have to be directed and valued more carefully.

Our management

We actively engage in creating more stable communities while monitoring and tackling the effects of a changing society. This is why we develop and offer flexible, modular pension and welfare solutions for the coverage of healthcare costs and other potential current and future needs for individuals, families and communities. We are committed to becoming a Lifetime Partner to our customers, strengthening the dialogue with individuals during their entire period of interaction with our companies through new, streamlined services accessible 24/7.
Generali is active in the development and/or diffusion of modern subscription processes, in particular for protection and health products, based on digitalization and automation, as key levers for improving the accessibility and the usability of the service.
We provide customers with complete and easily accessible information on products and services, while helping them to understand the primary factors that may affect their income capacity and quality of life, and aiding them in accurately assessing their capacity to save as well as identifying their current and future needs. We believe that insurance coverage is the most appropriate tool to forecast and meet potential needs for people of all ages with the required advance notice; we therefore formulate, and present offers even in the case of market contexts with little knowledge and low individual propensity for insurance solutions.

RISKS

Life and Health products, including pension and welfare products, imply the Group's acceptance of biometric underwriting risks, typically mortality, longevity and health. We therefore need to manage them through underwriting processes that are based on an updated assessment of the socio-demographic conditions of the population whose purpose is to understand their relative trends. We also have solid pricing and product approval processes that offer a preliminary analysis of the cases regarding the biometric factors, in line with Local Product Oversight Governance Policies. Such processes are part of a structured governance defined in the Group Policy on Life underwriting. Lastly, we measure the mortality, longevity and health risks using the Group's Partial Internal Model.

Pandemics and extreme events[14]

The Covid-19 pandemic has become one of the greatest global challenges in recent decades, with 646 million infections and over 6.6 million deaths at December 2022. After an upsurge at the beginning of 2022, the spread and the danger of the virus have decreased thanks to vaccinations (the fully vaccinated population worldwide was 65% at the end of 2022) and the spread of less invasive variants during the spring.
The pandemic has had negative effects on every age group: the health impacts on elderly are added to the concomitant exacerbated economic weakness of singles and young families. The pandemic has highlighted extreme and emergency situations, aggravating the welfare systems, already precarious due to erratic local political choices.
The long-term effects are not yet fully stabilized and will affect the future demand of insurance and welfare services.

Our management

The pandemic scenario has highlighted even more how the availability of appropriate services and easily accessible information can be a key element of differentiation. The digital transformation has been confirmed as a key element both as a communication channel and as a lever to enhance the efficiency in services to our customers, as well as to our distribution network. Through its digital approach, Generali has been able to stay close to its customers and its network even in the lockdown phases.

The macro-economic scenario of the European market area, which is fundamental for the Life business, was an even more challenging scenario for the Group compared to the difficulties resulting from the pandemic. The socio-economic context induced by the events that occurred over the course of 2022 generated a phase of high volatility and exacerbated competition between the financial markets, which particularly affected the savings and investment segment. Gross written premiums remained substantially stable, but there was an increase in net negative flows that particularly affected traditional products. The phenomenon is being strictly monitored and response actions were immediately discussed and planned, with the aim of limiting excessive divestment flows that could trigger liquidity risk. Good sealing of pure risk and health products, supported by the growing need for insurance protection solutions. In this regard, since the beginning of the pandemic we promptly set several initiatives in motion to support our customers, both financially and by launching new value-added services, ranging from the care of physical and mental well-being to remote medicine through, among others, Europ Assistance.

We continue to closely monitor the evolution of the pandemic in order to control premiums, frequency and severity of claims and their impact on our business profitability. We have also maintained our actions aimed at reviewing all those contractual conditions helping to mitigate/limit exposures to the so-called unknown events, such as Covid-19.
We confirmed the stability of premiums in all business lines of the P&C segment with differentiated trends between motor and non-motor in the main markets where we operate and, in order to be able to answer to new consumer needs and interests, we expanded our own insurance solution offerings with new products and services, adapting contractual terms and conditions and improving, with extensive use of digital technology, the operating processes for underwriting policies and settling claims.
With reference to the loss ratio, we observed a slight rise in the claims' frequency, particularly in the motor line, following the reopening of economic activities and the consequent mobility. To cope with the current macroeconomic context characterized by high inflation with significant repercussions on the cost of claims, the technical monitoring processes have been strengthened in order to ensure a continuous view on trends in premiums acquired, frequency and severity of claims or their impacts on the portfolios' profitability.
It is important to mention, among the technical activities with the main impact on portfolio management, actions to strengthen tariffs and improvements in the management of claims. The non-motor line recorded a higher growth in volumes than the motor line; the economic contraction in some countries did not lead to a collapse in insurance business. Moreover, the travel business shows a recovering trend.
Compared to the past, the loss ratio deriving from catastrophic events is no longer characterized by volatility, but rather by frequent, sudden and continuous events.

14. Extreme events are also illustrated in the *Climate change* mega trend.

NFS

We continue to support the recovery of the European economies impacted by Covid-19 through the Fenice 190 investment plan focusing on infrastructure, innovation and digitalization, SMEs, green housing, healthcare facilities and education.

Our strategy, Responsible investor, p. 59

The pandemic has also impacted the internal organization, accelerating and improving processes and actions that were already in place. We are building flexible and sustainable hybrid work models to unlock our people potential, boost the business strategy ambition and deliver benefits to all the stakeholders involved in the Next Normal.

Our strategy, Responsible employer, p. 77

RISKS

The pandemic may have direct and indirect effects on underwriting risks. The direct effects on the Life and Health underwriting risks regard the potential increase in claims paid on policies that provide death or health coverage; the indirect effects regard the potential need of customers for liquidity, generated by the economic crisis, which may imply higher surrender payments. In both cases, the impact observed on the Group to date has been fairly insignificant. To continue to effectively manage death or health risks, we adopt adequate underwriting processes that assess the health conditions and the demographics of the policyholder in advance. In addition to underwriting processes, we monitor changes in claims and, in this regard, we assess the lapse risk and mortality risk, including the catastrophe risk resulting from a pandemic event, using the Group's Partial Internal Model. The possible impact of the pandemic on P&C underwriting risks is represented by a possible increase in the reserving risk which, however, we monitor in terms of changes in claims and risk assessment through the Group's Partial Internal Risk Model.

The pandemic is an event included in the Group's operational risk management framework, which can seriously jeopardise the continuity of the company business and, as such, is subject to continuous assessment, mitigation and monitoring.
Over the last years, the pandemic event, currently in the process of being resolved, has increased exposure to several risks that affect the Group's people, processes, information systems and, of course, the external environment.
The emergency resulting from the Covid-19 pandemic has been tackled with a common Group-wide approach, based on the synergic adoption of various mitigations, on the monitoring of evolution and on coordinated actions. As a result, the risk profile of operational risks was only marginally impacted by the pandemic.

With regard to our people, for the purposes of emergency management, in recent years dedicated task forces have been activated at Group and local level to monitor the evolution of the situation and ensure coordinated actions on the measures to be implemented. Guaranteeing our people an effective experience of working even remotely, with the support of digital and flexible tools, was fundamental during the pandemic crisis, in order to preserve people's safety and engagement as well as business continuity. In continuity with the experiences learned during the pandemic, the hybrid work model is already and will be fundamental to the future of work in Generali, the so-called Next Normal.

Our strategy, Responsible employer, p. 77

The management of pandemic risk impacted the normal performance of both internal processes and those managed through external suppliers.
To manage the crisis provoked by Covid-19, ad hoc measures were set in place to guarantee the continuity of operating processes. More specifically, IT infrastructures were adapted to be able to withstand the extensive use of remote working.
The current global geopolitical and economic context has given rise to an increase in cyber-attack activity. This tumultuous environment represents an opportunity for cybercrime to intensify its operations, focusing on exploiting third-party breaches to deliver ransomware attacks. Aware of the rapid and constantly evolving threat landscape, the Group is equipped with appropriate monitoring safeguards capable of evolving and adapting to the changing external environment. Policies, processes and technologies have been adopted to strengthen access management. Continuous staff training campaigns, together with the implementation of the most modern defence technology systems, govern exposure to threats such as phishing, malware and ransomware. The evolution of ICT systems towards cloud is overseen by a set of internal policies that promote centralised and robust governance aimed at efficiency and constant risk control.

The actuarial framework on sustainability risks

Within the activities of the Group's actuarial functions, we continued in the inclusion of some considerations on sustainability factors, with a particular focus on the mega trends identified in the materiality analysis process.

Consolidated Non-Financial Statement, p. 171

As provided by the Delegated Regulation EU 2021/1256 on the integration of sustainability risks in the governance of insurance and reinsurance undertakings, from 2 August 2022, the actuarial function is asked to include sustainability risks among those examined as part of the analyses performed for expressing its opinion on the underwriting policy.
In 2022, we therefore followed up the Group project launched the previous year, fine-tuning and evolving the common framework to coordinate and guide the analyses on sustainability factors conducted by local actuarial functions.
Through an initial qualitative assessment it was possible to confirm the study of the main risk factors already identified in the first phase of the project, within the material mega trends belonging to the central cluster (*Climate change*, *Ageing and new welfare, and Pandemics* and *extreme events*).
The changes introduced to the framework made it possible to provide the local actuarial functions with tools useful for the development of qualitative and quantitative analyses aimed at investigating the exposure of portfolios to the selected risk factors and assessing the level of maturity of underwriting processes.

OUR STRATEGY

DRIVE SUSTAINABLE GROWTH

- BOOST P&C REVENUES AND MAINTAIN BEST-IN-CLASS TECHNICAL MARGINS
- GROW CAPITAL LIGHT BUSINESS, TECHNICAL PROFITS AND ESG PRODUCT RANGE
- UNDERPIN GROWTH WITH EFFECTIVE COST MANAGEMENT

ENHANCE EARNINGS PROFILE

- IMPROVE LIFE BUSINESS PROFILE AND PROFITABILITY
- REDEPLOY CAPITAL TO PROFITABLE GROWTH INITIATIVES
- DEVELOP ASSET MANAGEMENT FRANCHISE FURTHER

LEAD INNOVATION

- INCREASE CUSTOMER VALUE THROUGH LIFETIME PARTNER ADVISORY MODEL
- ACCELERATE INNOVATION AS A DATA-DRIVEN COMPANY
- ACHIEVE ADDITIONAL OPERATING EFFICIENCY BY SCALING AUTOMATION AND TECHNOLOGY

DELIVER **STRONG FINANCIAL PERFORMANCE, BEST-IN-CLASS CUSTOMER EXPERIENCE** AND AN **EVEN GREATER SOCIAL AND ENVIRONMENTAL IMPACT**,

POSITIVE SOCIAL, ENVIRONMENTAL AND STAKEHOLDER IMPACT FOR A SUSTAINABLE TRANSFORMATION

RESPONSIBLE INVESTOR

- **FULL ESG CRITERIA INTEGRATION**[15] BY 2024
- **NET-ZERO** INVESTMENT PORTFOLIO BY 2050, WITH AN INTERIM GOAL OF 25%[16] CARBON FOOTPRINT REDUCTION BY 2024
- **€ 8.5-9.5 billion** NEW GREEN AND SUSTAINABLE INVESTMENTS 2021-2025
- **€ 3.5 billion** INVESTMENT PLAN BY 2025 TO SUPPORT THE EU RECOVERY

RESPONSIBLE INSURER

- **+5-7%** INSURANCE SOLUTIONS WITH ESG COMPONENTS GROSS DIRECT WRITTEN PREMIUMS CAGR 2021-2024
- **NET-ZERO** INSURANCE PORTFOLIO BY 2050
- FOSTER SUSTAINABLE TRANSITION FOR SMEs THROUGH **ENTERPRIZE** PROJECT

RESPONSIBLE EMPLOYER

- **SUSTAINABILITY WITHIN** ALL PEOPLE PROCESSES, ENABLED BY A PEOPLE STRATEGY FOCUSED ON CULTURE, DIVERSITY, COMPETENCE UPSKILLING AND NEW WAY OF WORKING
- **CHANGE MANAGEMENT** PROGRAMS ON SUSTAINABILITY, TARGETING GROUP LEADERSHIP AND ALL EMPLOYEES
- **GOVERNANCE OF SUSTAINABILITY** TO MIRROR AND MONITOR OUR AMBITION

RESPONSIBLE CITIZEN

- **THE HUMAN SAFETY NET** - A SOCIAL INNOVATION HUB POWERED BY GENERALI'S SKILLS, NETWORKS AND SOLUTIONS TO CREATE SOCIAL IMPACT, SUPPORTING THE MOST VULNERABLE GROUPS IN UNLOCKING THEIR POTENTIAL

15. General account - Direct investments (corporate bond and equity, sovereign bond).
16. General account - Listed equity and corporate bond portfolios. Carbon footprint in terms of GHG intensity per invested amount. Baseline: 2019.

LIFETIME PARTNER 24: DRIVING GROWTH

> 4%
P&C NON MOTOR GWP CAGR 2021-2024

€ 2.3-2.5 billion
LIFE NEW BUSINESS VALUE AT 2024

COST SAVINGS TO COUNTERBALANCE INFLATION IN INSURANCE EUROPE[17]

Up to **1.5 billion**
POTENTIAL SOLVENCY II CAPITAL REQUIREMENT REDUCTION

€ 2.5-3 billion
CUMULATIVE DISCRETIONARY AVAILABLE FREE CASH FLOW

+ € 100 million
ASSET MANAGEMENT THIRD PARTY REVENUES

RELATIONSHIP NPS
MAINTAIN THE LEADERSHIP AMONG OUR EUROPEAN INTERNATIONAL PEERS

€ 1.1 billion
CUMULATIVE INVESTMENTS IN DIGITAL AND TECHNOLOGY

2.5-3 p.p.
COST/INCOME RATIO[18] IMPROVEMENT

STRONG EARNINGS PER SHARE GROWTH

6-8%
EPS CAGR RANGE[19] 2021-2024

INCREASED CASH GENERATION

> € 8.5 billion
CUMULATIVE NET HOLDING CASH FLOW[20] 2022-2024

HIGHER DIVIDEND[21]

€ 5.2-5.6 billion
CUMULATIVE DIVIDEND 2022-2024, WITH RATCHET POLICY ON DIVIDEND PER SHARE

THANKS TO **OUR EMPOWERED PEOPLE.**

ENGAGED PEOPLE AS A CORE ASSET TO SUCCESSFULLY DELIVER THE NEW PLAN

BUILD A DIVERSE AND INCLUSIVE ENVIRONMENT ENSURING EQUAL OPPORTUNITIES

40%
WOMEN IN STRATEGIC POSITIONS[22]

INVEST IN DIGITAL AND STRATEGIC SKILLS PLACING PEOPLE AT THE HEART OF OUR TRANSFORMATION

70%
UPSKILLED EMPLOYEES

ENABLE AN EFFICIENT AND AGILE ORGANIZATION EMBRACING A SUSTAINABLE HYBRID WORK MODEL ROOTED ON DIGITAL

100%
ENTITIES WORKING HYBRID

ENHANCE CUSTOMER-CENTRIC, SUSTAINABLE AND MERITOCRATIC CULTURE

ENGAGEMENT RATE > EXTERNAL MARKET BENCHMARK[23]

17. Excluding sales-force cost.
18. Income defined as the sum of general expenses, operating result and non-operating result (excluding non-operating investments result and interest on financial debt); insurance perimeter (total Group excluding A&WM and EA). Target based on current IFRS accounting standards.
19. 3 year CAGR; adjusted for impact of gains and losses related to acquisitions and disposals. Target based on current IFRS accounting standards.
20. Net holding cash flow and dividend expressed in cash view.
21. Subject to regulatory recommendations.
22. Group Management Committee, Generali Leadership Group and their first reporting line.
23. Willis Tower Watson Europe HQ Financial Services Norm.

Commitment to our customer relationships.

Covers the plan duration, the next three years to take us through to the end of 2024, and it also references to be there for our customers in every moment.

LIFETIME PARTNER 24: DRIVING GROWTH

Captures our commitment to sustainable growth.

Lifetime Partner 24: Driving Growth **is Generali's strategic plan for the next three years, a plan that marks an important new chapter in the 190-year history of the Group, and it is built around an even stronger commitment to being a Lifetime Partner to our customers.**

Our commitment is to be there for our customers 24 hours a day, 7 days a week: providing sound, personalized advice while leveraging on digital technology to ensure easy, immediate access.
The plan is about growth. In the next three years, we will:

- strengthen our leadership in Europe and foothold in fast-growing markets;
- maintain our unrivalled financial strength in all market conditions;
- champion sustainability to be the originator of our strategy;
- enhance the Lifetime Partner ambition for our customers;
- accelerate our digital transformation, to make Generali a recognized data-driven innovator.

Thanks to all these actions, we will keep delivering robust earnings, increased cash generation and higher dividends to our shareholders, while creating sustainable value for all our stakeholders.
Sustainability is the true originator of this plan. It is and will continue to be deeply integrated into everything we do, in line with our commitment to play our part towards a more resilient and just society.

Drive sustainable growth

The first strategic pillar aims to pursue growth that is both sustainable and profitable: increasing profitability and growing revenues from our existing activities remain the backbone of our strategic vision. To achieve this goal, we will rely on three key levers based on a set of strategic actions to be accomplished.

FIRST LEVER

We will boost our P&C revenue and maintain our best-in-class technical margins in order to deliver a compound annual increase of more than 4% in P&C non-motor gross written premiums. We will do this by improving our market share in segments with significant growth potential, such as SMEs, Senior Care in Europe, and Travel in the US. We will also leverage our leadership in the Health market to take advantage of growth opportunities, going beyond traditional medical reimbursement plans. Everything begins with wellness and prevention: rewarding healthy behaviours is vital to face the key drivers of major diseases. The next priority is making healthcare more accessible, leveraging on our comprehensive range of services, including telemedicine, home care and digital symptom checkers.

SECOND LEVER

We will grow our Life capital-light business, technical profits and ESG products range, with the aim of delivering between € 2.3 and € 2.5 billion of New Business Value by year-end 2024, result that will be achieved by continuing to invest in our unit-linked business, while further internalizing margins.
In addition, we will strengthen protection as a de-risking tool for investment solutions and expand the range of ESG propositions.

THIRD LEVER

We will underpin growth with effective cost management in our established insurance markets and we will focus additional investments on Asian growing markets and on fee-based businesses like Europ Assistance, continuing to develop our distribution capabilities in the Asset Management space at the same time. In our core European insurance markets, our expense reduction targets will fully offset expected inflation, leading to overall flat expenses.

Our financial performance, p. 101

Enhance earnings profile

The second pillar on which the strategic plan for the coming years has been built aims at enhancing earnings profile. In order to achieve this goal, we will rely on three key levers. For each of them, we have identified a set of strategic actions to carry on.

FIRST LEVER

We will improve Life business profile and profitability by undertaking a comprehensive in-force optimization to reduce the capital intensity of our Life business and improve our operating result. We will also enhance our strategic asset allocation to improve returns, thanks to our investment capabilities in the real asset space and the further integration of ESG criteria. With in-force management, we are aiming for a reduction of up to € 1.5 billion in our solvency capital requirements, that will result in improved capital productivity and a further reduction in market sensitivity.

SECOND LEVER

We will redeploy capital to profitable growth initiatives with the expectation to have available € 2.5 to € 3 billion cumulative discretionary free cash flow. Overall, we will target activities that allow earnings diversification and increase our market leadership, minimizing execution risks. This represents our activities from a strategic point of view while, from a financial one, we will maintain the usual highly disciplined approach. Firstly, we will reinforce our leadership in Europe and strengthen our presence in specific growing markets, especially in Asia. Moreover, we will invest in selected Asset Management capabilities, and build scale to accelerate third-party growth. The goal is to maximise long-term value creation for our shareholders, while finding the right mix of capital redeployment and capital return.

THIRD LEVER

We will develop Asset Management franchise further.
Our first aim is to expand our real asset capabilities, capitalizing on the strong track-record of Generali Real Estate and Infranity. This will allow us to optimize our general account and better attract third-party clients, expanding our recurring and high-margin fee business. We will furthermore integrate our Life and Asset Management businesses, which remains a priority.
By broadening our investment capabilities, we will also expand our product offering. This will support our Unit-Linked strategy and further develop our third-party client base.
Our second aim is to upscale distribution platform to drive growth in third-party revenues. To this end, we will maximize the reach of our multi-boutique platform well beyond our core European markets, diversifying profit sources with new markets and new channels.
We will furthermore continue to integrate ESG criteria into our investments, in line with our commitment to sustainability and our customers' expectations.
All these activities will allow us to target an incremental revenue of more than € 100 million from third-party clients.

Our financial performance, p. 101

NFS

Lead innovation

The third pillar of our strategic framework consists in leading innovation, an essential element to the continued evolution of Generali's business. To make it happen, we have identified three main levers and key strategic actions.

FIRST LEVER

We will increase customer value through the Lifetime Partner advisory model: we will increase customer value by scaling our digitally-enabled advisory model; then, we will establish a seamless omnichannel distribution approach, grow our presence in the European direct business market, and we will gain share of European digital profit pool through the scale up of our direct operations. This will allow us to maintain our leadership position within our peer groups in terms of Relationship Net Promoter Score.

Three years ago, we set out to become Lifetime Partner to our customers. Our ambition was to: deepen relationships with existing customers, attract new customers and become the first-choice brand.
Our Lifetime Partner strategy delivered strong results. Starting with Relationship NPS, we reached our goal to become number one among our European international peers. We also increased customer retention, the average number of policies per customer and brand preference.
With *Lifetime Partner 24: Driving Growth*, we want to further strengthen our customer relationship and grow their value to Generali. Our goal is to become our customers' primary insurer.

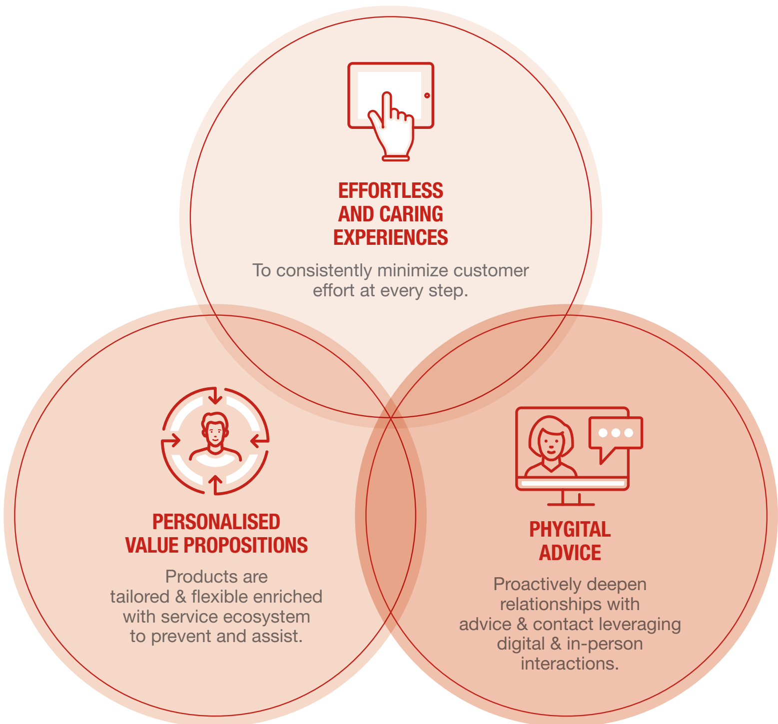
CUSTOMERS[24]

68 mln **+1.4%**

The increase in the number of customers is due to companies acquired in 2021.

Our research shows that customers are willing to consolidate their insurance with one provider. At the same time, customer needs and expectations are changing rapidly as they are shaped by their interactions with brands across all sectors and services. Today customers want:
- effortless and caring interactions. Effortless in terms of speed, accessibility and clarity. Caring in terms of the human support, especially for more complex or sensitive issues;
- greater personalization;
- relationship based advice, not just a transaction..

These expectations form the basis of our three customer promises to become a trusted Lifetime Partner to many more Generali clients.



24. The number of customers refers to all insurance entities, banks and pension funds. It does not include customers of some companies acquired in 2022

NFS

EFFORTLESS AND CARING EXPERIENCES
To consistently minimize customer effort at every step

Using the feedback received from millions of our customers, we have created a genuine customer-centric culture and implemented thousands of actions to improve customer experience.
Thanks to this solid foundation, we are designing effortless and caring experiences that minimize customer effort at every step. We aim to make the entire purchase, service, claims, assistance, and renewal experience consistently effortless and caring. Our guiding principles are: speed, ease, real time, accessible, first time right but always with a human touch, especially for complex matters:

- increase speed and efficiency by using Smart Automation to offer instant claims settlement, pay out and fast quotation;
- offer real-time conversational channels (Whatsapp, Messenger, Chatbot etc.) or chatbots boosting real-time engagement;
- be accessible 24/7 on one's preferred channel, including the agent without bureaucracy. New self-service options on the app and portal will allow to find & do anything customers want easily, will make access easier and drive *first time right* performance;
- continue to offer human support for clients with complex matters empowered by a 360° customer view.

These guiding principles will also ensure we offer a sustainable paperless & accessible experience fulfilling expectations of responsible consumers.
Our goal is to ensure customers interact with Generali in the easiest, fastest and most caring way.

PERSONALISED VALUE PROPOSITIONS
Products are tailored & flexible enriched with service ecosystem to prevent and assist.

We have already strengthened our offer, moving from just selling products to providing solutions enriched with value added services. As part of the evolution to become Lifetime Partner of our customers, we develop personalised propositions:

- leverage on customer value and insights to drive personalized pricing, flexible coverage and tailored communication enabled by modular solutions. It starts with a deep understanding of our customers' needs, incorporating insights into our products and services. Starting from customer value will also enable us to offer dedicated propositions and advantages to high value customers;
- offer a tailored value added service ecosystem to cover all customer needs and all type of services: information, prevention, protection, assistance. Customers will be able to choose the services most relevant to them and we will monitor the impact in terms of experience and customer engagement. Thanks to our global connected service assets (e.g. Vitality, Jeniot) and our distinctive partnership with Europ Assistance we can create scale and innovate our Health, Mobility, Home & SME propositions;
- propose a personalized packaging communicating clearly what is covered, which services and benefits customers get. We are committed to writing our documents in simple and clear language brought to live with an engaging storytelling.

Our goal is to ensure customers feel the solutions are tailored to their needs and that they get value every day.

PHYGITAL ADVICE
Proactively deepen relationships with advice & contact leveraging digital & in-person interactions.

AGENTS[25]

161 thousand **+1.2%**

25. The number of agents refers to all insurance entities with traditional distribution networks. It does not include agents of some companies acquired in 2022. The change was calculated on the number of agents at year-end 2021, which was restated following methodological improvements.

As part of our evolution in becoming Lifetime Partner to our customers, phygital advice is a combination between digital and in-person interactions with their trusted advisor. There are three key elements of this customer promise:

- revolutionizing our relationship model through Lifetime Partner Advisory. Personalizing value propositions enables our advisors to tailor solutions to customer needs. Supporting with state of the art advisory processes, training and incentives we can embed a strong advisory culture;
- high focus on post-sales relationship delivers meaningful business impact, by using digital tools and data to connect with all customers across all channels, we can reach more than two thirds of our customers who experience memorable and meaningful contact each year. Annual financial check-ups are delivering a significant impact on customer satisfaction;
- providing an end-2-end digital experience (E2E) which enables our distribution network to service our customers effectively from anywhere and through any channel. We are equipping our agents/advisors with best-in-class digital E2E tools that facilitate remote advisory and selling and increase digital visibility to ensure regular contact with customers. We focus on digital advisory & CRM tools, complemented with trainings to ensure they are empowered to provide a caring customer experience with professional advice. We streamline the advisory process using digitalization to eliminate non-value activities, ensuring our advisors can focus on what matters most, our customers.

The implementation of our three customer promises, in combination with our improvements in terms of digitalization, data & cultural transformation, will create additional value for our customers, strengthening the role of Generali as primary insurer to cover all their needs.
This will allow us to maintain our leadership position for Relationship NPS compared to internationally active European insurance groups and will also result in an increase in the percentage of multi-holding customers.

RELATIONSHIP NPS[26]

18.2 +4

% MULTI-HOLDING CUSTOMERS[27]

47.8%

SECOND LEVER

We will accelerate innovation as a data-driven company: we will leverage new data capabilities to improve technical leadership and offer value-added services through our digital ecosystems. Furthermore, we will develop a powerful and sustainable innovation engine to support future growth, increasing both efficiency and productivity by reducing complexity and leveraging on our Group scale as well as on the wider adoption of all new technologies and digital capabilities available. This will happen through € 1.1 billion of investment in digital transformation initiatives. This will allow us to further improve our business model across the board and create data-driven opportunities to deliver profitable growth.

INVESTMENTS IN DIGITAL & TECHNOLOGY[28]

€ 388 mln

THIRD LEVER

We will achieve additional operating efficiency by scaling automation and technology: we will reduce costs through digitization, core process automation and shared platforms, and we will optimize further claims management using Artificial Intelligence. These investments in areas like Automation and Artificial Intelligence will deliver additional operational efficiency to our core processes resulting in a 2.5-3% improvement of our cost to income ratio.

26. The indicator spans 23 markets where we operate under the Generali brand: Argentina, Austria, Bulgaria, Croatia, Czech Republic, France, Germany, Greece, Hungary, India, Indonesia, Italy, Malaysia, Poland, Romania, Serbia, Slovakia, Slovenia, Spain, Switzerland, Thailand, Turkey and Vietnam.
27. The indicator measures the percentage of customers with two or more needs covered by Generali. Customers of mono-product companies (companies operating in only one line of business, such as MTPL, travel, pension funds, legal assistance, etc.) and customers who are not directly reachable by Generali (banks, bancassurance companies, white label business and partnerships) are not relevant for this scope, as the indicator is not applicable.
The result is in line with the Results Presentation at 31 December 2022.
28. The indicator refers to insurance consolidated line-by-line companies that are part of the Technology, Data & Digital program, which has kicked-off the transformation initiatives aimed to scale and converge expertise, drive cost efficiencies and improve service through adoption of the latest technologies, unleash the power of data, ensure security and release innovation potential, in line with Generali's Lifetime Partner model.

NFS

We will further improve our business model and service level across the board, create data-driven opportunities to deliver profitable growth, and increase both efficiency and productivity.

We will do so by:
- capitalise on Group scale and expertise converging all entities towards Lifetime Partner model;
- drive cost efficiencies and improved service through adoption of latest digital technologies;
- unleash the power of data capturing opportunities from IoT, 5G and AI;
- ensure Group security through cyber and infrastructure harmonisation;
- release Group innovation potential to drive new features, channels and revenues.

We will keep a strong focus and act on four key transformation levers.

01 INNOVATION

Innovation represents a priority to:
- build future-ready business models;
- lead the way in the industry by increasing customer value through our Lifetime Partner advisory model;
- accelerating innovation as a data-driven company;
- achieving additional operating efficiency by scaling automation and technology.

We believe that innovation is not just a key lever for our long-term success but also an opportunity for Generali to guide the process of change as a leader of the insurance industry.
In this sphere we have adopted different approaches in both our internal and external activities. Internally, we are focused on promoting innovative projects and solutions to advance the business across the value chain, with structured processes and methodologies for knowledge sharing and cross-fertilization among the individual functional areas and business units. Externally, we collaborate with leading technology counterparts (from start-ups to large industry leaders from all over the world) that can enable the development of new high-potential services or business models scalable within the Group.

02 DIGITAL AND ECOSYSTEM

We want to increase customer value through the scale-up of our Lifetime Partner advisory model, and foster the adoption of CRM (Customer Relationship Management) and digital tools for customers and employees enriched with state-of-the-art features and functionalities. Our aim is to become a digital ecosystem player to enter untapped revenue pools.
We will focus on:
- CRM and Advisory Tools, to drive productivity and growth through our Lifetime Partner advisory model;
- digital ecosystem, to share digital profit pools;
- digital tools for customers, agents and employees, to improve customers' and employees' experience and to promote agile new ways of working.

Through CRM, we ensure our products and propositions evolve for the digital age and offer personalised insurance solutions and value-added services in an omnichannel ecosystem. We want to transform customers' and agents' journeys, expand touchpoints and improve transparency and interactions, as well as equip our customers, agents and employees with the best digital tools and agile methodologies, building an organization that is lean, flexible and empowered to move faster.

To increase the level of innovation and digitalization of the Group, we continued in 2022 along the path started in the last years, developing further projects.
We launched the *Center of Excellence (CoE) on CRM* to support and accelerate local implementation, to offer an ecosystem of scalable CRM global assets, available across the Group and progressively enriched, and to provide global support to the business units in five main areas: driving global or multi divisional CRM projects; accelerating CRM expertise across different areas; enhancing alignment of business and its organisations; reducing deployment risk and increasing the quality of the release life cycle; driving process execution by sharing knowledge, resources and tools.
We also created an *Agile Community of Experts* to facilitate and raise the sharing of expertise, best practice and use cases across the Group, encouraging the cross country collaboration and connecting the dots among all our people in Generali.

03 IT CONVERGENCE

We want to foster a centralized IT infrastructure to improve efficiency, service level and drive our transition to new technologies and cloud.
Through scale shared IT platforms, we want to accelerate groupwide transformation across business units, while leveraging a harmonized IT landscape ensuring security of operations and customer data.
We will focus on:

- security, to protect our customers' data and capitalize on IT landscape evolution;
- centralized IT Infrastructure, pooling skills to guide technology transition and the journey to cloud;
- shared IT Platform, to accelerate our transformation across all business units.

As for security aspects, we continue to increase the Group's security posture and resilience thanks to an ongoing enhancement of our ability to prevent, detect and respond to potential cyberattacks and thanks to increasing assessments to ensure adequate security levels to our business initiatives based on new technologies, such as cloud and Internet of Things technologies.
In line with the plans launched in the previous year (*Cyber Security Transformation Programs 1.0 and 2.0*), in 2022 we launched a new plan, named *Security Strategic Program*, in order to further enhance the Group's security transformation, including the promotion of the *One Security* approach with the aim of integrating the Corporate & Physical Security strategy in the whole plan. In particular, we want to:

- keep up with technological trends, the threat landscape and regulatory requirements, which are constantly evolving;
- support and ensure the digital transformation in a secure way and increase the resilience of the Group's cybersecurity.

04 DATA, ARTIFICIAL INTELLIGENCE AND AUTOMATION

Data, Artificial Intelligence (AI) and Automation represent one of the most important transformation levers to deliver tangible business value for our organization, to reduce costs, to shorten time-to-market and to radically improve customer experience.

We will focus on Data, Advanced Analytics and AI, unleashing the power of data to create value and improve customer experience, and Smart Automation to increase efficiency and enable our people to prioritize value added activities.
In 2022, we renewed and extended the Advanced Analytics & AI acceleration program. Our objective is to offer the best services and solutions combining data processing, in every possible form, with the insights provided by a responsible AI. In light of this, we defined a set of tools, frameworks, blueprints and dedicated training for the entire Group to prepare the ground for the upcoming EU regulation AI Act.

We leveraged even more Smart Automation to improve customers' experience and predict their needs, by simplifying interactions, speeding up processes and making better use of high-quality customer data. To achieve our ambition, we work on two main strategic actions. Firstly, we have a clear focus to identify opportunities for automation across businesses, countries, and value chain steps. Secondly, we work on the technological side. We started our journey for a widespread and industrialized automation, leveraging the combination of traditional automation technologies with AI, to transform our business by looking at end-to-end processes and strategically building innovative intelligent automation platforms to achieve cost savings and increase revenue opportunities.

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Deliver strong financial performance, best-in-class customer experience and an even greater social and environmental impact, thanks to our empowered people

Sustainability is the originator of our strategy, with the ambition of creating long-term value by promoting financial performance while considering people and the planet. It is about acting for the common good to build a more resilient and just society.
This ambition is aligned with our purpose. Sustainability wants to shape the way all the Group's decisions are made, positioning us as a transformative, generative, and impact-driven company.

In order to create long-term sustainable value, Generali identifies four responsible roles to play as investor, insurer, employer and citizen.

RESPONSIBLE INVESTOR

Aims at fully integrating ESG criteria into the investment activities, reducing greenhouse gas emissions from the investment portfolio to net-zero by 2050, and increasing our new green and sustainable investments, including the Fenice 190 investments to support the EU Recovery.

RESPONSIBLE INSURER

Provides insurance solutions with ESG components, reduces greenhouse gas emissions from the underwriting portfolio to net-zero by 2050, and supports the sustainable transition of small and medium-sized enterprises (SMEs) through the SME EnterPRIZE project.

RESPONSIBLE EMPLOYER

Carries out dedicated actions to foster and promote diversity, equity, and inclusion in our work environment, continuously upskilling our people, nurturing talent in all its forms, and implementing more flexible and sustainable ways of working. In addition to this, Generali commits to measuring, reducing, and reporting the carbon footprint resulting from its own direct operations.

RESPONSIBLE CITIZEN

Acts to transform and better the lives of the most vulnerable through the global initiatives of The Human Safety Net Foundation, a social innovation hub powered by Generali's skills and international network, in order to create a positive impact on society.

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Responsible investor

As a Responsible Investor, in the *Lifetime Partner 24: Driving Growth* strategy, we committed to widely integrating ESG criteria in all our investment activities by the end of 2024, taking into account the availability of ESG data and information provided by the issuers in our portfolio.

In line with this commitment, we identified the following three objectives:

01 We want to reduce greenhouse gas emissions from the investment portfolio to net-zero by 2050, progressively covering all the asset classes in which the Group invests. For direct investments in listed equity and corporate bonds, we set the intermediate goal of reaching a 25% reduction of the carbon footprint of our investments by the end of 2024. As proof of this, Generali is part of the Net-Zero Asset Owner Alliance, whose members are committed to the transition of the investment portfolios to zero greenhouse gas emissions by 2050.

02 We want to make at least € 8.5 - 9.5 billion of new green, social and sustainable bond investments by 2025.

03 We want to invest € 3.5 billion to support the EU Recovery by 2025.

Main targets declared in the *Lifetime Partner 24: Driving Growth* strategy

Indicator	Reference period	Target	31/12/2021	31/12/2022
Carbon footprint of investment portfolio (EVIC)(*)	2020-2024	-25%	-29.6%	-45.1%(**)
New green and sustainable investments(***)	2021-2025	€ 8.5-9.5 bln (nominal value)	€ 2,537 mln	€ 5,727 mln
Fenice 190 - investments to support sustainable recovery in Europe(***)	2020-2025	€ 3.5 bln of commitments	€ 2,080 mln	€ 2,080 mln

(*) The indicator refers to the carbon footprint of direct general account investment portfolio of the Group's insurance companies in listed equities and corporate bonds, in terms of carbon intensity (EVIC).
(**) Starting from year-end 2022, the portfolio of Generali China Life Insurance Co. Ltd. was included in the scope. The data for previous years have not been restated given the low materiality of the carbon footprint of the years prior to 2022, mainly due to a limited coverage of data available from external data providers.
(***) The amounts are cumulative.

Sustainability in the investment process

The inclusion of sustainability within the investment process is a key instrument to allow an insurance group to create long-term sustainable value for its stakeholders. As an institutional investor with € 618.2 billion Assets Under Management, through its investments Generali plays a fundamental role in contributing to achieve sustainable development goals while avoiding financing economic activities that have a negative impact on the environment and society.
In this context, the integration of sustainability factors in the investment process has a dual role: on the one hand, it allows to positively contribute to the development of a more sustainable economy, with a positive impact on the environment and society; on the other, it allows a better management of sustainability risk[29] to which its investments are exposed.
Investing while limiting risks, including those related to sustainability, is a fundamental requirement to respect our commitment to stakeholders.
To confirm its multi-year commitment to sustainability, over the years the Group joined several reference initiatives, such as the United Nations Global Compact in 2007 and the PRI (Principles for Responsible Investment) in 2011. Moreover, in line with the steady commitment in the environmental field, in 2020 the Group joined the Net-Zero Asset Owner Alliance (NZAOA), an initiative sponsored by the United Nations that gathers institutional investors committed to transitioning their investment portfolios to net-zero CO_2 emissions by 2050, with the goal of limiting global warming to 1.5°C.
The integration of sustainability factors in the investment process is based on different elements, such as data availability and quality, ESG research and analysis to shape the decision investment process, the use of solid and largely acknowledged methodologies and instruments, the assessments of the impact on the financial risk/return profile of the portfolios, and the applicable reference regulation.
Taking into consideration the constraints mentioned above, the Group defined a framework for the integration of environmental, social and good governance sustainability factors in insurance proprietary investments through different approaches for the various

29. Namely an environmental, social or governance event or condition that, upon its occurrence, could cause an actual or potential negative impact on the value of the investment or on the value of the liability (Delegated Regulation EU 2015/35, Solvency II).

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portfolios and asset classes managed, with reference to both direct and indirect investments (i.e. through mutual funds). This framework reflects the Group's sustainable investment strategy, set out in the Responsible Investment Group Guideline (RIGG) and in the Generali Group Strategy on Climate Change - technical note.

www.generali.com/our-responsibilities/responsible-investments for further details

Direct investments

- Negative screening
- Positive screening
- Investments with sustainable characteristics
- Active ownership
- Climate change

Indirect investments

- Selection of asset managers and funds
- Covid-19: commitment to a sustainable economic recovery

Direct investments

Negative screening

The negative screening approach aims at excluding from the Group's investable universe those issuers, sectors or activities with poor ESG practices or not aligned with the Group climate strategy that could potentially impact on their long-term financial performance and/or expose the Group to higher sustainability and reputational risks.
The methodology adopted by the Group is based on three types of negative screening:

1. Screening at activity level: some economic activities generate a negative impact for the environment and society and, indirectly, also a financial risk. With reference to those activities that damage the climate, they could soon become stranded, meaning without value, in the path of the energy transition. With the goal of limiting investments in companies involved in such sectors, this screening aims at excluding:
- companies operating in the unconventional weapons[30] sector;
- companies operating in the thermal coal sector;
- companies operating in the unconventional oil and gas sector.

The exclusions linked to thermal coal and to unconventional hydrocarbons derive from the Generali Group Strategy on Climate Change, adopted in 2018 and continuously evolving since then.

www.generali.com/our-responsibilities/our-commitment-to-the-environment-and-climate for further information

2. Screening of controversies: certain issuers can be responsible for serious violations perpetrated against the environment, the communities or their own employees, thus destroying their human capital, its legitimacy to operate and the ability to create value in the long term. In the face of these high risks, this screening aims at excluding from the investable universe those issuers (both corporate and sovereign) involved in severe controversies linked, among the others:
- for the corporate issuers, to violations of the UN Global Compact and of the OECD Guidelines for Multinational Enterprises;
- for the sovereign issuers, to the criteria that include i) the respect of political rights and civil liberties, ii) the level of corruption in the country, iii) the level of cooperation in the global fight against money laundering and terrorism financing, iv) the level of contribution to deforestation.

3. ESG Laggard: the corporate responsibility of an issuer and its ability to create long-term value cannot be assessed only with respect to controversies and operations in some economic sectors, but rather require a more global assessment of how the company considers, in its operations, environmental, social and governance issues. For this reason, the ESG scores, aimed at assessing the company's strategy and performance in its three main pillars (environmental, social and governance), play a fundamental role in the investment process. This screening aims at excluding from the investable universe those corporate and sovereign issuers which, based on the result of an ESG analysis carried out by combining information received from independent data providers and from an internal expertise (ESG research team), have been identified as having a particularly low ESG profile (ESG Laggards) compared to the sector to which they belong (corporate) or to the global universe of the asset class (sovereign).

30. The Generali Group's exclusion policy on unconventional weapons is compliant with the requirements of the Italian Law n. 220/2021 on the measures to be adopted to avoid financing manufacturers of anti-personnel mines and/or cluster munitions and submunitions. This law totally prohibits the financing of any companies, whatever their legal form, whether registered in Italy or abroad, which directly, or through their subsidiaries or affiliated companies, pursuant to article 2359 of the Civil Code, engage in the manufacture, production, development, assembly, servicing, retention, employment, use, storage, stockpiling, possession, promotion, sale, distribution, import, export, transfer or transportation anti-personnel mines, cluster munitions and submunitions, regardless of their nature or composition, or their component parts. It is also prohibited to carry out technological research, manufacture, sale and transfer for any reason, export, import and possession of cluster munitions and submunitions, of any nature or composition, or parts thereof.

DIRECT INVESTMENTS BY THE GROUP'S INSURANCE COMPANIES SUBJECT TO NEGATIVE SCREENING APPROACH

€ 235,437 mln -24.7%

The investments have decreased, mainly reflecting the financial markets' volatility in 2022, which impacted the equity and fixed income instruments.

Positive screening

The positive screening is an additional approach to negative screening and provides a further mean of influencing investment choices also on the basis of ESG factors.
The approach aims at considering the ESG performance of issuers during the investment selection with the goal of identifying and overweighting in the portfolio those companies that are better placed to seize the opportunities of a growing ESG market while mitigating sustainability risk. This approach allows to integrate elements that may not be considered in the traditional financial analysis.
The Group's insurance companies that use this screening invest in issuers or projects selected also for their positive ESG performance compared to their peers (sector, geographical area, etc.) with a best-in-class, best-in-universe and/or best-effort approach deriving from the ESG analysis.

Investments with sustainable characteristics

The Group promotes, for the various asset classes, specific investment strategies aimed at supporting economic activities with sustainability characteristics capable of creating long-term value not only for investors but also for society as a whole.

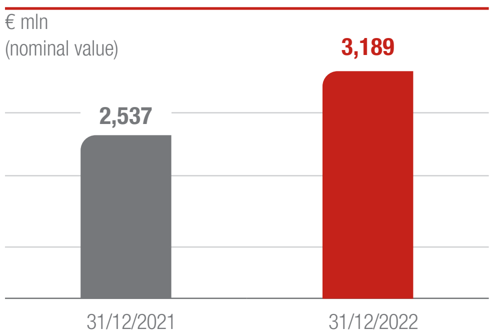
Investments in green, social and sustainable bonds

Investments in green, social and sustainable bonds finance projects and activities having a positive impact on the environment or on society.
Strengthened by the achievement and surpassing of the target set between 2018 and 2021, the Group's commitment has been renewed in 2021 with a new target: € 8.5 - € 9.5 billion of new green, social and sustainable investments by 2025. The target has been defined in relation to net investments in green, social, sustainability-linked bonds, issued by corporates or governments, that meet the reference market standards, namely ICMA (International Capital Market Association) principles, selected according to an internal methodology (screening) defined by the Group with the support of Generali Insurance Asset Management (GIAM) and applied to insurance companies' assets managed by GIAM itself, whose main purpose is to assess the robustness of the sustainability framework of these bond issues and the level of transparency towards the market, as well as to monitor the activities that are financed through these investments.
This approach allows for a greater degree of awareness in relation to this type of investments and aims to exclude issues that may present potential critical situations with respect to the ESG profile of the framework, as well as that of the issuer itself.
Considering the insurance companies' assets managed by GIAM, the Group's total exposure to green, social and sustainable bond investments amounts to € 12.7 billion (nominal value) at the end of 2022.

NEW GREEN AND SUSTAINABLE INVESTMENTS

€ 3,189 mln +25.7%

Green, social and sustainable investments contribute to mainly financing projects and initiatives for the development of renewable energies and energy efficiency, but also projects linked to transport solutions with low environmental impact and green buildings. At the end of 2022, the cumulative figure for new green and sustainable investments was equal to € 5,727 million.



Real estate investments with high-level sustainability certifications

Generali is a major investor in real estate assets through the dedicated Group asset manager, Generali Real Estate (GRE). GRE integrates ESG factors both into investment choices through dedicated ESG assessments for portfolio assets and a proprietary methodology for the due diligence during the purchase phase, and into the maintenance and management of portfolio assets and activities.

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At the end of 2022, GRE owns € 16.5 billion[31] of real estate assets (over 60% of total Assets Under Management) with external sustainability certifications (e.g. BREEAM, LEED[32]) or internal sustainability assessments, of which 65% of properties (€ 10.7 billion) holds high-level external certifications[33].
Various projects have also been launched to meet the high market demand for the certification and benchmarking of funds (Global Real Estate Sustainability Benchmark - GRESB - and SRI label[34]) and to comply with European legislation (for example, SFDR) in terms of integration and disclosure of ESG criteria.
For the management of the real estate assets in its portfolio, GRE is increasing the use of the so-called green leases, namely lease agreements that include additional clauses that provide for the management and improvement of the environmental performance of a building by both the landlord and the tenant. Through these types of agreements, GRE ensures the integration of key ESG metrics into commercial lease agreements, in order to engage with tenants for a sustainable partnership that benefits all parties and to meet demand for data analytics and disclosure. Similarly, the Tenant Survey helps GRE understand the needs and current situation of tenants and improve relationships and communication with them. In 2021 and 2022, GRE conducted a digital analysis of its international portfolio, with over 2,000 lease agreements, including questions on sustainability and innovation.
The founding principles for the responsible management of our real estate investments are contained in the public document Responsible Property Investment Guidelines by GRE.

www.generalirealestate.com/sustainability

Sustainable infrastructure investments

Generali is a major investor in infrastructure assets, predominantly through the specialized Group asset manager, Infranity, with the aim of maximizing the potential for positive impact on the economy and society of these investments, in order to combine financial and sustainability performance. The infrastructure projects in which the Group invests through Infranity belong to sectors with the potential to contribute to clear social and environmental objectives, such as the development of renewable energies, rail transport, digitalization and environmental services. A particular focus is given to the Sustainable Development Goals (SDGs) of the United Nations that can be effectively addressed through the infrastructural asset classes:

- sustainable and resilient infrastructure (SDG 9);
- environmental transition (through climate action), green mobility, efficient waste and water management (SDGs 6, 7, 11, 12, 13);
- social progress and inclusive economies, through investments in digital transformation and accessibility and investments in social infrastructure in the health and education sectors (SDGs 3, 4, 10, 11).

Sustainable investment in portfolio of solar PV farms in Italy

Infranity has invested in a portfolio of solar photovoltaic farms in Italy. As such, the investment contributes to SDGs 7, 9, 13, demonstrating the contribution to environmental objectives through the production of green and affordable energy able to strongly reduce equivalent CO_2 emissions. Furthermore, according to Infranity's methodology, the project's governance and the measures adopted to manage any negative environmental and/or social impacts (e.g. biodiversity, human and labor rights) were analysed in detail. This analysis ensures that the funded asset exhibits good governance practices and does not significantly harm any social or environmental objective.

Following the enactment of the SFDR, Infranity has defined what can be considered a sustainable investment for its portfolios. To qualify as sustainable, an infrastructure asset must contribute to an environmental or social objective, as demonstrated by its contribution to the Sustainable Development Goals (SDGs), while exhibiting good governance practices and ensuring that it does not significantly harm any other environmental or social objective, as demonstrated by the analysis carried out in the ESG due diligence phase, based on Infranity's proprietary ESG scoring methodology.
On the basis of the descripted approach, at the end of 2022, Generali holds € 2.4 billion[35] of sustainable infrastructure investments managed by Infranity.

31. The figure refers to investments made on behalf of the Group's insurance companies and is expressed in market value and includes buildings held for direct use.
32. BREEAM and LEED certifications set the global benchmark for best practices in the design, construction and management of sustainable buildings.
33. The high-level certifications are: BREEAM Very Good or higher; LEED Gold or higher; the respective levels of other local certifications (e.g. HQE, DGNB).
34. GRESB is the most accredited global rating system for ESG benchmarking and reporting of real estate funds; SRI label is the certification created in 2016 by the French Ministry of Economy and Finance, which aims at identifying real estate investment funds with measurable and concrete results, thanks to a proven socially responsible investment methodology.
35. The figure refers to investments made on behalf of the Group's insurance companies. It is expressed in market value and includes buildings held for direct use.

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Active ownership

As a responsible investor, we commit to promoting sustainability, corporate social responsibility and good governance in our investee companies through voting at shareholders' meetings and dialogue. Both activities are used as an effective leverage to influence corporate practices on ESG issues, to encourage greater transparency on these issues or to gain a greater understanding of the investees' ESG risk management, and to manage the main negative impacts on sustainability factors deriving from our investment strategy.

Voting refers to the exercise of voting rights at shareholders' meetings (as well as bondholders' meetings) to formally express approval (or disapproval) on relevant matters. It includes taking responsibility for the opinions expressed through votes cast on topics raised by management or by shareholders (or bondholders), as well as submitting resolutions for others to vote on. Voting can be done in person or remotely. Voted items are not always closely related to sustainability issues, but can also cover financial performance, risk management, strategy and corporate governance matters.

Our guidelines on active ownership, starting from the Group's fundamental values, also in terms of sustainability, define the Group's voting principles and the means of dialogue with investee companies.

Our voting principles include topics such as: rights of shareholders, corporate bodies, remuneration policy, financial statements, information disclosures and transparency, share transactions, climate, environmental and social aspects, special provisions for listed companies with reduced market capitalization and unlisted companies, related party transactions, systemic and market risks relating to pandemic situations.

Voting decisions are taken mainly following an internal analysis based on documents made public by the issuers and on research provided by the proxy advisors.

Our approach to voting envisages exercising our voting rights whenever reasonably possible; in 2022, more than 92% of the meetings were voted, without making discriminations based on the subject of the vote or the size of the shareholding in the issuers.

SHAREHOLDERS' MEETINGS ATTENDED[36]	RESOLUTIONS VOTED[36]	AGAINST VOTES[36]
1,648 -3.6%	21,253 +2.2%	11% -1.0 p.p.

Through dialogue with investee companies, the Group intends to acquire more information about the strategy and financial and non-financial management of issuers with the aim of improving investment decisions in the context of asset management of the Group's investments, but also of exerting an influence on investee companies in order to improve their overall practices.

Dialogue is carried out both individually and jointly with other institutional investors that share Generali's goals and methods.

Consistent with the decarbonisation commitments resulting from our membership in the NZAOA, in 2022 we progressed in the execution of the five-year commitment that we made in 2021 to dialogue with twenty of the investee companies whose net greenhouse gas emissions have the greatest impact on our portfolios. This involves a detailed assessment of the decarbonisation commitments made by the companies, inviting them to adopt objectives consistent with those of the Group and monitoring their progress.

In January 2022, our Group Engagement Committee approved an engagement campaign aiming at raising awareness among the investee companies on gender equality on the boards of directors and top management, as well as on equal pay, consistently with Generali's commitment as issuer on the topic. The campaign, started in October 2022, targets, engages and subsequently monitors a selection of companies, to which the topic is relevant, in which Generali has material exposure.

www.generali.com/it/our-responsibilities/responsible-investments per maggiori informazioni sull'azionariato attivo e il relativo report

Climate change

Climate change is counted among the most important challenges that the global society is facing. Following an increase of the average temperature by over 1°C compared to the pre-industrial era, the current mix of consumption and production is consistent with a temperature increase trend of 2.8°C[37] compared to the pre-industrial era.

A temperature increase exceeding 3°C would have a disastrous impact on the environment and the populations, starting with those living in the areas most prone to extreme events. This knock-on effect would also have a major financial impact on the economy and on individual companies, which will have to manage the transition to a low-carbon world as well as extreme weather events resulting from rising temperatures. As for sustainability in a broad sense, fighting climate change is part of our moral duties for a more sustainable future and our risk management duties towards our stakeholders.

36 The meetings related to direct investments of insurance companies were 1,068.
The indicators refer to the Group's assets managed by the following asset managers: Generali Insurance Asset Management (GIAM), Generali Investments Partners (GIP) SGR, Generali Investments CEE (GICEE), Generali Investments, družba za upravljanje, d.o.o. (GI Slovenia).

37. *Emissions Gap Report 2022, United Nations Environmental Program*.

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In November 2022, the Conference of the Parties on climate change (UN COP 27) took place, during which it was reiterated that the collective commitments of the G20 governments are too small compared to the challenge we are facing. The fight against climate change must further show its tenacity, especially in this historical moment, where the goal of decarbonisation faces the challenge of an unexpected energy crisis, triggered by Russia's invasion of Ukraine.
In this growing uncertainty, it is crucial that institutional investors such as the Generali Group support investment choices capable of making a clear and tangible contribution to the long-term objective of limiting the average global temperature rise to 1.5°C.
In line with this commitment, also in 2022 the Group updated its Climate Change Strategy by focusing on more stringent criteria for the exclusion of activities harmful to the climate (mainly thermal coal) and on increasing ambitions for the financing of activities offering solutions for the reduction of greenhouse gas emissions. The existing restrictions on tar sands were also integrated with restrictions on other hydrocarbons extracted through fracking and extraction in the Arctic, a particularly sensitive area in terms of biodiversity.

The Group's commitment to the fight against climate change is expressed in several investment strategies linked to:
1. exclusion from investments of activities harmful to the environment;
2. our commitment to investment decarbonisation;
3. investments in activities that are drivers of change.

Exclusion from investments of activities harmful to the environment

The fight against climate change requires a holistic approach which aims not only at financing activities offering solutions and at supporting companies committed to the decarbonisation of their own activity and business model, but also at sending important signals to the market and to companies regarding the financing of activities that harm the climate and are in strong opposition to the fight against climate change.
In particular, within the activities included in the negative screening, some sectors have been specifically identified due to their negative impact on climate change. These activities are related to coal and unconventional hydrocarbons.

www.generali.com/our-responsibilities/our-commitment-to-the-environment-and-climate for further details included in the Generali Group Strategy on Climate Change - technical note

Coal sector exclusion

Thermal coal is the most polluting source of electricity available, emitting twice the level of greenhouse gas emissions compared to natural gas for electricity generation. With such levels of carbon intensity, coal ranks among the main culprits of global pollution and the greatest enemy in the fight against climate change.
Since 2018, the Group has adopted a policy for the exclusion of thermal coal from its investments, which is continuously updated. The thresholds defined for excluding companies active in the extraction and production of electricity from coal have become increasingly stringent over the years, showing how the fight against the use of coal is a constant struggle that requires growing ambition. For companies with an exposure marginally above the defined thresholds, we carry out a qualitative analysis aimed at assessing not only their current exposure but also their coal exit strategies. Companies whose analysis demonstrates a clear coal exit strategy aligned with the Group's objectives continue to be investable.
On top of the exclusion of thermal coal companies from our investments, the Group's exclusion policy aims at a gradual but complete divestment of any activity and/or investment in issuers included in the sector (phase-out) by 2030 for OECD countries and by 2040 for the rest of the world, contributing in this way to the limitation of global warming to 1.5°C.

Unconventional oil and gas exclusion

The use of gas and oil for electricity generation represents one of the greatest contributors to climate change, calling for reflection on this sector of activity. In particular, unconventional oil and gas are among the most carbon-intensive fossil fuels, due to methane emissions during the extraction and/or due to a particularly energy-intensive extraction process. Their negative impact on the environment is much wider, especially due to water consumption and to the negative impact on local biodiversity.
The Group has committed to the reduction of its exposure to unconventional oil and gas in its exploration and production (upstream) activities and some specific midstream activities.
Since 2019, the Group has not made any new investments in projects and issuers related to the exploration and production of oil from tar sands. Starting from 1 January 2023, the Group extends the exclusion policy also to issuers involved in the exploration and production of gas and oil extracted through fracking (shale oil, shale gas, tight oil, tight gas) and to issuers conducting onshore and offshore exploration and production activities within the area bounded by the Arctic Circle.

Our commitment to decarbonisation of the investment portfolio

The adoption of a climate strategy is not limited to exclusion activities; it requires a holistic commitment capable of understanding the transition and favoring change.
In 2020, as a member of the Net-Zero Asset Owner Alliance (NZAOA), the Group committed to reducing the net greenhouse gas emissions of its portfolios to zero by 2050, in order to limit the global temperature rise to 1.5°C. This goal will be pursued by working closely with the companies in the portfolio and with regulatory and government bodies in order to push for the adoption of practices and regulations aligned with the commitments of the Paris Agreement, also integrating the strategy with targeted investing.
In accordance with the principles of the NZAOA, the Group set intermediate targets for the decarbonisation of the portfolio by 2024 that reflect our continuous commitment to the achievement of this long-term goal:

- 25% reduction compared to 2019 in the carbon footprint of direct investments in listed equities and corporate bonds, also through dialogue with 20 carbon-intensive investees in our portfolio;
- alignment of at least 30% of the real estate portfolio with the global warming trajectory of 1.5°C.

The ultimate goal of our commitment in the NZAOA is to decarbonise investments in all the asset classes in which the Group is present. However, this is a long-term journey that has to face the fact that, for some asset classes, the methodologies are yet to be defined. We are well aware that our strategy will evolve progressively and, as of today, we aim at decarbonising investments with a major focus on the following three asset classes.

Direct investments in listed equities and corporate bonds

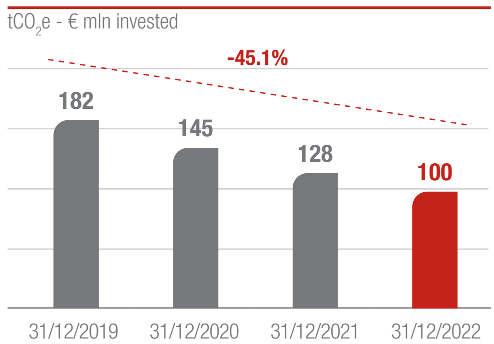
As a result of the commitments made in this area, the Group is gradually integrating the carbon footprint in its investment and active shareholding choices, mainly through dialogue with the most carbon-intensive issuers of the portfolio, but also through investment choices in favor of issuers mainly committed to the energy transition.
The carbon footprint of a portfolio can be measured by using several metrics with different calculation methodologies.
With reference to direct investment portfolio of the Group's insurance companies in listed equities and corporate bonds, we report below the metrics monitored by the Group with the respective performance.

Perimeter and metrics[38]

	31/12/2019	31/12/2020[39]	31/12/2021	31/12/2022	2019-2022 change
Direct investments in listed equities and corporate bonds (€ bln)	117.5	111.5	110.4	91	-22.0%
Absolute emissions[38] (mln tCO_2e)	15.4	12.0	10.4	6.8	-55.9%
Carbon intensity (EVIC)[38] (tCO_2e/€ mln invested)	182	145	128	100[40]	-45.1%
Carbon intensity (sales)[38] (tCO_2e/€ mln sales)	277	243	241	188	-32.1%
Coverage[41]	71%	74%	73%	75%	4 p.p.

CARBON FOOTPRINT OF INVESTMENT PORTFOLIO (EVIC)

100 tCO_2e/€ mln invested **-21.9%**



In line with this long-term goal and the commitments made upon our entry into the NZAOA, the Group set a reduction target based on the carbon intensity (EVIC) measured as tonnes of CO_2 equivalent in relation to the Enterprise Value Including Cash (EVIC) of each issuer. The commitment is to reduce this metric of our investment portfolio by 25% between year-end 2019

38. To calculate the carbon footprint indicators, the Group relies on MSCI data. Data related to CO_2 emissions and carbon intensity (EVIC and sales) of the companies in the portfolio refer to the last available data at the moment of the calculation of carbon footprint for this reporting (usually January/February of each year) and therefore mainly refer to the previous year as the new data are available in the second semester of the year.
39. 2020 indicators have been recalculated following a change in the methodology and data provider.
40. Starting from year-end 2022, the portfolio of Generali China Life Insurance Co. Ltd. was included in the scope. The data for previous years have not been restated given the low materiality of the carbon footprint of the years prior to 2022, mainly due to a limited coverage of data available from external data providers.
41. The coverage presented in the table refers to the metrics carbon intensity (EVIC) and absolute emissions. The coverage for carbon intensity (sales) is 85% for the years 2019 and 2021, 87% for the year 2020 and 88% for the year 2022. Our ambition and commitment is to increase the part of our investment portfolio covered by the carbon footprint assessment in order to provide increasingly precise data.

and year-end 2024. This target covers the direct general account investments of the Group's insurance companies in listed equities and corporate bonds.
The carbon intensity (EVIC) decreased by 45.1% between year-end 2019 and year-end 2022, moving from 182 tCO_2e/€ mln invested to 100 tCO_2e/€ mln invested.
The reduction of the carbon footprint over the last years is mainly due to: i) an investment allocation that favoured the most virtuous companies in the energy transition and reduced at the same time the exposure to high carbon-intensive companies and activity sectors; ii) a decrease in the companies' GHG emissions, also due to the Covid-19 pandemic effects on the global economy starting from 2020, which led to a drop in the activity of some sectors.
Despite the positive results achieved so far, we envisage certain challenges we will face in the next years: the decrease in GHG emissions linked to the pandemic experienced as of year-end 2022 is largely due to an extraordinary event, meaning that the post-Covid-19 recovery would lead to an increase in the companies' GHG emissions, offsetting the previous years' pandemic-induced decline. The war in Ukraine generated an energy crisis in 2022 for European utilities, which had to rely more on coal for electricity generation (to replace Russian gas), leading to a potential increase in the GHG emissions.

Real estate portfolio

The Group is committed to the gradual alignment of its portfolio of real estate assets with the 1.5°C scenario, according to the Carbon Risk Real Estate Monitor (CRREM) methodology. With regard to these assets, managed by the Group's asset manager, Generali Real Estate (GRE), we committed, in line with the NZAOA initiative, to the development of a strategy for the decarbonisation of our assets by 2050, which envisages the gradual alignment of the real estate portfolio with the emissions intensity targets defined by the CRREM model. This long-term commitment is supported by the intermediate target of aligning at least 30% of the real estate portfolio with the global warming trajectory of 1.5°C by 2024 and is a natural consequence of the efforts already made by the Group over several years for a more sustainable management of its real estate assets.
At the end of 2022, more than 30% of the portfolio is in line with the CRREM decarbonisation pathway, allowing us to be well positioned in relation to the achievement of the target. Given the dynamism of the real estate portfolio, the Group monitors its portfolio and activates all applicable levers to guarantee the achievement of the target by 2024. The aim of the Group is to progressively increase this percentage in order to align almost all its assets to the 1.5°C trajectory.

A dedicated improvement plan for each real estate asset

The objective of aligning the total portfolio with the 1.5°C trajectory is an ambitious long-term plan that requires to understand the peculiarities of each building and to define an improvement plan. Within this scope, since 2022 an energy efficiency plan for the individual properties was defined also through the use of techniques of data analytics, with the aim of identifying the possible improvement actions and potential costs for the alignment of these properties with the decarbonisation target set for 2050 and with the Group's sustainability ambitions. This energy efficiency plan currently consists of € 24 billion and is annually presented and updated on the basis of the collected and estimated data. The suggested actions, which consider the main ways to reduce emissions and increase energy efficiency, range from renovations (light or heavy) to system upgrades, making changes to the energy mix and involving the tenants.

At the end of 2022, the level of greenhouse gas emissions of our real estate assets is about 297,843 tCO_2e, equivalent to 40.3 $KgCO_2 e/m^2$ of carbon intensity. The data on real estate CO_2e emissions are subject to continuous enhancements, due to coverage increase and improvements in the benchmarking methodologies used for CO_2e data estimation. The underlying data for such calculation derives from reported data, when available, or estimated data in other cases.
Since the availability of data related to real estate can often be a challenge, in order to accurately measure the initial levels of equivalent CO_2 emissions and the concomitant achievement of decarbonisation objectives, in 2019 GRE launched a data analytics project, which currently covers around 400 buildings in 10 countries throughout Europe, representing more than 80% of total Assets Under Management.
For these assets, the consumption data of existing buildings are collected and centralised on a digital platform, which automatically calculates greenhouse gas emissions and monitors their development.

Decarbonisation of infrastructure investments

The Group is a relevant investor in infrastructure projects. Such investments are particularly significant when considering their contribution to the fight against climate change. Indeed, through the construction of new infrastructure with a long life cycle, they can create conditions to better manage emissions in the next decades. Investments in clean energy and green infrastructure will reduce the level of greenhouse gas emissions in the coming years, while investment choices in heavily polluting technologies will generate negative impacts on the climate and the environment, putting the long-term target of limiting the temperature increase to 1.5°C at risk.
We invest in infrastructure projects mainly through Infranity, the Group's asset manager dedicated to this asset class. In line

with the Group's commitment to limiting global warming to 1.5°C, Infranity joined the Net-Zero Asset Management Initiative with the objective of reducing its net greenhouse gas emissions to zero by 2050.

Investments in assets as driver of change

The Group invests in financial products aimed at directly and effectively supporting the fight against climate change and at creating a positive impact on society and the environment in general.
For this purpose, in 2021 we defined the new green, social and sustainable bond investments target.

Our strategy, Responsible investor, p. 53

Indirect investments

Selection of asset managers and funds

We invest not only through dedicated mandates but also through investment funds managed by asset managers that are either internal or external to the Group. In this case, the levers available to the Group to integrate ESG criteria into investments are different and linked to the policies and methodologies already defined by the fund and the selected asset manager. The main lever available to the Group is therefore the introduction of an ESG assessment during the screening and due diligence processes, carried out during the selection of the asset manager/fund, and complemented with an engagement on any key issues identified.
The Group defined a set of screening criteria in order to evaluate the asset manager's ESG strategy and the alignment with some of the commitments made by the Group, such as restrictions on thermal coal, significant controversies and unconventional weapons, transparency and commitment to fighting climate change.
Constant dialogue with the asset managers of the funds in which we invest is a key element that allows us to illustrate and promote the Group's needs on sustainability integration towards them, especially when the assessment of the asset managers' policies identifies some issues which, while not constituting an element of divestment, may represent areas for improvement.

Covid-19: commitment to a sustainable economic recovery

The commitment of a large Group such as Generali and the help it can provide are even more evident in times of crisis. The social and economic crisis triggered by the Covid-19 pandemic, which is still ongoing, emphasised the need to strengthen and consolidate the European model from a healthcare, economic and social perspective. To contribute to repairing the economic and social damage caused by the pandemic, the European Commission, the European Parliament and EU leaders have agreed on a recovery plan that will help the EU to emerge from the crisis and lay the foundations for a more modern and sustainable economy.
Generali has undertaken to actively contribute to this recovery: we have joined the European Green Recovery Alliance, launched on the initiative of the Chair of the Environment Committee at the European Parliament, which is based on the belief that the recovery will be an opportunity to rethink society and to develop a new economic model for Europe that is resilient, focused on the protection of the individual, sovereign and inclusive, in which the financial goals and the needs of the planet are aligned. A sustainable recovery is crucial to recreate the economic system damaged by the crisis on a less fragile and socially responsible basis, able to better withstand future shocks.

We launched Fenice 190, a € 3.5 billion investment plan to support the recovery of the European economies impacted by Covid-19, starting from Italy, France and Germany and then to target all the European countries in which the Group operates.
The program aims to finance, through debt and equity instruments, infrastructure, innovation and digitalization projects, support for SMEs, green housing, health facilities and education.
The investment program therefore pursues both environmental (e.g. energy requalification of existing spaces and infrastructures, reduction of polluting emissions, development of renewable energies) and social (e.g. improvement of people's quality of life, through the support of companies that promote socially responsible labour policies and fairer employment contracts as well as urban redevelopment initiatives for living spaces) objectives.
The investment plan is implemented through various investment vehicles:

- extraordinary initiatives, launched in 2020 to immediately deal with the effects of the crisis upon the outbreak of the pandemic, through investments in specific funds managed by both Group and external companies, for a total amount of commitments undertaken by Group companies equal to € 1,270 million at the end of 2022;
- through the multi-segment fund of funds incorporated under the Luxembourg law, Fenice 190, established in 2021 and open to both Group companies and third-party investors, managed by Generali Investments Partners (GIP) SGR, for a total amount of commitments undertaken by Group companies equal to € 810 million at the end of 2022.

NFS

FENICE 190 (2020-2022)

€ 2,080 mln

The challenging macroeconomic context that characterized 2022, strongly conditioned by high inflation and by the war in Ukraine, determined the Group's need to make changes to the investment plan defined at the beginning of the year for the insurance companies; for this reason, in 2022 there were no subscriptions by the Group's insurance companies with regard to the eligible investments for the investment plan Fenice 190. In any case, the alignment with the overall target of € 3.5 billion by 2025 is confirmed.

Portfolios promoting environmental and social characteristics or with sustainable investment objectives

In line with its ambition, the Group has undertaken to integrate sustainability factors into investments supporting the sale of financial products, both with reference to investment life policies (insurance-based investment products) and mutual funds promoted and/or managed by asset managers belonging to the Group.
Following the entry into force of Regulation EU 2019/2088 on the transparency of sustainability related disclosures in the financial market (Sustainable Finance Disclosure Regulation - SFDR), the investment policies of the insurance portfolios used as the underlying of life policies and mutual investment funds were assessed considering their ESG profile and capability to promote environmental and social characteristics, investing in companies with good governance practices (investments managed ex art. 8 SFDR), or to pursue sustainable investment objectives (investments managed ex art. 9 SFDR).

As asset owner

The Group is committed to increasing the number of insurance portfolios that promote environmental and social characteristics in their investment choices. As of today, the general account portfolios classified as ex art. 8 according to the SFDR regulation amount to € 48.7 billion, whose decrease mainly reflects the financial markets' volatility in 2022, which impacted the equity and fixed income instruments.

MANDATES MANAGED EX ART. 8/9 SFDR[42]

€ 48.7 bln -29.6%

As asset manager

The Group is strengthening the integration of sustainability factors also through the offer of financial products that promote environmental or social characteristics or that have sustainable investments as their objective. Among these financial products, Sycomore's offer is of particular importance. Being a pioneer in sustainable investments, having contributed significantly to affirming ESG criteria in the European market in the last 20 years, Sycomore represents one of the strengths of the commercial offer of the Group's asset manager ecosystem.
The investments have decreased, mainly reflecting the financial markets' volatility in 2022, which impacted the equity and fixed income instruments.

INVESTMENTS MANAGED EX ART. 8/9 SFDR[43]

€ 6.8 bln -13.9%

42. The indicator refers to the mandates of the Generali France business unit (specifically of Generali Vie and Generali Retraite) managed by Generali Insurance Asset Management (GIAM).
43. The indicator refers to investments managed by Sycomore.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Exposures to EU Taxonomy-eligible and non-eligible activities

The European Union developed an ambitious strategy for sustainable development and the transition to a low-carbon economy, in line with the objectives of the 2015 Paris Agreement on climate, committing itself to becoming the first net-zero continent by the end of 2050. To achieve such objectives, the European Union is promoting investments in eco-sustainable activities with the use of both public and private resources. In this perspective, the European Commission adopted an initial Sustainable Finance Action Plan in 2018, where it defined a strategy for redirecting capital flows towards sustainable investments, in order to achieve a sustainable and inclusive growth.
In this context, the European Union established a significantly evolving, standardized system of classification of sustainable activities (known as EU Taxonomy), outlined in Regulation EU 2020/852 and in Delegated Regulation EU 2021/2139, which define the criteria for determining whether an economic activity can be considered environmentally sustainable in order to identify the degree of eco-sustainability of an investment.
According to the EU Taxonomy, insurance companies can contribute to EU climate objectives both by developing and offering insurance coverage to protect against climate change-related perils and by leveraging their role as long-term investors by reorienting capital flows towards eco-sustainable businesses and activities.
The instrument for the classification of economic activities is complemented by a mandatory disclosure regime for financial and non-financial undertakings, which provides for the inclusion of specific indicators regarding their contribution to the EU Taxonomy objectives. In particular, financial undertakings are required to provide:
- a simplified disclosure on EU Taxonomy eligibility for 2021 and 2022 annual reports;
- EU Taxonomy alignment indicators for annual reports starting from 2023.

Subsequently, it should be noted that eligible exposures will have to be assessed starting from 2023 to verify their effective alignment with the EU Taxonomy.

The Sustainability Integrated Reporting (SIR) project was launched in 2022 to manage the evolution of regulatory obligations pursuant to the EU Taxonomy and the Corporate Sustainability Reporting Directive, with the coordination of the Group CFO area and the involvement of the Group's business units. In addition to ensuring regulatory compliance, the project aims to support the integration of regulation into business strategy and processes in line with other sustainability projects as well as to consolidate the integrated data quality framework, which must be native in the reporting processes.

Pursuant to art. 10.3 of Delegated Regulation EU 2021/2178 of the European Commission[44], we reported for the year 2022 the proportion of exposures to EU Taxonomy-eligible and non-eligible activities, as well as the proportion of exposures to central governments, central banks and supranational issuers, to derivatives and to undertakings not obliged to publish non-financial information.

In consideration of the provisions of the reporting guidelines and communications published by the European Commission in December 2021[45], October 2022[46] and December 2022[47], at 31 December 2022 the total assets covered by EU Taxonomy indicators were calculated as the difference between total assets in the Balance Sheet, amounting to € 519,051 million, and exposures to central governments, central banks and supranational issuers (including cash and cash equivalents), which amounted to € 143,839 million (27.7% of total assets in the Balance Sheet), as well as the sum of intangible assets, tangible assets (excluding self-used buildings), amounts ceded to reinsurers from insurance provisions, receivables and other assets, which totalled € 58,019 million (11.2% of total assets in the Balance Sheet). The assets covered by the EU Taxonomy indicators therefore were equal to € 317,193 million or 61.1% of total assets.

EXPOSURES TO CENTRAL GOVERNMENTS, CENTRAL BANKS AND SUPRANATIONAL ISSUERS

27.7%

In line with the 2021 financial year, we conducted the eligibility analysis on investments where the Group has direct control, without using estimates based on internal methodologies. Moreover, for the 2022 financial year, the eligibility analysis was extended to the Group's investees obliged to publish the Non-Financial Statement[48], using Taxonomy-linked data made available by them

44. It is the Delegated Regulation on disclosure pursuant to the EU Taxonomy: it supplements Regulation EU 2020/852 of the European Parliament and of the Council, specifying the content and presentation of information to be disclosed by undertakings subject to Article 19a or Article 29a of Directive 2013/34/EU concerning environmentally sustainable economic activities, as well as specifying the methodology to comply with this disclosure obligation.
45. *FAQs: How should financial and non-financial undertakings report Taxonomy-eligible economic activities and assets in accordance with the Taxonomy Regulation Article 8 Disclosures Delegated Act?*
46. *Comunicazione della commissione sull'interpretazione di talune disposizioni giuridiche dell'atto delegato relativo all'informativa a norma dell'articolo 8 del regolamento sulla tassonomia dell'UE per quanto riguarda la comunicazione di attività economiche e attivi ammissibili.*
47. *Draft Commission Notice on the interpretation and implementation of certain legal provisions of the Disclosures Delegated Act under Article 8 of EU Taxonomy Regulation on the reporting of Taxonomy eligible and Taxonomy-aligned economic activities and assets (second Commission Notice).*
48. Undertakings subject to the disclosure obligations set out in Articles 19a and 29a of Directive 2013/34/EU, including subsidiaries of another parent company fulfilling such obligation.

in 2022[49] and provided by the data provider MSCI, thus allowing the Group to identify the exposures to the specific economic activities eligible for the EU Taxonomy and described in Annexes I and II of Delegated Regulation EU 2021/2139[50]. The evolutionary approach adopted for calculating eligibility indicators in 2022 is not comparable to the one used in 2021, which did not leverage actual investee data.

The eligible exposures, which were calculated considering the book value at the end of the period and equal to € 39,903 million (12.6% of total covered assets) based on turnover and to € 43,362 million (13.7% of total covered assets) based on capital expenditure. Both eligibility indicators are composed of:

- the value of land and buildings (investment properties) for € 16,860 million, self-used buildings, included in land and buildings (self-used) for € 2,470 million and mortgage loans for € 6,360 million. In fact, the activity of Acquisition and ownership of buildings is included in Annex I of Delegated Regulation EU 2021/2139 (activity 7.7), as it is relevant for the objective of climate change mitigation;
- the value of direct investments eligible for the EU Taxonomy to financial undertakings obliged to publish non-financial information, weighted on the proportion of EU Taxonomy-eligible economic activities and/or exposures of investee banks and insurance companies[51] for €4,162 million;

to which is added respectively:

- the value of direct investments eligible for the EU Taxonomy to non-financial undertakings obliged to publish non-financial information, weighted on the proportion of turnover attributable to EU Taxonomy-eligible economic activities of investee companies for €10,051 million, or
- the value of direct investments eligible for the EU Taxonomy to non-financial undertakings obliged to publish non-financial information, weighted on the proportion of capital expenditure attributable to EU Taxonomy-eligible economic activities of investee companies for €13,510 million.

EXPOSURES TO EU TAXONOMY-ELIGIBLE ECONOMIC ACTIVITIES BASED ON TURNOVER[52]

12.6%

EXPOSURES TO EU TAXONOMY-ELIGIBLE ECONOMIC ACTIVITIES BASED ON CAPITAL EXPENDITURE[52]

13.7%

In line with Delegated Regulation EU 2021/2178, we considered among exposures to EU Taxonomy non-eligible economic activities investments in derivative assets, cash and cash equivalents (excluding those with central banks) and investments in undertakings not obliged to publish non-financial information. Moreover, exposures to non-eligible economic activities include the book value of direct investments in undertakings obliged to publish non-financial information weighted by the proportion of EU Taxonomy non-eligible economic activities of investees through the use of actual data disclosed by investees.

For the 2022 financial year, indirect investments were conservatively classified as non-eligible, as it was not possible to use after-look through data of funds.

In this context, the Group is carrying out specific activities aimed at expanding the scope of analysis pursuant to art. 8 of the Taxonomy Regulation in order to progressively increase the assessment of exposures to EU Taxonomy-eligible and aligned assets. These non-eligible activities amounted to € 277,290 million (87.4% of total covered assets) based on turnover and to € 273,831 million (86.3% of total covered assets) based on capital expenditure.

EXPOSURES TO EU TAXONOMY NON-ELIGIBLE ECONOMIC ACTIVITIES BASED ON TURNOVER[52]

87.4%

EXPOSURES TO EU TAXONOMY NON-ELIGIBLE ECONOMIC ACTIVITIES BASED ON CAPITAL EXPENDITURE[52]

86.3%

49. It should be noted that the data relating to the eligibility rate based on turnover and capital expenditure published by the Group's investees do not include the economic activities in certain energy sectors referred to in EU Delegated Regulation 2022/1214 as they were not available at the time of drafting this document. It was therefore not possible to fill the templates provided for in Annex III of the aforementioned Delegated Regulation.
50. It is Delegated Regulation on climate objectives: it supplements Regulation EU 2020/852 of the European Parliament and of the Council, by establishing the technical screening criteria for determining under which conditions an economic activity qualifies as contributing substantially to climate change mitigation or climate change adaptation and for determining whether that economic activity causes no significant harm to any of the other environmental objectives.
51. Following the Commission's communication, which states that the approach to calculating eligibility indicators should prepare undertakings for the alignment phase, exposures have been weighted based on the eligibility indicator applicable to the different types of investees in line with the methodology set out in Annex IX of Regulation 2178/2021, section 1. KPI related to investments. Specifically, for exposures to credit institutions, the Group's investments have been weighted for the proportion of eligible exposures compared to the covered assets, while for insurance companies, they have been weighted for the average eligibility rate of counterparties calculated considering the proportion of eligible exposures over the covered assets and the proportion of eligible premiums over the total non-life premiums.
52. In line with the European common enforcement priorities for 2022 annual financial reports published by ESMA in October 2022, the sum of eligible and non-eligible exposures should always amount to 100% of the issuer's covered activities.

Within the EU Taxonomy non-eligible activities, derivative assets, amounting to € 1,479 million, represented 0.5% of total covered assets, while cash and cash equivalents (excluding those with central banks), amounting to € 6,537 million, were equal to 2.1% of total covered assets. To date, these exposures cannot be assessed for eligibility purposes in line with Delegated Regulation EU 2021/2178 and the communication of the European Commission in October 2022.

EXPOSURES TO DERIVATIVE ASSETS

0.5%

With regard to exposures to undertakings not obliged to publish non-financial information, as there is not yet an official data source at EU level that would allow the identification of these undertakings, we used the indications provided by MSCI, based on a scope of application defined by the Centre for European Policy Studies (CEPS). In particular, also on the basis of the information provided by the data provider, undertakings not obliged to publish non-financial information include European companies excluded from the scope of application of articles 19a and 29a of directive 2013/34/EU which did not provide data relating to EU Taxonomy eligibility, issuers belonging to third countries and alternative investments, mainly private equity, as the issuers are unlisted. Such exposures amounted to € 60,187 million (19.0% of total covered assets).

EXPOSURES TO UNDERTAKINGS NOT OBLIGED TO PUBLISH NON-FINANCIAL INFORMATION

19.0%

The Group has established and monitored the process of implementing the latest European legislative provisions, particularly with regard to the requirements introduced by Regulation EU 2019/2088 on sustainability-related disclosures in the financial services sector (known as Disclosure Regulation) and Regulation EU 2020/852 on the establishment of a framework to facilitate sustainable investments (known as EU Taxonomy Regulation).
The Group has also updated the framework for the integration of sustainability factors into the investment policies as asset owner, in line with the commitments described in the Generali Group Strategy on Climate Change updated in June 2022 and to encourage the investments necessary to achieve the objectives of the European Green Deal of net-zero GHG emissions by 2050, committing to making the investment portfolio net-zero by 2050.
The adoption of the EU Taxonomy represents an important step to ensure the transparency of investments in activities considered as environmentally sustainable. Once completed with the technical criteria to classify activities as sustainable according to the six climate objectives, the EU Taxonomy will represent a reference framework for the inclusion of environmental considerations in investments. The Group is committed to increasingly integrating the information deriving from the EU Taxonomy into its framework for incorporating ESG criteria into investments, subject to the availability and quality of data in the market.

(€ million)	31/12/2022 Amounts	Ratio of total assets in the Balance Sheet (%)
Total Assets in the Balance Sheet	519,051	
Activities excluded from EU Taxonomy KPIs	201,858	38.9%
Other assets (in particular, intangible assets, amount ceded to reinsurers from insurance provisions, other assets and receivables)	58,019	11.2%
Exposures to central governments, central banks and supranational issuers (including cash and cash equivalents with central banks)	**143,839**	**27.7%**
Assets covered by EU Taxonomy KPIs (coverage ratio)	**317,193**	**61.1%**
EU TAXONOMY-ELIGIBLE ECONOMIC ACTIVITIES	**Amounts**	**Ratio of assets covered by the EU Taxonomy (%)**
Taxonomy-eligible exposures to non-financial undertakings obliged to publish non-financial information (Articles 19a and 29a of directive 2013/34/EU) based on Turnover (A)	10,051	3.2%
Taxonomy-eligible exposures to non-financial undertakings obliged to publish non-financial information (Articles 19a and 29a of directive 2013/34/EU) based on Capex (B)	13,510	4.3%
Taxonomy-eligible exposures to other activities (C)	29,852	9.4%
Land and buildings (investment properties)(*)	16,860	5.3%
Mortgage loans(**)	6,360	2.0%
Land and buildings (self-used)	2,470	0.8%
Taxonomy-eligible exposures to financial undertakings obliged to publish non-financial information (Articles 19a and 29a of directive 2013/34/EU)	4,162	1.3%
Exposures to EU Taxonomy-eligible economic activities based on Turnover (A + C)	**39,903**	**12.6%**
Exposures to EU Taxonomy eligible economic activities based on Capex (B + C)	**43,362**	**13.7%**
EU TAXONOMY NON-ELIGIBLE ECONOMIC ACTIVITIES	**Amounts**	**Ratio of assets covered by the EU Taxonomy (%)**
Taxonomy non-eligible exposures to non-financial undertakings obliged to publish non-financial information (Articles 19a and 29a of directive 2013/34/EU) based on Turnover (D)	16,327	5.1%
Taxonomy non-eligible exposures to non-financial undertakings obliged to publish non-financial information (Articles 19a and 29a of directive 2013/34/EU) based on Capex (E)	12,868	4.1%
Taxonomy non-eligible exposures to other activities (F)	261,598	82.5%
Derivatives	**1,479**	**0.5%**
Cash and cash equivalents (excluding cash and cash equivalents with central banks)	6,537	2.1%
Exposures to undertakings not obliged to publish non-financial information (Articles 19a or 29a of Directive 2013/34/EU)(***)	**60,187**	**19.0%**
Indirect investments and other investments(****)	184,185	58.1%
Taxonomy non-eligible exposures to financial undertakings obliged to publish non-financial information (Articles 19a and 29a of directive 2013/34/EU)	8,575	2.7%
Exposures to EU Taxonomy non-eligible economic activities based on Turnover (D + F)	**277,290**	**87.4%**
Exposures to EU Taxonomy non-eligible economic activities based on Capex (E + F)	**273,831**	**86.3%**

(*) Land and buildings investments do not include investments in agricultural land, which is currently a non-eligible activity for the EU Taxonomy, but they do include an immaterial exposure to a methane gas-fired trigeneration plant at the Mogliano Veneto site, as the high-yield cogeneration of heating/cooling and electricity from gaseous fuels is one of the eligible activities introduced by Delegated Regulation EU 2022/1214, which amends Delegated Regulation EU 2021/2139 (Annex I, activity 4.30).

(**) Mortgage loans are considered eligible in line with the provisions of Annex V of Delegated Regulation EU 2021/2178 and in light of the Communication published by the European Commission in October 2022, as secured by real estate and attributable to the climate change mitigation-eligible activity of *Acquisition and ownership of buildings* (Section 7.7 of Annex I of Delegated Regulation EU 2021/2139).

(***) Also on the basis of the information provided by the data provider, undertakings not obliged to publish non-financial information include: i) European companies excluded from the scope of application of articles 19a and 29a of directive 2013/34/EU which did not provide data relating to EU Taxonomy eligibility, ii) issuers belonging to third countries and iii) alternative investments, mainly private equity, as the issuers are unlisted.

(****) They include indirect investments conservatively classified as non-eligible, as it was not possible to use after-look through data of funds, and exposures towards undertakings for which it was not possible to collect useful data for the purposes of this Report.

NFS

Responsible insurer

As a responsible insurer, we committed on three main goals.

01 We want to increase gross written premiums by 5-7% CAGR by 2024 in relation to the insurance solutions with ESG components: social sphere - aimed at targeted clients or promoting responsible behaviour and healthy lifestyle - and environmental sphere - for instance promoting mobility with reduced environmental impact or supporting the energy efficiency of buildings.

02 We want to transition the insurance portfolio to net-zero greenhouse gas (GHG) emission by 2050. As proof of this, Generali is one of the eight founding members of the Net-Zero Insurance Alliance, an alliance committed to transitioning insurance and reinsurance underwriting portfolios to net-zero greenhouse gas emissions by 2050.

03 We want to strengthen the focus on sustainable SMEs through the SME EnterPRIZE project and the integration of sustainability into our customer value proposition.

Insurance solutions with ESG components

Insurance solutions, by their very nature, have a high social and environmental value, as they concretely respond to customers' pension and protection needs and to the growing requirements of society, contributing to make it more resilient in relation to changes and adversities.
As a responsible insurer, with € 81.5 billion gross written premiums in 2022, the Group developed an internal framework to identify those existing insurance solutions that, more than others, have ESG components and contribute to create shared value with all the stakeholders. These insurance solutions offer coverage and services to clients with habits, behaviours or activities that respect the environment, as well as particular needs for support, protection and/or inclusion, also from a social perspective. In the meantime, we also developed insurance solutions with investment components with the aim of positively contributing to environmental and social dimensions.

Group's performance, p. 103 for further information on premiums

Facing climate change, respecting ecosystems, integrating welfare systems are just some of the topics we want to contribute to. To do it, we would like to direct habits and behaviours towards healthier and more aware lifestyles, favouring risk prevention and reduction rather than the sole reimbursement.

To provide transparency to our stakeholders, we report on the amount of premiums deriving from insurance solutions with ESG components and will progressively adapt our definitions to those of national and supranational regulators.

Within the *Lifetime Partner 24: Driving Growth* strategy, the Group confirms its commitment to developing insurance solutions with ESG components, as defined by our internal framework, increasing our premiums by a 5-7% CAGR (Compound Annual Growth Rate) increase over the next three years.

PREMIUMS FROM INSURANCE SOLUTIONS WITH ESG COMPONENTS[53]

€ 19,868 mln +11.7%

PREMIUMS FROM INSURANCE SOLUTIONS WITH ESG COMPONENTS - SOCIAL SPHERE[53]

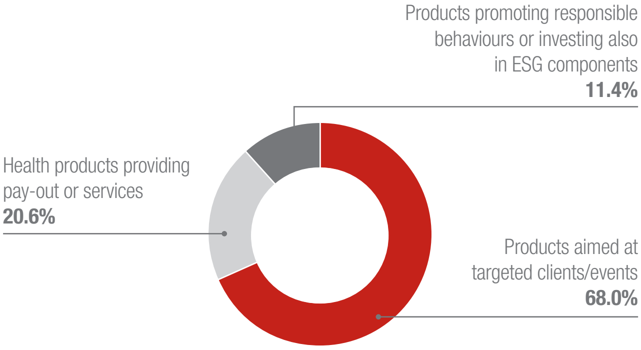
€ 17,449 mln +11.5%

PREMIUMS FROM INSURANCE SOLUTIONS WITH ESG COMPONENTS - ENVIRONMENTAL SPHERE[53]

€ 2,419 mln +14.0%

53. Premiums from insurance solutions with ESG components - social sphere and environmental sphere refer to consolidated companies representing 99.9% of the Group's total gross direct written premiums. The change was on equivalent terms, i.e. at constant exchange rates and consolidation scope.
As for premiums from insurance solutions with ESG components - environmental sphere, the premium from multi-risk policies covering NATCAT events only refers to the NATCAT guarantee. If the premium cannot be split into green-related component and other components, only the premium from the policies which are predominantly providing a green coverage or service is reported.

Premiums from insurance solutions with ESG components - social sphere



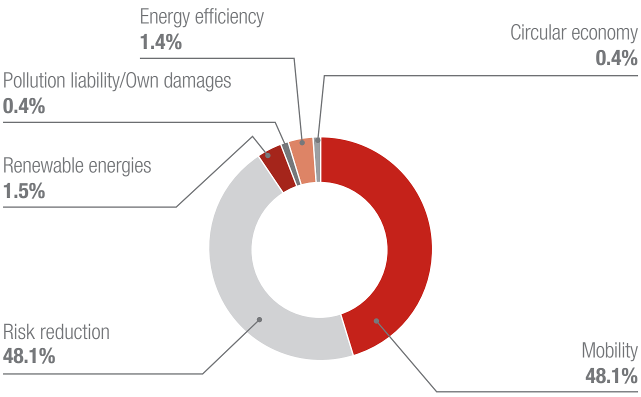
LEGENDA

Products aimed at targeted clients/events: including products dedicated to the young, the elderly, the disabled, the immigrants, the unemployed, aimed at covering professional disabilities, or supporting and fostering social inclusion; products that promote a more prosperous and stable society, with particular attention to small and medium-sized enterprises and people involved in voluntary work; products with high social security or microinsurance content;

Health products providing pay-out or services: products that supplement the public health service, designed to help manage the costs of treatment and assistance, as well as the reduction in earnings of customers in the event of serious illnesses or the loss of self-sufficiency;

Products promoting responsible behaviours or investing also in ESG components: products that promote responsible and healthy lifestyles, leveraging on the opportunities provided by new technologies, the importance of preventive healthcare or other virtuous behaviours of policyholders, and Life investment products allowing to invest insurance premiums into financial assets also with ESG components.

Premiums from insurance solutions with ESG components - environmental sphere



LEGENDA

Mobility: products designed to promote sustainable mobility with reduced environmental impact, including products for electric and hybrid vehicles, or products rewarding low annual mileage and responsible driving behaviour;

Risk reduction: products specifically designed to cover catastrophe risks or specific environmental damage;

Renewable energies: products covering risks connected with the production of renewable energies. These kinds of products are designed to cover equipment for the production of renewable energy, to guarantee reimbursement of damage caused by atmospheric events to solar and photovoltaic panels, or similar systems, which can be integrated with guarantees to protect against loss of profit deriving from the interruption or decrease of the production of electricity;

Pollution liability/Own damages: anti-pollution products, such as third party liability policies for pollution, which provide reimbursement of expenses for urgent and temporary interventions aimed at preventing or limiting the recoverable damage;

Energy efficiency: products that support the energy efficiency of buildings, for which we also provide consultancy to customers, to identify possible solutions for optimizing energy consumption in homes;

Circular economy: products to support companies dealing with materials recovery/recycling, products for start-ups that manage shared services platforms, etc..

EU Taxonomy-eligible and non-eligible non-life insurance activities

The European Union has established a significantly evolving, standardized system of classification of sustainable activities (known as EU Taxonomy), outlined in Regulation EU 2020/852 and Delegated Regulation EU 2021/2139, which define the criteria for determining whether an economic activity can be considered environmentally sustainable in order to identify the degree of eco-sustainability of an investment.

Our strategy, Responsible investor, p. 62 for further details

Pursuant to art. 10.3 of Delegated Regulation EU 2021/2178 of the European Commission[54], we reported the proportion in the total P&C premiums of EU Taxonomy-eligible and non-eligible non-life insurance activities.

54. It is the Delegated Regulation on disclosure pursuant to the EU Taxonomy: it supplements Regulation EU 2020/852 of the European Parliament and of the Council, specifying the content and presentation of information to be disclosed by undertakings subject to Article 19a or Article 29a of Directive 2013/34/EU concerning environmentally sustainable economic activities, as well as specifying the methodology to comply with this disclosure obligation.

Eligible non-life insurance business refers to coverage of climate-related perils within certain lines of business[55]. In consideration of the provisions of the reporting guidelines and communications published by the European Commission in December 2021[56], October 2022[57] and December 2022[58], the Group considered eligible premiums as the total gross written premiums attributable to the lines of business, among the eight lines listed in Delegated Regulation EU 2021/2139 of the European Commission[59], which includes a policy to cover any climate-related perils defined by the EU Taxonomy. For the purpose of this report, the identification of such policy was based on the assessment of policy terms and/or conditions relating to catastrophe risk coverage[60]. The lines of business included were: other motor insurance; marine, aviation and transport insurance; fire insurance and other damage to property insurance.

EU TAXONOMY-ELIGIBLE NON-LIFE INSURANCE ACTIVITIES[61]

43.0% **-1.2 p.p.**

EU TAXONOMY NON-ELIGIBLE NON-LIFE INSURANCE ACTIVITIES[61]

57.0% **+1.2 p.p.**

The EU Taxonomy classifies insurance underwriting as an activity contributing to climate change adaptation. In this regulatory context and considering the recent trends of increasing frequency and severity of natural disasters, the Group is increasingly enhancing its focus on such risks, with the aim of providing customers with adequate coverage through proper risk modelling and, consequently, price.
Several initiatives have been launched in recent years with the aim of:

- continuing to improve technical pricing (through the use of cat models and external climatological data) to ensure optimal geospatial pricing of natural event coverage;
- enhancing customer risk perception and provide a suite of services, both ex ante (such as awareness and prevention campaigns, early warnings and alerts) and ex post (thanks to its speed in providing proper claims handling services);
- exploiting the know-how in natural catastrophes and collaborating with scientific partners to explore new product solutions, also employing advanced techniques such as machine learning modelling approaches.

With reference to fossil fuel-related activities, since 2018 the Group has been applying restrictions to clients for coal-related activities, avoiding new underwriting and reducing the existing exposures.
Moreover, the Group does not insure clients for both conventional and unconventional oil and gas upstream activities. With regard to the unconventional tar sands and fracking oil and gas sectors, the exclusions also apply to the midstream segment.

In addition to contributing to the climate change adaptation objective, the Group's insurance underwriting activities also aim to contribute to its mitigation. In fact, in line with the *Lifetime Partner 24: Driving Growth* strategy, in which sustainability represents one of its characterizing elements, Generali is committed to playing a leading role in the transition process towards zero greenhouse gas emissions even through the development of renewable energy sources. Within the Group, we developed and shared a best practice which, together with a technical risk assessment and loss prevention tool, will be used to underwrite the specific risks of the renewable energy sector (photovoltaic panels) for the SME segment. This best practice is added to those aimed at supporting the energy efficiency of buildings or those aimed at promoting sustainable mobility.

Our strategy, Responsible insurer, p. 66

55. Annex II of Delegated Regulation EU 2021/2139 of the European Commission identifies the following lines of business: medical expense insurance; income protection insurance; workers' compensation insurance; motor vehicle liability insurance; other motor insurance; marine, aviation and transport insurance; fire insurance and other damage to property insurance; and assistance.
56. *FAQs: How should financial and non-financial undertakings report Taxonomy-eligible economic activities and assets in accordance with the Taxonomy Regulation Article 8 Disclosures Delegated Act?*
67. *Commission Notice on the interpretation of certain legal provisions of the Disclosures Delegated Act under Article 8 of EU Taxonomy Regulation on the reporting of eligible economic activities and assets.*
58. *Draft Commission Notice on the interpretation and implementation of certain legal provisions of the Disclosures Delegated Act under Article 8 of EU Taxonomy Regulation on the reporting of Taxonomy eligible and Taxonomy-aligned economic activities and assets (second Commission Notice).*
59. It is Delegated Regulation on climate objectives: it supplements Regulation EU 2020/852 of the European Parliament and of the Council, by establishing the technical screening criteria for determining under which conditions an economic activity qualifies as contributing substantially to climate change mitigation or climate change adaptation and for determining whether that economic activity causes no significant harm to any of the other environmental objectives.
60. Although the coverage of catastrophe risks concerns both climate-related perils and other catastrophe events, the risk of considering eligible the premiums attributable to policies that only cover other catastrophe events is limited, in light of the features of the Group's products.
61. In line with the *European common enforcement priorities for 2022 annual financial reports* published by ESMA in October 2022, the sum of eligible and non-eligible exposures should always amount to 100% of the issuer's covered activities.

In view of future reporting needs, the lines of business identified as eligible already include considerations on the process for determining which insurance activities could be aligned with the EU Taxonomy, which will represent the Group's contribution to the climate change adaptation objective starting from 2023.
Furthermore, in continuity with the previous year, we confirm our participation to the working groups promoted at national and European level for a continuous and fruitful discussion on issues connected not only to the processes of integration of the EU Taxonomy in product development, but also to the sharing of best practices (for example, risk prevention and reduction actions) for a correct assessment of the alignment of the insurance business with the provisions of the regulation.

Our commitment to the decarbonisation of the insurance portfolio

Generali is one of the eight founding members[62] of the Net-Zero Insurance Alliance (NZIA) a group of leading re/insurers that, as of July 2021, committed to decarbonising their underwriting portfolios consistently with a maximum temperature increase of 1.5°C above pre-industrial levels by 2100.

www.unepfi.org/net-zero-insurance

As a member of NZIA, Generali declared its pledge to transition its insurance underwriting portfolio to net-zero greenhouse gas (GHG) emission by 2050, to establish science-based interim reduction targets, to report on its progress against these targets annually, to engage with clients about their decarbonisation strategies, and to advocate for governmental policies for a socially just transition.

In order to pursue these ambitious goals, the *Insurance-Associated Emissions Working Group*[63] (which Generali joined) supported by Partnership for Carbon Accounting Financials (PCAF) undertook to define a comprehensive and standardized methodology for measuring greenhouse gas (GHG) emissions associated with re/insurance underwriting portfolios (*insurance-associated emissions*).

www.carbonaccountingfinancials.com/about

This activity entailed the publication of two documents:
- *Scoping Document* (April 2022), which contains key guiding principles for the development of the calculation methodology, explores the differences between *Financed Emissions*[64] and *Insurance-associated emissions*, and highlights critical issues related to the measurement of these emissions;
- *Global GHG Accounting and Reporting Standard for Insurance-Associated Emissions* (November 2022 - at UN COP 27), which provides detailed guidance for measuring emissions associated with two segments (*commercial lines insurance and personal motor lines*), outlining a transparent and standardized methodology which allows to measure GHG emissions and communicate consistent, comparable, reliable and clear information to the market.

Both documents underwent a public consultation involving regulators, brokers, policymakers, consultants, nongovernmental organizations (NGOs) and academia.
Once the metrics for measuring *Insurance-associated emissions* were clarified, the *Target Setting Working Group*[65] (which Generali was a member of) worked on drafting a guidance document regarding the definition of high-level targets for emissions reductions. The *Target Setting Protocol* (January 2023 - post public consultation), indeed, establishes the target time horizon, emissions in scope, business in scope, target categories and the minimum requirements to target setting.
Generali is then going to decline these high-level targets individually and independently - according to the peculiarities of its portfolio and related strategy - and, as per *NZIA Statement of Commitment*, will make them public within six months (July 2023) of the publication of the Target Setting Protocol and publicly report on an annual basis its progress against such intermediate targets.

62. Allianz, Aviva, AXA, Generali, Munich RE, SCOR, Swiss Re, Zurich.
63. Allianz, Aviva, AXA, Bradesco Seguros, Generali, ICEA Lion, Liberty Mutual, Lloyds, Munich Re, NN Group, QBE, SCOR, SOMPO, Swiss Re, Tokyo Marine, Zurich.
64. Emissioni attribuibili alle istituzioni finanziarie a causa del loro coinvolgimento nel finanziamento di una società che produce gas serra.
65. Allianz, ASR Nederland, Aviva, AXA, Credit Agricole, Generali, Hannover Rück SE, IAG (Insurance Australia Group), MAPFRE, MS&AD, Munich Re, NN Group, QBE, SCOR, SOMPO, Swiss Re, Tokio Marine, Zurich.

NFS

Insurance exposure to fossil fuel sector

To complement the goal of achieving net-zero greenhouse gas emissions attributable to the insurance portfolio by 2050, Generali has undertaken a stringent exclusion policy towards companies operating in the fossil fuel sector.

www.generali.com/our-responsibilities/our-commitment-to-the-environment-and-climate for further details included in the Generali Group Strategy on Climate Change - technical note

Since 2018, the Group has adopted specific restrictions on the underwriting of coal-related activities to support its commitment to removing its already minimal insurance exposure towards this sector; the phase-out will be reached by 2030 for clients located in OECD countries and by 2038 in the rest of the world. In relation to this goal, since January 2022, we made the exclusion criteria even stricter by lowering the technical thresholds for defining coal-related clients. Furthermore, regardless of these exclusion thresholds, we have committed to no longer offering insurance coverage for the construction of new coal mines or new coal-fired thermal power plants. In the coming years, we will gradually lower the exclusion thresholds until our insurance exposure to this energy sector will be zero.

The exclusion rules are applied to both new and existing clients in the portfolio. Clients already in the portfolio that marginally exceed the current exclusion thresholds are subject to assessment in order to evaluate their decarbonization and coal phase-out policies. If these policies are not in line with Generali's strategy, in agreement with the clients themselves, insurance exposures to these coal assets are not renewed. To date, the residual exposure with respect to these pre-existing clients is constantly decreasing: at the end of 2022 it amounted to less than 0.1% of premiums related to the P&C portfolio, a reduction of about 90% compared to year-end 2018.

RESIDUAL INSURANCE EXPOSURE TO COAL-RELATED BUSINESS[66]

< 0.1% of the P&C portfolio

Historically, the Group does not provide insurance coverage to its clients for risks associated with both conventional and unconventional oil and gas exploration and production activities, including their expansion.
In relation to the unconventional sectors of tar sands and oil and gas extracted through fracking, restrictions also apply to the midstream supply chain.
Therefore, we have no material exposure to this sector.

INSURANCE EXPOSURE TO OIL AND GAS-RELATED BUSINESS[67]

0% of the P&C portfolio

Coal engagement

In 2018, we launched an engagement activity with eight coal companies in the Central and Eastern European region. The dialogue focused on customers' adoption of solid decarbonization plans based on climate science. As part of this activity, we found that some of our stakeholders had adopted some short- and medium-term climate strategies, which were also publicly communicated. In spite of this, the ambition was assessed as not being in line with the Group's objectives, and the insurance contracts for the coal asset were phased out in 2022 without any further renewal actions. Consequently, as of 2023, these are no longer active, fulfilling the commitments made as part of our Group climate strategy. The remaining exposure is limited to one company still in the investment portfolio, which is currently being divested.

SME EnterPRIZE

Launched in 2019, the aim of the project is to support European Small and Medium Enterprises (SMEs) in their transition to a socially and environmentally sustainable business model, and it is a concrete display of Generali's intent to promote and strengthen the public and private debate on two main topics:

- the key role of sustainability in supporting the real economy, facilitating SMEs' long-term success as well a quicker recovery during crisis;
- the essential need to involve SMEs in the process of sustainable transition in Europe. SMEs represent 99%[68] of European

66. The indicator refers to direct premiums from property and engineering (including marine) coverage of coal assets related to companies of the coal sector. It does not consider recent 2022 M&A, which will be integrated starting from 2023.
67. The indicator refers to direct premiums from property and engineering (including marine) coverage of assets from underwriting risks related to oil and gas exploration/extraction (conventional and unconventional) and midstream supply chain of oil and gas extracted through fracking and/or from tar sands, if not marginal to the client's core business (less than 10% of the value of covered assets). It does not consider recent 2022 M&A, which will be integrated starting from 2023.
68. *European Commission Executive Agency for Small and Medium-sized Enterprises (EASME) Annual Report on European SMEs 2018/2019 Research & Development and Innovation by SMEs November 2019 on Eurostat's Structural Business Statistics (SBS) data.*

businesses and employ two thirds of all private sector employees: supporting their sustainable transformation means helping Europe create a greener, more inclusive and more resilient economy. In recent years, the massive impacts on the real economy, caused first by the Covid-19 crisis and more recently by the conflict in Ukraine, with the resulting energy crisis, inflation and increasing cost of living, have required an even bigger effort from public institutions and the private sector.

With the aim of showcasing and increasing awareness regarding these topics, Generali has renewed its commitment to promoting the SME EnterPRIZE initiative also within its *Lifetime Partner 24: Driving Growth* strategy, pursuing these goals also in 2022 by creating a dedicated international event, during which the most successful stories of sustainability integration in the business models of European SMEs were presented. They were drawn from over 6,600 SMEs from the nine countries involved in the project (+2 compared to 2021)[69].

The event was held at the end of October in Brussels attended by representatives of the European Commission and Parliament, and also this year it contributed to promote the key elements of the SME EnterPRIZE project:

Sustainability Heroes	These are nine European SMEs belonging to different economic sectors[70], which have more successfully integrated sustainability into their business models, in the three categories envisaged by the project (Environment, Community, and Welfare). They were selected by an international scientific committee[71] starting from a set of SMEs identified locally in the nine European countries involved. The presentation of these enterprises at the event in Brussels allowed the spread of good business practices, as well as being a source of inspiration for other European entrepreneurs involved in the sustainable transition.
White Paper	Generali sponsored research conducted by SDA Bocconi (Milan), which in 2022 examined SMEs' strategic approach to sustainability, taking into account the current context, the availability of financial instruments necessary to facilitate the transition, the main obstacles they face to integrate sustainable practices into their business models, as well as their expectations towards institutions. In 2022, all these topics were delved into from the SMEs perspective, thanks to a survey carried out by Bocconi University on about 1,000 European SMEs. The survey results are a key source of useful information, which helped to shape our views more in depth and from a 360 degrees angle. In fact, it is essential that institutions, enterprises and policy makers keep in mind what SMEs have to say when crafting future decisions.
Participation of institutions	The involvement of members of the European Parliament and Commission and representatives of the academic world and private sector in the project, helping to promote the need to join forces to support the sustainable transition of European SMEs, is an important milestone for us. In 2022, the SME EnterPRIZE event is part of the calendar of events of the Czech Presidency of the EU Council, and it is supported by the French Minister for the Economy. The initiative is also supported by a partnership between Generali and CEA-PME, a confederation of voluntarily associated small and medium-sized enterprises (SMEs), representing 2.4 million SMEs in Europe. Starting from 2022, the initiative is also part of the European SME Week promoted by the European Commission.

www.sme-enterprize.com for further information

www.sme-enterprize.com/white-paper to consult the document

69. Austria, Croatia, Czech Republic, France, Germany, Hungary, Italy, Portugal and Spain.
70. Agriculture (3); Services (3); Construction (1) Business Intelligence (1); Textiles (1).
71. Comprised by 11 members, including representatives from the European institutions, NGOs, the academic world and international press.

Responsible employer

For Generali, being a Responsible employer means embedding sustainability within all people processes, enabled by a Group People Strategy focused on enhancing a Lifetime Partner, sustainable and meritocratic culture, building a diverse, equitable and inclusive work environment, continuing to invest in upgrading the skills of our employees, and enabling an effective organization that embraces sustainable hybrid work models.

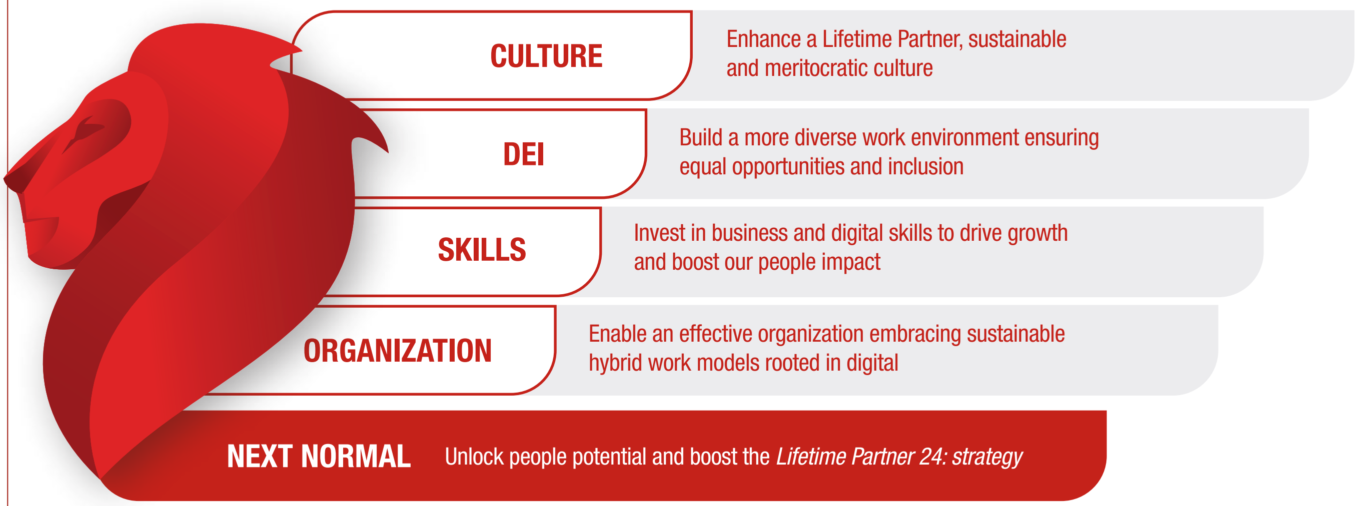
This will also be achieved through a change management program targeting all organizational levels, because the success of Generali's sustainable path depends on its people.

OUR PEOPLE		WOMEN		MEN	
82,061	+10.0%	50.5%	-0.9 p.p.	49.5%	+0.9 p.p.

The increase was mainly due to the acquisitions of Indian and Malaysian companies in 2022.

GPeople24 - Ready for the Next

Consistently with the launch of the Group's strategic plan, in 2021 we developed the Generali People Strategy, GPeople24 - Ready for the Next, which guides key priorities and initiatives for the period 2022-2024. GPeople24 has been defined through a co-creation process which, through a blended virtual and in-person approach, involved hundreds of colleagues around the world, at different organizational levels and from all business units.
With the goal of unlocking the potential of our people and boosting the *Lifetime Partner 24: Driving Growth* strategy through the implementation of the Next Normal, four priorities have been defined, supported by dedicated global and local initiatives, along with clear and continuously monitored indicators and ambitions.



The Group has a framework for assessing and managing operational risks inspired by international best practices and adhering to the provisions of the Solvency II directive. As part of the assessment conducted annually by Group companies, risks that may impact on the area pertaining to our people have been identified and punctually analyzed, and the initiatives implemented with the aim of mitigating these risks have been evaluated. In particular, the areas of analysis have covered the following categories:

- employment relationships, with a particular focus on key people and business ethics;
- occupational safety;
- discrimination, diversity and inclusion;
- new skills and competencies necessary for the realization of the Group's strategy.

The assessment was confirmed as satisfactory, also in light of the initiatives implemented under *GPeople 2024 - Ready for the Next* and the centrality of our people in the Group's strategy.

NFS

Enhance a Lifetime Partner, sustainable and meritocratic culture

Generali wants to be a sustainable Group in which everyone feels valued, included and ready to better face the future, cultivating responsible and motivated talents and leaders. To do so, we aim to develop an environment that values sustainability, reinforces a customer-centric Lifetime Partner mindset, and promotes a meritocratic culture.
Our cultural framework, based on Lifetime Partner Behaviours, together with our values and purpose will continue to be our pillar in the Next Normal and will lead us to support the Lifetime Partner 24: Driving Growth strategic plan in a sustainable way.

www.generali.com/who-we-are/our-culture for further information on our culture

GENERAL GLOBAL ENGAGEMENT SURVEY AND GLOBAL PULSE SURVEY

To measure and promote the engagement of our people, in October 2021 we carried out the fourth edition of the Generali Global Engagement Survey, which highlighted an engagement rate of 83%.
During 2022, each business unit addressed the improvement opportunities emerged with specific action plans, identifying 414 local engagement actions. Since January 2022, 72% of these actions have been launched, with the ambition to implement 100% of them by 2024.

As part of *GPeople24 - Ready for the Next*, we decided to enhance our employees listening approach with more active and regular interaction, increasing the moments to stay in touch with and receive input from our people. For this reason, in October 2022 we launched our first annual Global Pulse Survey, which is added to the Global Engagement Survey that will be conducted every three years.

70.000 INVITED EMPLOYEES	+ 180 ORGANIZATIONAL ENTITIES + 58.000 RESPONDENTS + 49.000 OPEN COMMENTS RECEIVED

ENGAGEMENT RATE[72]

84%

+1 p.p. compared to 2021

+1 p.p. compared to the market benchmark

MANAGERIAL ACCELERATION PROGRAM (MAP) AND MAP2THENEW

Since 2020, the unexpected has challenged our lives, requiring an evolution of both the way we work and our managerial approach in order to take full advantage of the benefits deriving from the Next Normal. A new managerial approach based on trust, ownership, meritocracy, and accountability has become essential in this new hybrid work environment to get the best out of both physical and virtual environments.
With this ambition, we launched MAP2TheNew, a new global management training program. The program was designed from the first Managerial Acceleration Program and our cultural underpinnings - the Lifetime Partner Behaviours and GEM principles - with the goal of providing more than 8,000 Generali people managers with the key skills needed to lead their teams in hybrid work environments.
By the end of 2022, the program has successfully achieved its goal of training 100% of Generali people managers.

WE SHARE

With the ambition to promote a meritocratic environment that fosters the alignment with strategic goals and the participation of all our people in the value creation process, in 2019 we developed and launched We SHARE, the first share plan of its kind for Group employees (excluding top management, members of Group Management Committee and Global Leadership Group), with the aim of engaging the largest number of people worldwide to become shareholders of Generali, reaching the enrolment of 21,430 colleagues, with a participation rate of 35.3%.
The plan ended on 31 October 2022 with a final average monthly price of the Generali share equal to €14.43, lower than the price defined at the beginning of the plan. This result is mainly due to the worsening of the global macroeconomic scenario which had significant impact on the entire market and also on the performance of the Generali share price, despite the fact that the Group has demonstrated its solidity and resilience in terms of results, with the achievement of the 2019-2021 strategic plan objectives, which also found recognition in the top management incentive systems.
Based on the provisions of the regulation and the timing of the plan, the same ceased its effects without free assignment of shares and the participants were returned their individual contributions, according to the foreseen protection mechanism.

72. It is a measure that summarizes people's belief in company goals and objectives (rational connection), their sense of pride (emotional connection) and their willingness to go the extra mile to support success (behavioral connection). It is an index composed by the average result of six specific questions included in the Group Engagement Surveys. The index refers to the Group companies that decided to join the Global Pulse Survey 2022, representing 85.3% of total employees. The market benchmark refers to Willis Towers Watson's European HQ Financial Services Norm.

NFS

However, in this context, the Group deemed important to recognize the extraordinary commitment of colleagues in achieving the objectives of the 2019-2021 strategic plan which, unlike the provisions of the top management incentive systems, would not have been recognized due to the different timing of assessment of the plans. Therefore, with the support of the Board of Directors, in December 2022 an extraordinary one-off monetary amount of € 600 gross on average was paid to colleagues who invested in the Group's prospects through We SHARE, continuing to contribute until the end of the plan.
In April 2022 the Shareholders' Meeting approved a new share ownership plan. In particular, the plan, in continuity with the previous one, provides the opportunity to purchase Assicurazioni Generali shares at favourable conditions, based on the appreciation of the value of the share and with the introduction of an ESG goal connected to the reduction of Group emissions in line with the Group climate strategy.
In light of the new macroeconomic scenario, the increase in commodity prices and the subsequent inflation, the plan has not been implemented and, subject to shareholders' approval, a new plan is proposed with the evolution of its current structure in order to make it more resilient with respect to the current market context, characterized by high volatility and inflation, and even more closely aligned with shareholder interests.

TALENTS GROWTH

To drive Generali's growth in today's increasingly challenging economic and geopolitical scenario, we strongly need effective leaders and promising talents, which is why we continuously invest in their development. Being a role model for the Group requires the right technical/managerial skills and mindset to successfully implement business transformation, incorporate sustainability, and act swiftly to drive innovation, DEI, and cultural evolution in the Next Normal.
Therefore, we work to identify and grow the Group's talent pool, including new generations, and with senior leaders to support them in leading people and organizations, ensuring our business results for long-term competitiveness. To enhance the potential of our people and concretely support their careers, we have strengthened our Leadership Development proposals (e.g. Reciprocal Mentoring, Leadership Development programs with external business schools, dedicated innovation program) and promoted internal growth through a global internal mobility platform (We GROW).
The goal of We GROW is to accelerate the growth of our Group talents as future leaders of Generali through diversified international and cross-functional professional experiences, empowering them to take responsibility for their own career development.

Build a more diverse work environment ensuring equal opportunities and inclusion

Diversity, Equity and Inclusion (DEI) are fundamental to enable our Group to become a sustainability champion. For this reason, DEI is an integral part of the way we work and do business every day and is supported by a structured governance (Group DEI Council) and an annual monitoring process designed to support countries and business units in assessing the progress and impact of specific actions needed to achieve the Group's ambitions.

DIVERSITY

In terms of our commitment to fostering an increasingly diverse work environment, we focused on two main areas: gender diversity and generational diversity.

With regard to gender, we aim to maintain a balanced distribution within the Group. In addition, we have a clear ambition to increase the presence of women in strategic positions, reaching 40% at Group level by the end of 2024, and to increase the presence of women in managerial roles.

WOMEN IN STRATEGIC POSITIONS[73]

30%

We continue to be committed both at Group and local level to a series of concrete initiatives in order to reach our ambition.
Two new editions of our programs targeting senior women managers (Lioness Acceleration Program) and managers (Elevate)

73. The indicator refers to women in Group Management Committee (GMC) and Generali Leadership Group positions and their first reporting line, with some limited exclusions mainly linked to 2022 acquisitions.

were launched in 2022. These initiatives aim to foster the development and career progression of a select group of international managers through training, coaching, and formalized mentoring and sponsorship programs.
In addition to these two Group initiatives, more than 100 actions were implemented locally, including women mentoring programs, development acceleration and return-to-work after maternity leave initiatives, development paths with external partners, projects aimed at attracting women with STEM backgrounds, and scholarships dedicated to female students in STEM subjects.

Regarding generational diversity, we aim to ensure balance and coexistence among the different generations in the Group, promoting the exchange of expertise at all levels in order to attract, retain and engage our people. At Group level, a reciprocal mentoring program involving more than 400 employees with different levels of experience was launched, aimed at enhancing the know-how of our people and promoting intergenerational dialogue and an international mindset. The Future Owners program, launched in 2020 and targeting talents with a maximum of 7 years of professional experience, has continued to provide training, mentoring, networking as well as international and cross-functional projects. These programs are complemented by more than 40 locally launched actions, including intergenerational programs, reverse mentoring programs, orientation interviews, and programs focused on more experienced colleagues.

www.generali.com/work-with-us/Get-to-know-us/diversity-and-inclusion for further details

EQUITY

We are committed to having fair processes in order to ensure access to equal opportunities for all Group employees throughout their work experience. In addition, we work to ensure that there is no discrimination and that any institutional barriers or unconscious biases are eliminated so as to enhance the potential of each person so that they can fully contribute to the success of our Group.

Gender balance and pay equity

In order to promote a culture based on gender balance and pay equity, since 2020 specific analyses have been conducted at local level by applying a common methodology for the Group, focusing on equity in terms of the gender pay gap for same work or work of equal value (equal pay gap) and across the entire organization, regardless of roles (gender pay gap).
During 2022, the methodology of analysis further evolved, introducing a regression model that considers the most relevant gender-neutral objective factors of salary differentiation representative of remuneration policies (e.g. job family, organizational level, tenure in the role, people management).

EQUAL PAY GAP[74]		GENDER PAY GAP[74]		ACCESSIBILITY GAP TO VARIABLE REMUNERATION BETWEEN MALES AND FEMALES[74]	
1.6%	-0.2 p.p.	12.5%	-2.4 p.p.	1.7%	-2.6 p.p.

Compared to 2021, the equal pay gap result has improved, i.e. the difference between males' and females' base salary for the same work or work of equal value decreased by 0.2 p.p. The results of gender pay gap and accessibility gap to variable remuneration have also improved, respectively by 2.4 p.p. and 2.6 p.p..

Report on remuneration policy and payments for further details

Based on the results of the analyses, all countries and business units will continue to develop specific actions at local level, with the aim of structurally reducing the gender pay gap and supporting our ambition to achieve an equal pay gap towards zero in the strategic cycle 2022-2024. These actions include initiatives aimed at having a positive impact on gender balance and pay equity, both locally and in relation to the Group's diversity, equity and inclusion strategy.
In order to support countries and business units on this path, an annual recurring monitoring process is in place in order to assess improvements throughout the entire organization and the impact of the actions taken.

74. The indicators refer to all consolidated line-by-line companies or aggregated business units with more than 200 employees, excluding a few exceptions due to business or local context peculiarities.

NFS

INCLUSION

We promote mindsets, behaviours, processes and practices that fully embrace all the diverse identities in our organization: genders, sexual orientations, ages, abilities, cultures, ethnicities, opinions, personal characteristics, to create an environment where everyone can unleash their full potential and feel valued, respected and able to contribute their talents to the innovation, growth and success of our business.

This goal is achieved through a series of initiatives and actions aimed at strengthening an increasingly inclusive corporate culture in order to best fulfill our role as Sustainability Champion. The areas of intervention concern training, awareness raising, as well as concrete projects aimed at accompanying the evolution of our Group. Regarding training, at Group level on the We LEARN platform there is a series of contents related to LGBTQI+ topics and unconscious bias. Regarding awareness raising, which is fundamental to creating a culture of inclusion, we highlight the role played by communities and Employee Resource Groups (ERGs). In 2022, the Diversity, Equity and Inclusion Community of Practice, consisting of more than 250 members, and WeProud (the LGBTQI+ Employee Resource Group), including about 900 members, organized a series of events on topics such as allyship, microaggressions, and difficult conversations about inclusion as well as moments of sharing personal experiences and mutual support. Furthermore, an important role is played by the Beboldforinclusion, Pride Month and Disability Week campaigns. These initiatives are orchestrated at Group level and consist of internal and external communication campaigns as well as a simultaneous organization of events in all business units attended by the respective CEOs. In addition, in 2022, for the first year, a DEI Talk was organized, an event open to all employees with the aim of establishing an open dialogue with the leadership specifically on strategy, ambitions and actions related to diversity, equity and inclusion.

The Group's initiatives are complemented by more than 150 locally organized actions, including training programs and campaigns on unconscious bias, awareness raising programs, working groups on corporate wellness, numerous collaborations with LGBTQI+ associations, and the creation of various ERGs and communities dedicated especially to women empowerment, parental support, valuing cultural differences, and LGBTQI+ inclusion.

In 2022, an important focus for the Group has been to continue to support the inclusion of the diverse abilities of our employees, ensuring workplace accessibility and promoting inclusive practices so that persons with disabilities feel able to contribute their talents on an equal footing with their colleagues. In this context, the Group has entered into an important international partnership with Valuable500, through which, among other things, we participate in a program designed to support future leaders with disabilities. In addition, all business units have implemented a series of actions at local level, including initiatives to improve accessibility, specific training projects, as well as the establishment of partnerships with companies and associations aimed at identifying persons with disabilities to be involved in job shadowing programs and training internships.

Invest in business and digital skills to drive growth and boost our people impact

We provide our people with the knowledge and tools to continue to grow and support strategic business priorities in a sustainable way, enabling them to define their own customized training path based on their specific needs.

Considering the total training available to Group employees, all of them were involved in at least one training program.

AVERAGE TRAINING HOURS PER CAPITA[75]		TRAINING INVESTMENT[75]	
32.0	-6.4%	€ 60 mln	+6.0%

The average training hours per capita have decreased mainly due to a more extensive use of microlearning - i.e. training provided in short pills with a lower overall duration than the previously used materials - to social distancing limiting in-person training levels of participation, and to companies acquired in 2022, which were characterized by a lower average with respect to the Group's average.

Training investment has increased mainly due to a restart of learning in person, more expensive than digital training, as well as an increased offer of specialized and high-quality training in some geographies.

The sustainable ambition to become a Lifetime Partner to our customers, the ever-changing external environment and the accelerating path of diffusion of new technologies require us to continue to invest in building and evolving core competencies for transformation through innovative approaches such as microlearning.

75. The indicators refer to consolidated line-by-line companies, excluding a few limited exceptions due to business or local context peculiarities. They represent 94.9% of total employees.

We will continue to invest, providing our people with cutting-edge skills to drive growth and transformation and make a difference in the new digital era, enabling us to thrive in the Next Normal and increase the impact and employability of our people.

We want to implement an upskilling journey that in three years time will reach 70% of our employees on a new catalogue of skills, competencies, and behaviours - with a renewed focus on sustainability and data-driven innovation.

UPSKILLED EMPLOYEES[76]

35%

The Group's extensive upskilling program aims to equip our people with the new business, digital and behavioural skills needed to continue to grow in the digital age, succeed in the future market environment and support the Group's strategic priorities. It is based on the following components, whose content is constantly evolving:

- strategic workforce planning: improve the approach to strategic workforce planning to gain a clearer understanding of the new roles and capabilities needed to successfully execute the Group strategy and activate consistent HR action plans to drive upskilling, sourcing, and reskilling;
- upskilling: provide our employees with the latest and most relevant skills to perform best in their current or new role by launching new courses and adopting a new skills assessment solution;
- Global Strategic Learning Campaign: spread awareness of the Group strategy, strengthen a customer-centric mindset, promote sustainability at the core of everything we do, and spread the adoption of new ways of working;
- professional learning ecosystem: expand our learning ecosystem through the creation of collaborations with highly specialized partners, such as the Data Science & Artificial Intelligence Institute, with the aim of conducting research initiatives and fostering increased knowledge and contamination in machine learning, data science and artificial intelligence;
- Learning Organization culture: build a learning organization culture in which people feel responsible for their upskilling journey, taking advantage of the enhanced features of the We LEARN platform, new devices such as the mobile app, and benefiting from a hybrid approach to learning, both virtually and gradually physically.

These training initiatives arise from a strong collaboration between the Group Academy and the Group's business units. They also draw on a network of more than 500 internal experts involved in providing content, developing learning objects (e.g. videos and interviews), and conducting classes, in addition to collaborating with key external suppliers. The We LEARN Champions, which are ambassadors spread across 50 countries and business units, support participation and engagement in training through activation initiatives and Group learning sessions.

To ensure a common learning experience, the We LEARN platform - successfully implemented in more than 40 countries - is based on the best cloud technology solutions and aims to provide employees with Group-designed content, enabling comprehensive coverage of different types of training and emerging technologies (e.g. playlists, communities, and external and customized digital training offerings). We LEARN is key to meet the Group's upskilling ambitions, but it is also an open strategic setup to meet country-specific training needs.

In the current context of Next Normal and continuous change, training on digital and transformation skills is even more strategic and a priority for the Group; therefore, the training effort through We LEARN has been accelerated and the scope of employees involved in each course has been higher compared to the previous strategic cycle. The focus on innovation and digital transformation taking place in the current environment has led to a profound renewal of the Group's training activities. Training has been focused on digital transformation skills and reorganized, particularly through virtual classes and digital modules, coupled with a return to in-person training where appropriate.

Enable an effective organization embracing sustainable hybrid work models rooted in digital

In the post-pandemic era, Generali wants to continue to optimize its organisation with the ultimate goal of maintaining and strengthening its ability to adapt and evolve, seizing emerging opportunities through an agile and effective digitally-enabled organization.
In this context, Generali is building its Next Normal based on hybrid, flexible and sustainable work models, enhancing the potential of our people, boosting the ambition of the business strategy and delivering benefits to all the stakeholders involved.

76. Participation in the program derives from a managerial choice of each Group company. The indicator, therefore, refers to 75.3% of total employees and also considers employees of some other than consolidated line-by-line companies.

NFS

Generali's vision for the Next Normal is outlined in our Next Normal Manifesto and its seven Group key principles, which incorporate our Lifetime Partner Behaviours and touch on all relevant dimensions to shape the future of our ways of working.
The ambition is to have 100% of our Group's organizational entities implementing hybrid work models inspired by the Group's principles, an objective already achieved in 2022.

ENTITIES WORKING HYBRID[77]

100%

The Generali Global Pulse Survey 2022 confirmed Generali's people's positive attitudes towards hybrid work models in the Next Normal, with an overall favourable score of 83% of the relative Next Normal survey section, and 96% of respondents affirming that the team performance increased or remained stable while working hybrid.

During 2022 we experienced a gradual resumption of in-person work. In addition, the lessons learned during the pandemic have opened up different options on how work works, how to think about and experience the "new ways of working". Social dialogue experienced similar situations, benefiting from the technological capabilities that the Group and its subsidiaries made available to continue with exchanges.
Confirming the centrality of people in our strategy, we held nine meetings with the European Works Council (EWC), the Group's EU employee representative body, at the permanent forum dedicated to social dialogue, experimenting with in-person meetings, remote meetings and also hybrid meetings, in which a combination of in-person and remote participation was favoured.
In early 2022, the world and particularly Europe were challenged by the conflict in Ukraine. Our Group, together with the EWC, reacted promptly to this challenge and met to dialogue on the issue in April. The situation was further monitored in other regular meetings.

www.generali.com/our-responsibilities/Generali-people-strategy/social-dialogue for further details

Our commitment to the decarbonisation of our operations

As a responsible employer, the Group is working to measure and reduce the carbon footprint of its operations, demonstrating consistency with what is also required to insured and financed companies.
Looking at best market practices based on climate science, we are committed to reducing scope 1 and 2 GHG emissions related to Group offices, data centers and corporate mobility by at least 25% by 2025 compared to levels measured in 2019, using the GHG Protocol in the market-based approach. This reduction will be pursued through innovation and space optimisation projects related to workplaces, improving energy efficiency and leveraging the purchase of 100% electricity generated from renewable sources, where available. Finally, the share of hybrid and electric vehicles in the company car fleet will be increased.
In the medium and long term, the Group will continue with the reduction of residual emissions, setting the ambitious goal of reaching net-zero status by 2040, and subsequently becoming climate negative by financing removal projects aligned to emerging protocols and regulations.

GHG EMISSIONS FROM GROUP OPERATIONS (SCOPE 1 AND SCOPE 2)[78]

55,804 tCO_2e **-21.6% vs 2019 (baseline)**

77. The indicator refers to consolidated line-by-line companies, excluding a few limited exceptions due to business or local context peculiarities.
78. GHG emissions are calculated in accordance with the GHG Protocol - Corporate Accounting and Reporting Standard and represent 100% of the Group's workforce linked to emission sources in operational control (79.2% measured and 20.8% extrapolated). The measured data represent the following organisational units: Argentina, Austria, Bulgaria, Banca Generali, Chile, Europ Assistance, France, Germany, Greece, Hungary, Italy, Poland, Portugal, Czech Republic, Slovakia, Slovenia, Serbia, Spain and Switzerland. The GHG emissions of organisational units not included in this list have been extrapolated. The growth of the reporting perimeter (+47% in terms of the Group's workforce compared to 2021) and the update of the calculation methodology made it necessary to restate the entire trend from 2019. The gases included in the calculation are CO_2, CH_4 and N_2O for combustion processes and all climate-altering gases reported in the IPCC AR4 for other emissions (long-lived greenhouse gases - LLGHGs).

Key Performance Indicator	Unit of measurement	2019 (baseline)	2022	Change 2019/2022
Scope 1 (A)	tCO_2e	49,951	40,789	-18.3%
Scope 2 (market-based) (B)	tCO_2e	21,183	15,015	-29.1%
Scope 2 (location-based)	tCO_2e	81,511	62,638	-23.2%
Scope 3(*) (C)	tCO_2e	68,400	42,906	-37.3%
TOTAL (A + B + C)	**tCO_2e**	**139,534**	**98,710**	**-29.3%**

(*) Including the following categories from the GHG Protocol: Category 1 *Purchased Goods and Services*, Category *3 Fuel- and energy-related activities*, Category 5 *Waste generated in operations*, Category 6 *Business Travel*.

Aiming at continuously improving and pursuing our long-term net-zero strategy, in 2023 we are working on a new target that can raise our 2025 ambition also including Scope 3 emissions.

www.generali.com/our-responsibilities/our-commitment-to-the-environment-and-climate for further details and updates

ELECTRICITY PURCHASED FROM RENEWABLE SOURCES[79]

87% **+3 p.p. vs 2019 (baseline)**

Key Performance Indicator	Unit of measurement	2019 (baseline)	2022	Change 2019/2022
Electricity purchased from renewable sources	MWh_{el}	121,371	96,080	-20.8%
Renewable electricity out of total purchased electricity	%	84%	87%	+3 p.p.

The Group pursues its commitment to convert all its electricity supply contracts to certified renewable energy. The trend shown in the table documents the reduction in energy use and the simultaneous increase in the share of renewable energy, which in 2022 is the 87% of the total, up 3 p.p. from the baseline.

79. Electricity purchased from renewable sources accounts for 79.2% of the Group's workforce, referring to the same measured organisational units for GHG emissions. The growth of the reporting scope made it necessary to restate the entire trend starting in 2019.

Responsible citizen

As a responsible citizen, we want to further enhance the activities of The Human Safety Net by working with our people and promoting voluntary activities.

The Home of The Human Safety Net

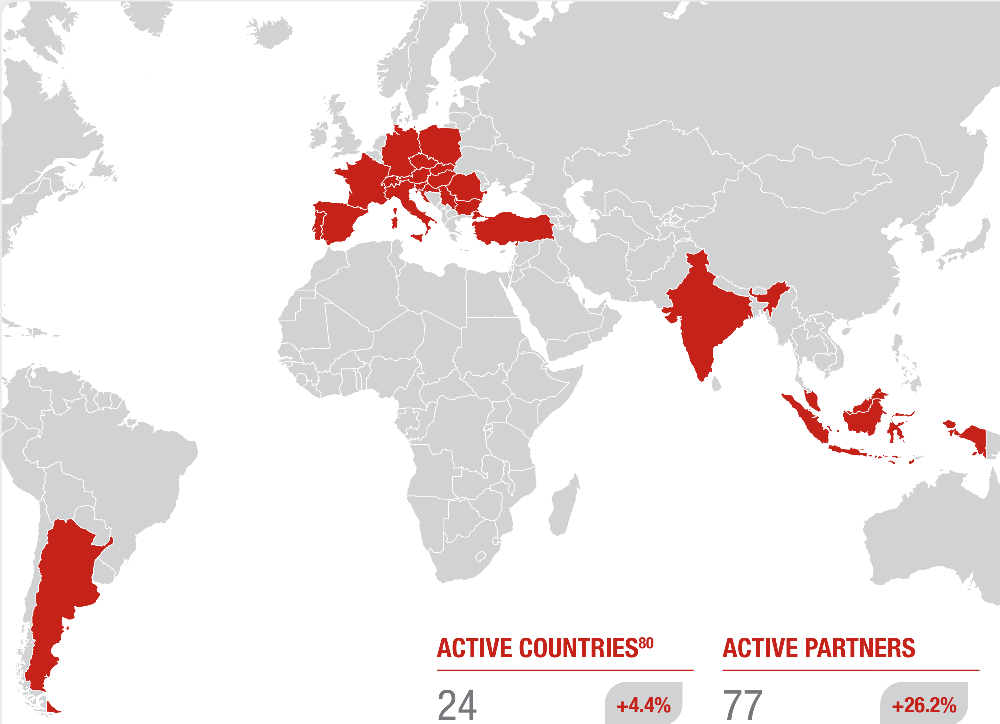
Generali has restored the Procuratie Vecchie in Piazza San Marco, Venice, which was opened to the public in April 2022 for the first time in 500 years.
The area dedicated to The Human Safety Net is located on the third floor and has four distinct spaces:

- the interactive exhibition *A World of Potential*, which makes visitors protagonists and conveys a message that is at the heart of The Human Safety Net's mission: the importance of being aware of our potential and the right we all have to express and develop it;
- The Hub, a co-working space for the creation and development of new ideas and projects that have social inclusion issues at their core;
- The Hall, with its state-of-the-art auditorium, is a stimulating space for meetings and dialogues;
- The Café, supporting the exhibition space.

The Human Safety Net is a social innovation hub for the community dedicated to supporting people living in vulnerable conditions to unlock their potential, improving their lives and those of their families and communities. Since 2017 it brings together most of the Group's social impact activities and is deeply connected to our purpose by extending it beyond our customers to the most vulnerable communities.
It is a key component of Generali's commitment to sustainability and the achievement of the Sustainable Development Goals.
To support more people and make a greater impact on their lives, The Human Safety Net mobilises its network of employees and agents, activating their expertise as well as their financial and technical resources towards common goals.
Its two programmes support families with young children (0-6 years) and contribute to the inclusion of refugees through employment and entrepreneurship with a net of NGOs and social enterprises that share the same mission.
In order to support the transition of these organisations on a national or regional scale, replicating models with the greatest social impact, since 2020 The Human Safety Net implements Scale-Up Impact, a multi-year initiative that, in partnership with other actors of public, private and social sectors, promotes the development of high-impact and replicable projects.
Given the intention to build an open network with global actors, The Human Safety Net continues to carry out its activities in collaboration with numerous co-funding partners, including, but not limited to, VISA Foundation, Fondazione Italia Accenture, JP Morgan Foundation, Hogan Lovells, helping to amplify the impact of our programmes through financial contributions, in-kind contributions and pro-bono consultancy.

Following internal guidelines, each Group company can activate one or both programmes by carefully selecting its partner through a thorough due diligence process. All activities and impacts achieved are monitored within a shared measurement framework which tracks collective results and triggers mutual learning based on the Business for Societal Impact (B4SI) international standards.

- ARGENTINA
- AUSTRIA
- BULGARIA
- CROATIA
- CZECH REPUBLIC
- FRANCE
- GERMANY
- HONG KONG
- HUNGARY
- INDIA
- INDONESIA
- ITALY
- MALAYSIA
- PHILIPPINES
- POLAND
- PORTUGAL
- ROMANIA
- SERBIA
- SLOVAKIA
- SLOVENIA
- SPAIN
- SWITZERLAND
- TURKEY
- VIETNAM



ACTIVE COUNTRIES[80]
24 +4.4%

ACTIVE PARTNERS
77 +26.2%

For Families

We support parents living in vulnerable contexts during the first six years of their children's lives to build a solid foundation for their future.

For Refugees

We support the inclusion of refugees in host countries through employment and entrepreneurship.

Over the next three years, we aim to further extend the impact and reach of The Human Safety Net in communities, as well as increase alignment with Generali's core business. We will accelerate our impact on several fronts by:
- engaging Generali employees and agents, particularly through the role played by nearly 500 THSN Ambassadors in the countries;
- strengthening the open net concept, increasing the number of collaborations with organisations that share our mission;
- further strengthening the measurement of the social impact of our projects, contributing to the development of the social sector;
- maintaining our role as a thought leader in the social sector, also thanks to the support of the Home of The Human Safety Net in Venice, which, just a few months after opening, is establishing itself as a place for interaction and dialogue.

www.thehumansafetynet.org for further information on the initiative and read the stories of parents, children and refugees supported by The Human Safety Net

As a responsible citizen, when the war broke out in Ukraine, the Group decided to donate up to € 3 million to support the emergency response activities of the UN agencies, UNHCR and UNICEF, engaged in the frontline of the humanitarian efforts in Ukraine. In addition, the Group immediately launched a fundraising campaign among employees and agents, committing to matching the amounts raised, totalling over € 1 million. The funds supported UNICEF, in particular for the activation in four countries (Poland, Romania, Slovakia and Italy) of 14 *Blue Dots*. These are safe spaces positioned along escape routes, dedicated to children and families, which in addition to providing information on support systems and services available, offer first aid items, food assistance, multi-purpose cash support and psychological support. In many countries, Generali has made some of its properties available to host refugees (in Germany, France, the Czech Republic, Italy and Austria) or rent accommodation (in Poland), and has offered its clients the extension of head-of-household housing cover to hosted refugees (in France, Switzerland and Germany) or by providing additional facilities for volunteers or refugees.

80. The indicator also includes countries in which we operate through companies other than consolidated line-by-line.

NFS

OUR RULES FOR RUNNING BUSINESS WITH INTEGRITY

We run our business in compliance with the law, internal regulations and codes, and professional ethics. We are continuously monitoring the developments of the national and international regulatory system, also by talking with legislators and the institutions, in order to assess both new business opportunities and our exposure to the risk of non-compliance and to take prompt measures to adequately manage it. We have a governance, management and reporting system that guarantees compliance with the principles of sustainability and their actual and continuous integration in corporate decision-making processes.

We have also a collection of Group public policies, guidelines and strategies which support our operations in a sustainable and responsible manner.

CODE OF CONDUCT

It defines the basic behavioural principles which all the personnel of the Group are required to comply with. These principles are outlined in a specific internal regulation that refer, for example, to the promotion of diversity and inclusion as well as the management of conflicts of interest, personal data protection and corruption prevention..

ETHICAL CODE FOR SUPPLIERS

It highlights the general principles for the correct and profitable management of relations with contractual partners.

POLICY FOR THE MANAGEMENT OF ENGAGEMENT WITH ALL INVESTORS

It regulates engagement other than through the General Meeting between the Board of Directors and investor representatives on issues within the Board's purview, and defines the rules for engagement by identifying interlocutors, discussion topics, timing and channels.

SECURITY GROUP POLICY

It defines the processes and activities suitable for the purpose of guaranteeing the protection of corporate assets.

GROUP SUSTAINABILITY POLICY

It outlines the framework to identify, evaluate and manage

- environmental, social and corporate governance (ESG) factors that may pose risks and opportunities for the achievement of business objectives;
- positive and negative impacts that business decisions and activities may have on the external environment and on legitimate interests of stakeholders.

ACTIVE OWNERSHIP GROUP GUIDELINE - ASSET OWNER

It defines the principles, main activities and responsibilities that guide the Group's role as active owner.

RESPONSIBLE INVESTMENT GROUP GUIDELINE

It codifies the responsible investment activities at Group level.

RESPONSIBLE UNDERWRITING GROUP GUIDELINE

It outlines principles, rules and escalation processes aimed at assessing ESG factors of companies/clients in the P&C underwriting process.

SUSTAINABILITY BOND FRAMEWORK

It defines rules and processes for the use of proceeds from the issuance of green bonds, social bonds and sustainability bonds, as well as recommendations for disclosure.

GREEN INSURANCE-LINKED SECURITIES FRAMEWORK

It defines the guidelines for integrating ESG aspects in alternative mechanisms for the transfer of insurance risk to institutional investors, as well as recommendations for disclosure.

GENERALI GROUP STRATEGY ON CLIMATE CHANGE

It defines the rules by which we intend to foster a just transition towards a low-GHG economy through our investments, underwriting activities and our direct operations.

GROUP TAX STRATEGY

It is an essential part of the tax risk control system, and defines sound and prudent taxation management methods for all of the Group's companies.

www.generali.com/our-responsibilities/responsible-business

www.generali.com/governance/engagement

NFS

Sustainable finance

14 July 2020
We issued the second Tier 2 green bond of € 600 million maturing in 2031. The issuance was highly appreciated by investors, too: it attracted an orderbook of more than 7 times the offer.

25 June 2021
We returned to the Insurance-Linked Securities (ILS) market with a € 200 million cat bond exposed to windstorms in Europe and earthquakes in Italy. It is the first ever ILS issuance that embeds innovative green features.

19 September 2019
We issued the first Tier 2 green bond of € 750 million maturing in 2030 that represented the first issuance of such a bond by a European insurance company. The issuance attracted investors with order in excess of 3.6 times the offer.

24 June 2021
We issued our first sustainability Tier 2 bond of € 500 million maturing in 2032, which attracted an orderbook of € 2.2 billion during the placement phase.

29 June 2022
We issued the third Tier 2 green bond of € 500 million maturing in 2032. The issuance was highly appreciated by investors, attracting an orderbook of 2 times the offer.

Through the issuance of three green bonds and a sustainability Bond, we confirmed our focus and innovation on sustainability, that is part of our business model, as well as our commitment towards the achievement of environmental and sustainability targets. These bonds were allocated for a significant amount to investors dedicated to the green and sustainable bond market or to highly diversified institutional investors willing to implement green and sustainable investment plans.
We illustrated the allocation of proceeds from the first and second issuance and presented an overview on the related impacts in the Group's Green Bond Reports, published in November 2020 and September 2021, respectively. The content of both documents is in line with the Green Bond Framework and the Sustainability Bond Framework, respectively. The Sustainability Bond Framework extends the criteria for allocating proceeds to social categories.
The allocation of proceeds from the sustainability bond was described in the Sustainability Bond Report, relesead in Decemeber 2022, following what is defined in the Sustainability Bond Framework.
The allocation of proceeds from the third green issuance will be describe in the relative Green Bond Report that will be puplished in 2023.

www.generali.com/investors/debt-ratings/sustainability-bond-framework

Through the sponsorship of Lion III Re, the first catastrophe bond embedding innovative green features in accordance with our Green Insurance Linked Securities (ILS) Framework, we integrated sustainability principles in the implementation of alternative solutions for risk transfer, thus further underlining our commitment in promoting green finance solutions.

1. by the allocation of the transferred freed-up capital to sustainable initiatives - like investments in green assets and support to the underwriting of green policies - according to predefined selection and exclusion criteria.
2. by the investment of collateral in assets with a positive environmental impact. In addition, the choice of the mainservice providers considers also their commitment in integrating sustainability into their business strategy.

In September 2022, we published our first Green Insurance-Linked Securities (ILS) Report, containing the details on the allocation of Lion III Re freed-up capital, including the impact evaluation, in line with the principles described in our Green ILS Framework.

www.generali.com/our-responsibilities/sustainable-financial-management/green-insurance-linked-securities

NFS

Tax Transparency

We have defined the Group's tax strategy. It ensures the correct application of tax regulations, guided by the principles of honesty, integrity and transparency in the relationship with tax authorities, and combines value creation for all stakeholders with long-term protection of our reputation. In order to promptly fulfil our tax obligations in maximum transparency with regard to tax authorities, we commit ourselves to acting in full compliance with the applicable tax regulations in the countries where we operate and to interpreting them in such a way as to responsibly manage tax risk, ensuring consistency between the place of value production and the place of taxation.

We promote the culture and values of the correct application of tax regulations and organise training sessions for all our employees.

In line with international best practices, in 2022 we published our first Tax Transparency Report. The Report not only describes the pillars of Generali sustainable tax outcomes but also details the Group Total Tax Contribution, that is, the contribution of our companies to the jurisdictions in which they operate in terms of taxes borne and collected which, as a whole for 2021, amounted to € 8,5 billion. More in detail the Report describes:

- the Tax strategy and principles on taxation;
- the Tax governance, management and control system, i.e. how the above tax principles are embedded in the Group and in the relations with its stakeholders;
- the Tax Reporting with both: i) the Total Tax Contribution, detailing the breakdown by tax jurisdictions of taxes directly paid on its business (taxes borne) and of taxes withheld and transferred to governments (taxes collected) and ii) the Country-by-Country Data, providing a clear overview of total income, profit before income taxes, income tax accrued, income tax paid and number of employees, aggregated by jurisdiction of tax residence (i.e., the jurisdiction in which the entities are resident for tax purposes).

www.generali.com/our-responsibilities/responsible-business/tax-transparency-report for further information

Together, these Group policies and guidelines - in particular, the Code of Conduct, the Responsible Investment Group Guideline, the Responsible Underwriting Group Guideline and the Ethical Code for suppliers - contribute also to ensuring respect for human rights in all their forms throughout the entire value chain. In line with the most important international principles and tools, including the United Nations Universal Declaration of Human Rights, the core international standards of the International Labour Organisation and the UN Guiding Principles on Business and Human Rights, the tools already implemented on this topic regarding indirect risks are already monitored by the human rights criteria included in the Group guidelines on investment and underwriting activities. For example, the Group Responsible Investment Guideline filter allows us each year to identify and exclude from our investments those companies that produce unconventional weapons or that, regardless of the sector to which they belong, have committed serious human rights violations. Similarly, the Responsible Underwriting Group Guideline establishes monitoring mechanisms to avoid P&C insurance coverage to companies that commit serious human rights violations, with a specific monitoring of sensitive sectors.

Regarding the potential risk of violating human rights of our employees, customers and suppliers (known as direct risk), the main human rights that could potentially be impacted by the Group's operations in the various businesses, such as equal opportunities and non-discrimination (including equal pay), transfer of workers (for example, migrant workers), freedom of association and collective bargaining, are protected by tools implemented to mitigate risks in line with our positioning and practices common to the sector.

The Group will keep up its ongoing monitoring action to guarantee a more and more virtuous and responsible behaviour in all of its businesses.

www.generali.com/our-responsibilities/responsible-business/respecting-human-rights for further information

Our guidelines for responsible investments and underwriting establish monitoring mechanisms on investment and insurance portfolios to avoid also the financing and offering of P&C insurance coverage to companies involved in severe damages towards natural habitats and biodiversity. The exclusions concern companies that, regardless of the sector they belong to, are involved in severe damages to ecosystems, for example being involved in illegal deforestation activities or in serious cases of contamination.

Biodiversity is an increasing focus for Generali, which in 2022 launched the initative *A tree for a Shareholder*, financing the planting of 3,700 trees to rebuild forests destroyed in 2018 by storm Vaia. The project took place in the territory of the Levico Terme municipality, located in the Trentino-Alto Adige region. Reforestation has the goal of restoring the original biodiversity of this forest, reintroducing diverse tree species such as, for example, firs, larches, beeches, maples, also increasing the resilience of land against extreme weather events related to climate change.

We have a structured Group's internal regulatory system, regulated by the Generali Internal Regulation System (GIRS) Group Policy that aims to promote a solid, efficient governance and coherent implementation of the Group's internal regulations at local level.

The Group regulations cover the governance system, the internal control system, the risk management system that is particularly linked to monitoring solvency (Solvency II), and the other primary areas of risk.

Group Policy	They introduce and discipline principles designed to implement the Group's fundamental objectives and/or provisions linked to the Group governance system. They are issued to comply with specific regulatory requirements or to govern issues under the Board of Directors' competence.
Group Guideline	They govern issues under the competence of the Group CEO or the heads of Key Functions of the Group.
Group Technical Measure	They set out cross-function operating provisions, including those designed to regulate Group Policies and Group Guidelines in greater detail. They are issued by the managers of the Group units in compliance with the Group governance system.

Corporate Governance and Share Ownership Report 2022, p. 35

The main non-compliance risks are continuously identified and monitored through the adoption of specific policies, the definition of control activities, as well as the identification and implementation of proper risk mitigation measures aimed at minimizing potential reputational and economic damages deriving from non-compliance with applicable regulatory provisions.
Special attention is paid to legislation on transparency and correctness towards customers.
The continuous monitoring of both national and supranational legislation led to the identification in 2022, similarly to the previous reporting period, of trends regarding customer protection, with particular reference to the proper definition and monitoring of the insurance product value for the customer (value for money), the wide review proposal of Solvency II regulation and the increasing requirements on IT security and ICT (information and communication technology) governance. Moreover, it is noted the proposal of European regulation on artificial intelligence and the ongoing definition of the ESG requirements in the context of financial operators' corporate processes.
The Group has established and monitored the process of implementing the latest European legislative provisions, with particular reference to the requirements introduced by Regulation EU 2019/2088 on sustainability-related disclosures in the financial services sector (known as Disclosure Regulation), Regulation EU 2020/852 on the establishment of a framework to facilitate sustainable investment (known as EU Taxonomy Regulation), Delegated Regulation EU 2021/1256 amending Solvency II on the integration of sustainability risks in the governance of insurance and reinsurance undertakings and Delegated Regulation EU 2021/1257 amending the Insurance Distribution Directive on the integration of sustainability factors, risks, and preferences in insurance and reinsurance activities.

Our strategy, Responsible investor, p. 62

Our strategy, Responsible insurer, p. 67

The Group has adopted the Code of Conduct, as well as policies and guidelines on anti-money laundering and counter terrorism financing, anti-bribery and corruption and international sanctions which are applicable to the whole Group and reflect the current European high legal requirements and standards (e.g. the AML/CTF directive or other regulations in force). These Group Standards require Generali Group to comply with the more stringent European applicable requirements, related to the prevention of money laundering, anti-bribery and corruption as well as the financial sanctions requirements of the United Nation, European Union and United States (not in violation of, or conflict with, applicable EU legislation).
All entities belonging to the Group are prohibited from conducting any business dealings with countries or territories subject to restrictions defined in the context of international sanctions programs and with subjects on financial sanctions lists. Each Group entity exposed to anti-money laundering risks is required to apply the necessary presidia, guardantee the assessment of the risks to which the customer or the transaction are exposed in line with the Group standards as well as perform an ongoing monitoring of the relationships to ensure that any potential suspicious transaction is timely report to the local Intelligence Unit.
Numerous Group companies have been subject to Supervisory inspections over the past few years. Following the set up of Anti-Money Laundering European Authority (AMLA) starting from 2024, the cooperation of the Authorities will be further strengthened and a focus on the adoption of the AML/CTF rules is foreseen.

NFS

We are also acutely aware of complying with the measures adopted by countries or organisations with a view to restricting business with specific sanctioned countries, sectors and/or individuals.
Our business operations are particularly exposed to the risk of sanctions given the geographical distribution of the companies and of the products and services offered (for example, marine insurance policies). With a view to mitigating the risk of sanctions, we have drawn up a global framework on international sanctions, after defining the minimum common rules that all Group companies have to obey. We have also substantially increased controls relating to customers and/or transactions exposed to a high risk of sanctions, following the higher restrictions imposed by the regulators in terms of international sanctions.

We condemn and combat all forms of corruption. Each employee has an obligation to guarantee high standards of ethics and honesty in their work. In this regard, the Group has banned the receipt from or offer of cash to public officials or commercial partners for improper purposes, and has established control measures (for example, limitations regarding gifts and contributions to trade unions and to charity organisations) to be incorporated and implemented in each individual company.

The Group encourages not only its employees, but also third parties who interact with the Group itself to report suspicious violations of the Code or potentially critical situations. We pursue a rigorous policy that does not tolerate any form of retaliation and that guarantees confidentiality. The available channels for submitting a report, including the Generali Group Compliance Helpline, are active 24/7 and ensure an objective and independent management of reports of behaviours or actions which may potentially violate law, the Code of Conduct, the internal rules or other corporate rules, in accordance with the process on managing reported concerns and the anti-retaliation/whistleblowing policy which we have been applying for years.

www.generali.com/our-responsibilities/responsible-business/code-of-conduct for further information on the Code of Conduct, communication channels and the process on managing reported concerns

www.youtube.com/watch?v=ZeFiFJLmf7E

MANAGED REPORTS ON THE CODE OF CONDUCT

116 **+17.2%**

Compliance week

From 8 to 11 November 2022 we held the Compliance Week 2022 within the Compliance platform (The C.I.R.C.L.E.), dedicated to the spread of the Ethical Culture within the Group.
The Group senior managers underlined how individual behaviours and the Code of Conduct establish the foundations of the cultural identity of Generali, aimed at valuing diversity, equity and inclusion.
The model for measuring the level of ethical culture within the Group Legal Entities has been shared. Moreover, the following aspects have been highlighted: the internal process for reporting concerns; how full protection from retaliatory practices is granted for everyone who submits a report or is involved in the allegation; the role of the Compliance function within the process on managing allegations; and the Group anti-retaliation policy.
Great participation at Group level was recorded in the Compliance Week webinars, which have been translated in 19 languages.

We are committing to rendering our HR training system increasingly effective, continuously working on activities for creating awareness and training on the different themes of the Code of Conduct.
We continue to release the e-learning courses on the Code: one to introduce the topic and addressed to new colleagues; the other, a refresher course for those who had already attended the introductory one. In 2022, another refresher course on the Code was released.

EMPLOYEES WHO COMPLETED THE TRAINING COURSE ON THE CODE OF CONDUCT[81]

65,474 **+11.0%**

81.The trained employees represent 81.6% of the total, excluding a few limited exceptions due to business or local context peculiarities.

OUR GOVERNANCE AND REMUNERATION POLICY

Our governance

Within a challenging economic and financial environment, we are convinced that our governance - which complies with the best international practices - effectively supports our strategy. In line with the principles and recommendations of the Corporate Governance Code, it then assists the sustainable success of the Company, which consists of creating value for all shareholders in the long term, taking into account the interests of other stakeholders relevant to the Company.

Corporate Governance and Share Ownership Report 2022 for further information on governance

NFS

Corporate Governance Code

The Corporate Governance Code, which Generali has been adopting since October 2020, follows four main drivers.

- Sustainability. The Code fosters listed companies to adopt strategies more and more oriented towards a sustainable business: the objective that guides the actions of the Board of Directors is to pursue a sustainable company success, which consists of creating long-term value for the benefit of the shareholders, taking into account the interests of other stakeholders relevant to the company.
- Engagement. The Code recommends to listed companies to manage the dialogue with the market through the adoption of engagement policies, complementary to those of institutional investors and asset managers.
- Proportionality. The application of the Code is based on principles of flexibility and proportionality in order to favour small and medium companies and those with concentrated ownership to become listed.
- Simplification. The Code presents a streamlined structure, based on principles which define the objectives of good governance and on *comply or explain* recommendations.

The revision of the Code was the occasion to strengthen existing recommendations, promote the effective enactment of best practices that were hoped in the previous editions, and align the Italian self-regulatory framework with international best practices (the possibility to qualify the Chairman of the Board of Directors as independent, the recognition of the role of the Board Secretary and the importance to consider international experience in the definition of remuneration policies).
Of special note is the recommendation to issuers to adopt a policy for managing dialogue with all shareholders, taking into account the engagement policies adopted by institutional investors and asset managers. Assicurazioni Generali is among the first issuers in Italy to get this document adopted since November 2020, including engagement with potential investors and proxy advisors. The policy is effective and used for the engagement between the Board of Directors and investors since 1 January 2021.

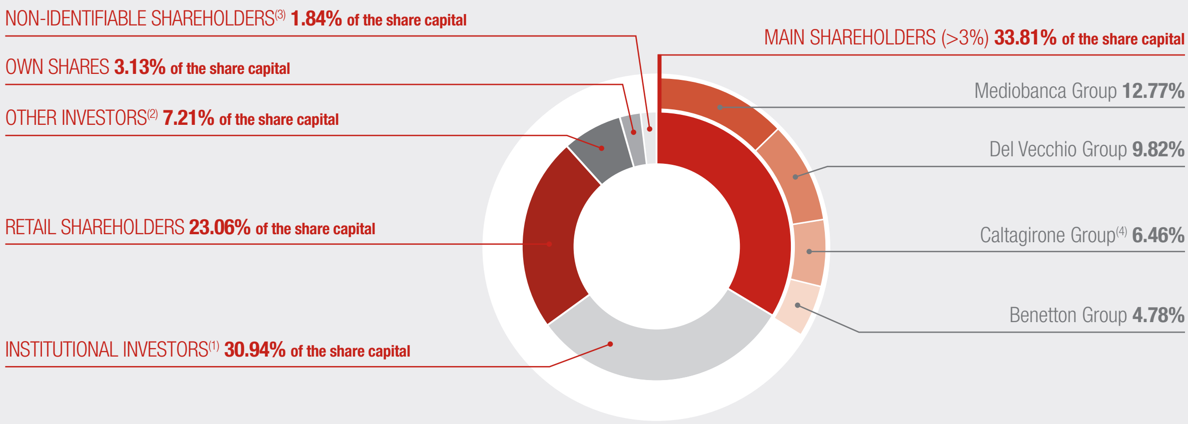
www.generali.com/governance/engagement for further information on engagement

Relations with stakeholders

We maintain ongoing relations with all stakeholders relevant to the Company, including institutional investors, proxy advisors, financial analysts and retail shareholders. Our intense activity of relation consist of various types of interactions with individual stakeholders or groups, as part of roadshows and sector conferences, as well as ad hoc occasions for the discussion of specific topics, ranging from business, financial and performance matters to corporate governance, remuneration and sustainability topics relevant to the various financial community representatives. Some of the main recurring occasions for interaction with the Company's top management are the Shareholders' Meeting, events dedicated to investors and the main presentations of the financial results.
We successfully continued our dialogue with relevant stakeholders both via virtual platforms and during physical events.

Notes to the Management Report, p. 184 for further information on stakeholder relations

Share ownership



The data are updated to 10 March 2023 in line with the Shareholder's Register, mainly on the basis of the dividend pay-out dated 25 May 2022, with the integration of information pursuant to art. 120 of TUF and other available information.

(1) The category includes asset managers, sovereign funds, pension funds, life insurance companies.
(2) The category includes corporate entities such as foundations, trust companies, religious and charitable institutes.
(3) Data not yet transmitted by mainly foreign intermediaries.
(4) Source Consob www.consob.it. As at the dividend payment of 25 May 2022 Caltagirone Group held 9.38% of s.c. On 12 July 2022 Fincal S.p.A., company of Caltagirone Group, disclosed the reduction of its holding from 3.99% to 2.99% s.c.

Share performance, p. 144 for further information on the share

As of today, there is no employee shareholding system according to the provisions of the Testo Unico delle disposizioni in materia di *Intermediazione Finanziaria - TUF*. Nonetheless, it should be noted that We SHARE, the first share plan of its kind for Group employees (excluding top management, members of Group Management Committee and Global Leadership Group), ended on 31 October 2022 and that the launch of a new share ownership plan is expected based on the high employee participation in the first plan and to further promote our ownership culture.

NFS

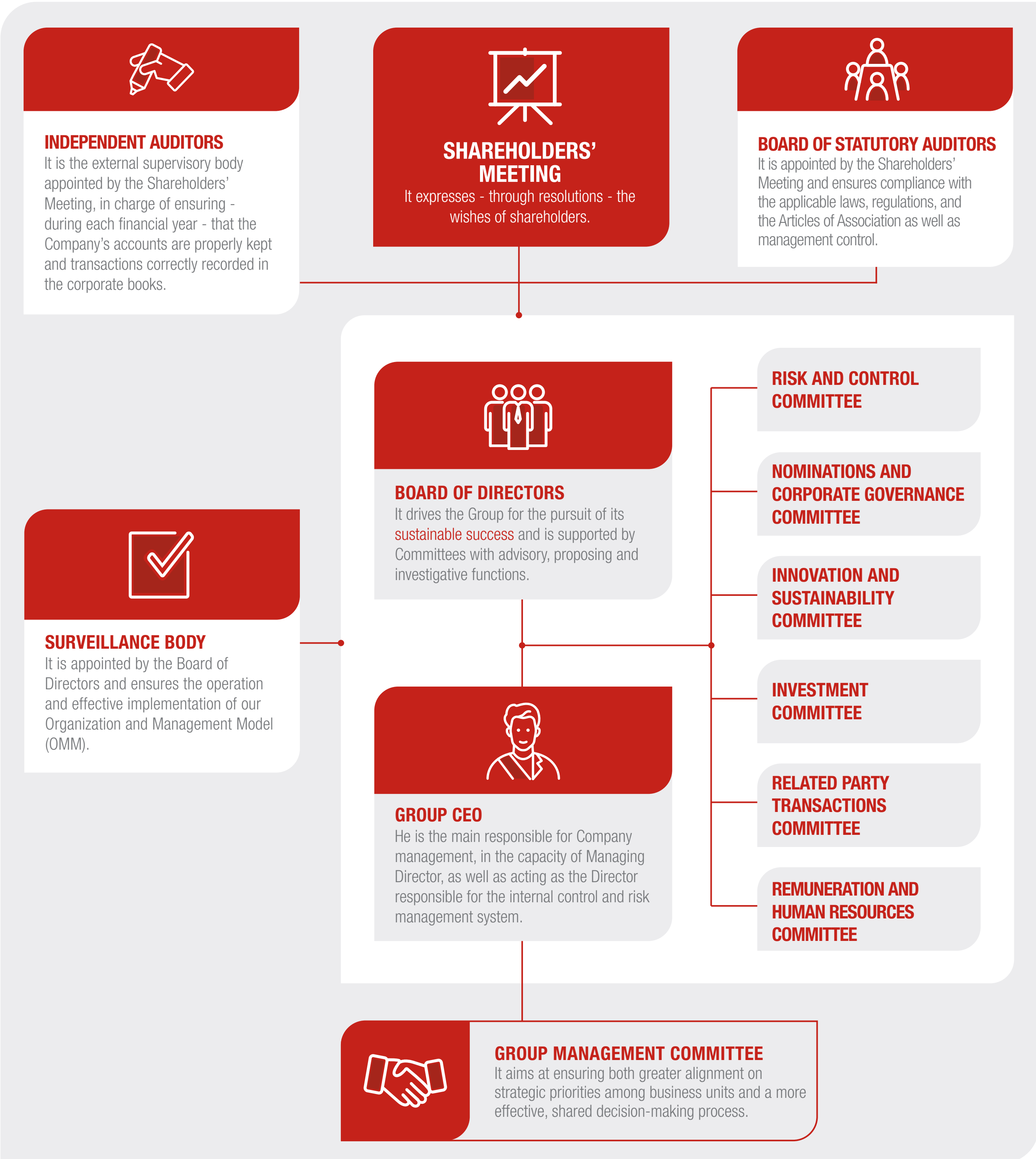
Our strategy, Responsible employer, p. 73

We also facilitate participation in shareholders' meetings for beneficiaries of long-term incentive (LTI) plans - based on Generali shares - by providing them the services of the designated representative.

Corporate governance players

Generali adopts the traditional Italian corporate governance system, which includes:
- Shareholders' Meeting;
- Board of Statutory Auditors;
- Board of Directors.

The Board of Directors has structured its own organization also through the establishment of specific Board Committees, in a manner consistent with the need to define strategic planning in line with the purpose, values and culture of the Group and, at the same time, to monitor its pursuit with a view to sustainable value creation in the medium to long term. Our integrated governance also leverages the varied and in-depth professional skills present in the Board and ensures effective oversight of management's activities.



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Innovation and Sustainability Committee

The Innovation and Sustainability Committee is invested with advisory, recommendatory and preparatory functions towards the Board on technological innovation and social and environmental sustainability. Therefore, the Committee is responsible for assessing the updates provided on the progress of the Group's projects in the areas of innovation, digital and cybersecurity; assisting the Board in decisions concerning the identification of IT technologies and resources, as well as in those relating to digital innovation, cybersecurity, the governance of information and communication technologies, and investments focused on the world of digital and sustainability. The Committee also examines the impact on the Group's business of technological innovation, as well as the risks that may arise from it, in agreement with the Risk and Control Committee.

It provides support to the Board in integrating sustainability into the definition of business strategies and policies aimed at achieving sustainable success, with regard to the analysis of issues relevant to long-term value generation, as well as into the definition of the materiality analysis, including climate change issues and those related to social sustainability. The Committee oversees sustainability issues related to the Company's and the Group's business operations and the dynamics of interaction with all stakeholders, and formulates opinions on the methodology for reporting non-financial information and on material performance indicators, in agreement with the Risk and Control Committee insofar as relevant to the Internal Control and Risk Management System (ICRMS), as well as on other decisions to be taken in the areas of innovation, technology and social and environmental sustainability falling within the scope of the Board.

NFS

Governance monitoring climate change management

The Group governance is structured in such a way as to favour effective management of the risks and opportunities tied to climate change, which is considered one of the ESG factors most material for the Group, for our value chain and for the stakeholders.

Board of Directors' role

The Board of Directors ensures that the Group organisation and management system is complete, functional and effective in monitoring climate change-related impacts. In 2018, it therefore approved the Group Strategy on Climate Change, which was updated and further developed in March 2020, June 2021 and June 2022, outlining a plan for investment, underwriting and stakeholder engagement activities to mitigate climate risks and facilitate the just transition to a low-carbon economy. The Board of Directors also monitors the implementation of this strategy and the results achieved through the Innovation and Sustainability Committee. In 2022, these elements were analysed during 4 meetings of the Committee.

Management's role

Climate change may have pervasive impacts across the entire organization. For this reason, the decisions on how to integrate the assessment and effective management of climate change impacts into the different business processes are guided by the Sustainability Committee at top management level, which can rely on adequate responsibilities and a cross-functional vision across multiple Groups' functions and geographies. This Committee, sponsored by the Group CEO, consists of the heads of both the GHO functions and business units. The decisions set forth by the Committee are implemented by the competent management, each for its area of responsibility. In December 2022, the Sustainability Committee was incorporated into the responsibilities of the Group Management Committee. A component of the variable remuneration of the Group CEO and top management depends on the results achieved in the implementation of the Strategy on Climate Change.

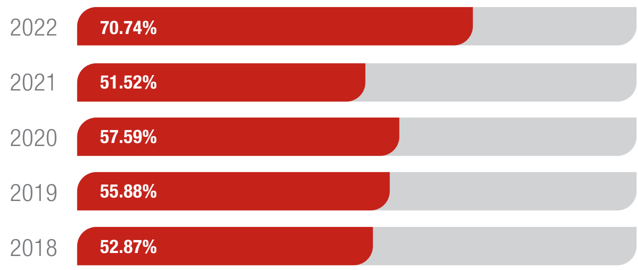
This cross-functional approach is also reflected in a work group that pools together the functions of Group Chief Investment Officer, Group P&C Retail, Group P&C Corporate & Commercial, Group Life & Health, Group Integrated Reporting, Group Risk Management, and Group Sustainability & Social Responsibility. The goal of this work group is to guarantee the management of the risks and opportunities tied to climate change in compliance with the strategy defined by the Board and to ensure the reporting on these aspects both to internal competent bodies and to external stakeholders, in line with the TCFD recommendations.

www.generali.com/our-responsibilities/our-commitment-to-the-environment-and-climate for further information on the Strategy on Climate Change

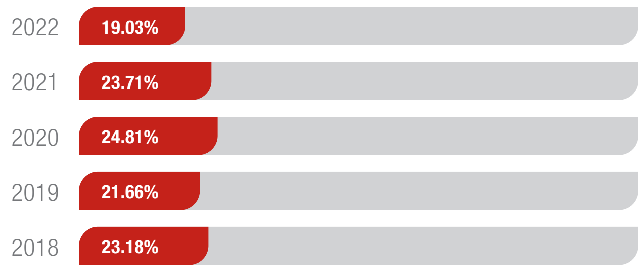
Focus on the 2022 Shareholders' Meeting

In order to minimize the risks related to the health emergency, the 2022 Shareholders' Meeting took place with the participation of those entitled to vote exclusively through the Designated Representative, without their physical participation and with the right for all members of corporate bodies to participate by means of remote communication. An audio and video streaming in Italian with simultaneous translation in English, French, German, Spanish and Italian Sign Language (LIS) was available to all shareholders legitimated to participate in the Shareholders' Meeting as to let them follow live the event, without the right to intervene and vote. Indeed, the Shareholders' Meeting was without the physical attendance of shareholders; no virtual or hybrid form were adopted.
All the services planned under the Shareholders Meeting Extended Inclusion (SMEI) program were adapted to the virtual event, with particular attention to making the video streaming service accessible to all our shareholders.

Percentage of share capital represented in the Shareholders' Meeting over the last five years



Percentage of share capital represented by institutional investors in the Shareholders' Meeting over the last five years



The 2022 Shareholders' Meeting appointed the Board of Directors for the three-year period 2022-2024, determining its composition in 13 members. Three lists were submitted:

- the list presented by the outgoing Board of Directors (majority list), which obtained 56.00% of votes;
- the list presented by the shareholder VM2006 (first minority list), which obtained 41.72% of votes;
- the list presented by several UCITS under the aegis of Assogestioni (second minority list), which obtained 1.9% of votes.

The following were elected from the majority list: Andrea Sironi (listed as independent Chairman), Clemente Rebecchini, Philippe Donnet (listed as CEO), Diva Moriani, Luisa Torchia, Alessia Falsarone, Lorenzo Pellicioli, Clara Furse, Umberto Malesci, Antonella Mei-Pochtler. Elected from the first minority list were: Francesco Gaetano Caltagirone, Marina Brogi, Flavio Cattaneo.

List presented by the outgoing Board of Directors

The presentation of a list by the outgoing Board was made possible thanks to one of the resolutions taken by the 2020 Shareholders' Meeting where the Company Statute of Generali was reformulated, providing for the possibility that not only shareholders who, alone or jointly with others, may be entitled to submit a list of candidates for the appointment of the Board of Directors, represent at least the minimum percentage of the share capital required by current legislation, but also the Board of Directors. On 27 September 2021, the Board approved, with a resolution adopted by nine votes in favor and three against of the twelve present at the time of the vote, the procedure for the submission of a list for the renewal of the Board of Directors by the outgoing Board. The procedure defined in an articulated way the phases in which the envisaged process unfolded, including:

- the self-assessment of the outgoing Board;
- the preparation of the guidance opinion containing the report on the optimal qualitative-quantitative composition of the Board;
- the selection of a consultant called to provide professional support for the search and evaluation activities of potential candidates;
- the preliminary consultation of key shareholders;
- the definition of the selective criteria for the identification of candidates;
- the candidate selection process, by first defining a long list and then a short list;
- the preparation of the list and its publication.

Guidance Opinion

The Corporate Governance Code recommends that the Board of Directors expresses, with a view to each of its renewals, a guidance on its quantitative and qualitative composition deemed optimal. This guidance should be expressed taking into account also the results of the self-assessment on the size, composition and practical functioning of the management body and its committees. The opinion also identifies the managerial and professional profiles and skills deemed necessary, also in light of the sectoral characteristics of the company, having regard to the diversity criteria and the guidelines expressed on the maximum number of positions that can be considered compatible with the effective performance of the position of director of the company, considering the commitment deriving from the role held. In light of this context, the Board of Directors of Assicurazioni Generali has identified the theoretical qualitative-quantitative composition considered optimal for the performance of its activity.

www.generali.com/info/download-center/governance/assemblee/2022 for further information

Focus on the Board of Statutory Auditors
in office until the 2023 Shareholders' Meeting

Carolyn Dittmeier
Chairwoman
Age 66
In office since 30/04/2014
Nationality Italian, statunitense

Antonia di Bella
Permanent Statutory Auditor
Age 57
In office since 30/04/2014
Nationality Italian

Lorenzo Pozza
Permanent Statutory Auditor
Age 56
In office since 30/04/2014
Nationality Italian

FEMALE AUDITORS	66.7%(*)
AVERAGE AGE	61(**)
MEETINGS	45
AVERAGE ATTENDANCE AT MEETINGS	99%
AVERAGE ATTENDANCE AT BOARD OF DIRECTORS MEETINGS	96%

(*) 60% including also alternate auditors.
(**) 60 including also alternate auditors.

The Board of Statutory Auditors attends the same induction sessions held for the Board of Directors.

Silvia Olivotto
Alternate Auditor
Age 72
In office since 30/04/2014
Nationality francese

Tazio Pavanel
Alternate Auditor
Age 52
In office since 30/04/2020
Nationality Italian

Corporate Governance and Share Ownership Report 2022, p. 93 for further information on the diversity of administration, management and control bodies

Focus on the Board of Directors in office until the 2025 Shareholders' Meeting

Andrea Sironi
Chairman
Age 58
In office since 28/02/2022* 02/05/2022**

Independent[82]
Committees P
Skills
Experience

* as director ** as chair

Philippe Donnet
Managing Director and Group CEO
Age 62
In office since 27/03/2016

Executive
Committees -
Skills
Experience

Marina Brogi
Director
Age 55
In office since 29/04/2022

Independent[82]
Committees
Skills
Experience

Umberto Malesci
Director
Age 41
In office since 29/04/2022

Independent[82]
Committees P
Skills
Experience

Skills and experience of the Board of Directors

Skills

Financial and accounting Analysis	92%	Audit & Risk Management	69%
Insurance and financial markets	92%	Legal	15%
Regulatory framework and compliance rules	92%	ESG and Sustainability	53%
Corporate governance	100%	Digital, IT and cybersecurity	38%
Business model and Strategy	92%	Internationalism	100%

Experience

Managerial and/ or Entrepreneurial	69%
Institutional	30%
Consultancy	15%
Academic	23%

Antonella Mei-Pochtler
Director
Age 64
In office since 07/05/2019

Independent[82]
Committees P
Skills
Experience

Diva Moriani
Director
Age 54
In office since 28/04/2016

Independent[82]
Committees P
Skills
Experience

Lorenzo Pellicioli
Director
Age 71
In office since 28/07/2007

Committees
Skills
Experience

82. As defined in the listed companies' Corporate Governance Code.

Flavio Cattaneo
Director

Age 59

In office since 29/04/2022

Independent[82]

Committees P

Skills

Experience

Alessia Falsarone
Director

Age 46

In office since 28/02/2022

Independent[82]

Committees

Skills

Experience

Clara Furse
Director

Age 65

In office since 29/04/2022

Independent[82]

Committees

Skills

Experience

FEMALE DIRECTORS	46%
AVERAGE AGE	59
INDEPENDENT DIRECTORS	77%
MEETINGS	22
AVERAGE ATTENDANCE AT MEETINGS[83]	95%

In 2022, the Board had four induction sessions on the following topics:

- IFRS 9 and IFRS 17 accounting standards, as well as the Organization and Management Model of Generali;
- structure of corporate governance, asset management and risk management;
- IFRS 9 and IFRS 17 accounting standards;
- sustainability, with focus on climate change, corporate citizenship and cybersecurity.

Stefano Marsaglia
Director

Age 67

In office since 15/07/2022

Independent[82]

Committees

Skills

Experience

Corporate Governance and Share Ownership Report 2022, p. 57 for further information on the diversity of administration, management and control bodies

Clemente Rebecchini
Director

Age 58

In office since 11/05/2012

Committees

Skills

Experience

Luisa Torchia
Director

Age 65

In office since 28/02/2022

Independent[82]

Committees P

Skills

Experience

LEGENDA

- Risk and Control Committee
- Nominations and Corporate Governance Committee
- Innovation and Sustainability Committee
- Investment Committee
- Related Party Transactions Committee
- Remuneration and Human Resources Committee
- P Committee Chairman

82. As defined in the listed companies' Corporate Governance Code.
83. The average is calculated taking into account both the old and the new composition of the Board of Directors.

Our remuneration policy

The Remuneration Policy is based on clear, globally shared and consistent principles, expressed in the form of remuneration programs compliant with regulatory requirements and local laws.

Every intervention to the remuneration policies can be traced back to these inspiring principles that underlie all the decisions taken:

EQUITY AND CONSISTENCY of remuneration in terms of responsibilities assigned and capabilities demonstrated	+ **ALIGNMENT WITH THE STRATEGY AND LONG TERM SUSTAINABLE VALUE CREATION** for all stakeholders	+ **COMPETITIVENESS** with respect to market trends and practices	+ **MERIT AND PERFORMANCE-BASED REWARD** in terms of sustainable results, behaviours and Group values	+ **CLEAR GOVERNANCE AND COMPLIANCE** with the regulatory framework

We are convinced that by drawing inspiration from these principles, our remuneration systems can be a key element for attracting, developing and retaining talents and key people with critical skills and high potential, thereby promoting a correct approach in aligning their performance with results and building the premises for solid and sustainable results over time.

The remuneration policy related to all directors without executive powers - with the exception of the Chairman, whose remuneration is detailed below - provides that the remuneration is composed of three elements: a fixed annual fee, an attendance fee for each meeting of the Board of Directors where they participate, as well as reimbursement of expenses incurred for attending the meetings.
Directors who are also members of Board Committees are paid fees that are additional to those already received as members of the Board of Directors, with the exception of those who are also executives of the Generali Group. The remuneration is established by the Board pursuant to Article 2389, paragraph 3 of the Italian Civil Code according to both the powers assigned to these Committees and the commitment required for participation in their work in terms of number of meetings and preparatory activities. The remuneration policy for the Chairman provides for the payment of a fixed annual remuneration determined based on comparative analyses with similar national and international figures. Furthermore, in line with regulatory legislation and best international market practices, no variable remuneration is expected.
Like all directors without executive powers, the Chairman does not participate in the short and medium-long term incentive plans. For this figure, the remuneration policy of Assicurazioni Generali also provides for the allocation of some benefits such as, for example, insurance coverage for death and total permanent disability from injury or illness, as well as healthcare and the availability of a company car with driver for both private and business use.

The Managing Director/Group CEO, sole executive director, the managers with strategic responsibilities and the other relevant personnel not belonging to Key Functions[84] are recipients of an overall remuneration package consisting of a fixed remuneration and a variable remuneration (annual in cash and deferred in shares) subject to malus and clawback mechanisms, and benefits.

TOTAL TARGET REMUNERATION COMPONENTS[85]

FIXED	VARIABLE	
	ANNUAL	DEFERRED
FIXED REMUNERATION +	**ANNUAL** (on a yearly basis) +	**DEFERRED** (on a multi-year basis)

The remuneration package is comprised of fixed remuneration, variable remuneration and benefits, structured in such a way as to ensure a proper balance of the components. Generali regularly performs structural analyses of the remuneration systems, in order to ensure a fair equilibrium of the various components and to foster the persons' commitment to achieving sustainable results.

84. Head of Group Audit, Group Chief Risk Officer, Group Head of Actuarial Function, Group Compliance Officer and their first reporting managers. The Group Head of Anti-Financial Crime Function is assimilated to the Key Functions for the application of the remuneration and incentive rules. The specific provisions provided for the Heads of the Key Functions also apply to the Group Chief Risk Officer, even if a member of the Group Management Committee (GMC).
85. It is applied to the entire population described, excluding Key Functions for which a specific remuneration policy and regulations are applied.

Components	Purpose and characteristics
Fixed remuneration	It is determined and adjusted over time taking into consideration the duties, the responsibilities assigned and the roles held as well as the individual experience and skills and is set with particular reference to the levels and practices of market peers in terms of attractiveness, competitiveness and retention.
Variable remuneration	It is defined through annual cash and deferred incentive plans aimed at motivating management to achieve sustainable business goals through the direct link between incentives and goals set at Group, business unit, country, function and individuals level, both financial, economic and operational, and non-financial/ESG.
Benefit	They represent an additional component of the remuneration package - in a Total Reward approach – as an integrative element to cash and share payments. Benefits differ based on the category of recipients, in line with Group policy.

The variable component of the remuneration is based on a meritocratic approach and on a multi-year horizon, including an annual cash component and a deferred component in shares, based on the achievement of a combination of sustainable business goals and the direct link between incentives and results set at Group, business unit, country, function and individual level, both financial, economic and operational, as well as non-financial/ESG, which include specific performance indicators linked to internal and measurable ESG factors.

STRUCTURE OF VARIABLE REMUNERATION

Components	Characteristics	Criteria and Parameters
Annual cash component - Group Short Term Incentive (STI)	Annual cash bonus set within predefined maximum caps	• Group funding pool, linked to the results achieved in terms of normalised Group adjusted net profit[86] and Group operating result after verification of the achievement of the Regulatory Solvency Ratio threshold; • Achievement of financial, economic and operational, and non-financial/ESG goals defined in the individual balanced scorecards in terms of sustainable value creation, risk-adjusted profitability, implementation of strategic initiatives (customers, sustainability and people value); • Maximum cap on the annual cash component compared to fixed remuneration equal to 200% for the Managing Director/Group CEO and on average equal to approximately 170% for the managers with strategic responsibilities (excluding those belonging to Key Functions, who participate in a specific dedicated plan, with a maximum cap equal to 75% of fixed remuneration).
Deferred component in shares - Group Long Term Incentive (LTI)	Multi-year plan, based on Assicurazioni Generali shares, subject to Shareholders' approval, with allocations over a period of 6-7 years within predefined maximum caps	• Overall three-year performance with goals linked to Group strategy and business priorities after verification of the achievement of the Regulatory Solvency Ratio threshold; • Performance indicators referring to Net Holding Cash Flow[87], relative TSR[88] with payment starting from the median and internal and measurable ESG goals; • Allocation of shares with deferral and lock-up periods over a time frame of 6-7 years, depending on the reference population; • Maximum cap on the deferred share component compared to the fixed remuneration equal to 200% for the Managing Director/Group CEO and the members of the Group Management Committee and equal to 175% for other managers with strategic responsibilities, the remaining relevant personnel, and other members of the Global Leadership Group (GLG).

The integration of sustainability into management remuneration is a key step to ensuring an even stronger link between company/individual performance and business sustainability. This is made possible by drawing on a panel of strategic sustainability goals that reflect the priorities of the *Lifetime Partner 24: Driving Growth* strategy and are a direct manifestation of the Group's ESG criteria, which are consistent with the materiality analysis and the Sustainable Development Goals of the United Nations.

The Group's 2022 incentive system aims to achieve real and long-lasting results, by setting an adequate risk assumption that is proportionate to the level of influence an individual has on the Group's results, while respecting stakeholders' interests, market best practices, and regulatory requirements. This incentive system includes in the variable remuneration an annual cash component with non-financial/ESG goals as well as a deferred share component with ESG goals and, as a whole, it:

- is made up of at least 50% shares in alignment with strategic goals and stakeholder interests;
- is structured according to percentages with deferral and lock-up periods over a time frame of 6-7 years, depending on the reference population, in alignment with long-term sustainable value creation.

86. It is the Group adjusted net profit reported in the Group Annual Integrated Report and Consolidated Financial Statements, normalised by excluding any extraordinary items not predictable (due to, by way of example only: amortization/goodwill depreciation, significant legal/regulatory/legislative changes, and significant impacts resulting from changes to tax treatment, gains/losses from M&A) and approved by the Board of Directors upon the recommendation of the Remuneration and Human Resources Committee.
87. Net cash flows available at the Parent Company level over a given period, after holding expenses and interest costs. Its main components, considered from a cash point of view, are: remittances from subsidiaries; the result of centralised reinsurance; interest on financial debt; expenses and taxes paid or reimbursed at Parent Company level.
88. Total return on investment to the shareholder calculated as a change in the market price of the shares, including distributions or dividends reinvested in shares.

NFS

The provision of specific performance indicators linked to ESG factors and the assessment of the level of achievement of these goals, also based on what is foreseen in internal regulations for the management of responsible investments and responsible underwriting, ensure the remuneration policy is consistent with the integration of sustainability risks in the risk management system, in investment and hiring decisions, both for individual performance and for alignment and protection of the interests of investors and stakeholders.

Through the Remuneration policy, Generali supports diversity, equity and inclusion, carrying out initiatives aimed at promoting equity and reducing the gender pay gap, continuing education, and improving the skills of its employees through both upskilling activities and large-scale projects for the recognition of our people, such as the new share plan for the Generali Group employees.

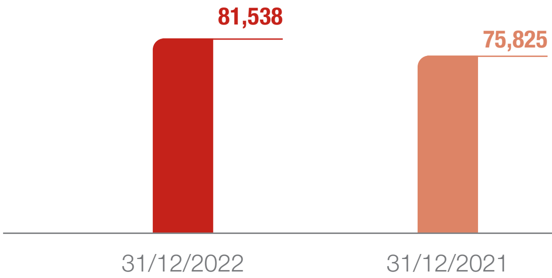
www.generali.com/governance/remuneration for further information on remuneration policy and the Report on remuneration policy and payments, also including information about remuneration

Additional information in the Notes of the Annual Integrated Report and Consolidated Financial Statements 2022 for further information on pension benefits of the Group employees

OUR FINANCIAL PERFORMANCE

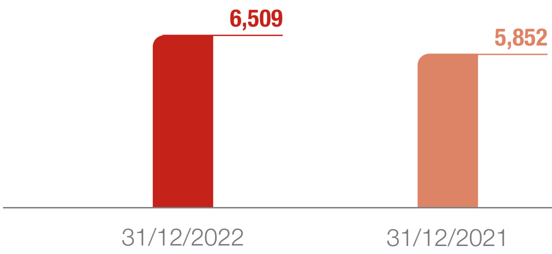
GROUP'S HIGHLIGHTS[1]

GROSS WRITTEN PREMIUMS (€ mln)



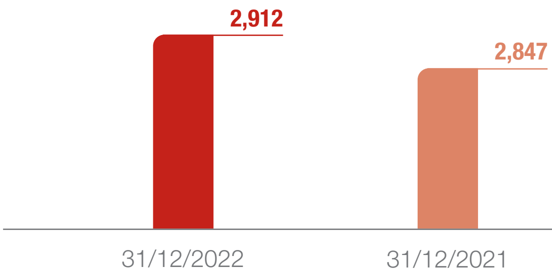
Total gross written premiums amounted € 81.5 billion (+1.5%), thanks to the development of the P&C segment. (+9.8%). Life net inflows stood at € 8.7 billion (-36.1%), entirely focused on the unit-linked and protection lines.

GROUP'S OPERATING RESULT (€ mln)



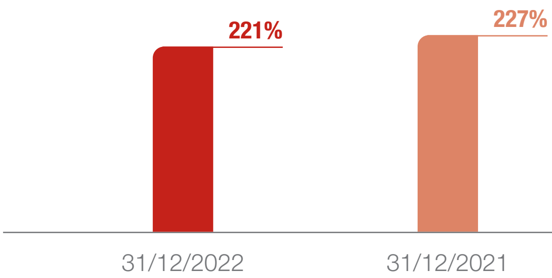
The operating result increased to € 6.5 billion (+11.2%), thanks mainly to the performance of Life and P&C segment.

GROUP'S RESULT OF THE PERIOD (€ mln)



Result of the period up to € 2,912 million (+2.3%)[2]. Excluding the negative impacts deriving from Russian investments[3] the result would be € 3,066 million (+7.7%).

SOLVENCY RATIO



The Group's capital position remained solid, with a Solvency Ratio at 221%.

1. Changes in premiums, Life net inflows and new business were presented on equivalent terms (at constant exchange rates and consolidation scope). Changes in the operating result, general account investments and Life technical provisions excluded any assets under disposal or disposed of during the same period of comparison.
The amounts were rounded at the first decimal point and the amounts may not add up to the rounded total in all cases. The percentage presented can be affected by the rounding.
2. Adjusted net result - defined as net result without the impact of gains and losses related to acquisitions and disposals - in 2022 were equal to the result of the period and is up 4.2%. In 2021, it amounted to € 2,795 million, calculated excluding € 52 million relating to the acquisition of control and the extraordinary costs linked to the integration of the Cattolica group.
3. The negative impacts deriving from Russian investments amounted to € 154 million, of which € 71 million refer to fixed income instruments held directly by the Group and € 83 million to the investment in Ingosstrakh.

GROUP'S PERFORMANCE

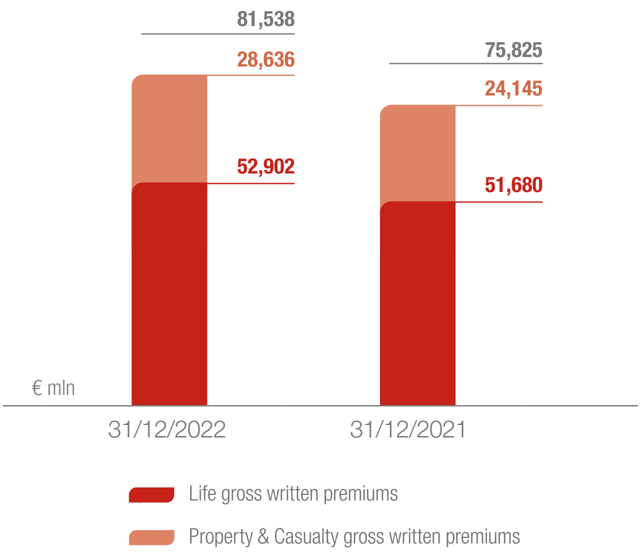
Premiums development

The Group's gross written premiums amounted to € 81,538 million (+1.5% on equivalent terms), thanks to the performance of the P&C segment.

Life premiums[4], amounting to € 52,902 million, decreased by 2.4% on equivalent terms. Considering the lines of business, the positive result of the protection lines (+3.8%) was confirmed, reflecting the growth mainly in Italy, France and ACEE. The decrease in unit-linked lines (-3.3%) is attributable to the negative performance in Italy, which is partially offset by the positive development of Germany, Spain and Asia. In line with the Group's portfolio repositioning strategy, the savings and pension business decreased (-5.5%), which reflects the reduction in volumes in France, Germany and Italy.

Life net inflows - premiums collected, net of claims and surrenders- amounted to € 8.7 billion (-36.1% on equivalent terms) and refers entirely to unit-linked and protection business, in line with the Group's portfolio repositioning strategy. The decrease is mainly attributable to the savings and pension business, also due to the specific in-force management activities. The unit-linked line was also down (-7.4%), reflecting the greater uncertainty of the macroeconomic context and the comparison with the positive results of 2021. Inflows for the protection lines increased (+2.9%).

New business (expressed in terms of present value of new business premiums - PVNBP) amounted to € 46,341 million, showing a decrease by of 12.6% on equivalent terms. The uncertain macroeconomic context and the interest rates evolution negatively affected the new business production in all geographical areas. The drop was mainly driven by saving business (-18.4%), while unit-linked and protection lines showed a more resilient production (-8.4% and -8.8%, respectively) following the strategic focus towards the most profitable lines of business and, consequently, increased their weight on total PVNBP (61.8% at 31 December 2022 compared to 59.1% at 31 December 2021). The largest contraction of new business was recorded in Germany (also on account of the closure to sale of a pension product) and in Italy (also emphasized by the extraordinary first quarter 2021 production), while French production was more resilient.



New business margin on PVNBP stood at 5.35%, increasing by 0.86 p.p. compared to 2021 thanks to the significant increase of interest rates, the rebalancing of the business mix towards the most profitable protection and unit-linked business and the continuous improvement of new products features.

The total New Business Value (NBV) stood at € 2,478 million, up compared to 2021 (+4.2%; € 2,313 million at 31 December 2021) reflecting the improved profitability despite the lower volumes.

P&C premiums increased to € 28,636 million (+9.8% on equivalent terms) thanks to the performance of both lines of business.
The non-motor line grew by 11.4% throughout the main countries in which Group operates. The motor line rose by 6.5%, particularly in Argentina (mainly as a result inflationary adjustment), ACEE and Spain.
The premiums of Europ Assistance continued to grow (+73.0%), mailny thanks to new partnerships; in 2021, Europ Assistance was still impacted by the pandemic, especially in the travel line.

4. Including premiums from investment contracts equal to € 1,770 million (€ 1,518 million at 31 December 2021).

Total gross written premiums by country (*)

(€ million)	31/12/2022	31/12/2021
Italy	28,321	25,681
France	15,570	15,494
Germany	14,878	14,898
Austria & CEE	7,320	6,957
International	12,022	10,179
Spain	2,494	2,374
Switzerland	1,823	1,753
Americas and Southern Europe	2,648	2,225
Asia	5,057	3,826
Group holdings and other companies	3,427	2,616
of which Europ Assistance	1,680	971
Total	**81,538**	**75,825**

(*) Total gross written premiums for Global Business Lines (GBL), taking into consideration the business underwritten in the various countries, increased to € 4,446 million and it is split as follows:
- Global Corporate&Commercial € 2,808 million;
- Generali Employee Benefits € 1,638 million.

Operating result

Total operating result by segment

(€ million)	31/12/2022	31/12/2021	Change
Total operating result	**6,509**	**5,852**	**11.2%**
Life	3,522	2,816	25.1%
Property&Casualty	2,696	2,650	1.7%
Asset & Wealth Management (1)	972	1,076	-9.6%
Holding and other business	202	157	28.9%
Consolidation adjustments	-883	-847	4.3%

(*) As from 1Q2022, the Asset Management segment changed its name to become Asset & Wealth Management: in line with new managerial responsibilities, it also includes the Banca Generali group that was previously represented in the Holding and other businesses segment.

The Group's operating result amounted to € 6,509 million (+11.2% compared to € 5,852 million as at 31 December 2021), due to the positive development of the Life, P&C and Holding and other businesses segments.

The Life operating result grew strongly to reach € 3,522 million (+25.1%). The technical margin - net of insurance expenses - improved, thanks to the more profitable business mix. The net investment result also increased with both current income and reserving dynamics benefitting from rising interest rates.

The performance of the P&C operating result was positive at € 2,696 million (+1.7%). The decrease in the technical result, reflecting the performance of the combined ratio, was offset by the improvement in the investment result, which benefited from higher current income. The combined ratio was 93.2% (+2.4 p.p.). The increase was driven by the higher current year loss ratio in motor line, hyperinflation in Argentina, higher natural catastrophe claims and higher large man-made claims. Excluding Argentina, the combined ratio would be 92.6% (90.4% as at 31 December 2021).

The Asset & Wealth Management operating result decreased by 9.6% from € 1,076 million to € 972 million. The operating result of the Banca Generali group amounted to € 334 million (-17.4%) and was affected by the performance of financial markets during 2022 which led to a sharp reduction in performance fees. The result of Asset Management amounted to € 638 million, down 5.0%, due to the reduction in assets under management.

The operating result of the Holding and other businesses segment, improved to € 202 million (€ 157 million at 31 December 2021) mainly thanks to the result of real estate business.

Lastly, the change in the consolidation adjustments was due to higher intragroup transactions, mainly relating to dividends paid by the real estate companies.

Operating result by country

(€ million)	31/12/2022	31/12/2021
Italy	2,279	1,971
France	962	840
Germany	996	975
Austria & CEE	959	885
International	811	756
Spain	240	298
Switzerland	85	50
Americas & Southern Europe	290	262
Asia	210	155
Asset & Wealth Management (*)	910	1,008
Group holdings, other companies and consolidation adjustments	-407	-584
Total	**6,509**	**5,852**

(*) Asset & Wealth Management area includes the main Group entities operating in investment advisory, asset management and financial planning; it includes, among others, Banca Generali. Adding the operating result of AM of the Central and Eastern European countries to that of Asset & Wealth Management reported in the table, the total operating amounted to € 940 million (€ 1,044 million at 31 December 2021).

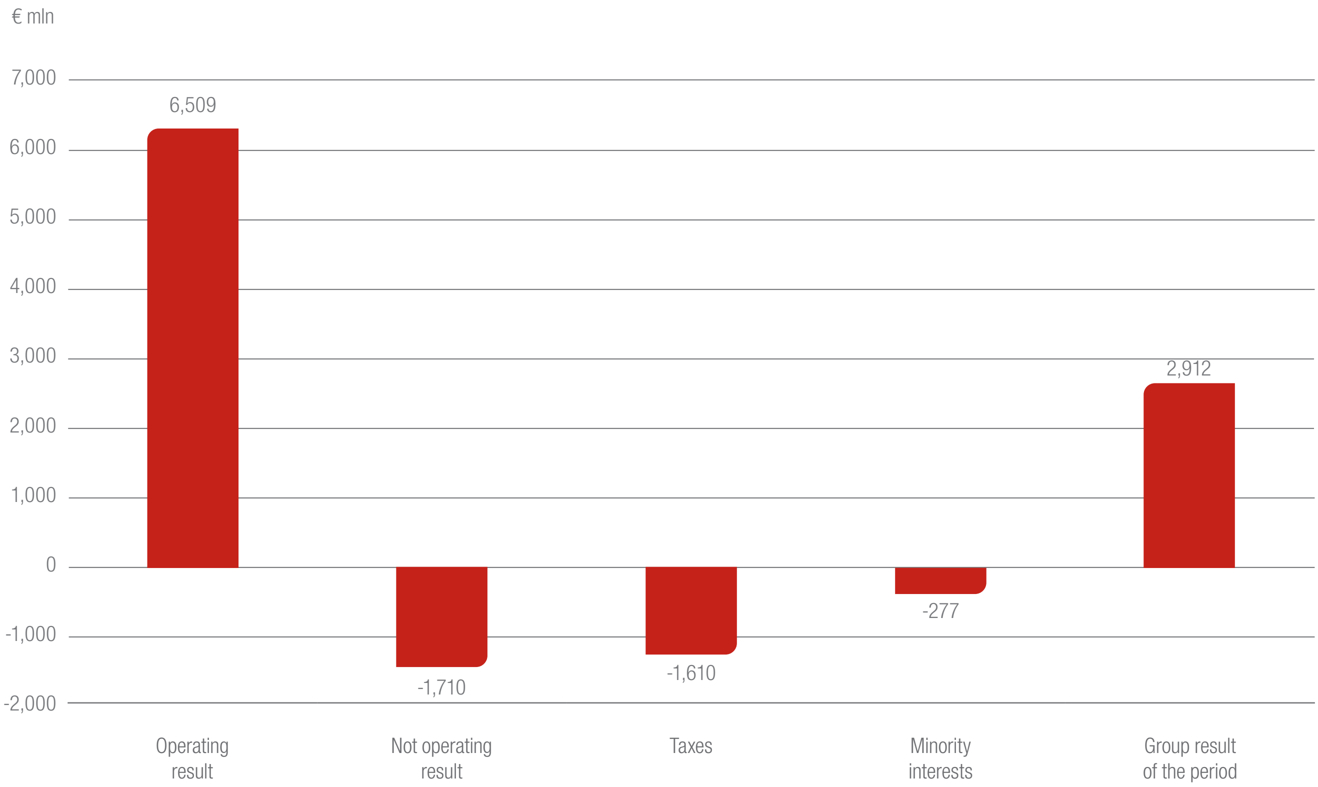
Non-operating result

The non-operating result of the Group came to € -1,710 million (€ -1,306 million as at 31 December 2021). In particular:

- net impairments amounted to € -511 million (€ -251 million as at 31 December 2021), due to higher impairments on investments classified as available for sale, in particular on Russian investments[5];
- net realized gains amounted to € 71 million (€ 368 million as at 31 December 2021). The decrease derives from a lower contribution from the real estate business, which in 2021 benefited also for € 67 million from the operation on the Libeskind tower in Milan CityLife and for € 80 million from the operation on the Saint Gobain tower in Paris, and lower net realized gains on fixed income instruments;
- net non-operating income from financial instruments at fair value through profit or loss amounted to € 114 million (€ -1 million as at 31 December 2021) mainly thanks to the derivatives instruments following the performance of the financial markets;
- other net non-operating expenses posted € -748 million (€ -832 million as at 31 December 2021). They included € -88 million VOBA (Value Of Business Acquired) amortization (€ -91 million as at 31 December 2021); € -195 million restructuring costs (€ -387 million as at 31 December 2021, which included the extraordinary costs relating to the integration of the Cattolica group for € -212 million[6]); and € -465 million other net non-operating expenses (€ -353 million as at 31 December 2021). Other net non-operating expenses in 2021 included, among other things, the overall positive result deriving from the acquisition of control of the Cattolica group, amounting to € 198 million, which also led to the recognition of badwill. In 2022, lower costs incurred in Italy, France and Germany offset the deterioration in costs for the application of IAS 29 in Argentina, an accounting standard dedicated to economies characterized by hyperinflation;
- holding non-operating expenses amounted to € -636 million (€ -590 million as at 31 December 2021). The increase mainly reflected higher expenses relating to long-term incentive plans. Interest expense on financial debt amounted to € -471 million (€ -478 million as at 31 December 2021).

5. Regarding the Group's exposure in Russia, following impairments as at 31 December 2022, the stake in Ingosstrakh and fixed income instruments held directly by the Group amounted to € 116 million (€ 384 million at 31 December 2021) and to € 18 million (€ 188 million at 31 December 2021), respectively. The Group also had Russian and Ukrainian indirect investments of € 14 million (€ 111 million at 31 December 2021) and unit-linked investments of € 19 million (€ 117 million at 31 December 2021).
6. This amount, net of taxes, was € -147 million.

Group's result of the period



The result of the period attributable to the Group was € 2,912 million. The 2.3% increase compared to € 2,847 million as at 31 December 2021 reflected:

- the positive performance of the operating result which more than offset the deterioration of the non-operating result commented above;
- the higher tax rate, which rose from 30.2% to 32.7%, was mainly due to the elimination of some positive effects recorded in 2021, as well as, in 2022, to some non-deductible costs partially offset by the positive effect of the taxes from previous periods;
- the result attributable to minority interests, amounting to € 277 million (€ 348 million as at 31 December 2021), which corresponds to a minority rate of 8.7% (10.9% as at 31 December 2021), deteriorated mainly due to the results of Banca Generali.

Adjusted net result coincides with the result for the period and amounted to € 2,912 million, up 4.2% compared to € 2,795 million[7] as at 31 December 2021.
Excluding the negative impacts deriving from Russian investments amounting to € 154 million, of which € 71 million refer to fixed income instruments held directly by the Group and € 83 million to the investment in Ingosstrakh, the net result would be € 3,066 million (+7.7%).

7. The adjusted result for 2021 does not include the overall positive result deriving from the acquisition of control of the Cattolica group for € 198 million and from extraordinary costs linked to the integration of the same for € 147 million net of taxes.

From operating result to result of the period

(€ million)	31/12/2022	31/12/2021	Change
Consolidated operating result	**6,509**	**5,852**	**11.2%**
Net earned premiums	75,627	70,684	7.0%
Net insurance benefits and claims	-50,975	-72,978	-30.1%
Acquisition and administration costs	-13,997	-12,300	13.8%
Net fee and commission income and net income from financial service activities	1,041	1,133	-8.1%
Operating investment result	-4,696	20,045	n.m.
Net operating income from financial instruments at fair value through profit or loss	-14,083	8,912	n.m.
Net operating income from other financial instruments	9,387	11,133	-15.7%
Interest income and other income	11,251	10,885	3.4%
Net operating realized gains on other financial instruments and land and buildings (investment properties)	49	1,591	-96.9%
Net operating impairment losses on other financial instruments and land and buildings (investment properties)	-559	-208	n.m.
Interest expense on liabilities linked to operating activities	-243	-222	9.6%
Other expenses from other financial instruments and land and buildings (in-vestment properties)	-1,111	-913	21.7%
Operating holding expenses	-547	-516	6.0%
Net other operating expenses (*)	58	-216	n.m.
Consolidated non-operating result	**-1,710**	**-1,306**	**30.9%**
Non operating investment result	-326	115	n.m.
Net non-operating income from financial instruments at fair value through profit or loss	114	-1	n.m.
Net non-operating income from other financial instruments (**)	-440	117	n.m.
Net non-operating realized gains on other financial instruments and land and buildings (investment properties)	71	368	-80.7%
Net non-operating impairment losses on other financial instruments and land and buildings (investment properties)	-511	-251	n.m.
Non-operating holding expenses	-636	-590	7.8%
Interest expenses on financial debt	-471	-478	-1.4%
Other non-operating holding expenses	-165	-112	46.9%
Net other non-operating expenses	-748	-832	-10.1%
Earnings before taxes	**4,800**	**4,546**	**5.6%**
Income taxes (*)	-1,610	-1,351	19.2%
Earnings after taxes	**3,189**	**3,195**	**-0.2%**
Profit or loss from discontinued operations	0	0	0.0%
Consolidated result of the period	3,189	3,195	-0.2%
Result of the period attributable to the Group	**2,912**	**2,847**	**2.3%**
Result of the period attributable to minority interests	277	348	-20.4%

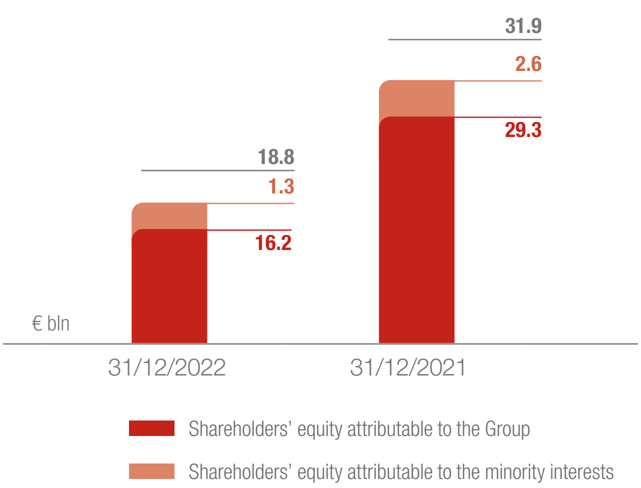
(*) At 31 December 2022, the amount is net of non-recurring taxes shared with the policyholders in Germany for € 62 million (at 31 December 2021 for € -34 million).
(**) The amount is gross of interest expenses on liabilities linked to financing activities.

GROUP'S FINANCIAL POSITION

Group shareholders' equity and solvency

The shareholders' equity attributable to the Group stood at € 16,201 million, down by 44.7% on € 29,308 million at 31 December 2021. The change was mainly attributable to:

- the result of the period attributable to the Group, equal to € 2,912 million at 31 December 2022;
- the dividend distribution for a total of € 1,691 million;
- other comprehensive income (€ -13,915 million), result in in particular, from the reduction in the reserve for unrealized gains and losses on available for sale financial assets for € -14,312 million, mainly arising from bond performance and partially offset, by the increase in net unrealized gains and losses on defined benefit plan for € 610 million. Other net unrealized gains and losses includes the change in the reserves attributable to disposal groups classified as held for sale for € -261 million following the classification of BCC Vita e BCC Assicurazioni as "non-current asset held for sale". For more details refer to chapter 5 *Non-recurrent asset or disposal group held for sale in the notes of the financial statement*;
- other items (€ -413 million) include the change in the own share reserve for € -510 million.



Rollforward of Shareholders' equity

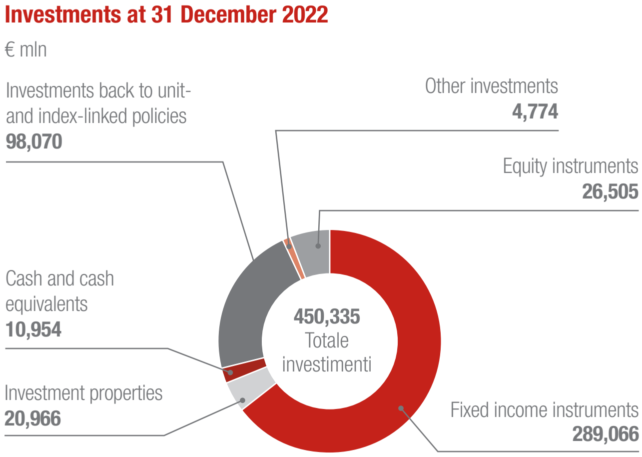
(€ million)	31/12/2022	31/12/2021
Shareholders' equity attributable to the Group at the end of the previous period	**29,308**	**30,029**
Result of the period	2,912	2,847
Dividend distributed	-1,691	-2,315
Other comprehensive income	-13,915	-1,273
Reserve for unrealized gains and losses on available for sale financial assets	-14,312	-1,922
Foreign currency translation differences	185	456
Net unrealized gains and losses on hedging derivatives	-168	-155
Net unrealized gains and losses on defined benefit plans	610	365
Other net unrealized gains and losses	-229	-16
Other items	-413	-19
Shareholders' equity attributable to the Group at the end of the period	**16,201**	**29,308**

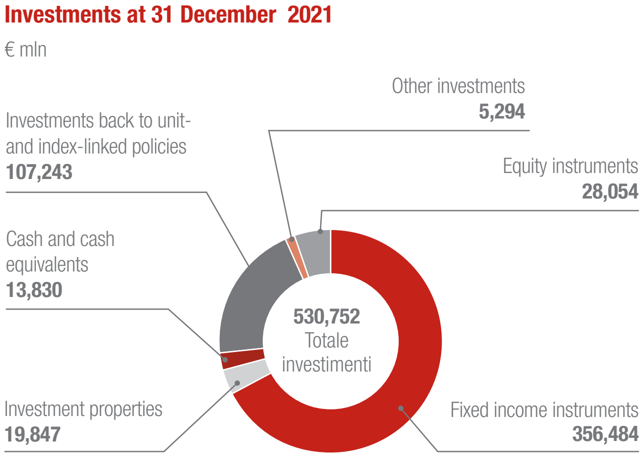
The Solvency Ratio - which represents the regulatory view of the Group's capital position and is based on the use of the Internal Model, solely for companies that have obtained the relevant approval from IVASS, and on Standard Formula for other companies - stood at 221% at year-end 2022.
The development of the solvency ratio position from year-end 2021 (227%) was supported by the strong contribution of the normalized capital generation and by positive market variances (with the favorable impact of higher interest rates partially offset by the negative equity market performance and by the increase of spreads, volatilities and inflation). These effects only partially offset the impact of regulatory changes, operating variances, M&A operations (mainly referred to the acquisitions in India, Malaysia and France) and capital movements (including foreseeable dividend and buyback operation).

Risk Report, p. 147 in the Annual Integrated Report and Consolidated Financial Statements 2022 for further information on the Group's solvency position

Investments

Asset allocation





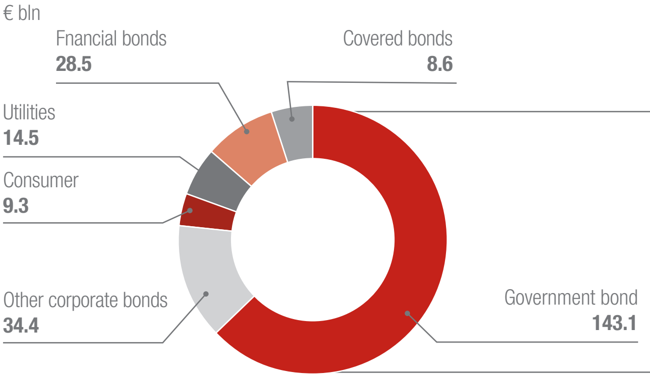
At 31 December 2022, total investments stood at € 450,335 million, decreased by 15.2% compared to the previous year. Both Group investments and unit-linked investments decrease respectively to € 352,265 million (-16.8%) and € 98,070 million (-8.6%).
In terms of weight of the main investment categories, the relative exposures of fixed income instruments results in a reduction to 82.1% (84.2% at 31 December 2021), whereas the relative exposures of equity instruments increased, standing at 7.5% (6.6% at 31 December 2021). The weight of land and building (investment properties) rose to 5.9% (4.7% at 31 December 2021), whereas the weight of cash and cash equivalent investments was substantially stable at 3,1% (3.3% at 31 December 2021). The weight of other investments slightly rose at 1.4% (1.2% at 31 December 2021). Note that other investments mainly include receivables from banks and customers, investments in subsidiaries, associated companies and joint venture, and derivatives.

With reference to Group's exposures to Russia, following impairments during the year, the stake in Ingosstrakh insurance company and the direct investment in bonds amounts respectively to € 116 million (€ 384 million a 31 December 2021) e € 18 million (€ 188 million at 31 December 2021).
In case of an extreme scenario resulting in a full write-off of the participation in the Russian insurance companies and of the Russian bonds, the additional net impact would be respectively € -83 million and € 14 million.
The Group also held negligible Russian and Ukrainian indirect investments amounted to € 14 million (€ 111 million at 31 December 2021) and unit-linked exposure amounted to € 19 million (€ 117 million at 31 December 2021).

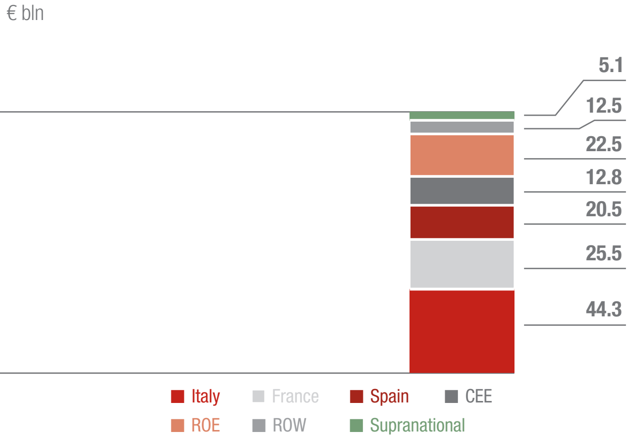
Fixed income instruments

Fixed income instruments increased by 18.9% to € 289,066 million compared to € 356,484 million at 31 December 2021. In particular, investment fund units related to bonds was substantially stable to € 31,667 million (-0.1% at 31 December 2021), whereas with regard to the composition of the bond portfolio, government bonds, which represented 49.5% (54.4% at 31 December 2021), decreased to € 143,132 million (€ 194,293 million at 31 December 2021). The change was attributable to a rise in interest rates and BTP-Bund spread, which negatively impacted the value of securities in the portfolio. Exposure to government bonds was mainly held within specific countries of operations, in line with the Group's ALM policy.
As a result of the rise in interest rates, also the corporate component decreased in absolute term to € 95,298 million (€ 113,965 million at 31 December 2021), equal to 33.0% of the bond portfolio (32.0% at 31 December 2021). Taking into consideration, on the other hand, the current portfolio composition, the asset allocation was substantially stables, highlighting a preference, among the non-financial sector, for that of utilities.

Bond portfolio: detail by sector

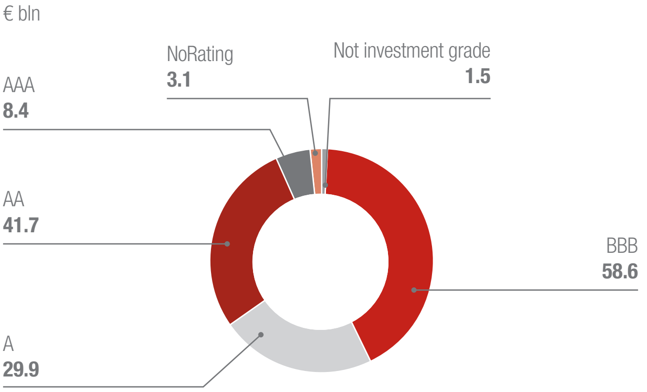


Government bonds: detail by country of risk

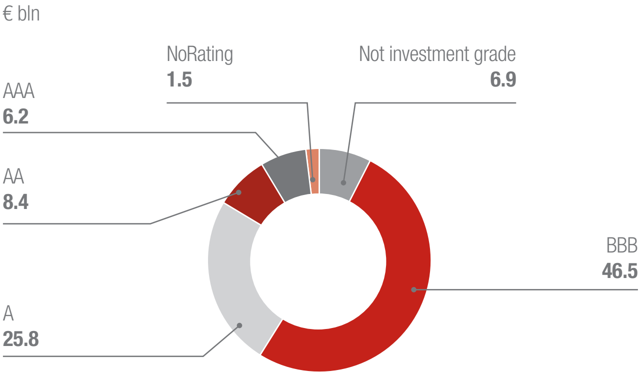


The credit rating of the Group's government porfolio slightly decreased; 96.8% of bonds were classified as Investment Grade (98% at year-end 2021). The credit rating of the Group's corporate portfolio slightly increase; 91.2% of bonds were classified as Investment Grade (91% at year-end 2021).

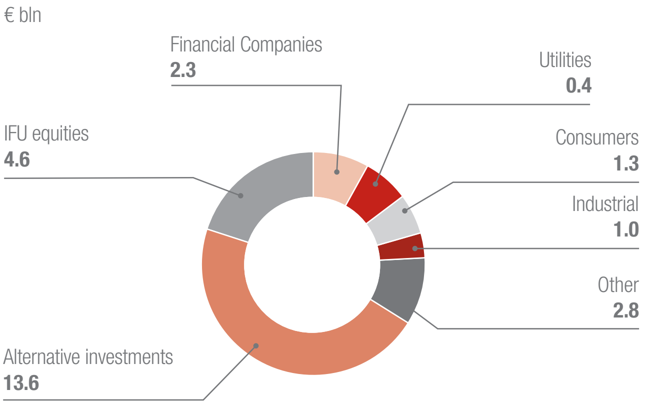
Bond portfolio: government bonds by rating



Bond portfolio: corporate bonds by rating



Equity instruments



Equity instruments increased in absolute terms to € 26,505 million (€ 28,054 million at 31 December 2021). The change was attributable to recent macroeconomic crisis' impact on financial markets, as well as the consequence of inflation. In terms of allocation, the component relating to investment in listed instruments decreased during 2022.

Land and buildings (investment properties)

Land and buildings (investment properties) in terms of book value stood to € 20,966 million (€ 19,847 million at 31 December 2021).

Direct investment properties at fair value
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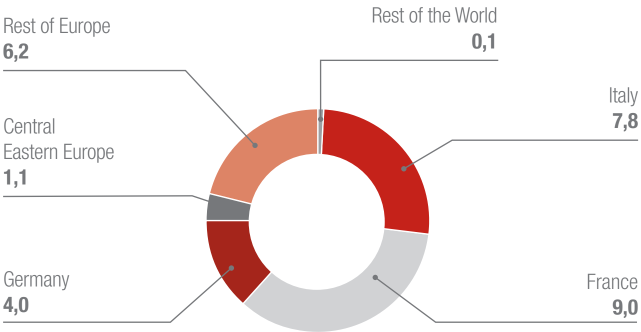


As regards the Group's direct land and buildings (investment properties) at fair value, they amount to € 28,129 million (€ 27,103 million at 31 December 2021) and were mostly allocated in Western Europe, mainly in Italy, France and Germany, and were held in the respective countries of operation.

Investment result

Return on investment

	31/12/2022	31/12/2021
Economic components		
Current income from fixed income instruments	8,722	8,339
Current income from equity instruments	1,192	1,425
Current income from real estate investments (*)	952	791
Net realized gains	753	1,676
Net impairment losses	-1,024	-384
Net unrealized gains	-1,686	-267
Average stock	**383,199**	**409,119**
Ratio		
Current return (*)	2.9%	2.6%
Harvesting rate	-0.5%	0.3%
P&L return	2.2%	2.8%

(*) Net of depreciation of the period.

The current return on investments increased at 2.9% (2.6% at 31 December 2021). The positive trend was mainly attributable the impact of financial market on the evaluation of investments measured at fair value and included in current return denominator. This led to a higher current return rate even with a current income only marginally greater than 2021.

The contribution to the result of the period deriving from net realized gains, net impairment and net unrealized gains (harvesting rate) decreased to -0.5% (0.3% at 31 December 2021), due to higher impairments and higher unrealized losses compared to 2021.

Debt and liquidity

Debt

In accordance with the IAS/IFRS managerial model used by the Generali Group, consolidated liabilities were split into two categories:

- liabilities linked to operating activities, defined as all the consolidated financial liabilities related to specific balance sheet items from the consolidate financial statements. This category also includes liabilities stated by the insurance companies against investment contracts and liabilities to banks and customers of banks belonging to the Group;
- liabilities linked to financing activities, including the other consolidated financial liabilities, among which subordinated liabilities, bond issues, and other loans obtained. This category includes, for example, liabilities incurred in connection with a purchase of controlling interests.

Total liabilities were as follows:

Group debt

(€ million)	31/12/2022	31/12/2021
Liabilities linked to operating activities	**38,483**	**37,053**
Liabilities linked to financing activities	**10,170**	**10,660**
Subordinated liabilities	8,266	8,760
Senior bonds	1,739	1,737
Other non-subordinated liabilities linked to financing activities	166	163
Total	**48,653**	**47,713**

Liabilities linked to operating activities increased mainly thanks to a decrease in the current value of hedging derivatives accounted as liabilities.
Group's liabilities linked to financing activities decreased mainly thanks to the issuance of subordinated liabilities for a nominal value of € 969 million, partially refinanced in July 2022 through the issuance of a subordinated bond in sustainability format for a nominal of € 500 million. The remaining portion of the 2022 repayments were already refinanced in 2021 by the issuing of a subordinated bond in sustainability format for a nominal value of € 500 million.

The weighted average cost of liabilities linked to financing activities stood at 4.26%, showing a decreased compared to 2021, mainly due to the refinanced of securities redeemed during 20221 at lower coupon rates.
The weighted average cost reflects the annualized cost of the liabilities, considering the nominal amounts at the reporting date and the related transactions of currency and interest rate hedging.

Interest expenses on total liabilities were detailed below:

Interest expenses

(€ million)	31/12/2022	31/12/2021	Change
Interest expense on liabilities linked to operating activities	243	222	9.6%
Interest expense on liabilities linked to financing activities	471	478	-1.4%
Total (*)	**715**	**700**	**2.1%**

(*) Without taking into account the interest expenses on liabilities linked to operating activities of the real estate development companies, classified among the other expenses, as well as the interest on deposit under reinsurance business accepted, deducted from the related interest income.

Details on the liabilities linked to financing activities

Details on subordinated liabilities and senior bonds

(€ million)	31/12/2022				31/12/2021			
	Nominal value	Book value	Accrued interest expenses	Average weighted cost % (*)	Nominal value	Book value	Accrued interest expenses	Average weighted cost % (*)
Subordinated liabilities	8,234	8,266	382	4.08%	8,715	8,760	388	4.50%
Senior bonds	1,744	1,739	89	5.13%	1,744	1,737	89	5.13%
Total	**9,978**	**10,004**	**471**		**10,459**	**10,497**	**478**	

(*) The weighted average cost reflects annualized cost of financial debt, considering the outstanding debt at the reporting date and the related activities of currency and interest rate hedging.

Details of issues and redemptions of subordinated liabilities and senior bonds

(nominal value in € million)	31/12/2022			31/12/2021		
	Issuances	Redemptions	Issuances net of redemptions	Issuances	Redemptions	Issuances net of redemptions
Subordinated liabilities	500	969	-469	500	50	450
Senior bonds	0	0	0	0	0	0
Total	**500**	**969**	**-469**	**500**	**50**	**450**

Details on main issues

Subordinated liabilities

Main subordinated issues

	Coupon	Outstanding (*)	Currency	Amortised cost (**)	Issue date	Call date	Maturity
Assicurazioni Generali	6.27%	350	GBP	393	16/06/2006	16/06/2026	Perp
Assicurazioni Generali	4.13%	1,000	EUR	962	02/05/2014	n.a.	04/05/2026
Assicurazioni Generali	4.60%	1,500	EUR	1,341	21/11/2014	21/11/2025	Perp
Assicurazioni Generali	5.50%	1,250	EUR	1,246	27/10/2015	27/10/2027	27/10/2047
Assicurazioni Generali	5.00%	850	EUR	844	08/06/2016	08/06/2028	08/06/2048
Assicurazioni Generali	3.88%	500	EUR	488	29/01/2019	n.a.	29/01/2029
Assicurazioni Generali	2.12%	750	EUR	729	01/10/2019	n.a.	01/10/2030
Assicurazioni Generali	2.43%	600	EUR	597	14/07/2020	14/01/2031	14/07/2031
Assicurazioni Generali	1.71%	500	EUR	498	30/06/2021	30/12/2031	30/06/2032
Assicurazioni Generali	5.80%	500	EUR	497	06/07/2022	06/01/2032	06/07/2032
Società Cattolica di Assicurazioni S.p.A.	7.25%	100	EUR	55	17/12/2013	17/12/2023	17/12/2043
Società Cattolica di Assicurazioni S.p.A.	4.25%	500	EUR	552	14/12/2017	14/12/2027	14/12/2047

(*) In currency million.
(**) In € million.

This category included all subordinated liabilities issued by Assicurazioni Generali and Cattolica Assicurazioni S.p.A.. The remaining subordinated liabilities were mainly issued by Austrian and Italian subsidiaries for approximately € 25 million and € 37 million at amortized cost.

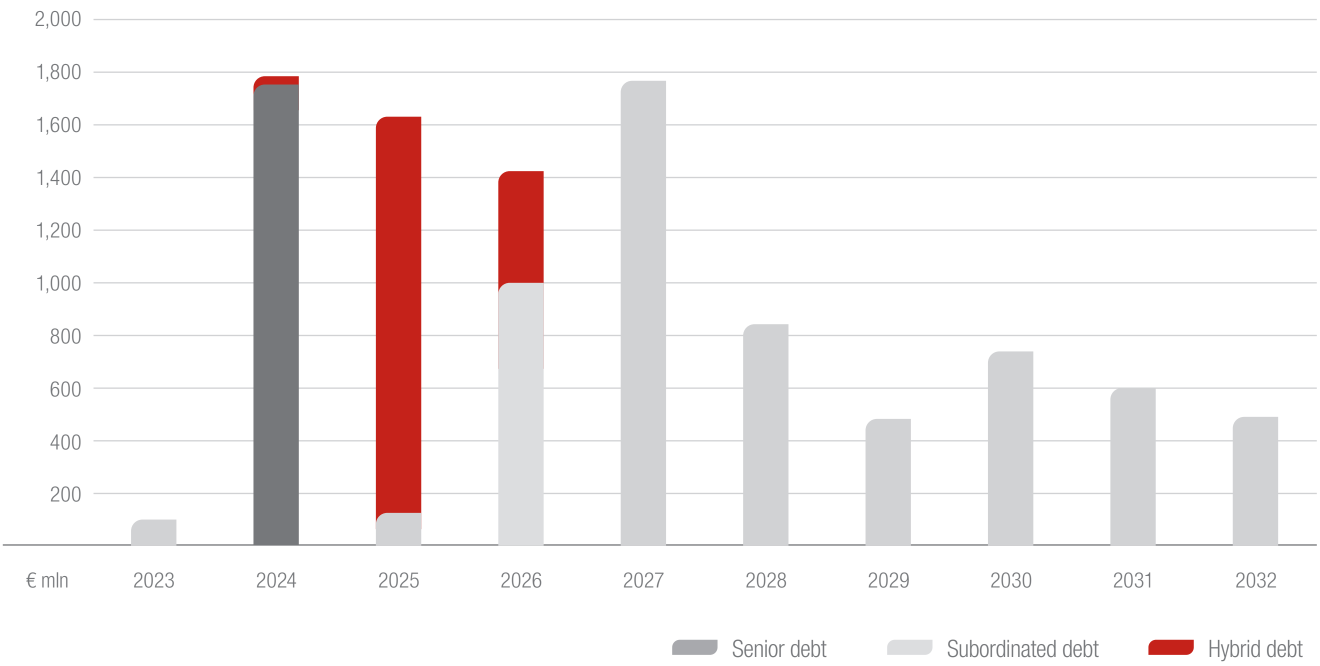
Senior bonds

Main senior bonds issues

Issuer	Coupon	Outstanding (*)	Currency	Amortised cost (**)	Issue date	Maturity
Assicurazioni Generali	5.13%	1,750	EUR	1,739	16/09/2009	16/09/2024

(*) In currency million.
(**)In € million.

Details on debt maturity(*)



(*) The chart represents the outstanding nominal value of the debt securities in € million.

The average duration stood at 4.75 years at 31 December 2022 compared to 5.07 years at 31 December 2021.

Revolving credit facilities

Assicurazioni Generali has revolving credit facilities for a total amount of € 4 billion, which represents, in line with the best market practice, an efficient tool to protect the Group's financial flexibility in case of adverse scenarios.
The two revolving credit facilities, syndicate for a value of € 2 billion each, have a duration until 2023 and 2024, respectively.
The revolving credit facilities also present innovative features in terms of sustainability: their cost is linked to both the targets on green investments and the progress made in sustainability. This transaction further strengthens Generali's commitment of sustainability and the environment, as set in the Charter of Sustainability Commitments and in the Strategy on Climate Change.
This transaction will only impact the Group's liabilities linked to financing activities if the facilities are drawn down.

Liquidity

Cash and cash equivalent

(€ million)	31/12/2022	31/12/2021
Cash at bank and short-term securities	6,091	6,605
Cash and cash equivalents	446	254
Cash and balances with central banks	706	1,617
Money market investment funds unit	6,775	7,717
Other	-3,064	-2,363
Cash and cash equivalents	**10,954**	**13,830**

Cash and cash equivalent investments went from € 13,830 million at 31 December 2021 to € 10,954 million. The reduction in Group's liquidity reflected the higher investment activities during the year and the repayment of an LTRO loan to the ECB by Banca Generali.

OUR MAIN MARKETS: POSITIONING[8] AND PERFORMANCE

Italy

GROSS WRITTEN PREMIUMS		TOTAL OPERATING RESULT		OUR PEOPLE	
€ 28,321 mln	-4.0%)	€ 2,279 mln	+15.6%	15,147	-2.2%

LIFE MARKET SHARE	P&C MARKET SHARE	RANKING	
19.4%	20.2%	1st	1st Life and 1st P&C

In a global context influenced by the conflict in Ukraine and its consequences on the macro-economic scenario, Generali once again confirmed its leadership in the Italian insurance market, with an overall market share of 19.6% (up compared to the previous year).
The company stood out for its resilience and solidity in a scenario characterized by uncertainty and market volatility, thanks to innovative insurance solutions for its customers in the Life and Property & Casualty segments.
Production remained strongly focused on the agency channel, in which the leadership position in the insurance market of Generali Italia and Alleanza Assicurazioni was recently strengthened by the entry of Cattolica. In addition to the result of sales via agencies, the consolidated position in the direct P&C and Life channel of Genertel and Genertellife, the first digital native company in Italy, recently renewed in terms of brand and operating model, was added. The partnership with Banca Generali has also made it possible to extend the range of insurance, pension and savings products.
In 2022, Generali presented itself to the Italian market with five distinct brands with a clear strategic positioning: Generali Italia (retail and SME market), Alleanza (households), Cattolica (retail and SME market with particular focus on the third sector, religious organizations and the agricultural world), DAS (legal protection and assistance) and Genertel with Genertellife (digital channels).
During 2022, the new strategic plan *Partner di Vita 24 - Pronti al futuro* was also launched, based on three objectives: the pursuit of profitable growth, guarantee an excellent customer experience through an omni-channel approach and valuable consulting, and reduce complexity with the aim of making the operating machine more efficient. The first steps of the new strategy were the acceleration of the Cattolica integration process and the consolidation of growth in the P&C segment. Lastly, existing partnerships were consolidated and new ones developed to build ecosystems in the areas of mobility, home, health and technology.
Jeniot, a company launched by Generali Italia at the end of 2018 that develops innovative services in the Internet of Things and connected insurance, also continued to grow.

LIFE SEGMENT

LIFE PREMIUMS		Life OR	
€ 19,829 mln	-7.0%	€ 1,512 mln	+16.4%

PVNBP		NBV	
€ 18,013 mln	-13.7%	€ 1,126 mln	+0.7%

Generali has concentrated on a full-scale offer that envisages the development of pension, savings, investment and protection products according to the pre-set goals of improving the advice given to the customer and boosting premium income with low capital absorption. Thanks to a multi-channel approach and to the integration of traditional sales systems with new remote sales

8. The indicated market shares and ranking, based on written premiums, refer to the most recent official data.

tools, Generali managed to maintain a valuable consultancy service for its retail customers, even in a context of great volatility in the financial markets.

The performance of Life premiums showed an overall decline, in particular of linked products, while there was a satisfactory performance of the protection line.
New business (expressed in terms of present value of new business premiums - PVNBP) amounted to € 18,013 million, down 13.7% compared to 2021, mainly due to the heavy uncertainty of the macroeconomic context and the evolution of interest rates, with a decrease in both the current value of future annual premiums (-18.9%) and single premiums (-10.1%). With reference to the business lines, there was a more pronounced drop in savings and pension (-12.6%) and unit-linked products (-16.8%), while risk products were more resilient (-6.2%).
The profitability of new business on the PVNBP grew by 0.90 p.p. on equivalent terms, from 5.51% in 2021 to 6.25% in 2022. The increase is mainly attributable to the sharp rise in interest rates and a better business mix. The acquisition of the Cattolica group, with lower profitability than the local average, slightly reduced overall profitability, which stands at 6.52%, excluding its contribution.
New business value amounted to € 1,126 million (+0.7%).

P&C SEGMENT

P&C PREMIUMS		P&C OR		CoR	
€8,492 mln	+4.9%	€ 802 mln	+12.9%	93.2%	+1.9 p.p.

P&C premiums including the Cattolica Group amounted to € 8,492 million. Excluding the Cattolica Group, P&C premiums amounted to € 6,314 million, with an increase of +5.4%, thanks to the increase in both lines.
At overall level, the motor line reported slight growth by entering into partnerships with leading figures in the automotive world, while the single car segment was down, due to the competitive arena and an improved selection of the client business. Generali focused on maintaining profitability and on defending the portfolio with interventions on the flexibility and development of smart-pricing models thanks to advanced analytics activities. The increase observed in the non-motor segment (+10.1%) is driven by the renewal of the product range through the development of new services and related products. The ever-increasing attention paid to improving industrial processes and the relative levels of service, enabled the production levels of the previous year to be surpassed, in a difficult context, benefiting in particular from the performance of the retail and businesses lines.
The combined ratio, corresponding to 93.2%, was up 1.9 p.p., due to a higher loss ratio, also due to the recovery of claims frequency and to the greater weight of natural catastrophe claims.

Germany

GROSS WRITTEN PREMIUMS		TOTAL OPERATING RESULT		OUR PEOPLE	
€ 14,878 mln	-0.1%	€ 996 mln	+2.1%	9,228	+0.5%

LIFE MARKET SHARE	P&C MARKET SHARE	RANKING	
7.1%	5.0%	3rd	3rd Life and 7th P&C

The Group, present in Germany since 1837, is currently in third place with regard to total premium income in the primary insurance sector, thanks to a market share of 7.1% in the life business (including health insurance), where it confirms its position as leader in unit-linked insurance and in the protection business known as term life insurance, and a 5.0% share in the P&C line of business, characterized by an innovative and highly profitable offer.
In 2022, Generali Deutschland continued to improve its performance thanks to the disciplined implementation of its strategy, aiming to be the leading insurance company in Germany in terms of profitable growth, return on investments and innovation, fully in line with the Group's strategic plan. The innovative platform of products and services that defines a new standard for the sector, and attentive technical and operating regulation contributed to Generali Deutschland's excellent results. This allowed the Group

to further improve profitability in Germany, despite a very difficult market context, characterized by the impact of the conflict in Ukraine and the related generalized price increases.
A fundamental pillar, both for premium income and profitability, is represented by the distribution network of Deutsche Vermögensberatung (DVAG), of which Generali holds 40%. This network, made up of around 18,500 full-time agents, has an exclusive agreement with the Generali Group for the sale of insurance solutions, and is able to effectively combine qualified consultancy, complete understanding of the needs of customers and digital tools to provide highly effective customer interaction.
In line with its strategic objectives, Generali Deutschland continued to strengthen its market position in 2022, not only through its DVAG network of agents, where it operates under the Generali, Advocard and Deutsche Bausparkasse Badenia brands, but also with the CosmosDirekt brand, dedicated to the digital channel, where the Generali Group is the market leader in Germany. As a pure insurance broker, the niche brand Dialog completes the portfolio.
In line with the Generali Group's ambition to transform the classic concept of insurance into protection, prevention and client partnership, Generali Deutschland launched new products on the German market in 2022 that use cutting-edge technology to help clients adopt healthy and sustainable practices and lifestyles that help prevent future damage. An example is the Generali Mobile Health App, which helps the client to understand the symptoms of illnesses and obtain reliable and understandable information on diseases, to book medical appointments without waiting through video calls and to find specialists for surgical operations or second opinions, or Generali Protect Me, an application that allows the client to make precise weather forecasts on the move or even in a timely manner by individual addresses.

LIFE SEGMENT

LIFE PREMIUMS

€ 10,916 mln -1.1%

Life OR

€ 533 mln +28.5%

PVNBP

€ 9,454 mln -24.1%

NBV

€ 346 mln -4.4%

Life premiums fell by -1.1%, mainly due to the slowdown in the Savings & Pension business (-11.4%), partly offset by a continuously growing unit-linked business (+10.0%), consistent with the Group's strategic decision to focus on low capital absorption products. There was a decrease in single premiums of -9.9%, while recurring premiums recorded growth of +1.9%, supported by the exclusive DVAG network.
New business (expressed in terms of present value of new business premiums - PVNBP) showed a decrease of 24.1% compared to 2021, affecting both the Life segment (-25.5%) and the health segment (-12.1%), with a reduction in the current value of future annual premiums (-26.1%) and single premiums (-14.3%). Production fell significantly in all business lines due to the heavy uncertainty of the macroeconomic context and the evolution of interest rates. The reduction in the current value of future premiums is in particular due to the savings (-42.2%) and protection lines (-23.0%), also emphasized by the closure of a particular type of pension product (so-called Riester), while unit-linked products were more resilient (-5.4%).
The profitability of new business on the PVNBP was 3.66%, up compared to 2.91% in 2021, mainly due to the profits generated by the planned insourcing of unit-linked funds and the significant increase in interest rates.
New business value fell by 4.4% and amounted to € 346 million.

P&C SEGMENT

P&C PREMIUMS

€ 3,962 mln +2.6%

P&C OR

€ 492 mln -22.5%

CoR

91.8% +4.7 p.p.

P&C premiums rose (+2.6%) driven by the non-motor business (+4.2%), which benefited in particular from the selling success of multi-risk retail products, as well as from the positive performance of the Global Corporate & Commercial lines, while the motor business confirmed itself to be stable compared to the previous year. The growth was mainly sustained by the satisfactory performance of the exclusive network.

The deterioration of the combined ratio (+4.7 p.p.) is mainly due to the increase in the loss ratio (+4.5 p.p.) and to a lesser extent also to the cost rate (+0.2 p.p.). The substantial increase in the loss ratio is attributable both to the reduction in the contribution of previous origin years, and to the deterioration of the current origin year due in particular to a greater impact of large claims and the increase in inflation. The catastrophe component is improving compared to last year, which was affected in particular by exceptional natural phenomena, hurricanes and floods, which struck Germany during the summer months. The cost rate recorded a slight increase, deriving from both higher acquisition costs and higher administration costs.
In terms of business lines, the greatest increase in terms of the combined ratio derived from the motor business, which was affected by the increase in inflation, while the deterioration in the non-motor business was less significant.

France

GROSS WRITTEN PREMIUMS	TOTAL OPERATING RESULT	OUR PEOPLE
€ 15,570 mln -0.5%	€ 962 mln +14.5%	6,594 +0.1%

LIFE MARKET SHARE	P&C MARKET SHARE	RANKING
5.5%	4.8%	8th — 8th Life, 8th P&C and 5th A&H

Generali has been active in France since 1831 with one of the Group's first foreign branches. The operating structure was consolidated toward the mid-2000s, when the merger of the various brands forming the Group led to the creation of one of the country's largest insurance companies. Generali France operates with a multi-channel approach of agents, employed sales persons, brokers, financial advisors, banks, direct channels and affinity groups. The multiplicity of the distribution forms reflects the market segment served and the type of product sold, with focus always placed on the customer. Generali France boasts a leadership position in Life savings and pension products distributed via the internet and for the so-called affluent customers, just as holds true in the market of supplementary pensions for self-employed workers. The presence of professionals, SMEs and personal risks in the segments is also significant.
Also in France, as in the main geographical areas in which the Group operates, a new strategic initiative Performance 2024 was launched in 2022 in line with *Lifetime Partner 24: Driving Growth*. Based on three pillars, three levers and clear objectives for the next three years, the strategy aims to consolidate the bond of trust in the relationship with the customer, supporting them throughout life, in order to strengthen the brand and image in the area. Furthermore, sustainability is a key element of the strategy with a view to profitable and responsible growth.
Generali France continued its advertising campaign on multiple channels (television, press, billboards and digital platforms) aimed at generating more contacts and increasing the number of leads.
2022 also marks the birth of Generali Retraite, which is positioned as one of the main players in the pension market and makes it possible to provide long-term management, further consolidating its financial strength.
The acquisition of the insurance company La Médicale was also completed. The transaction is in line with the strategy of strengthening its distribution channels through the agency network and consolidating its position in the professional market by acquiring a specific network of independent healthcare operators.

LIFE SEGMENT

LIFE PREMIUMS	Life OR
€ 12,121 mln -2.1%	€ 742 mln +13.9%

PVNBP	NBV
€ 12,107 mln -3.8%	€ 523 mln +44.9%

Generali Vie continues with the transformation of its business model towards a well-balanced portfolio between savings and pension lines, unit-linked lines and protection lines, also thanks to regulated profit-sharing, linked to an incentive mechanism, if the unit-linked business should increase.

In 2022, the range of insurance solutions and services was expanded, contributing to the fight against climate change and the protection of biodiversity. Generali Wealth Solutions also plans to market two structured products of this type each year, with a tangible environmental impact.

Life premiums decreased by 2.1% compared to 2021, in particular in traditional savings policies (-14.3%), while the protection line increased by 9.3% and unit-linked policies remained stable. In addition, the business mix continues to be optimised, thanks to the excellent sales performance of unit-linked products, that have reached a weight of 47.6% (45.9% in 2021).
New business (expressed in terms of present value of new business premiums - PVNBP) recorded a slight decrease (-3.8%), more evident in the current value of future annual premiums (-15.1%) compared to single premiums (-2.1%). Hybrid product business decreased almost exclusively in the savings business (-20.0%), while the unit-linked business was more resilient (-1.5%). The increase in risk products was satisfactory (+7.2%).
The profitability of new business on the PVNBP grew by 1.45 p.p., from 2.87% in 2021 to 4.32% in 2022, mainly due to the significant growth in interest rates.
New business value amounted to € 523 million (+44.9%).

P&C SEGMENT

P&C PREMIUMS		P&C OR		CoR	
€ 3,449 mln	+5.9%	€ 190 mln	+12.4%	98.1%	+0.2 p.p.

P&C premiums grew by 5.9%, thanks to the dynamic recovery of the portfolio, mainly in the non-motor business thanks to the contribution of all lines of business, while the motor business remained stable.
The combined ratio remained essentially stable, negatively impacted by climate disasters (drought and hail).

Austria & CEE

GROSS WRITTEN PREMIUMS		TOTAL OPERATING RESULT		OUR PEOPLE	
€ 7,320 mln	+5.1%	€ 959 mln	+8.4%	16,813	-1.7%

LIFE MARKET SHARE		P&C MARKET SHARE		RANKING	
Austria: 15.6%	Czech Republic: 21.2%	Austria: 14.4%	Czech Republic: 28.3%	Austria: 3rd	Czech Republic: 2nd
Hungary: 9.5%	Slovakia: 9.9%	Hungary: 19.1%	Slovakia: 14.1%	Hungary: 2nd	Slovakia: 3rd
Poland: 4.8%		Poland: 5.3%		Poland: 6th	

The ACEE regional structure is the fourth most important market for the Generali Group. The scope comprises 11 countries: Austria, Bulgaria, Croatia, Czech Republic, Montenegro, Poland, Romania, Hungary, Serbia, Slovakia and Slovenia.

The Group boasts a presence in the central-eastern European area for nearly 200 years and after the re-opening of the markets in 1989, it has strengthened its position over the years, becoming one of the largest insurance companies in the area:
- 2008: a joint venture collaboration with PPF Holding started, which then ended in 2015, the year in which the Generali Group acquired full control and powers over Generali CEE Holding;
- 2018: entry of Austria into the region, where Generali has operated since 1832, and of Russia. In addition, Generali has strengthened its presence in the CEE area through two important acquisitions, Adriatic Slovenica in Slovenia and Concordia in Poland, enabling portfolios, sales channels and its operations in the area to be balanced and diversified. Lastly, it signed a collaboration agreement with Unicredit for the distribution of insurance solutions mainly concerning Credit Protection Insurance (CPI) in the entire region;
- 2019: in line with the Group's strategy, the acquisition in Poland of Union Investment TFI S.A from the German group Union Asset Management Holding AG was completed and the agreement to acquire all Life, P&C and Mixed portfolios of three companies of ERGO International AG in Hungary and Slovakia was concluded;

- 2020: acquisition of SK Versicherung AG (founded in 1982 as a joint venture between a number of Austrian insurance companies) by Austria, signing an exclusive 5-year sales agreement with ÖAMTC (Austrian automobile, motorcycle and touring club). Furthermore, the Group completed the acquisition of the Izvor osiguranje portfolio in Croatia;
- 2021: Generali Ceska Pojistovna acquires the insurance business of Generali Poistovna in Slovakia.

LIFE SEGMENT

LIFE PREMIUMS		Life OR	
€ 2,346 mln	+0.7%	€ 307 mln	+22.3%
PVNBP		**NBV**	
€ 2,152 mln	-6.3%	€ 147 mln	-6.9%

The growth of Life premiums was sustained by the satisfactory performance of capital-light products of the protection lines. In fact, the protection lines recorded satisfactory growth (+5.5%, mostly recurring premium policies), partly offset by the decline in both unit-linked lines (-0.8%, deriving from single premium policies), and pure savings premium lines (-5.1%, mainly attributable to the recurring premium component).
The growth in volumes was mostly recorded in the Czech Republic including Slovakia (+2.1% supported by the protection lines, followed by linked products), Austria (+2.2% thanks to greater unit-linked and health insurance coverage), Hungary (+2.3% driven by UL products), Slovenia (+4.8% supported by Protection and UL products), Serbia (+1.8%). Volumes were down in Poland (-6.7% attributable to the drop in linked products), Romania (-18.9% decrease recorded on all lines of business) and Croatia (-30.7% linked to the decline in linked products).
New business (in terms of present value of new business premiums - PVNBP) fell by 6.3%. The decrease is due to the current value of future annual premiums (-10.3%), partially offset by a slight increase in single premiums (+4.1%). The drop in business in Austria (-13.3%) was partially offset by a moderate increase in the CEE area (+2.9%), in particular in the Czech Republic (+5.9%), Croatia (+82.9%) and Slovenia (+22.3%).
The profitability of new business on the PVNBP is more or less stable (-0.04 p.p.), reaching satisfactory levels (6.83%, thanks to the high profitability of risk products). The decrease in the CEE area (-0.79 p.p.) was almost completely offset by the increase in Austria (+0.21 p.p.).
New business value amounted to € 147 million (-6.9%).

P&C SEGMENT

P&C PREMIUMS		P&C OR		CoR	
€ 4,973 mln	+7.3%	€ 639 mln	+2.7%	86.4%	+2.2 p.p.

P&C premiums grew by 7.3%, driven by the overall satisfactory performance of the main lines of business. The motor business recorded an increase of 2.7% thanks to the higher volumes of the Casco (comprehensive insurance) lines (+5.7%), while the evolution of the volumes of the TPL lines was essentially stable (+0.3%). This performance is supported by all the areas of the region with the exception of Poland (-14.5% - negatively affected by the market cycle). Positive contributions were recorded in the Czech Republic including Slovakia (+2.3%), Austria (+3.3% - partly supported by tariff index-linking), Hungary (+14.1%), Romania (+24.6%), Bulgaria (+4%), Slovenia (+8.5%), Croatia (+5.8%) and Montenegro (+5.6%). The non-motor lines of business grew by 11.2% thanks to the higher subscriptions recorded in all the countries of the region in relation to Home and Travel products, and mostly in Austria (+7.7%), Poland (+24.8% thanks to agro lines), Czech Republic including Slovakia (+7.2%) and Hungary (+17.3%).
The deterioration of the combined ratio (+2.2 p.p.) is mainly due to the lower contribution of the previous origin years (+2.8 p.p.), followed by the increase in the current loss ratio (+ 0.6 p.p.), only partially offset by lower natural catastrophe claims (-1.2 p.p.). The cost rate was essentially stable (+0.1 p.p.).

International

Spain, Switzerland, Americas and Southern Europe, Asia

GROSS WRITTEN PREMIUMS		TOTAL OPERATING RESULT		OUR PEOPLE	
€ 12,022 mln	+10.5%	€ 811 mln	+7.2%	20,072	+54.3%

Spain

Generali, in Spain since 1834, operates in the country through Generali España, and two bancassurance agreements with Cajamar (Life and P&C), which guarantee the Group exposure to the major Life distribution channel, as well as continuous expansion in P&C.
The agreements with Cajamar were recently renewed and extended until 2035, strengthening the partnership in all lines of business.
Generali is one of the main insurance groups in Spain, with a market share reported in the fourth quarter of 2022 of 2.9% in the Life segment and 4.3% in the P&C segment. The Generali España group offers a wide range of Life and P&C policies dedicated to private individuals and companies, using a multi-channel distribution strategy including not only bank offices, but also a network of agents and brokers, which is among the most extensive in Spain. All in all, the Group ranks eighth in the Spanish insurance market in terms of total premiums (sixth place in the P&C market).

Life premiums rose by 3.6% compared to 2021, reflecting the increase in both protection products (+9.5%), led by the significant improvement of Cajamar Vida, and in unit-linked products (+46.9%), in line with the Group's strategy to redirect the business mix towards capital-light products. Instead, premiums relating to savings and pension policies fell (-21.2%), reflecting the above-cited strategic decision.
New business (expressed in terms of present value of new business premiums - PVNBP) decreased by 3.0%, due to the sharp decrease in the current value of future annual premiums (-20.2%), only partially offset by the growth in single premiums (+6.6%). The decrease is due to both savings and pension products (-28.7%) and protection products (-7.1%), despite the fact that unit and index-linked products grew significantly (+51.0%).
The profitability of new business on the PVNBP remained almost stable (-0.85 p.p.), reaching excellent levels (16.56%, thanks to the high profitability of protection products).
New business value amounted to € 118 million (-7.7%).

In the P&C segment, premiums rose by 5.6%, thanks to the increase of the non-motor line (+5.8%), mainly due to the increase of the portfolio in the multi-risk, health and funeral costs lines, and the motor line (+3.3%).
The combined ratio stood at 99.0%: the negative performance compared to the previous year (+5.7 p.p.) reflects the increase in both the expense ratio (+1.7 p.p.) and the loss ratio (+4.0 p.p.), mainly due to the lower positive contribution of previous origin years and the impact of inflation.

Switzerland

The Generali Group has been operating in Switzerland since 1987, where it has been able to consolidate its position through the acquisition and merger of several insurance companies. In line with the strategy defined by the Group, Generali focuses on the retail business and provides high quality and innovative services through various distribution channels: agents, brokers, financial promoters and direct channels.
Generali ranked as the market leader in terms of premium income in the individual unit-linked Life segment with a 29% market share, and was eighth in the P&C segment with a 4.0% market share. Generali does not operate in the Collective Life policies segment.
Generali continued with the process, which began in 2020, to speed up the establishment of reserves linked to guaranteed products in the Life segment, reflecting more conservative long-term financial assumptions.

Life premiums decreased by 2.9% as a result of the slowdown in the premiums of unit-linked products combined with the increase in the maturities of the contracts relating to portfolios in run-off.
New business in terms of present value of new business premiums (PVNBP) stood at € 597 million, down 15.8% following the reduction of both the current value of future annual premiums (-15.9%) and single premiums (-15.3%). The decrease is attributable to both unit-linked products (-16.4%), which represent the majority of new business, and protection products (-16.7%).

Overall, the profitability of new business on PVNBP increased slightly (from 6.43% in 2021 to 6.85% in 2022), mainly due to the improved business mix within the unit-linked business.
New business value amounted to € 41 million (-9.8%).

P&C premiums fell by 3.9%, a trend largely attributable to the strategic decision to abandon unprofitable products in the accident & health and fleet lines, and to simplify the range of products.
The combined ratio stood at 95.0% (+2.5 p.p.), mainly due to the impact of inflation, large claims and higher reinsurance costs.

Americas and Southern Europe

Argentina, where Generali is ranked as the third largest operator in terms of premiums, is the main South American market for the Group and is characterized by a historically high rate of inflation and by high volatility.
In this context, the Group implemented best practices, investing in IT projects based on business needs, which enabled the Argentinian company to stand out in terms of service quality and innovation. The company Caja is the third largest player in the market in terms of premiums, excluding the lines of business in which it does not operate (Workers Compensation and Annuities). The impact of the pandemic on the business was mitigated by implementing several actions focused on customer assistance and loyalty. The branch and channel strategy was adapted to new consumer behaviour.
Generali also operates in Brazil where, after several years of loss due to the restructuring and Covid-19, Generali Brazil recorded a satisfactory performance and closed the year 2022 with a structurally positive result. Focused on Life protection, the company benefited from a significant increase in revenues, lower loss ratio and an improved investment result.
In Chile, Generali operates through AFP PlanVital, which manages pension and savings funds for people in Chile. PlanVital has 1.8 million active customers and total assets under management of around € 7.0 billion. In addition to managing mandatory pension contributions, PlanVital sells voluntary savings and pension products (mainly through direct channels), providing financial advice for both savings and pension purposes.

In Greece, the Group successfully concluded the legal merger between Generali Hellas and Generali Hellas I at the end of 2021, after the acquisition of AXA Hellas Insurance SA, and operates through Generali Hellas Insurance Company S.A.. The company's objective is to complete the integration plan, while maintaining positive systemic growth. Common organizational chart, single product line, portfolio conversion and actions focused on people and culture in-house are fundamental steps in the progress of integration that will end by 2023. The strategic objective of the new unified organization is to further increase its role as a leader in the Greek insurance market, strengthened by more diversified teams and the addition of the bancassurance agreement with Alpha Bank II.
The Generali Group has been present in Portugal since 1942, where it operates in both the P&C and Life businesses. In January 2020, the Generali Group acquired 100% of Seguradoras Unidas and AdvanceCare. The merger of the three insurance companies operating in Portugal led to the creation of Generali Seguros, S.A. and enabled Generali to rapidly proceed with the integration and the development of growth plans for the country. Generali Seguros, S.A. is the second largest operator in the P&C market in Portugal, with a share of around 19.0% in the P&C segment and 1% in the Life segment, it offers a wide range of policies addressing individuals and businesses, sold mainly under the brand name Tranquilidade (a local brand established in 1871), and adopts a multi-channel distribution strategy, which can count on a solid network of agents (determining around 70% of total premiums issued), brokers and a direct channel, through the Logo brand. During 2022, Generali entered into a long-term distribution agreement with CTT Group, the Portuguese postal services group (through the CTT post office network, as well as its bank, Banco CTT). This transaction strengthens Generali's distribution capacity in the bancassurance segment in Portugal and will be completed after approval by the competent regulators.

Life premiums grew by 28.8% thanks to the positive performance of Argentina, Brazil and Greece, while Portugal was in line with previous years.
New business (expressed in terms of present value of new business premiums - PVNBP) was up (+63.2%) with a new business margin on PVNBP that came to 7.77%.
New business value amounted to € 43 million.

In the P&C segment, premiums increased by +31.8%, mainly due to Argentina (+108.2%), a country characterized by a scenario of hyperinflation, and Portugal (+5.3%).
The combined ratio of the region deteriorated (103.0%; +6.9 p.p.) compared to the previous year, mainly due to Argentina and Portugal, which were affected by the increase in inflation, and Turkey, where the negative performance reflected the effect of inflation and the deterioration of Motor TPL.

Asia

Generali is one of the key European insurers in the Asian market, and currently operates in eight territories. The predominant segment is Life, with premium income mostly concentrated in the savings, pension and protection lines. Generali offers its products in the entire region adopting a distribution strategy that includes agents, brokers, digital channels and agreements with banking groups. Generali operates in China with Generali China Life, in partnership with China National Petroleum Corporation (CNPC), which is one of the largest Chinese state-owned companies as well as one of the major energy groups in the world. Generali has a joint venture agreement with CNPC for the P&C products range as well. Owing to its prominent presence in the Chinese market, Generali China Life is the leading contributor to the turnover and operating result of the entire region.
Generali operates as Life insurer also in India, the Philippines, Indonesia, Hong Kong, Thailand, Vietnam and Malaysia, and as P&C insurer in Thailand, Hong Kong, India and Malaysia. The company China P&C is not consolidated line-by-line since a non-controlling interest is held. Generali has been operating in the Hong Kong market, where it coordinates the activities of the whole region, since 1980, offering both Life and P&C products.
In 2022, Generali completed the acquisition of the majority shares of the AXA-Affin joint ventures and also increased its stake in MPI Generali Insurans Berhad to 100% in Malaysia. Generali expects to integrate the activities of MPI Generali and AXA Affin Generali Insurance and, once completed, will hold 70% of the combined activities. Affin Bank will hold 30% of both Life and P&C businesses. These entities will unify “Generali Malaysia” as a single brand and position Generali as one of the leading insurers in the Malaysian market. In 2022, Generali completed the acquisition to become the majority shareholder of Future Generali India Insurance Company Limited and Future Generali India Life Insurance Company Limited. The transaction is in line with Generali’s *Lifetime Partner 24: Driving Growth* strategy, aimed at strengthening its presence in fast-growing markets. Generali is the first operator among international insurers to achieve a majority stake in the Indian Life and P&C companies under Joint Venture since the new foreign ownership limit came into force.

Life premiums rose by 6.8%, particularly thanks to the growth registered in China, Thailand and Vietnam.
New business (expressed in terms of present value of new business premiums - PVNBP) was down (-8.4%), registering a heavy decrease in the current value of future annual premiums (-16.8%) only partially offset by the growth in single premiums (+10.3%). The significant decline is entirely due to protection products (-30.5%, especially in China -36.3%, Vietnam -65.8% and Hong Kong -48.7%), only partially offset by the growth in savings and pension products (+6.7%, mainly thanks to the contribution of Hong Kong, +60.8%, and China +2.3%). The PVNBPs of unit-linked products were more or less stable (+2.7%), where satisfactory performance in Vietnam (+33.6%) was offset by the drop in Thailand (-65.6%) and Indonesia (-26.4%).
The profitability of new business on PVNBP recorded a decrease (from 6.24% in 2021 to 5.10% in 2022) driven by the negative contribution of China (-1.47 p.p.) partially offset by the high profitability of products sold in Vietnam which increase their weight in the Asian area.
The value of new business amounted to € 134 million, down by 23.7%.

In the P&C segment, premiums recorded an increase of 16.0%, thanks to the contribution of Hong Kong.
The positive performance of Hong Kong led to a positive result for the combined ratio of the entire region, which includes India and Malaysia in the scope, passing from 99.2% in 2021 to 99.0% in 2022.

Asset & Wealth Management

TOTAL OPERATING RESULT	Cost/Income ratio (*)	OUR PEOPLE
€ 910 mln -9,8%	47%	2,406 +5.3%

(*) Calculated as the incidence of operating costs on operating revenues

In continuity with the Group strategy in recent years and following the reorganization announced at the beginning of 2021, the Asset & Wealth Management business unit is the Group’s main managerial entity operating in the area of asset management and financial planning. In a continuously evolving market in which specialization, efficiency and innovation are key elements in order to compete, Generali intends to become a benchmark in the asset management market not only for the insurance companies of the Generali Group, but also for external customers. The pursuit of this objective, which characterized the period of 2019-2021, was mainly achieved through different courses of action:

- cross-selling opportunities, promoting the growth of a capital-light business, such as the services of LDI (Liability Driven Investments), which offer institutional customers the expertise developed in insurance investment management;
- the expansion of the multi-boutique platform in order to diversify the range of products and services to all customers. Multi-

boutiques are companies acquired on the market or created in partnership with operators with acknowledged investment skills in highly specialized asset classes, both in traditional asset classes and alternative ones.

The boutiques operating in the Asset & Wealth Management business unit are:
- Infranity, a partnership created with the aim of investing in infrastructure debt with a diversified portfolio, both in terms of geography and sector;
- Aperture Investors, an innovative asset management company based on a revenue model that is radically different from that present on the market;
- Lumyna, a leading company in developing alternative UCITS (Undertakings for the Collective Investment of Transferable Securities) strategies, with an important international clientele that positively contributes to Generali's offer and distribution;
- Sycomore Factory SAS, a benchmark in ESG/SRI investment solutions in France;
- Axis Retail Partners, advisory boutique active in real estate, focused on shopping centre investments;
- Plenisfer Investments SGR, which offers an innovative and integrated approach for a wide range of asset classes.

The business unit operates in the two areas indicated by their names:
- Asset Management, aimed at both insurance customers and external customers;
- Wealth Management, which seeks to protect the entire family wealth of the Private and Affluent customer segments through the network of Banca Generali advisors.

www.generali.com/who-we-are/global-positioning/investments-asset-and-wealth-management for more information on the breakdown of the segment.

The operating result of the Asset & Wealth Management business unit, also including the AM result of central-eastern European countries, amounted to € 940 million and disclosed a drop of around -10%.
This decrease, determined by the adverse market conditions, was driven by Banca Generali's Wealth Management, which decreased its operating result by -17.4%, passing from € 405 million in 2021 to € 334 million in 2022, and by Asset Management, whose operating result decreased by -5%, passing from € 672 million in 2021 to € 638 million in 2022.

Group's Holding and other companies

Group's holding and other companies includes the Parent Company's management and coordination activities, including Group reinsurance, Europ Assistance, Global Corporate & Commercial, Generali Employee Benefits as well as other financial holding companies and international service providers not included in the previous geographic areas.

Europ Assistance (EA)

Established in 1963, EA, which falls within the scope of responsibility of the Country Manager France, is one of the leading global brands in the field of private assistance, with a presence in over 200 countries thanks to its assistance centres and its network of partner suppliers. EA offers insurance coverage and assistance in the travel sector, the automotive area with road-side assistance, and personalized coverage for assisting the elderly, cyber-security, and medical and concierge services.
In 2022, the turnover of the EA Group stood at € 2.79 billion, recording an increase of around 43% compared to the previous year, in which revenues had already returned to pre-pandemic levels. The travel insurance segment, one of the main drivers of EA's growth in recent years, and which was particularly impacted by the restrictions on mobility introduced to limit the spread of Covid-19, reported revenues up by 70% in 2022 compared to the previous year, thanks to the constant development of new targeted commercial proposals to cover the changed requirements of customers, which made it possible to enter into a number of new and important commercial partnerships with international clients.
In a difficult international context, characterized by a sudden increase in inflation and an unstable geopolitical scenario, in 2022 EA recorded a higher performance than the pre-pandemic situation, thanks to a constant focus on cost containment and benefiting from its diversification both in terms of business and geography. In this regard, Europ Assistance continues to pursue a growth strategy focused on strengthening its leadership position in the travel sector, consolidated thanks to the recent commercial agreements in the United States, at the same time expanding and diversifying its range of motor and personal assistance products. In addition to systemic growth, the Europ Assistance group has completed a series of extraordinary acquisitions in recent years, with which to further extend its geographical coverage in countries considered strategic. After the transactions carried out in previous years, in 2022 EA further expanded its scope, completing acquisitions in Australia and the Middle East (Bahrain, Jordan, Dubai).

Generali Global Business Lines (GBL)

GROSS WRITTEN PREMIUMS GBL

€ 4,446 mln **+9.2%**

Generali Global Business Lines (GBL) support companies with a global reach by means of a comprehensive insurance offer. The GBLs include two units: Generali Global Corporate & Commercial and Generali Employee Benefits, which offer medium to large companies flexible and smart insurance services and solutions in the Life and P&C segments, health protection and pension plans for local and global employees of multinational companies.

Global Corporate and Commercial (GC&C)

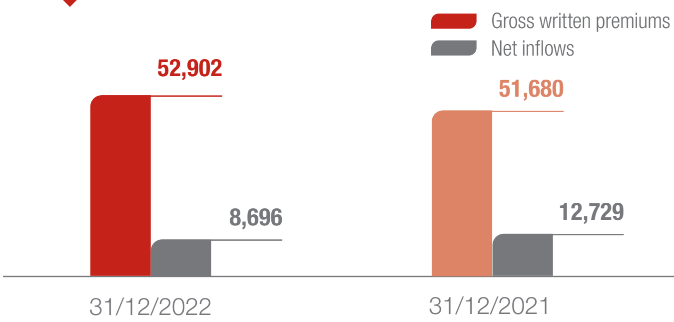
GC&C provides insurance solutions and P&C services to medium-large companies and intermediaries in over 160 countries worldwide. Backed by its solid global experience and knowledge of the local markets and of the corporate sector, integrated solutions that can be personalized in *property*, *casualty*, *engineering*, *marine*, *aviation*, *cyber* and *speciality risks* are provided. Furthermore, GC&C guarantees companies the same level of assistance and protects everywhere in the world through its Multinational Programs, Claims and Loss Prevention experts. GC&C's total earned premiums were € 2.8 billion in 2022.
The performance for the year was positive, thanks to the growth in volumes in a favourable market context. From a technical perspective, in 2022 GC&C continued to pursue a policy to develop through Multinational Programs, Parametric Products and Cyber risk, focusing on and balancing the portfolio globally in the medium-large companies segment.

Generali Employee Benefits (GEB) Network

An integrated network based on a global platform of services that protect and improve the well-being of employees throughout the world. It represents the Generali Group's line of business, a leading provider of global solutions for employee benefits and re-insurance services, designed for local and seconded employees of multinational companies and comprised by life protection (health, accident and disability), emotional support (e.g. prevention of mental health problems) and financial protection (life and pension). The network supports customers with the implementation of financial solutions better known as captive, pooling and global underwriting and offers them guidance to meet the needs of a constantly evolving world. Driven by innovation, by people and by know-how, GEB is built on an ecosystem of partnerships to provide customers with support on their ESG path.
The global presence in 122 countries, with the support of 131 local network partners, makes it possible to provide skills and support to 48 captive clients and to 352 coordinated multinational programmes, with a volume of premiums of € 1.6 billion.
The GEB network is an entity of partnerships based on reinsurance, which operates through 12 offices worldwide - that cover the APAC, EMEA and Americas regions - coordinated centrally by its head office in Luxembourg.

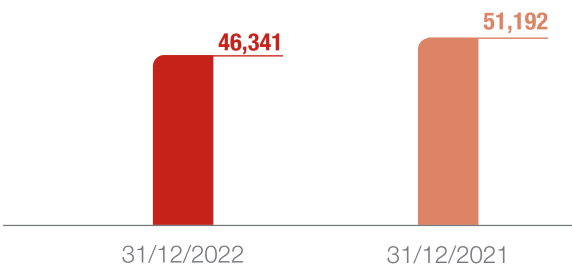
LIFE SEGMENT[9]

GROSS WRITTEN PREMIUMS AND NET INFLOWS (€ mln)



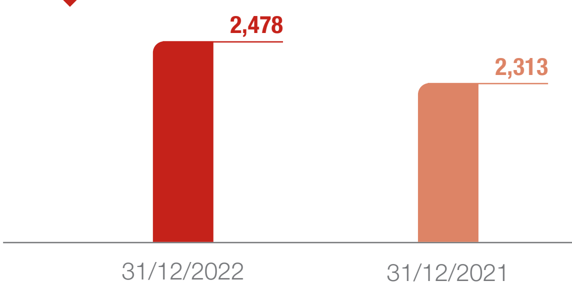
Life net inflows amount to € 8.7 billion (-36.1%), entirely focused on the unit-linked and protection lines. Premiums were down to € 52.9 billion (-2.4%).

PVNBP (€ mln)



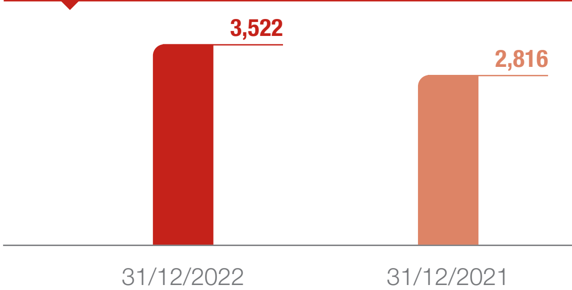
PVNBP decrease of 12.6% with new business margin up at 5.35%.

NBV (€ mln)



New business value increased by 4.2% to € 2,478 million.

OPERATING RESULT (€ mln)



The operating result was € 3,522 million (+25.1%) thanks to an improvement of both the technical margin, net of insurance expenses, and the investment result.

9. Changes in premiums, Life net inflows and new business were presented on equivalent terms (at constant exchange rates and consolidation scope). Changes in the operating result, general account investments and Life technical provisions excluded any assets under disposal or disposed of during the same period of comparison.

Performance of the Life segment

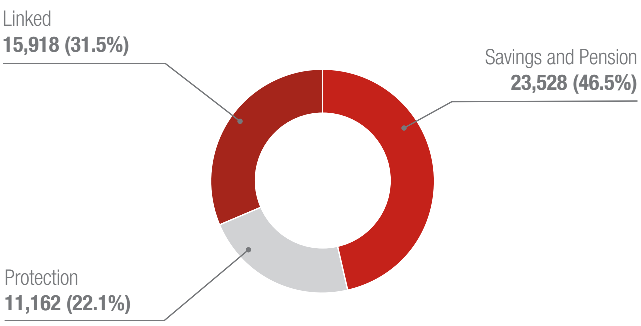
Premiums and new business development

Life premiums[10] were € 52,902 million[11] (-2.4% on equivalent terms).
In terms of business lines, the protection lines grew (+3.8%), confirming the good performance observed in 2022 and reflecting the widespread growth in the countries in which the Group operates. In particular, growth was recorded in Italy (+12.5%), France (+9.3%), ACEE (+5.5%) and Spain (+9.5%), which offset the decrease in Asia (-4.6%). Volumes in Germany were stable (-0.3%).

The drop in the unit-linked line is attributable to the performance observed in Italy (-15.9%), partially mitigated by the growth recorded in Germany (+10.0%), Spain (+46.9%) and Asia (+9.0%).
In line with the Group's portfolio repositioning strategy, the savings and pension line decreased (-5.5%) as a result of the drop in volumes in France (-14.3%), Germany (-11.4%) and Italy (-4.1%) partly offset by the performance in Asia (+12.7%).

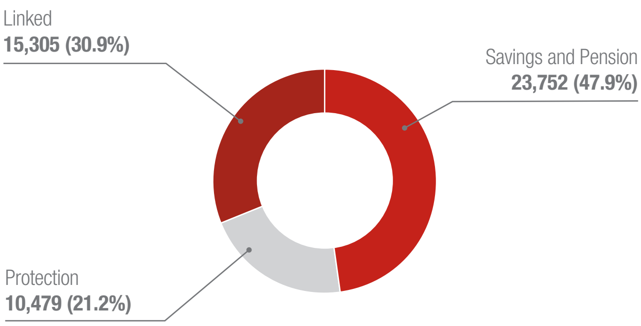
Gross direct premiums by line of business at 31 December 2022

€ mln



Gross direct premiums by line of business at 31 December 2021

€ mln



Net inflows - premiums collected, net of claims and surrenders - amounted to € 8,696 million[12], with a decrease on equivalent terms of 36.1% and refers entirely to unit-linked and protection business, in line with the Group's portfolio repositioning strategy.
The decrease is mainly attributable to the savings and pension line, whose net inflow were negative and amounted to € -5,233 million (€ -873 million as at 31 December 2021), also due to the specific in-force management actions. Unit-linked inflows amounted to € 8,903 million (-7.4%), down in particular in Italy (-31.8%) and in France (-3.4%), partially offset by the growth recorded in Germany (+32.7%), Austria (+64.6%) and Asia. Inflows for the protection line increased to € 5,026 million (+2.9%), mainly due to the positive development in Italy (+17.4%).

New business (expressed in terms of present value of new business premiums - PVNBP) amounted to € 46,341 million, showing a decrease by 12.6% on equivalent terms. The uncertain macroeconomic context and the interest rates evolution negatively affected the new business production in all geographical areas. The drop was mainly driven by saving business (-18.4%), while unit-linked and protection lines showed a more resilient production (-8.4% and -8.8%, respectively) following the strategic focus towards the most profitable line of business and, consequently, increased their weight on total PVNBP (61.8% at 31 December 2022 compared to 59.1% at 31 December 2021). The largest contraction of new business was recorded in Germany (-24.1%, also on account of the closure to sale of a pension product) and in Italy (-13.7%, also emphasized by the extraordinary first quarter 2021 production), while French production was more resilient (-3.8%).

New business margin on PVNBP stood at 5.35%, increasing by 0.86 p.p. compared to 2021 thanks to the significant increase of interest rates, the rebalancing of the business mix towards the most profitable protection and unit-linked business and the continuous improvement of new products features.

The total New Business Value (NBV) stood at € 2,478 million, up compared to 2021 (+4.2%; € 2,313 million at 31 December 2021) reflecting the improved profitability despite the volumes decline.

10. Including premiums from investment contracts equal to € 1,770 million (€ 1,518 million at 31 December 2021).
11. The contribution of the Cattolica group was € 2,493 million.
12. The contribution of the Cattolica group was € 400 million, almost entirely deriving from bancassurance agreements.

Operating result

The operating result of the Life segment grew strongly to reach € 3,522 million (+25.1% compared to € 2,816 million as at 31 December 2021). The technical margin - net of insurance expenses - improved, thanks to the more profitable business mix. The net investment result also increased, primarily driven by recurring components, with both current income and reserving dynamics benefitting from rising interest rates.

Technical margin

Life segment operating result: technical margin

(€ million)	31/12/2022	31/12/2021	Change
Technical margin	**7,542**	**6,820**	**10.6%**
Loadings	3,764	3,509	7.3%
Technical result and other components	1,905	1,566	21.6%
Unit/index-linked fees	1,873	1,744	7.4%

The technical margin[13] amounted to € 7,542 million (+10.6%), reflecting a more favourable business mix towards unit-linked and protection products, the positive contribution deriving from the consolidation of Cattolica group and business growth, mainly in Asia.
This margin did not include the insurance operating expenses, which were reported under the item Insurance and other operating expenses.

13. Please refer to the chapter *Methodological notes on alternative performance measures* for details on the calculation of this indicator.

Net investment result

Life segment operating result: investment result

(€ million)	31/12/2022	31/12/2021	Change
Net investment result	**1,919**	**1,528**	**25.6%**
Operating income from investments	-6,447	18,324	n.m.
Net income from investments	8,263	9,458	-12.6%
Current income from investments	9,545	9,196	3.8%
Net operating realized gains on investments	375	1,468	-74.5%
Net operating impairment losses on investments	-519	-159	n.m.
Other operating net financial expenses	-1,138	-1,046	8.8%
Net income from financial instruments at fair value through profit or loss	-14,710	8,866	n.m.
Net income from financial instruments related to unit and index-linked policies	-13,126	9,222	n.m.
Net other income from financial instruments at fair value through profit or loss	-1,584	-357	n.m.
Policyholders' interests on operating income from own investments	8,366	-16,796	n.m.

The net investment result, amounting to € 1,919 million, was up 25.6% compared to € 1,528 million as at 31 December 2021. In particular:

- current income from investments, which also includes current income from investments measured at fair value through profit or loss, increased to € 9,545 million (€ 9,196 million as at 31 December 2021);
- net operating realized gains on investments amounted to € 375 million (€ 1,468 million as at 31 December 2021), due to lower realized gains;
- net operating impairments on investments increased from € -159 million as at 31 December 2021 to € -519 million, mainly reflecting higher impairments on equity instruments;
- other operating net financial expenses, including interest expense on liabilities linked to operating activities and investment management expenses, rose to € -1,138 million (€ -1,046 million as at 31 December 2021);
- net income from financial assets and liabilities related to unit- and index-linked policies went from € 9,222 million as at 31 December 2021 to € -13,126 million, following the performance of the financial markets;
- policyholders' interests on investment result went from € -16,796 million as at 31 December 2021 to € 8,366 million, mainly due to the related decrease in income from financial instruments at fair value through profit or loss related to linked policies.

Insurance and other operating expenses

Life segment operating result: total insurance and other operating expenses

(€ million)	31/12/2022	31/12/2021	Change
Insurance and other operating expenses	**-5,939**	**-5,532**	**7.4%**
Acquisition and administration costs related to insurance business	-5,677	-5,314	6.8%
Net other operating expenses	-262	-217	20.5%

The insurance and other operating expenses increased from € -5,532 million as at 31 December 2021 to € -5,939 million. In particular, insurance operating expenses rose to € -5,677 million (+6.8%). Acquisition costs increased to € -4,584 million (+5.0%), mainly in Asia to support the growth of the business and in Italy due to higher commission deriving from the consolidation of Cattolica group. Administrative expenses increased to € -1,093 million (+15.1%).

The ratio of the acquisition and administration costs to premiums rose to 11.1% (10.6% as at 31 December 2021). The net other operating expenses[14] rose to € -262 million (€ -217 million as at 31 December 2021).

14. This item also included the brand royalties paid by the companies in this segment to the Parent Company for global marketing and branding activities.

Non-operating result

The non-operating result of the Life segment went from € -295 million as at 31 December 2021 to € -470 million: the non-operating investment result was down to € -177 million (€ -35 million as at 31 December 2021) due to the additional impairments mainly on the fixed income and equities instruments.

Other net non-operating expenses passed from € -260 million as at 31 December 2021 to € -292 million. Other net non-operating expenses also included € -47 million relating to the amortization of the VOBA (Value Of Business Acquired) (€ -55 million as at 31 December 2021).

Other information on the Life segment

Life segment operating result and non operating result

(€ million)	31/12/2022	31/12/2021	Change
Life segment operating result	**3,522**	**2,816**	**25.1%**
Net premiums	49,400	48,533	1.8%
Net insurance benefits and claims	-34,221	-59,244	-42.2%
of which change in the provisions for unit and index-linked policies	6,942	-17,622	n.m.
Acquisition and administration costs	-5,683	-5,306	7.1%
Acquisition and administration costs related to insurance business	-5.661	-5.303	6.7%
Other acquisition and administration costs	-22	-3	n.m.
Net fee and commission income and net income from financial service activities	125	108	15.1%
Net operating income from financial instruments at fair value through profit or loss	-14,621	8,986	n.m.
of which net income from financial assets and liabilities related to unit and index-linked policies	-13,126	9,222	n.m.
Net operating income from other financial instruments	8,173	9,338	-12.5%
Interest income and other income	9,456	9,075	4.2%
Net operating realized gains on other financial instruments and land and buildings (investment properties)	375	1,468	-74.5%
Net operating impairment losses on other financial instruments and land and buildings (investment properties)	-519	-159	n.m.
Interest expense on liabilities linked to operating activities	-114	-87	30.6%
Other expenses from other financial instruments and land and buildings (investment properties)	-1,025	-959	6.8%
Net other operating expenses (*)	349	401	-12.9%
Life segment non-operating result	**-470**	**-295**	**59.2%**
Net non-operating income from other financial instruments	-177	-35	n.m.
Net non-operating realized gains on other financial instruments and land and buildings (investment properties)	5	20	-76.8%
Net non-operating impairment losses on other financial instruments and land and buildings (investment properties)	-182	-55	n.m.
Net other non-operating expenses	-292	-260	12.6%
Life segment earnings before taxes	**3,053**	**2,520**	**21.1%**

(*) At 31 December 2022, the amount is net of non-recurring taxes shared with the policyholders in Germany for € 62 million (at 31 December 2021 for € -34 million).

Life segment indicators by country

(€ million)	Gross written premiums		Net inflows		PVNBP (*)	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Italy	19,829	19,227	1,756	4,551	18,013	19,334
France	12,121	12,374	816	2,357	12,107	12,588
Germany	10,916	11,034	3,160	3,528	9,454	12,454
Austria & CEE	2,346	2,325	435	340	2,152	2,305
International	6,571	5,672	2,612	1,949	4,615	4,511
Spain	718	693	-262	-104	710	732
Switzerland	1,073	1,027	224	277	597	655
Americas and Southern Europe	585	441	191	25	557	347
Asia	4,196	3,511	2,460	1,751	2,624	2,660
Group holdings and other companies	1,120	1,047	-83	4	-	-
Total	**52,902**	**51,680**	**8,696**	**12,729**	**46,341**	**51,192**

(*) PVNBP data are presented on historical basis, they include possible assets under disposal and do not isolate the contribution of companies in Group holdings and other companies.

(€ million)	Operating result		NBV (**)	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Italy	1,512	1,299	1,126	1,065
France	742	651	523	361
Germany	533	415	346	362
Austria & CEE	307	251	147	157
International	533	415	336	368
Spain	186	179	118	127
Switzerland	54	2	41	42
Americas and Southern Europe	100	53	43	31
Asia	192	179	134	166
Group holdings and other companies (*)	-104	-216	-	-
Total	**3,522**	**2,816**	**2,478**	**2,313**

(*) The data relating to Operating result also include country adjustments.
(**) NBV data are presented on historical basis, they include possible assets under disposal and do not isolate the contribution of companies in Group holdings and other companies.

Life segment direct premiums by line of business and by country

(€ million)	Savings and Pension		Protection		Unit-linked		Total	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Italy	13,381	13,144	763	537	5,685	5,545	19,829	19,227
France	3,323	3,879	2,365	2,164	5,167	5,132	10,855	11,175
Germany	3,024	3,414	4,698	4,715	3,137	2,852	10,860	10,981
Austria & CEE	619	649	1,042	980	679	691	2,340	2,320
International	3,182	2,667	2,146	1,934	1,228	1,057	6,556	5,658
Spain	222	282	316	289	179	122	718	693
Switzerland	168	163	135	129	769	734	1,072	1,026
Americas and Southern Europe	56	58	500	373	29	11	585	441
Asia	2,735	2,164	1,194	1,144	252	190	4,181	3,498
Group holdings and other companies	0	0	148	149	21	27	169	176
Total	**23,528**	**23,752**	**11,162**	**10,479**	**15,918**	**15,305**	**50,608**	**49,536**

Financial position of the Life segment

Investments

Life segment investments

(€ million)	31/12/2022	Impact (%)	31/12/2021	Impact (%)
Equity instruments	14,310	4.9%	16,497	4.6%
Fixed income instruments	244,178	84.1%	313,570	87.1%
Bonds	202,838	69.8%	272,354	75.6%
Other fixed income instruments	41,340	14.2%	41,216	11.4%
Land and buildings (investment properties)	11,841	4.1%	10,967	3.0%
Other investments	12,784	4.4%	12,547	3.5%
Investments in subsidiaries, associated companies and joint ventures	13,107	4.5%	11,645	3.2%
Derivatives	-474	-0.2%	65	0.0%
Other investments	151	0.1%	837	0.2%
Cash and cash equivalents	7,343	2.5%	6,448	1.8%
General accounts investments	**290,456**	**100.0%**	**360,029**	**100.0%**
Investment back to unit and index-linked policies	98,070		107,243	
Total investments	**388,526**		**467,272**	

At 31 December 2022, total investments in Life segment decreased by 16.8% compared to 31 December 2021, standing at € 388,526 million. The Group's investments amounted to € 290,456 million (-19.3%), whereas the investments back to unit/index-linked polices were equal to € 98,070 million (-8.6%).

The exposure in absolute term to fixed income instruments decreased, following the increase in interest rates, standing at € 244,178 million (€ 313,570 million at 31 December 2021), with a stable weight on the total general account (84.1%). The exposure to equity instruments decreased, with an exposure equal to € 14,310 million (€ 16,497 million at 31 December 2021). The Group's land and buildings (investment properties) rose to € 11,841 million (€ 10,967 million at 31 December 2021). Lastly, cash and cash equivalents increased to € 7,343 million (€ 6,448 million at 31 December 2021).

With reference to the bond portfolio breakdown, the exposure to government bonds decreased, standing at € 121,473 million (€ 171,799 million at 31 December 2021), with a weight to bond portfolio equal to 49.7% (54.8% at 31 December 2021). The negative change in the period was mostly due to the increase in interest rates on the securities' value in portfolio. Corporate bonds also decreased to € 81,364 million (€ 100,554 million at 31 December 2021), with a relative weight of 33.3% (32.1% at 31 December 2021) mainly due to the increase in interest rates.

The average duration of the bond stood at 8.5 (10.2 at 31 December 2021).

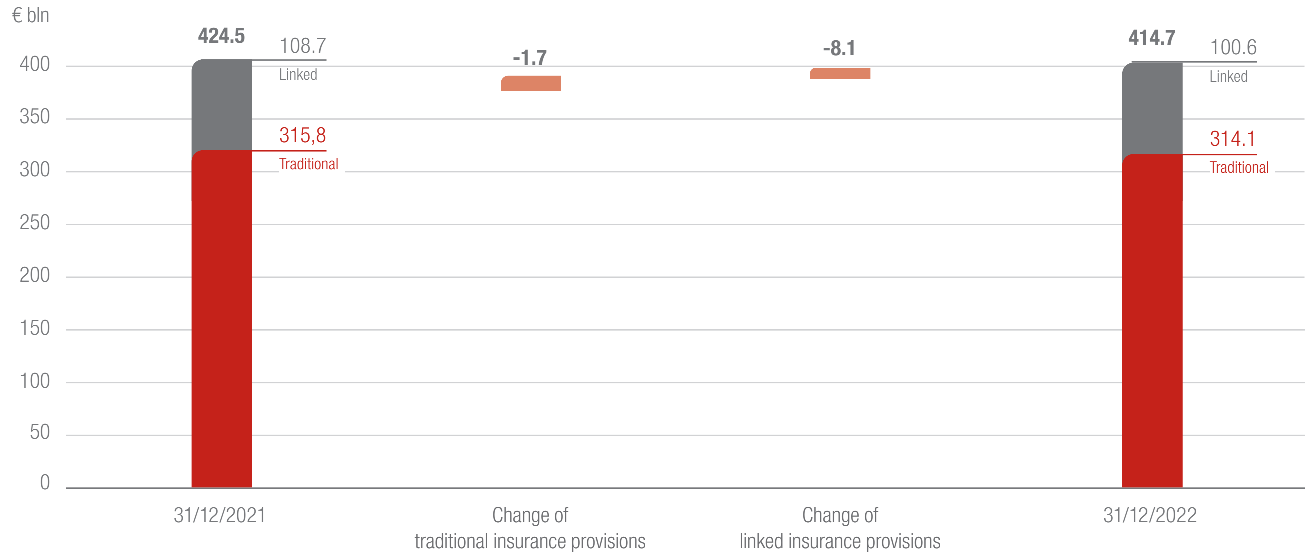
Life segment return on investments

	31/12/2022	31/12/2021
Current return (*)	2.9%	2.6%
Harvesting rate	-0.6%	0.2%
P&L return	2.2%	2.7%

(*) Net of depreciations.

The net current return on investments in the Life segment increased at 2.9%, with the related current income increasing to € 9,382 million (€ 9,066 million at 31 December 2021).
The contribution to the result of the period from the harvesting transactions highlighted a decreased, standing at -0.6% (0.2% at 31 December 2021). This decrease was due to lower realized gains and higher impairments and higher unrealized gains on instruments at fair value through profit or loss.

Life insurance provisions



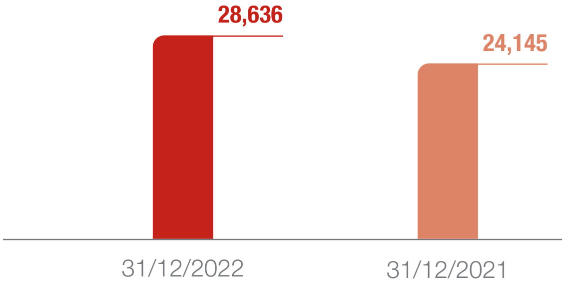
Life technical provisions and financial liabilities - excluding deferred liabilities to policyholders - amounted to € 414,688 million, decreasing by 2.3%. The contraction of the net technical provisions reflected mainly the performance of the financial markets on the unit-linked component, despite of the positive contribution of the net inflows.

It should be noted that the development of provisions also reflected the classification of BCC Vita as non-current assets classified as held for sale, following the termination of the bancassurance agreement in place between Cattolica Assicurazioni S.p.A. and ICCREA Banca S.p.A., through the exercise of the option to sell agreed at the time of the renewal of the bancassurance partnership in July 2019; as well as the changes in the scope following the consolidation of Future India Life and the companies acquired in Malesia. Neutralizing these effects, the net technical provisions would have decreased by 1.7% (-6.7% the unit-linked component and +0.1% the traditional component).

The deferred liabilities to policyholders stood at € -29,061 million (€ 22,356 million at 31 December 2021). The decrease reflected the change in the value of investments, and particularly the trend of the policyholders' share recognized on the fair value of the investments available for sale, with reference to both government and corporate bonds.

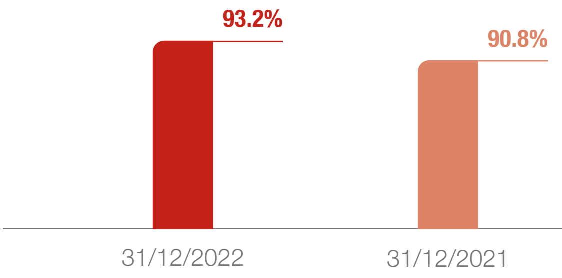
P&C SEGMENT[15]

Gross written premiums (€ mln)



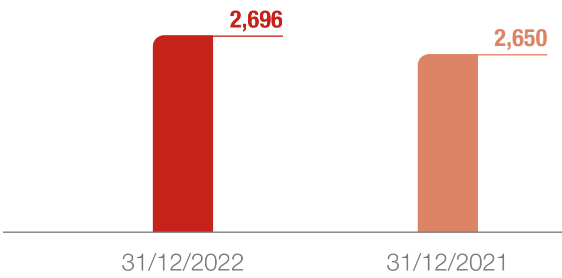
Premiums increased to € 28,636 million (+9.8%), thanks to the development of both business lines.

Combined ratio



Group CoR at 93.2% (+2.4 p.p.), with an increase in the loss ratio in the motor line and natural events.

Operating result (€ mln)



The operating result increased to € 2.7 billion (+1.7%); the drop in the technical result, which reflected the trend of the CoR, was more than offset by an improvement in the investment result.

15. Changes in premiums were presented on equivalent terms (at constant exchange rates and consolidation scope). Changes in the operating result and general account investments excluded any assets under disposal or disposed of during the same period of comparison.

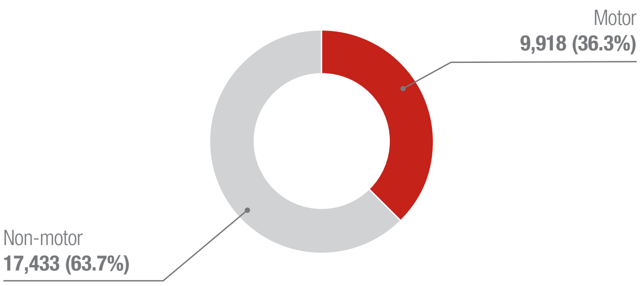
Performance of the Property & Casualty segment

Premiums development

Premiums in the P&C segment increased to € 28,636 million (+9.8% on equivalent terms) thanks to the performance of both lines of business.
The non-motor line grew by 11.4% in almost all the markets in which Group operates. The motor line rose by 6.5%, particularly in Argentina (+111.4%, mainly following adjustments for inflation), ACEE (+2.7%) and Spain (+3.3%).
The premiums of Europ Assistance continued to grow (+73.0%), partly thanks to new partnerships; in 2021, Europ Assistance was still impacted by the pandemic, especially in the travel line.
Without taking into account the contribution from Argentina, a country characterized by a hyperinflationary scenario, the P&C premiums would have increased by 7.9% on equivalent terms, in particular those of the non-motor line by 11.1% and those of the motor line by 1.4%.

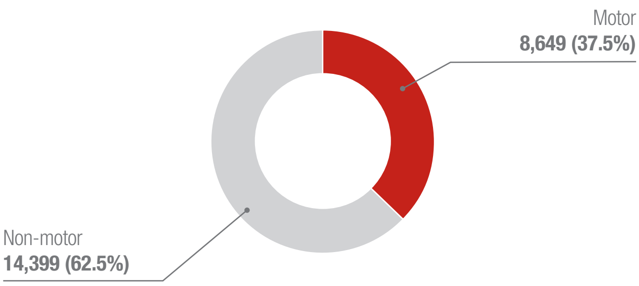
Gross direct premiums by line of business at 31 December 2022

€ mln

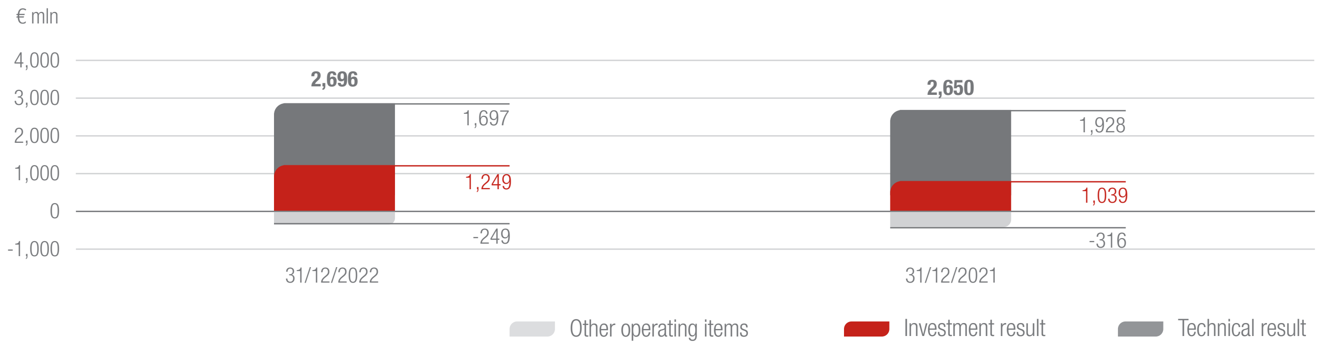


Gross direct premiums by line of business at 31 December 2021

€ mln



Operating result



The operating result of the P&C segment increased by 1.7% to € 2,696 million (€ 2,650 million as at 31 December 2021). The decrease in the technical result, reflecting the performance of the combined ratio at 93.2% (+2.4 p.p.), was offset by the improvement in the investment result, which benefited from higher current income.

Technical result

Property&Casualty operating result: technical result

(€ million)	31/12/2022	31/12/2021	Change
Technical result	**1,697**	**1,928**	**-12.0%**
Net earned premiums	26,227	22,151	18.4%
Net insurance benefits and claims	-16,927	-13,856	22.2%
Net acquisition and administration costs	-7,521	-6,255	20.2%
Other net technical income	-81	-112	-28.1%

The technical result stood at € 1,697 million (-12.0%). The decrease reflects the increase of 2.4 p.p. observed in the Group's combined ratio due to the higher current year loss ratio of the motor line, the effect of hyperinflation in Argentina, the higher natural catastrophe claims, which went from € 493 million as at 31 December 2021 to € 673 million, in particular due to hail in France and floods in Italy and the increase in large man-made claims.

Insurance expenses reflect the increase in administration costs, mainly due to the consolidation of the acquisitions that took place during the year.

Technical indicators

	31/12/2022	31/12/2021	Change
Combined ratio	**93.2%**	**90.8%**	**2.4 p.p.**
Loss ratio	**64.5%**	**62.6%**	**2.0 p.p.**
Current year loss ratio excluding natural catastrophes	65.6%	64.0%	1.6 p.p.
Natural catastrophes impact	2.6%	2.2%	0.3 p.p.
Prior year loss ratio	-3.7%	-3.7%	0.0 p.p.
Expense ratio	**28.7%**	**28.2%**	**0.4 p.p.**
Acquisition cost ratio	23.4%	23.3%	0.1 p.p.
Administration cost ratio	5.3%	4.9%	0.3 p.p.

The combined ratio increased by 2.4 p.p., standing at 93.2% (92.6% without considering Argentina). The increase comes from a higher loss ratio (+2.0 p.p.) and a higher expense ratio (+0.4 p.p.).

The total loss ratio stood at 64.5% (+2.0 p.p.) following the deterioration of the current year loss ratio, while the prior year loss ratio remained stable at -3.7%.
The deterioration in the non-catastrophe current year loss ratio (+1.6 p.p.) reflected on the one hand, the greater attritional component[16] (+1.4 p.p.; +0.8 p.p. without considering Argentina and the acquisitions relating to Cattolica group, India and Malaysia) mainly due to the performance of the motor line, and, on the other, the higher large man-made claims (+0.2 p.p.). Natural catastrophe claims increased (+0.3 p.p.).
The expense ratio increased to 28.7% (+0.4 p.p.), following an increase in the administration cost (+0.3 p.p.), which reflects the consolidation of the aforementioned acquisitions.

With regard to the main countries in which the Group operates, the increase in the incidence of claims in the motor line and the impact of natural catastrophe claims led to an increase in the combined ratio in the main countries: Italy (93.2%, +1.9 p.p.), France (98.1%, +0.2 p.p.), Germany (91.8%, +4.7 p.p.), ACEE (86.4 %, +2.2 p.p.).

Investment result

Property&Casualty operating result: investment result

(€ million)	31/12/2022	31/12/2021	Change
Investment result	**1,249**	**1,039**	**20.2%**
Current income from investments	1,580	1,333	18.5%
Other operating net financial expenses	-332	-294	12.7%

The investment result in the P&C segment amounted to € 1,249 million, up 20.2% compared to 31 December 2021. The improvement derives mainly from higher current income, in particular thanks to fixed income instruments. Other operating net financial expenses, which encompassed interest expense on liabilities linked to operating activities, including the effects of IFRS 16 accounting treatment, and investment management expenses, passed from € -294 million as at 31 December 2021 to € -332 million.

Other operating items

The other operating items which primarily include non-insurance operating expenses, depreciation of tangible assets and multi-annual costs, provisions for recurring risks and other taxes, improved to € -249 million (€ -316 million as at 31 December 2021) mainly due to greater margins for services from Europ Assistance.

Non-operating result

The non-operating result of the P&C segment stood at € -395 million (€ -359 million as at 31 December 2021).
In particular, the non-operating investment result reflects on one hand, higher net impairment losses mainly on the fixed income instruments and equities, which went from € -176 million as at 31 December 2021 to € -227 million, and, on the other, lower realized gains, which fell from € 278 million as at 31 December 2021 to € 68 million. The realized gains in 2021 benefited in particular from the transaction on the Libeskind tower in Milan CityLife and the transaction on the Saint Gobain tower in Paris.
Net non-operating income from financial instruments at fair value through profit or loss amounted to € 134 million (€ -22 million as at 31 December 2021) due to the performance of the financial markets.
Other net non-operating expenses amounted to € -370 million (€ -439 million as at 31 December 2021), of which € -37 million relating to the amortization of the VOBA (Value Of Business Acquired) (€ -32 million as at 31 December 2021) and reflect the new acquisitions in France and India. The decrease reflects lower restructuring costs, which in 2021 also included the extraordinary costs linked to the integration of the Cattolica group, partially offset by the increase in costs related to the effects of hyperinflation in Argentina.

16. It is the component of the non-catastrophe current year loss ratio without the impact from man-made claims.

Other information on the Property & Casualty segment

Property&Casualty segment operating and non-operating result

(€ million)	31/12/2022	31/12/2021	Change
Property&Casualty segment operating result	**2,696**	**2,650**	**1.7%**
Net earned premiums	26,227	22,151	18.4%
Net insurance benefits and claims	-16,931	-13,866	22.1%
Acquisition and administration costs	-7,537	-6,274	20.1%
Acquisition and administration costs related to insurance business	-7,521	-6,255	20.2%
Other acquisition and administration costs	-16	-19	-18.4%
Fee and commission income and income from financial service activities	-1	0	100.0%
Net operating income from financial instruments at fair value through profit or loss	106	56	91.6%
Net operating income from other financial instruments	1,152	992	16.1%
Interest income and other income	1,474	1,278	15.4%
Interest expense on liabilities linked to operating activities	-71	-44	59.7%
Other expenses from other financial instruments and land and buildings (investment properties)	-251	-241	4.1%
Net other operating expenses	-320	-408	-21.5%
Property&Casualty segment non-operating result	**-395**	**-359**	**10.1%**
Net non-operating income from financial instruments at fair value through profit or loss	134	-22	n.m.
Net non-operating income from other financial instruments	-159	102	n.m.
Net realized gains on other financial instruments and land and buildings (investment properties)	68	278	-75.5%
Net impairment losses on other financial instruments and land and buildings (investment properties)	-227	-176	29.4%
Net other operating expenses	-370	-439	-15.7%
Property&Casualty segment earnings before taxes	**2,301**	**2,292**	**0.4%**

Property&Casualty segment indicators by country

(€ million)	Gross written premiums		Operating result	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Italy	8,492	6,454	802	710
France	3,449	3,119	190	169
Germany	3,962	3,864	492	634
Austria & CEE	4,973	4,632	639	622
International	5,451	4,506	298	367
Spain	1,776	1,682	58	124
Switzerland	751	726	41	57
Americas and Southern Europe	2,063	1,784	140	168
Asia	861	315	59	18
Group holdings and other companies (*)	2,308	1,569	276	148
of which Europ Assistance	1,680	971	110	70
Total	**28,636**	**24,145**	**2,696**	**2,650**

(*) The data relating to Operating result also include country adjustments.

Technical indicators by country

	Combined ratio(*)		Loss ratio		Expense ratio	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Italy	93.2%	91.3%	65.0%	64.0%	28.2%	27.3%
France	98.1%	97.9%	71.9%	70.6%	26.2%	27.3%
Germany	91.8%	87.1%	61.9%	57.4%	29.9%	29.6%
Austria & CEE	86.4%	84.2%	57.8%	55.6%	28.7%	28.5%
International	100.0%	94.7%	68.7%	65.9%	31.4%	28.8%
Spain	99.0%	93.2%	69.9%	65.9%	29.0%	27.3%
Switzerland	95.0%	92.4%	66.1%	65.7%	28.8%	26.7%
Americas and Southern Europe	103.0%	96.2%	72.0%	65.7%	31.0%	30.4%
Asia	99.0%	99.2%	58.2%	67.7%	40.8%	31.5%
Group holdings and other companies	88.7%	92.7%	63.3%	66.6%	25.4%	26.1%
of which Europ Assistance	95.0%	92.3%	66.6%	61.8%	28.4%	30.6%
Total	**93.2%**	**90.8%**	**64.5%**	**62.6%**	**28.7%**	**28.2%**

(*) CAT claims impacted on the Group combined ratio for 2.6 p.p., of which 3.3 p.p. in Italy, 3.8 p.p. in France, 2.8 p.p. in Germany, 2.5 p.p. in ACEE (at 31 December 2021 CAT claims impacted on the Group combined ratio for 2,2 p.p., of which 3.2 p.p. in Italy, 2.1 p.p. in France, 4.2 p.p. in Germany, 3.7 p.p. in ACEE).

Property&Casualty direct written premiums by line of business and by country

(€ million)	Motor		Non-motor		Total	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Italy	3,032	2,237	5,214	3,990	8,246	6,226
France	1,139	1,116	2,240	1,932	3,379	3,048
Germany	1,470	1,469	2,487	2,387	3,957	3,856
Austria & CEE	2,236	2,167	2,697	2,429	4,933	4,596
International	2,015	1,633	3,097	2,589	5,112	4,221
Spain	454	440	1,235	1,167	1,689	1,607
Switzerland	310	297	440	429	751	726
Americas & Southern Europe	1,054	895	1,004	885	2,058	1,780
Asia	197	0	418	108	615	108
Group holdings and other companies	26	27	1,698	1,073	1,724	1,100
of which Europ Assistance	22	23	1,402	790	1,424	814
Total	**9,918**	**8,649**	**17,433**	**14,399**	**27,351**	**23,048**

Financial position of the Property & Casualty segment

Investments

Property&Casualty segment investments

(€ million)	31/12/2022	Impact (%)	31/12/2021	Impact (%)
Equity instruments	1,627	3.8%	2,036	4.7%
Fixed income instruments	30,664	71.1%	30,103	69.1%
Bonds	25,695	59.6%	26,694	61.3%
Other fixed income instruments	4,969	11.5%	3,409	7.8%
Land and buildings (investment properties)	4,644	10.8%	4,555	10.5%
Other investments	3,119	7.2%	2,608	6.0%
Investments in subsidiaries, associated companies and joint ventures	3,115	7.2%	2,691	6.2%
Derivatives	65	0.2%	5	0.0%
Other investments	-61	-0.1%	-88	-0.2%
Cash and cash equivalents	3,082	7.1%	4,279	9.8%
Total investments	**43,136**	**100.0%**	**43,580**	**100.0%**

During 2022 total investments in P&C segment decreased to € 43,136 million (€ 43,580 million at 31 December 2021).
With reference to the asset allocation, the fixed income portfolio increased to € 30,664 million, with a weight to total equal to 71.1% mainly linked to net acquisition and the consolidation of Indian and Malaysian companies. The exposure to equity instruments decreased, with a weight going from 4.7% at 31 December 2021 to 3.8%, whereas the exposure to the investment property portfolio slightly rose, whit a weight going from 10.5% to 10.8%. Lastly, the weight of cash and cash equivalents decreased from 9.8% at 31 December 2021 to 7.1%.
With reference to the bond portfolio breakdown, the exposure to government bonds decreased, standing at € 12,793 million (€ 13,245 million at 31 December 2021), with a weight reducing to 41.7% (44.0% at 31 December 2021). The exposure to corporate bonds also decreased, standing at € 12,901 million, with a weight equal to 42.1% (44.7% at 31 December 2021).
The average duration of the bond portfolio decreased to 5.1.

Property&Casualty segment return on investments

	31/12/2022	31/12/2021
Current return (*)	3.4%	3.0%
Harvesting rate	-0.1%	0.3%
P&L return	3.0%	3.0%

(*) Net of depreciations.

The net current return on investments in the P&C segment increased compared to 31 December 2021, standing at 3.4%, with the related current income amounting to € 1,487 million (€ 1,277 million at 31 December 2021).

The harvesting rate showed a decrease, standing at -0.1% (0.3% at 31 December 2021), due to lower realized gains and higher impairments.

Property & Casualty insurance provisions

Propery&Casualty: technical reserves

(€ million)	31/12/2022	31/12/2021
Net provisions for unearned premiums	7,585	6,861
Net provisions for outstanding claims	30,183	27,048
Other net provisions	391	351
Property&Casualty insurance provisions	**38,159**	**34,260**
of which Motor	15,629	14,476
of which Non Motor	22,531	19,784

ASSET & WEALTH MANAGEMENT SEGMENT

Asset & Wealth Management segment, in addition to including the activities of the Banca Generali group, is also related to Asset Management companies that provide products and services both for the insurance companies of the Generali Group and for third-party customers. They offer investment capabilities across traditional and alternative asset classes. The products include equity and fixed income funds, as well as alternative products. The aim pursued by Asset Management is to identify investment opportunities and sources of growth for all its clients, while managing risks. The segment includes companies specialised in institutional and retail clients, insurance companies and pension funds (liability-driven-investors), both on traditional strategies and on high conviction and alternative strategies (like, for example, on real assets).

(€ million)	31/12/2022	31/12/2021	Change
Operating result	**972**	**1,076**	**-9.6%**
Asset Management	638	672	-5.0%
Banca Generali group(*)	334	405	-17.4%

(*) Operating contribution from the Banca Generali group as per Gen erali's view.

The operating result of the Asset & Wealth Management segment stood at € 972 million (-9.6%).

Specifically, the operating result of Asset Management equals to € 638 million (-5.0%), where the comparison is adversely influenced by performance of financial market during 2022.

The operating result of the Banca Generali group amounted to € 334 million (-17.4%); the decline coming from variable components of the result, due to financial markets performance during 2022, which led to a sharp reduction in performance fees from € 221 million in 2021 to € 19 million in 2022. Without taking into account the effect of volatile items, Banca Generali confirmed the substantial improvement in operating result quality, benefitting from the favorable development of interest rates on the operating investment result. Net inflows of the Banca Generali group in 2022 is equal to € 5.7 billion, confirming the ability of the bank to offer new products and services to seize the opportunities offered in the course of last year by financial market dynamics.

Focus on Asset Management

(€ million)	31/12/2022	31/12/2021	Change
Operating revenues	1,117	1,136	-1.6%
Operating expenses	-479	-464	+3.2%
Net result[17]	457	469	-2.6%
Cost/Income ratio	43%	41%	+2.0 p.p.

(€ billion)	31/12/2022	31/12/2021	Change
Asset Under Management totali	505	575	-12.3%
of which third-party Asset Under Management	102	113	-9.5%

Operating revenues declined by 1.6% to € 1,117 million, where the deterioration of total assets under management due to the performance of financial markets during 2022 has been partially mitigated by the contribution from Asian companies.
Operating expenses equal to € 479 million, increased by 3.2% compared to the same period of the previous year, following the boutiques' expansion.
The cost/income ratio - calculated as the ratio of operating expenses to operating revenues - increased to 42.9% (+2.0 p.p.)

The net result[18] of Asset Management stood at € 457 million (-2.6%).

Total Assets Under Management managed by Asset Management companies amounted to € 504.7 billion (-12.3%).
Third-party Assets Under Management managed by Asset Management companies stood at € 102.1 billion (-9.5%). The decrease is due to the gradual deterioration of the market context in the last year.
Despite the difficult market context, there were positive net inflows from third-party customers amounting to € 4,503 million.

17. After minorities.
18. After minorities.

Asset Management operating and non-operating result

(€ million)	31/12/2022	31/12/2021	Change
Asset & Wealth Management	**972**	**1.076**	**-9.6%**
Acquisition and administration costs	-663	-612	8.2%
Fee and commission income and income from financial service activities	1.342	1.553	-13.6%
Net operating income from financial instruments at fair value through profit or loss	313	-135	n.m.
Net operating income from other financial instruments	-41	271	n.m.
Interest and other income	352	229	53.6%
Net operating realized gains on other financial instruments and land and buildings (investment properties)	-341	77	n.m.
Net operating impairment losses on other financial instruments and land and buildings (investment properties)	-3	-4	-13.2%
Interest expenses on liabilities linked to operating activities	-25	-10	n.m.
Other expenses from other financial instruments and land and buildings (investment properties)	-23	-20	12.9%
Net other operating expenses	20	-1	n.m.
Asset & Wealth Management non-operating result	**-13**	**-25**	**-48.6%**
Net non-operating income from financial instruments at fair value through profit or loss	1	0	100.0%
Net non-operating income from other financial instruments	-1	-0	n.m.
Net other non-operating expenses	-13	-25	-49.5%
Asset & Wealth Management earnings before taxes	**959**	**1,051**	**-8.7%**

HOLDING AND OTHER BUSINESSES SEGMENT

The Holding and other businesses segment includes the activities that the Group considers to be ancillary to the core insurance business, as well as the costs incurred for the direction, coordination and financing activities.

(€ million)	31/12/2022	31/12/2021	Change
Holding and other businesses segment operating result	**202**	**157**	**28.9%**
Other businesses (*)	749	672	11.4%
Holding operating expenses	-547	-516	6.0%

(*) Including other financial and real estate businesses, pure financial holdings, international service activities and any other non-core businesses.

The operating result of the Holding and other businesses segment stood at € 202 million (€ 157 million at 31 December 2021)[19].

Other businesses provided a positive contribution. In particular, the result from real estate business improved, benefiting also from some positive non-recurring effects in 2022 and from the fact that in 2021 it was still negatively impacted by pandemic restrictions.

Holding operating expenses increased by 6.0% mainly due to the increase in costs related to personnel and projects for the implementation of new strategic initiatives.

Holding and other business segment operating and non-operating result

(€ million)	31/12/2022	31/12/2021	Change
Holding and other businesses segment operating result	**202**	**157**	**-28.9%**
Net earned premiums	0	0	0.0%
Net insurance benefits and claims	0	0	0.0%
Acquisition and administration costs	-114	-107	7.2%
Fee and commission income and income from financial service activities	97	47	n.m.
Net operating income from financial instruments at fair value through profit or loss	119	5	n.m.
Net operating income from other financial instruments	604	907	-33.4%
Interests and other income	1,062	1,290	-17.6%
Net operating realized gains on other financial instruments and land and buildings (investment properties)	16	53	-70.2%
Net operating impairment losses on other financial instruments and land and buildings (investment properties)	-36	-45	-20.2%
Interest expenses on liabilities linked to operating activities	-60	-83	-28.4%
Other expenses from other financial instruments and land and buildings (investment properties)	-379	-308	23.0%
Net other operating expenses	44	-179	n.m.
Operating holding expenses	-547	-516	6.0%
Holding and other businesses non-operating result	**-832**	**-627**	**32.7%**
Net non-operating income from financial instruments at fair value through profit or loss	-5	18	n.m.
Holding and other businesses non-operating result	-827	-645	28.2%
Net non-operating income from other financial instruments	-118	53	n.m.
Net non-operating realized gains on other financial instruments and land and buildings (investment properties)	0	70	-99.6%
Net non-operating impairment losses on other financial instruments and land and buildings (investment properties)	-119	-17	n.m.
Net other non-operating expenses	-73	-108	-32.7%
Non operating holding expenses	-636	-590	7.8%
Interest expenses on financial debt	-471	-478	-1.4%
Holding non recurring expenses	-165	-112	46.9%
Holding and other businesses segment earnings before taxes	**-630**	**-470**	**34.0%**

19. As from 1Q2022, this segment excludes the contribution from the Banca Generali group, which is included in the Asset & Wealth Management segment.

SHARE PERFORMANCE

KPI per share

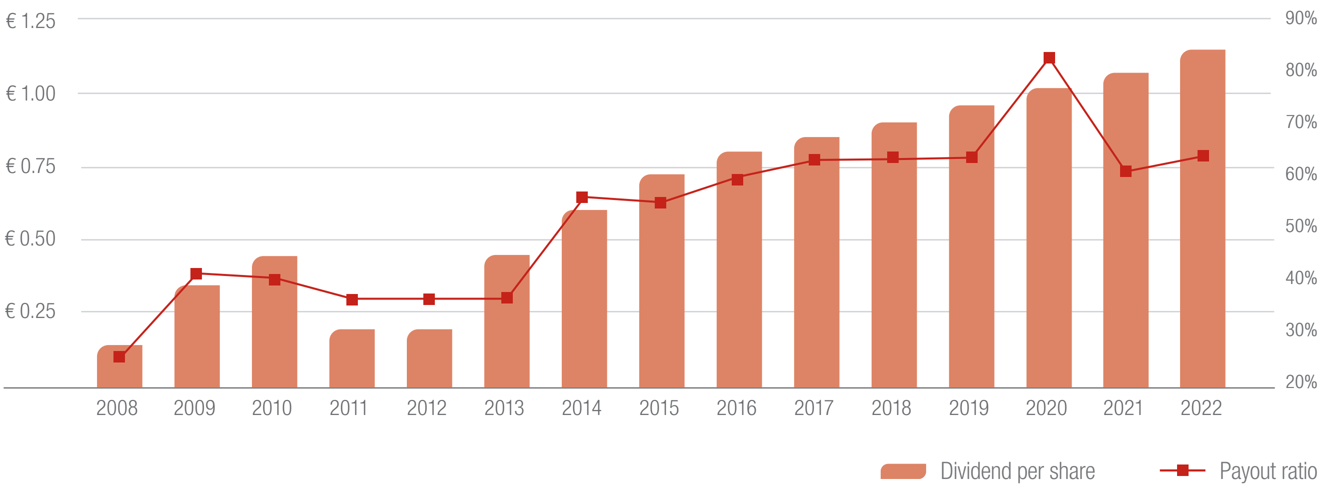
	31/12/2022	31/12/2021
Earnings per share (EPS)	1.85	1.81
Adjusted net EPS (*)	1.85	1.78
Dividend per share (DPS) (**)	1.16	1.07
Total dividend (in € million) (**)	1,790	1,691
Adjusted payout ratio (***)	61.5%	60.5%
Share price	16.62	18.63
Minimum share price	13.75	13.92
Maximum share price	21.11	19.24
Average share price	16.67	17.13
Weighted average number of ordinary shares outstanding	1,570,223,226	1,573,173,478
Market capitalization (in € million)	26,365	29,455
Average daily number of traded shares	4,942,689	4,835,633
Total shareholders' return (TSR) (****)	-5.3%	41.9%

(*) The adjusted net result - defined as the net result without the impact of gains and losses related to acquisitions and disposals - coincided with the result of the period at 31 December 2022 and increased by 4.2%. In 2021, it was € 2,795 million, excluding € 52 million relating to the acquisition of the control of the Cattolica group and to related extraordinary costs.

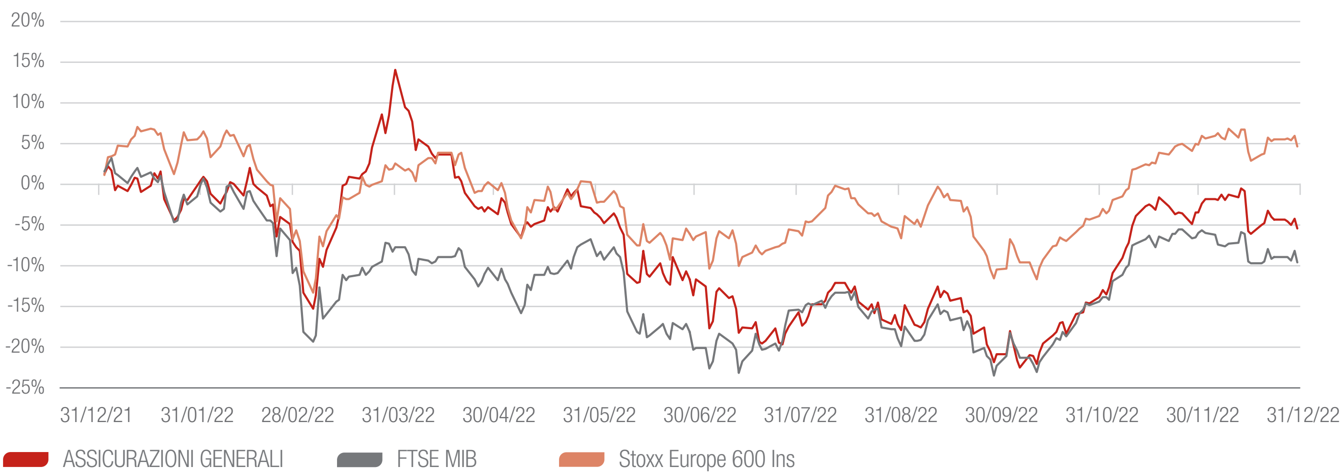
(**) It is the proposed amount. The proposed total dividend takes into account all the transactions resolved by the Board of Directors up to 13 March 2023 or carried out on the share capital up to the same date, and excludes the own shares held by the Company.

(***) The adjusted payout ratio is calculated as the ratio of the total dividend to the adjusted net result.

(****) The total shareholders' return (TSR) is the measure of performance which combines share price variation and dividends paid to show the total return to the shareholder expressed as an annualized percentage.



2022 total shareholders' return performance



Financial ratings

Ratings refer to a judgement of the credit rating and probability of default of an entity or the security to which the rating has been assigned. Every rating agency uses a different method to compile its ratings.

AGENCY		31/12/2022	31/12/2021
Moody's	Rating	A3	Baa1
	Outlook	Stable	Stable
Fitch	Rating	A	A
	Outlook	Positive	Positive
AM Best	Rating	A	A
	Outlook	Stable	Stable

AGENCY		31/12/2022	31/12/2021
Moody's	Senior	Baa1	Baa2
	Subordinated	Baa2	Baa3
	Hybrid	Baa3	Ba1
	Outlook	Stable	Stable
Fitch	Senior	A-	A-
	Subordinated	BBB(*)	BBB(*)
	Hybrid	BBB	BBB
	Outlook	Positive	Positive
AM Best	Senior	a	a
	Subordinated	a-	a-
	Hybrid	bbb+	bbb+
	Outlook	Stable	Stable

(*) Generali's € 1 billion 4.125% subordinated note, issued on 29 April 2014, affirmed at BBB+.

www.generali.com/investors/debt-ratings/ratings

Sustainability indices

Over the years, the commitments and the results achieved by the Generali Group have improved the ratings assigned by the main agencies in the ESG (environmental, social and governance) performances and have led to the inclusion of the Group in important international sustainability indices.

www.generali.com/our-responsibilities/performance/sustainability-indices-and-ratings

RISK REPORT

A. EXECUTIVE SUMMARY

The purpose of this section is to provide an overview of the Group's solvency position and risk profile, as well as its risk management framework. To this end a brief introduction on economic and regulatory environment is hereby provided.

External context

The Group is mainly exposed, as the whole insurance sector, to vulnerabilities arising from financial markets and the macroeconomic landscape, which in turn has been deeply impacted by the most recent geopolitical developments.
Despite this context, the Group proved to be particularly resilient, and the solvency position remained above the tolerances set out Group Risk Appetite Framework (hereinafter, Group RAF).

The financial markets' instability and the significant increase in inflation, due to tensions on the energy and other goods markets, represent the main challenges for the insurance sector, as well as for Generali Group. In particular, the current inflationary environment has led central banks to promptly adopt tight monetary policies with a substantial increase in interest rates after several years marked by low, near-zero or even negative rates in some markets.
Despite a series of measures put in place and slight changes observed in prices, a scenario characterized by uncertainty persists with possible further repercussions on the European growth, deriving from supply chain, energy and commodities prices tensions. In the financial markets there is still the risk of increased volatility compared to previous years characterized by low interest rates for both the equity and bond markets, as well as of a potential decrease in liquidity on specific asset classes.
Furthermore, while observing a general downturn in the Covid-19 pandemic curve with a concurrent easing of restrictive measures, a possible risk of a resurgence remains to be monitored, albeit limited to specific countries and regions.
The current context, marked by the exit from the pandemic and at the same time impacted by geopolitical tensions, has thus led, on one hand, to an increase in the level of uncertainty perceived by policyholders and, on the other hand, to a greater understanding of the vulnerabilities arising from global challenges that characterize sustainable growth, such as climate change, demographic, social implications and not last risks associated with digitalisation. These have led not only to a further strengthening of the management and oversight of the main risks such as, i.e. financial, credit, insurance, and operational risks, but also to a strengthening of the management of other risks, deriving from longer time trends and characterized by a number of interconnections.

The risk management system of the insurance market focuses on financial, underwriting, operational risks (including IT and cyber-attacks risks) and other risks, such as strategic and liquidity risks. At the same time, there are emerging and future risks that present new vulnerabilities, such as climate change, digitalisation, geopolitical instability and demographic changes. These risks should therefore be analysed, as well as, increasingly, sustainability ones. In particular, among the latter, the one relating to climate change is considered of primary importance for the financial sector and specifically for the insurance one, which, in addition to the implications of the climate change risk on its investment portfolio, it has also implications for the insurance business.

Challenges and opportunities of the market context, p. 24, for more details on financial markets' developments, climate change, demographics and digitalization

Regulatory context

In the context of regulatory developments and continuous regulatory monitoring, both at national and supranational level, the main trends during 2022 concerned: customer protection, with particular reference to the proper definition and monitoring of the insurance product value for the customer (so-called value for money), the wide review proposal of Solvency II regulation and the increasing requirements on IT security and ICT[1] governance and the use of artificial intelligence, as well as the ongoing definition of the sustainability regulatory requirements.

Particular importance is given to the latest European regulatory provisions on the requirements relating to the sustainability disclosures in the financial services sector[2], the establishment of a framework to facilitate sustainable investments[3], the integration of sustainability risks in the governance of insurance and reinsurance undertakings[4] and the integration of sustainability factors, risks and preferences in insurance and reinsurance activities[5].

With respect to the risk related to financial crimes, a growing attention of the International Supervisory Authorities on the compliance with the regulatory requirements on anti-money laundering, counter-terrorism financing (AML/CTF)[6] and international sanctions is observed. In 2022, the European Bank Association released the guidelines on the roles and responsibilities of AML/CTF Compliance Officer, imposing greater involvement of the governing bodies of the regulated entities on the management and prevention of the AML/CTF risks and increased supervisory obligations for the Groups. The entry into force of the EU AML/CTF Regulation and the establishment of the International Supervisory Authority will determine a standardisation across Europe of the risk prevention models associated to financial crimes with the subsequent need of adoption of stricter procedures and controls.

Solvency position and risk profile

In terms of solvency position, the Group and all its European insurance subsidiaries comply with Solvency II regulation,

1. Information and Communication Technology.
2. EU Regulation 2019/2088 (so-called Disclosure Regulation).
3. EU Regulation 2020/852 (so-called Taxonomy Regulation).
4. EU Delegated Regulation 2021/1256.
5. EU Delegated Regulation 2021/1257.
6. Anti-Money Laundering and Counter Terrorism Financing.

which requires capital to be held for all quantifiable risks.
For this purpose, the Group uses its Partial Internal Model (PIM), which has been approved by the Supervisory Authority, to calculate capital requirements to better reflect its risk profile.
The Group Solvency Capital Requirement (SCR) is calculated with the Internal Model (IM) for the legal entities which received the authorization, namely all the major Business Units in Italy, Germany, France, Austria, Switzerland, Czech Republic and Spain. Other insurance and reinsurance entities adopt the Standard Formula. Other financial regulated entities contribute to the SCR based on local sectoral regulatory requirements (mostly banks, pension funds, and asset managers).
The Solvency Ratio amounts to 221% as at 31 December 2022, confirming the solid capital position of the Group, above the tolerances and within the operating target range defined in the Group RAF.
The development of the Solvency Ratio throughout the year has been supported by the strong contribution of the normalized capital generation (+19 p.p.) and by positive market variances (+7 p.p., with the favourable impact of higher interest rates more than compensating the negative equity market performance and by the increase of spreads, volatilities, and inflation). These effects have only partially offset the impact of regulatory changes (-5 p.p., including EIOPA's modifications on risk-free rates and other regulatory model changes applied in the last quarter), operating variances (-4 p.p.), M&A operations (-12 p.p., following the acquisitions in India, Malaysia and France) and capital movements (-11 p.p., including the foreseeable dividend and the buy-back operation).
Also in 2022, given the current geopolitical context, a monthly monitoring process of the Group and local solvency position was maintained, it was thus possible to provide timely and constant information on the solvency position with respect to the evolution of the financial markets.
For risks not included in SCR calculation, additional assessment techniques are used. In particular, for liquidity risk, the Group has in place methodologies and models to grant a sound risk management in line with the Group risk strategy, defined in the Group RAF.
Generali Group risk management system is based on a system of governance and structured risk management processes, defined within a set of risk policies in the broader Generali Internal Regulation System (GIRS).
Within the risk management system, together with the Group RAF which outlines the Group's risk strategy, the Own Risk and Solvency Assessment (ORSA) process represents a fundamental risk management tool, with the twofold purpose to provide a comprehensive risk reporting and supporting the Group risk strategy update.
In addition to the ORSA process, the Group also relies on a set of tools, such as the Recovery Plan, the Liquidity Risk Management Plan and the Systemic Risk Management Plan defined following the Financial Stability Board (FSB) and the International Association of Insurance Supervisors (IAIS) standards[7].

The Risk Report structure is the following:
- section B providing a brief oversight of the risk management system;
- section C providing the Group solvency position and the key elements of the capital management process, as well as the sensitivity analysis to main risks;
- section D providing a highlight on the Group risk profile.

More details on the solvency position and risk profile are then provided in the Solvency and Financial Condition Report (SFCR), available on Generali Group website.
Finally, Group rating assessment by external rating agencies is provided on the Group website in the section www.generali.com/investors/debt-ratings/ratings.

B. GROUP RISK MANAGEMENT SYSTEM

Risk Governance

Risk governance is a part of the broader Group system of governance.

The Group system of governance, which includes the internal control and risk management system, consists of the roles and responsibilities of the Administrative, Management or Supervisory Body (AMSB), of the Senior Management and of the Key Functions. Furthermore, it consists of policies, administrative and accounting procedures and organizational structures aimed at identifying, evaluating, measuring, managing, and monitoring the main risks.
To ensure a consistent framework through the Group, the Parent Company sets Group Directives on the System of Governance, complemented by Group internal control and risk management policies.
The Group system of governance is founded on the establishment of an AMSB and of three lines of defence:
- the operating functions (risk owners), which represent the first line of defence and have ultimate responsibility for risks relating to their area of responsibility;
- Risk Management, Compliance, Actuarial and Anti Financial Crime Functions (where applicable), which represent the second line of defence;
- Internal Audit Function, which represents the third line of defence.

Internal Audit Function together with Risk Management, Compliance and Actuarial Functions represent the Key Functions.

7. Generali Group is not included in the list of Global Systemically Important Insurers (GSIIs) issued by FSB.

The Anti Financial Crime Function is considered equivalent to the Key Functions.

Key roles within the internal control and risk management system are outlined below:

- the AMSB is the ultimate responsible for the system of governance and must ensure that the system of governance and internal control and risk management system are consistent with all the applicable regulations, the Group Directives on the System of Governance and Group policies on internal control and risk management system. To this end, the AMSB, supported by the Key Functions, reassesses the adequacy of the system of governance periodically, at least once a year. The AMSB approves the organizational set-up, establishes the Key Functions defining their mandate and reporting lines as well as, where appropriate, any support committee, adopts Group internal control and risk management policies, performs the duties related to the ORSA, risk concentration and intragroup transactions, approves the ORSA results and, based on them, defines the risk appetite;
- the Senior Management is responsible for the implementation, maintenance and monitoring of the internal control and risk management system, including risks arising from non-compliance with regulations, in accordance with the directives of the AMSB;
- Key Functions are established at Group level and within the Group legal entities:
  - the Risk Management Function supports the AMSB and Senior Management in ensuring the effectiveness of the risk management system and provides advice and support to the main business decision-making processes;
  - the Compliance Function grants that the organizational and the internal procedures are adequate to manage the risk to incur in administrative or judiciary fines, economic losses or reputational damages as a consequence of non-compliance with laws, regulations, provisions issued by the Supervisory Authorities or with the internal regulations, as well as the risk deriving from unfavourable changes in the law or judicial orientation (compliance risk);
  - the Actuarial Function coordinates the technical provisions calculation and grants the adequacy of underlying methodologies, models and assumptions, verifies the quality of the related data and provides an opinion on the underwriting policy and on the adequacy of reinsurance arrangements;
  - the Internal Audit Function verifies business processes and the adequacy and effectiveness of controls in place also providing support and advice.
- the Anti Financial Crime Function regularly verifies that the processes and procedures are consistent with the aim of preventing and counteracting the risks of money laundering, terrorist financing, bribery and international sanctions, as well as of confirming the adherence to FATCA requirements[8].

Heads of Key Functions and of Anti Financial Crime Function report to the AMSB.

Group Key Functions, including the Anti Financial Crime Function, collaborate according to a pre-defined coordination model, in order to share information and create synergies. A strong Parent Company coordination and direction for Key Functions are granted by the so-called solid reporting lines model established between the head of the Group Key Function and heads of the respective functions within the legal entities.

Risk Management System

The principles defining the Group risk management system, including strategies, processes and reporting procedures, are provided in the Risk Management Group Policy[9], which is the cornerstone of all risk-related policies and guidelines. The Risk Management Group Policy covers all risks, on a current and forward-looking basis, and is implemented in a consistent manner across the Group.
Generali Group's risk management process is defined in the following phases:

1. Risk identification → **2. Risk measurement** → **3. Risk management and control** → **4. Risk reporting**

1. Risk Identification

The risk identification process, so-called Main Risk Self-Assessment, aims to ensure that all material risks to which the Group is exposed are properly identified. To this end, the Risk Management Function interacts with the main business functions and Business Units in order to identify the main risks, assess their importance and ensure that adequate measures are taken to mitigate them, according to a sound governance process. The identified risks are divided into quantifiable risks in terms of capital (life and non-life underwriting risks, financial and credit risks, and operational risks) and non-quantifiable (liquidity, strategic, reputational and contagion risks). At Group level, risks related to intra-group transactions, concentrations and interdependencies between risks are also considered within the scope of non-quantifiable risks.

8. The Heads of the local Anti Financial Crime Functions have the responsibilities related to the abovementioned topics with exceptions subject to approval by the Group Anti Financial Crime Function.
9. The Risk Management Group Policy covers all Solvency II risk categories and, in order to adequately deal with each specific risk category and the underlying business processes, is complemented by the following risk policies: Investment Governance Group Policy; P&C Underwriting and Reserving Group Policy; Life Underwriting and Reserving Group Policy; Operational Risk Management Group Policy; Liquidity Risk Management Group Policy, Tax Absorption Capacity of Deferred Taxes Group Policy; other risk-related policies, such as Capital Management Group Policy, Supervisory Reporting and Public Disclosure Group Policy, Risk Concentrations Management Group Policy - Investment Exposures, Risk Concentrations Management Group Policy – Reinsurance and Underwriting Exposures etc.

Within this process also emerging risks[10] related to future risks, characterized by uncertain evolution and often of systemic nature, are considered, as well as sustainability risks[11], or more simply risks related to sustainability[12] factors, also subject to an analysis over a longer time horizon.
The Group main risks' identification process also considers the results of the local risk identification processes.

2. Risk Measurement

Identified risks are then measured through their contribution to the SCR, complemented by other modelling techniques deemed appropriate and proportionate to better reflect the Group risk profile. Using the same metric for measuring the risks and the capital requirements ensures that each quantifiable risk is covered by an adequate amount of capital that could absorb the loss incurred if the risk materializes. For SCR calculation purposes 1 in 200 years events are considered.
The SCR is calculated by means of the IM for financial, credit, life underwriting risk, non-life underwriting risk and for operational risk, for what may concern the most relevant Group legal entities[13]. The IM provides an accurate representation of the main risks the Group is exposed to, measuring not only the impact of each risk taken individually but also their combined impact on the Group own funds.
Insurance and re-insurance entities not included in the IM scope calculate the capital requirement based on Standard Formula, while other financial entities (e.g. banks, pension funds and asset managers) calculate the capital requirement based on their own specific sectoral regimes.
Group PIM methodology and governance are provided in the section C. Solvency Position.
For liquidity risk a Group model is used to calculate the metrics, as defined in section D. Liquidity Risk. Other risks are assessed by means of quantitative and qualitative techniques.

3. Risk Management and Control

The risks which the Group is exposed to are managed on the basis of the Group RAF defined by the Board of Directors of Assicurazioni Generali S.p.A. (hereafter, Board of Directors). The Group RAF defines the level of risk the Group is willing to accept in conducting business and thus provides the overall framework for embedding risk management into business processes. In particular, the Group RAF includes the statement of risk appetite, the risk preferences, the risk metrics, the tolerance and the target levels.
The purpose of the Group RAF is to set the desired level of risk on the basis of the Group strategy. The Group RAF statement is complemented by qualitative assertions (risk preferences) supporting the decision-making processes, by risk tolerances providing quantitative boundaries to limit excessive risk-taking, as well as by an operating target range to provide indications on the solvency level at which the Group aims to operate. Tolerance and target levels are referred to capital and liquidity metrics.
The Group RAF governance provides a framework for embedding risk management into day-to-day and extraordinary business operations, control mechanisms as well as escalation and reporting processes to be applied in case of risk tolerance breaches. Should an indicator approach or breach the defined tolerance levels, pre-defined escalation mechanisms are activated.

4. Risk Reporting

The purpose of risk reporting is to keep business functions, Senior Management, AMSB and Supervisory Authority aware and informed on an ongoing basis on the development of the risk profile and of the single risks, as well as on the breaches of risk tolerances.
The ORSA process includes the reporting on the assessment of all risks, in a current and forward-looking view. For the purposes of the evaluations, both quantifiable risks and not quantifiable risks in terms of capital requirements are considered. Within the ORSA, stress tests, sensitivity analyses and reverse stress tests are also performed to assess the resilience of the solvency position and risk profile to changed market conditions or specific risk factors. Moreover, exercises such as those related to the measurement of climate scenarios' impacts are also considered.
Generali Group applies a Group-wide process, which implies that each Group insurance legal entity is responsible for the preparation of its own ORSA Report and the Parent Company coordinates the Group ORSA reporting process. The other entities, other than insurance ones, set-up simplified reports by taking into account the principles of proportionality and/or reports prepared according to local sectoral regulations.
At Group level, the process is coordinated by the Risk Management Function, supported by other functions for what concerns own funds, technical provisions and other risks.
The purpose of the ORSA process is to provide the assessment of risks and of the overall solvency needs on a current and forward-looking basis. The ORSA process ensures an ongoing assessment of the solvency position based on the Strategic Plan and the Group Capital Management Plan.
The Group ORSA Report, documenting main results of this process, is produced on an annual basis. A non-regular ORSA Report can also be produced in case of significant changes of the risk profile.

10. More details on emerging risks' definition are provided in section D. Risk Profile.
11. More details on sustainability risks' definition are provided in section D. Risk Profile.
12. Sustainability factors are defined as environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.
13. For the SCR calculation, the use of IM has been approved for the most relevant insurance entities in Italy, Germany, France, Austria, Switzerland, Czech Republic and Spain.

C. SOLVENCY POSITION

Solvency Capital Requirement Coverage

Risk and capital management are closely integrated processes aimed at managing the Group solvency position and the Group risk profile.
The solvency position is defined as the ratio between Group Own Funds (GOF) and Solvency Capital Requirement (SCR).

The Group confirmed an excellent capital position, with the Solvency Ratio[14] equals to 221% at 31 December 2022 (227% at 31 December 2021). During the year, the solvency has been supported by the strong contribution of the normalized capital generation and by positive variances, which have partially offset the impacts of regulatory changes, M&A operations and capital movements (including foreseeable dividend and buy-back).

SCR coverage

(€ million)	31/12/2022	31/12/2021
GOF	46,395	50,622
SCR	21,024	22,288
Solvency Ratio	**221%**	**227%**

Based on last available information for 2022, official figures for 2021.

1. Group Own Funds

In compliance with the Solvency II regulatory requirements, Group own funds are defined as the sum of consolidated basic own funds (BOF) related to insurance entities, holdings and ancillary undertakings attributable to insurance activity and the own funds attributable to financial entities, defined according to their sectoral solvency regulatory regimes.
Basic own funds, can be further analysed as the sum of the following components:

- the Excess of Assets over Liabilities as defined in accordance with art. 75 of Directive 2009/138/EC[15];
- plus subordinated debt eligible in basic own funds;
- less foreseeable dividends;
- less deductions for participations in financial entities;
- less deductions for Solo own funds items that are non-available for Group purposes[16], for restricted own fund items[17] and shares of the Parent Company.

Within Generali Group, ancillary own funds are not present.

The contribution to the Group own funds of each element above listed is detailed in the following table:

Group own funds components

(€ million)	31/12/2022	31/12/2021
Excess of assets over liabilities	**44,380**	**47,506**
Subordinated debt eligible in basic own funds	7,492	8,519
Foreseeable dividend	-1,790	-1,691
Unrealised gains on French IORP business	-	374
Deductions for participations in financial entities	-3,827	-3,448
Impact of filter for non-availability & minorities and other deductions	-2,181	-2,035
Basic own funds after deductions	**44,074**	**49,224**
Contribution of financial entities	2,322	1,399
GOF	**46,395**	**50,622**

Based on last available information for 2022, official figures for 2021.

Commenting on the items contributing to the GOF, it can be noted that:

- the decrease of the Excess of Assets over Liabilities (€ -3,126 million) mainly reflects the negative impact of regulatory changes, economic and non-economic variances, M&A operations and the dividend paid during the year, only partially offset by the strong contribution of the capital generation;
- the reduction of subordinated debt eligible in basic own funds (€ -1,027 million) derives from the significant increase in interest rates;

14. The SCR, MCR and OF calculations disclosed are based on the last available information. More details on the Solvency Ratio will be disclosed in the Solvency and Financial Condition Report (SFCR).
15. Net of minority interest for entities that are evaluated with the proportional consolidation method, according to article 335 of Commission Delegated Regulation (EU) 2015/35 of 10 October 2014.
16. Such as minority deductions, surplus funds, other items non-available to cover losses at Group level.
17. i.e. restricted own funds items in respect of ring-fenced funds.

- the amount of the foreseeable dividend increases to € 98 million (from € 1,691 to € 1,790 million);
- the contribution of the unrealized gains on IORP business is equal to zero and reflects the new accounting treatment applied from year-end 2022 to the retirement business in France, whose assets and liabilities have been merged in the new dedicated pension fund;
- the higher impact of deductions for participations in financial entities (€ -379 million) mainly comes from the creation of the above-mentioned new pension fund in France which contributes to MVBS (Market Value Balance Sheet) as participation;
- the change of the impact of deductions for minorities and non-available items (€ -146 million) is explained by the share buyback plan, equal to € -500 million, partially compensated by reduced minorities and other fungibility movements;
- the increased contribution of financial entities (€ 923 million) is mainly explained by the available capital of the new pension fund in France, defined in accordance with its sectoral solvency regulatory regime applicable also for Solvency II purposes.

Reconciliation between IFRS Equity and Solvency II Excess of Assets over Liabilities

The Solvency II regulatory framework requires an economic, market-consistent approach for the valuation of assets and liabilities that must be valued at fair value in the balance sheet. Therefore, Solvency II Excess of Assets over Liabilities is valuated starting from IFRS shareholders' equity and by adjusting at fair value the consolidated assets and liabilities that are not already reported at fair value in compliance with Solvency II regulatory framework.

More precisely, these adjustments consist of:
- eliminating intangible assets (e.g. goodwill);
- revaluating investments not accounted at fair value, such as loans, held to maturity investments and real estate;
- revaluating at fair value not consolidated participations;
- accounting for the technical provisions according to Solvency II rules as a sum of best estimate of liabilities (BEL) and risk margin (RM);
- including the Solvency II evaluation of financial liabilities and recognising material contingent liabilities;
- recalculating the impact of net deferred taxes on the above adjustments.

In line with the contribution to Group own funds, minorities of entities proportionally consolidated for Solvency II purposes have been deducted from the IFRS shareholders' equity. The following table presents the reconciliation between IFRS shareholders' equity and Solvency II Excess of Assets over Liabilities at year-end 2022 and, for comparative purposes, at year-end 2021.

Compared to the previous year-end, it should be noted that change of intangibles, assets, liabilities, and deferred taxes is largely impacted by the different accounting treatment applied to the IORP pension business in France that, at year-end 2022 (with the end of its transitional regime), has been merged together with residual retirement business into a new dedicated pension fund. Such pension fund, being a financial entity, contributes to the GOF with the available capital defined in accordance with its sectoral regulatory regime, and is classified as participation in the SII Balance Sheet. At year-end 2021, instead, assets and liabilities referring to IORP were reported line by line within the SII Balance, valued at cost and with eligible unrealized gains recognized as GOF item to the extent of 15%.

Reconciliation between IFRS shareholders' equity and Solvency II excess of assets over liabilities

(€ million)	31/12/2022	31/12/2021
IFRS Shareholders' Equity (gross of minorities)*	**17,104**	**30,583**
Intangibles	-11,996	-11,520
Mark-to-market of assets	13,314	11,517
Mark-to-market of liabilities	37,225	24,504
Impact of net deferred taxes	-11,268	-7,578
Excess of Assets over Liabilities	**44,380**	**47,506**

Based on last available information for 2022, official figures for 2021.

* IFRS Equity adjusted (for illustrative purpose) to exclude the minorities of the entities consolidated proportionally for Solvency II purposes.

The elements of reconciliation from the IFRS shareholders' equity (€ 17,104 million) to the Solvency II Excess of Assets over Liabilities (€ 44,380 million) are the following:
- intangibles related to insurance operations (€ -11,996 million), that are not recognised under Solvency II[18];
- mark-to-market of assets: this adjustment (€ 13,314 million) is primarily due to the change to fair value of real estate assets;
- mark-to-market of liabilities: this adjustment (€ 37,225 million) is primarily due to net technical provisions (deriving from the difference between IFRS and Solvency II valuation);
- impact of net deferred taxes (€ -11,268 million) is a consequence of the change to fair value of the items reported above.

18. The goodwill deducted from the intangibles relates only to insurance operations, while the cancellation of the goodwill activated on non-insurance entities is included in the change to fair value of participations.

Group Own Funds Tiering

According to Solvency II regulation, Group own funds items are classified into three tiers representing different level of quality, depending on the ability to absorb losses due to adverse business fluctuations on a going-concern basis and in the case of winding-up.

The Group's tiering is described below:

- tier 1 unrestricted own funds includes the following items:
  - ordinary share capital and the related share premium account of the Parent Company Assicurazioni Generali;
  - available surplus funds (from German, Austrian and French business);
  - reconciliation reserve;
  - deductions for minorities and other not available own funds items;
  - available capital of financial entities.
- tier 1 restricted own funds includes subordinated liabilities that benefit from grandfathering regime[19];
- tier 2 own funds is composed of subordinated liabilities, including the remaining part of grandfathered[20] subordinated debts, and the positions issued after the entry into force of Solvency II Directive;
- tier 3 is composed by net deferred tax assets, which are characterized by lower capital quality being not immediately available to absorb losses.

The GOF split by tiers is reported in the following table:

Group own funds by tiering

(€ million)	31/12/2022	31/12/2021
Tier 1 unrestricted	38,511	41,801
Tier 1 restricted	1,704	1,896
Tier 2	5,788	6,622
Tier 3	393	303
GOF	**46,395**	**50,622**

Based on last available information for 2022, official figures for 2021.

2022 Group own funds remain composed by high-quality capital. Tier 1 counts for about 86.7% of the total (86.3% in 2021), tier 2 represents 12.5% (13.1% in 2021) and tier 3 only 0.8% of the total (0.6% in 2021).
No eligibility filters are triggered thanks to the high-quality of the capital-tiering.

2. Solvency Capital Requirement

The SCR covers underwriting, financial, credit and operational risks as follows:

SCR split by risk

(€ million)	31/12/2022		31/12/2021	
	Total	Impact (%)	Total	Impact (%)
SCR before diversification	**33,354**	**100%**	**35,283**	**100%**
Financial risk (1)	13,530	41%	15,910	45%
Credit risk (2)	6,788	20%	7,979	23%
Life underwriting risk	3,920	12%	3,445	10%
Health underwriting risk	475	1%	315	1%
Non-life underwriting risk	5,868	18%	5,031	14%
Intangible risk	-	-	-	-
Operational risk	2,773	8%	2,603	7%
Diversification benefit	-8,994		-8,832	
SCR after diversification	**24,360**		**26,450**	
Tax absorption	-4,745		-5,404	
SCR excl. other regimes	**19,616**		**21,046**	
Other regimes (3)	1,409		1,242	
SCR	**21,024**		**22,288**	

Based on last available information for 2022, official figures for 2021.
(1) Financial risk includes spread risk (for Standard Formula entities).
(2) Credit risk includes default risk, spread widening and rating migration risks (for Intern Model entities).
(3) Within this category other regulated financial entities are included (e.g. IORP, banks etc.).

19. These items were issued before the entry into force of the Solvency II Directive and cover the Solvency margin up to 50% according to Solvency I regime.
20. Differently from tier 1 restricted, these grandfathered items cover the Solvency margin up to 25% according to Solvency I regime.

The above SCR breakdown highlights that:

- financial and credit risks account for the 61% of the total SCR before diversification, due to the predominance of traditional life business;
- life and non-life underwriting risks account for respectively 12% and 18% of the total SCR before diversification;
- health underwriting risk deriving from Standard Formula entities account for 1% of the total SCR before diversification;
- operational risks contribute to the Group SCR for the 8%.

Compared to the previous year, an overall SCR reduction is observed, mainly due to:

- a reduction of financial risks, mostly linked to the negative trend of the equity market and to the increase in the interest rate curve;
- a reduction of credit risks, due to the decrease in values of bond investments, consequent to the recovery of interest rates.

Finally, this year also the risks deriving from Indian and Malaysian entities, mainly exposed to financial, life and non-life underwriting risks, were captured, as well as the ones related to the French company La Médicale, mostly exposed to health underwriting risks.

Each risk category is further detailed in the section D. Risk Profile.

Minimum Capital Requirement Coverage

In addition to SCR coverage, the Group calculates the Minimum Consolidated Group SCR (MCR) coverage. The MCR calculation is required to determine the minimum level of capital, under which the Group would be exposed to an unacceptable level of risk when allowed to continue its operations.
The Minimum Solvency Ratio[21] stands at 248% at 31 December 2022, with a decrease of -5 p.p. in respect of previous year. In the following table, the MCR coverage is reported:

MCR Coverage

(€ million)	31/12/2022	31/12/2021
GOF to meet the MCR	41,222	45,928
MCR	16,648	18,148
Ratio of GOF to MCR	**248%**	**253%**

Based on last available information for 2022, official figures for 2021.

To define MCR coverage, stricter own fund eligibility rules are applied compared to the ones previously used for the SCR[22]. In the following table, the split by tiers of the own funds covering the MCR is reported:

GOF to meet the MCR by tiering

(€ million)	31/12/2022	31/12/2021
Tier 1 unrestricted[23]	36,189	40,402
Tier 1 restricted	1,704	1,896
Tier 2	3,330	3,630
GOF to meet MCR	**41,222**	**45,928**

Based on last available information for 2022, official figures for 2021..

Sensitivity Analysis

In addition to the calculation of the Solvency Capital Requirement, the Group regularly performs sensitivity analyses of the variability of its Solvency Ratio to changes in specific risk factors. The aim of these analyses is to assess the resilience of the Group capital position to the main risk drivers and evaluate the impact of a wide range of shocks.

For this purpose, several sensitivity analyses have been performed as at 31 December 2022, in particular:

- increase and decrease of interest rates by 50bps;
- increase of Italian government bonds spread (Buoni del Tesoro Poliennali - BTP) by 100bps;
- increase of corporate bonds spread by 50bps;
- increase and decrease of equity values by 25%.

21. The SCR, MCR and OF calculations disclosed are based on the last available information. More details on the Solvency Ratio will be disclosed in the Solvency and Financial Condition Report (SFCR).
22. The amounts of tier 2 and tier 3 items eligible to cover the MCR are subject to stricter quantitative limits. The eligible amount of tier 1 items shall be at least 80% of the MCR; the same limitation on subordinated liabilities and preference shares is set. The eligible amounts of tier 2 items shall not exceed 20% of the MCR. No tier 3 items are allowed to cover the Minimum Capital Requirement. No capital from financial entities is considered.
23. Tier 1 at year-end 2021 includes also the unrealised gains and losses on French Institutions for Occupational Retirement Provision (IORP) business as agreed with the Supervisory Authority.

The changes in terms of percentage points with respect to baseline scenario as at 31 December 2022 (Solvency Ratio equal to 221%) are the following:

Sensitivity Analysis

(€ million)	Interest rates +50bps	Interest rates -50bps	BTP spread +100bps	Corporate spread +50bps	Equity +25%	Equity -25%
Delta on Solvency Ratio	+4 p.p.	-5 p.p.	-5 p.p.	-1 p.p.	+5 p.p.	-6 p.p.

Based on last available information for 2022.

Since a regulatory update of the UFR (Ultimate Forward Rate) is not foreseen for the majority of currencies, except for Brazilian Real and Russian Ruble, no impact on the Solvency Ratio as at 31 December 2022, related to the regulatory change of UFR, is expected.

Group Partial Internal Model (Group PIM)[24]

The IM is considered to be the most appropriate way of assessing the Group risk profile. It represents the best way of capturing the risk profile of the entire Group and of the legal entities in scope in terms of granularity, calibration and correlation of the various risk factors.
The IM is structured around a Risk Map, which contains all quantifiable risks that Generali Group has identified as relevant to its business, allowing for the calculation of the SCR both at single risk level and at higher aggregation level.

1. Group PIM Methodology

In order to calculate PIM SCR, the Group combines the results of the IM with two additional components: Standard Formula and other sectoral regimes, in order to meet the regulatory requirements. To this extent Generali has decided to opt for the so-called "Two-World Approach" to aggregate different regimes and methodologies. Under this approach, the PIM is calculated summing up Solvency Capital Requirements evaluated with the approved IM methodology, with the SCR of Group legal entities based on Standard Formula and those entities where a sectoral solvency regime is applicable.
In implementing the PIM, the Group has adopted, for the entities that received an IM approval, the so-called Monte-Carlo approach with proxy functions to determine the Probability Distribution Forecast (PDF) of the changes in the basic own funds over a one-year time horizon.

2. Group PIM Governance

Governance and processes regarding the IM are defined in the Internal Model Governance Group Policy, ensuring that:

- models and components are appropriate for their purpose;
- procedures are in place to design, implement, use and validate new models and model changes;
- the appropriateness of models on an ongoing basis is confirmed.

To rule the activities related to the Internal Model developments necessary to ensure its appropriateness over time and, more in general, to support the Internal Model change process, the Internal Model Change Group Policy has been also defined with the aim to specify roles and responsibilities in the implementation of major and minor changes.

Within Internal Model Governance, a dedicated committee, the Internal Model Committee, has been established to review Group IM calibrations, and evaluate the proposals on all model methodologies, assumptions used, parameters, results, documentation and all other model related elements in order to support the Group Chief Risk Officer (hereinafter, GCRO) in the decision-making process on IM developments or model changes and to control the full model lifecycle, assuring proper compliance with the Internal Model Governance Group Policy. This Committee is chaired by the Model Design Authority, in the person of the Head of Group Enterprise Risk Management, responsible for ensuring the overall consistency and appropriateness of the IM. The members of the Internal Model Committee are all the Model Owners and the Model Design Authority and possibly further participants required by the Model Design Authority.
The GCRO defines the processes and controls to ensure the ongoing appropriateness of the design and operations of the IM, so that it continues to appropriately reflect the Group risk profile. The GCRO is also responsible for defining the methodology of each model component, based on the Group Internal Model Committee's proposals, as well as for the results' production and ultimately for submitting the relevant Internal Model reporting to the Risk and Control Committee and the Board of Directors.
The Board of Directors, assisted by the Risk and Control Committee, ensures the ongoing appropriateness of the design and operations, the ongoing compliance of the IM and also that the IM continues to appropriately reflect the risk profile of the Group.
These roles are generally mirrored within the organizational structure of each Group legal entity within IM scope.

24. The Internal Model at Group level is defined as "Partial" because a limited number of entities still use the Standard Formula to determine the capital requirement.

3. Group PIM Validation

The IM is subject to validation review on an ongoing basis, which aims to gain independent assurance of the completeness, robustness and reliability of the processes and results of the IM, as well as their compliance with the Solvency II regulatory requirements.
The validation process follows the principles and procedures defined within the Internal Model Validation Group Policy and related guidelines.
The validation outputs are designed to support Senior Management and Board of Directors in understanding the appropriateness of the IM, including areas of weaknesses and limitations, especially with regards to its use.
To ensure an adequate level of independence, the resources performing the validation activities are not involved in the development or operation of the IM.
Within the validation process, also the results obtained during previous validation exercises are considered, as well as developments within internal and external business environment, financial market trends and IM changes. The Internal Model validation process excludes those aspects covered by the assurance work of the Group Actuarial Function (i.e. technical provisions and related IT systems, actuarial platforms and their governance).
Furthermore, the validation process also serves as an incentive mechanism to ensure timely and accurate incorporation of modelling refinements.
In order to warrant the appropriateness of the array of elements contained within the IM, the validation covers both the quantitative and qualitative aspects of the Internal Model and is therefore not limited to the calculation engine and methodology. Other important items such as data quality, documentation and uses of the Internal Model are validated accordingly.
The validation process is carried out on regular annual basis and when requested by either the Senior Management, Board of Directors or Supervisory Authorities.

D. RISK PROFILE

Life Underwriting Risk

Life underwriting risks derive from the Group's core insurance business in the life and health segments. The major part of the business and the related risks derive from direct portfolio underwritten by the Group. Health business represents a minor component of the portfolio.

Management report, Our performance by country indicators, by premium volume and related geographic breakdown

Notes, Detailed information on insurance and investment contracts, for Group's life underwriting business key figures

The life portfolio consists of traditional business, which mainly includes insurance with profit participation, and unit-linked products. The prevailing component of traditional business includes products with insurance coverages linked to the policyholders' life and health. It also includes pure risk covers, with related mortality risk, and some annuity portfolios, with the presence of longevity risk. The vast majority of the insurance coverages include legal or contractual policyholder rights to fully or partly terminate, surrender, decrease, restrict or suspend the insurance cover or permit the insurance policy to lapse, or to fully or partially establish, renew, increase, extend or resume the insurance or reinsurance cover. For these reasons, the products are subject to lapse risk.

Life and health underwriting risks can be distinguished in biometric and operating risks embedded in the life and health insurance policies. Biometric risks derive from the uncertainty in the assumptions regarding mortality, longevity, health, morbidity and disability rates taken into account in the insurance liability valuations. Operating risks derive from the uncertainty regarding the amount of expenses and the adverse exercise of contractual options by policyholders. Policy lapse is the main contractual option held by the policyholders, together with the possibility to reduce, suspend or partially surrender the insurance coverage.
Life and health underwriting risks are:

- mortality risk, defined as the risk of loss, or of adverse change in the value of insurance liabilities, resulting from changes in mortality rates, where an increase in mortality rates leads to an increase in the value of insurance liabilities. Mortality risk also includes mortality catastrophe risk, resulting from the significant uncertainty of pricing and provisioning assumptions related to extreme or irregular events;
- longevity risk, similarly to mortality, is defined as the risk resulting from changes in mortality rates, where a decrease in mortality rates leads to an increase in the value of insurance liabilities;
- disability and morbidity risks derive from changes in the disability, sickness, morbidity and recovery rates;
- lapse risk is linked to the loss or adverse change in liabilities due to a change in the expected exercise rates of policyholder options. The relevant options are all legal or contractual policyholder rights to fully or partly terminate, surrender, decrease, restrict or suspend insurance cover or permit the insurance policy to lapse. Mass lapse events are also considered;
- expense risk results from changes in the expenses incurred in servicing insurance or reinsurance contracts
- health risk refers specifically to health products also linked to catastrophic events (for IM entities).

In addition to the risks above, the Group Risk Map includes also the going concern reserve risk, a German business specific risk that refers to misestimate of new business assumptions.

The approach underlying the life underwriting risk measurement is based on the calculation of the loss resulting from unexpected changes in biometric and/or operating assumptions. Capital requirements for life underwriting risks are calculated on the basis of the difference between the insurance liabilities before and after the application of the stress.

Life underwriting risks are measured by means of the PIM[25].

The SCR for life underwriting risk amounts to € 3,920 million before diversification (equal to 12% of total SCR before diversification). This is mainly driven by lapse risk, followed by mortality[26] and expense[27] risks. In terms of contribution to the risk profile, it is to be noted that life underwriting risks are well diversified with other risk categories. The overall contribution to the risk profile therefore remains limited.

Life underwriting risk management is embedded in the key underwriting processes being:
- product development and accurate pricing;
- ex-ante selection of risks through underwriting;
- setting and monitoring of operative underwriting limits;
- portfolio management and monitoring.

Product pricing consists in setting product features and assumptions regarding expenses, financial, biometric and policyholders' behaviour to allow the Group legal entities to withstand any adverse development in the realization of these assumptions.
For savings business, this is mainly achieved through profit testing, while for protection and health business with a biometric component, it is achieved by setting prudent assumptions.
Lapse risk, related to voluntary withdrawal from the contract, and expense risk, related to the uncertainty around the expenses that the Group expects to incur in the future, are evaluated in a prudential manner in the pricing of new products. This evaluation is taken into account in the construction and profit testing of a new tariff, considering the underlying assumptions derived from the Group's experience.
For insurance portfolios with a biometric risk component, comprehensive reviews of the mortality experience are compared with expected mortality of the portfolio, determined according to the most up-to-date mortality tables available in each market. To this end, mortality by sex, age, policy year, sum assured, and other underwriting criteria are taken into consideration to ensure mortality assumptions remain adequate and avoid the risk of misestimating for the next underwriting years.
The same annual assessment of the adequacy of the mortality tables used in the pricing is performed for longevity risk. In this case, not only biometric risks are considered but also the financial risks related to the minimum interest rate guarantee and any potential mismatch between the liabilities and the corresponding assets.

For the purpose of long-term health insurance pricing, the monitoring of health-related market claims and corresponding indexing mechanisms is performed.

As part of the underwriting process, Generali Group adopts underwriting guidelines. The Risk Management Function reviews implications of new lines of business/products on the Group risk profile.
Moreover, a particular emphasis is placed on the underwriting of new contracts with reference to medical, financial and moral hazard risks. The Group has defined clear underwriting standards through manuals, forms, medical and financial underwriting requirements. For insurance riders, which are most exposed to moral hazard, maximum insurability levels are also set, lower than those applied for death covers. In order to mitigate these risks, policy exclusions are also defined. Regular risk exposure monitoring and adherence to the operative limits, reporting and escalation processes are also in place, allowing for potential remediation actions to be undertaken.

During 2022, considering the evolution of the macroeconomic context, the enhanced monitoring introduced in 2020 following the Covid-19 pandemic, with respect to premium, claims and surrender data, was maintained. Given the current environment, Generali Group is observing a moderate increase in lapse rates. Despite the negative effects of the pandemic and the macroeconomic context, Generali Group is demonstrating resilience.
To monitor the abovementioned effects, in addition to the sensitivity analyses which are part of the recurring activity during the year, the Group carries out further analyses on life underwriting risks also considering longer time horizons such as those of the Strategic Plan, which are reported in the scope of the ORSA process.

The available historical observations contribute to define the risk metrics of the Internal Model, therefore, the market events related to 2022, and in particular the increase in inflation rates, are integrated into the calibration of the Internal Model.

Finally, reinsurance represents the main risk mitigation technique. The Parent Company acts as core reinsurer for the Group legal entities and cedes or retrocedes part of the underwritten risks to external reinsurers.
The Group reinsurance strategy is developed consistently with the risk appetite and with the risk preferences defined in the Group RAF, and with the reinsurance market cycle. The reinsurance process and the definition of reinsurance arrangements are managed by Group Reinsurance Function in constant interaction with Risk Management and Actuarial Functions.

25. For the scope of the PIM please refer to section A. Executive Summary. Entities not included in the IM scope calculate the capital requirement based on Standard Formula or the capital requirements of sectoral regime.
26. Including also Mortality CAT.
27. Including also the going concern reserve.

Non-Life Underwriting Risk

Non-life underwriting risks arise from the Group's insurance business in the P&C segment.

Management Report, Our performance by country indicators, by premium volume and related geographic breakdown

Notes, Detailed information on insurance and investment contracts, for technical provisions

Non-life underwriting risks include the risk of underestimating the frequency and/or severity of the claims in defining pricing and reserves (respectively pricing risk and reserving risk), the risk of losses arising from extreme or exceptional events (catastrophe risk) and the risk of policyholder lapses from P&C insurance contracts (lapse risk). In particular:
- pricing and catastrophe risks derive from the possibility that premiums are not sufficient to cover future claims, also in connection with extremely volatile events and contract expenses;
- reserving risk relates to the uncertainty of the claims reserves (in a one-year time horizon);
- non-life lapse risk arises from the uncertainty of the underwriting profits recognised in the premium provisions.

Non-life underwriting risks are measured by means of the PIM[28]. For the majority of risks assessed through the PIM, the valuations are based on in-house developed models and external models that are primarily used to assess the catastrophic events, for which broad market experience is considered beneficial.

The SCR for non-life underwriting risk amounts to € 5,868 million before diversification (equal to 18% of total SCR before diversification). This is mainly given by reserving risk, followed by CAT and pricing risks. Non-life lapse risk contributes only for a marginal amount to the risk profile.

Moreover, the Group uses additional indicators for risk concentrations. This is specifically the case for catastrophe risks and Corporate & Commercial risks, which are both coordinated at central level as they generally represent a key source of concentration.
In terms of CAT risk, the Group's largest exposures are earthquakes in Italy, European floods and windstorms. Less material catastrophe risks are also taken into account and assessed by means of additional scenario analysis.
At the same time, there is a constant on-going improvement to consider risk adjusted KPIs in decision making processes.

Based on the Group RAF, P&C risk selection starts with an overall proposal in terms of underwriting strategy and corresponding business selection criteria. During the strategic planning process, targets are established and translated into underwriting limits to ensure business is underwritten according to the plan. Underwriting limits define the maximum size of risks and classes of business that Group legal entities shall be allowed to write without seeking any additional or prior approval. The limits may be set based on value, risk type, product exposure or class of occupancy. The purpose of these limits is to attain a coherent and profitable book of business founded on the expertise of each legal entity.
Additional indicators such as relevant exposures, risk concentration and risk capital figures are used for the purpose of P&C underwriting risk monitoring. The indicators are calculated at least on a half-yearly basis to ensure alignment with the Group RAF.

Regarding the customers' assessment on sustainability factors in the non-life underwriting process, the Group has developed and adopts the Responsible Underwriting Group Guideline, to guarantee the adoption of responsible behaviours and reduce exposures to counterparties operating in potentially sensitive sectors, as defined in the aforementioned guideline.

During 2022, the monitoring process put in place during 2020 following the Covid-19 pandemic has been maintained to ensure a constant oversight of the premiums, frequency and severity of claims, as well as of the related impact on the combined ratio. As a result of the significant increase in cost of claims inflation observed across all lines of business, the monitoring already in place has been further strengthened.
Furthermore, in addition to the sensitivity analyses which are part of the recurring activity during the year, the Group carries out further analyses on non-life underwriting risks also considering longer time horizons such as those of the Strategic Plan, which are reported in the scope of the ORSA process.

The available historical observations contribute to define the risk metrics of the Internal Model, therefore, also the increase in inflation rates observed in 2022 is already integrated into the calibration of the Internal Model.

Group entities have introduced modifications to the contractual conditions of P&C policies, in order to reduce the exposure to pandemics and/or similar events.

Reinsurance is the key mitigation technique for balancing the P&C portfolio. It aims to optimize the use of risk capital by ceding part of the underwriting risk to selected counterparties, whilst simultaneously minimizing the credit risk associated with such operations.
The P&C Group Reinsurance Strategy is developed consistently with the risk appetite and the risk preferences defined in the Group RAF on one side and taking into account the reinsurance market on the other.
The Group has historically preferred traditional reinsurance as a tool for mitigating catastrophe risk resulting from its P&C portfolio, adopting a centralized approach where the placement of reinsurance towards the market is managed through a central Group Reinsurance Function.
The Group aims at diversifying its cessions to reinsurers to

28. For the scope of the PIM please refer to section A. Executive Summary. Entities not included in the IM scope calculate the capital requirement based on Standard Formula or the capital requirements of sectoral regime.

avoid excessive concentrations, to optimize its reinsurance purchases, including from a pricing perspective, and to continuously develop know-how in the most innovative risk transfer techniques. For this reason, part of the Italian earthquake and European windstorm exposures are carved out from the traditional catastrophe reinsurance program and placed in the Insurance Linked Securities (ILS) market.

Financial Risk and Credit Risk

The Group invests collected premiums in a wide variety of financial assets, with the purpose of honouring future obligations to policyholders and generating value for its shareholders.
As a result, the Group is exposed to the financial risks driven by either:

- invested assets not performing as expected because of falling or volatile market prices;
- reinvested proceeds of existing assets being exposed to unfavourable market conditions, typically as lower interest rates.

Generali Group traditional life savings business is long-term in nature; therefore, the Group holds mostly long-term investments which can withstand short-term decreases and fluctuations in the market value of assets.
The Group manages its investments in a prudent way according to the so-called Prudent Person Principle[29], and strives to optimize the return of its assets while minimizing the negative impact of short-term market fluctuations on its solvency position.
Under Solvency II, the Group is also required to hold a capital buffer, with the purpose of maintaining a sound solvency position even in the circumstances of adverse market movements.

To ensure a comprehensive management of the impact of financial and credit risks on assets and liabilities, the Group Strategic Asset Allocation (SAA) process needs to be liability-driven and strongly interdependent with insurance-specific targets and constraints. For this reason, the Group has integrated the Asset Liability Management (hereinafter, ALM) and the Strategic Asset Allocation (hereinafter, SAA) within the same process.
The aim of the ALM&SAA process is to define the most efficient combination of asset classes which, according to the Prudent Person Principle, maximizes the investment contribution to value creation, considering solvency, actuarial and accounting indicators. The aim is not just to mitigate risks but also to define an optimal risk-return profile that satisfies both the return target and the risk appetite of the Group over the business planning period.

The Group proactively integrates sustainability factors into the investment process. To this end, a sustainable investment framework has been defined and the Responsible Investment Group Guideline has been adopted, aimed at managing the potential long-term impact on sustainability factors deriving from its investment strategy and to take into account sustainability risks arising from investment strategy and decisions.
Furthermore, in order to manage sustainability risks in its investment strategy, including climate change risk, the Group integrates an assessment of the potential long-term impact on sustainability factors into the ALM&SAA process and the Tactical Asset Allocation & Portfolio Construction process, and defines objectives and specific constraints where relevant.

The assets' selection is performed by taking into consideration the risk profile of the held liabilities so to ensure that they are covered by appropriate and sufficient assets. This selection process aims at guaranteeing the security, quality, profitability and liquidity of the overall portfolio, providing an adequate diversification of the investments.
The asset portfolio is then invested and rebalanced according to the asset class and duration weights. The main risk mitigation techniques used by the Group are liability-driven management of the assets and regular use of rebalancing.
The liability driven investment helps granting a comprehensive management of assets whilst taking into account the liability structure; while, at the same time, the regular rebalancing redefines target weights for the different asset classes and durations, alongside the related tolerance ranges defined as investment limits. This technique contributes to an appropriate mitigation of financial risks.
ALM&SAA activities aim at ensuring the Group holds sufficient and adequate assets to reach defined targets and meet liability obligations. For this purpose, analyses of the asset-liability relationship under a range of market scenarios and expected/stressed investment conditions are undertaken.
The Group works to ensure a close interaction between the Investment, Finance (incl. Treasury), Actuarial and Risk Management Functions to secure that the ALM&SAA process remains consistent with the Group RAF, the strategic planning and the capital allocation mechanisms. The annual SAA proposal:

- defines target exposure and limits for each relevant asset class, in terms of minimum and maximum exposure allowed;
- embeds the asset and liabilities duration mismatches permitted and potential mitigation actions that can be enabled on the investment side.

Regarding specific asset classes such as (i) private equity, (ii) bond instruments of private issuers, (iii) hedge funds, (iv) derivatives and structured products, the Group has mainly centralized their management and monitoring. These kinds of investments are subject to accurate due diligence in order to assess their quality, the level of risk related to the investment and its consistency with the approved liability-driven SAA.

The Group also uses derivatives with the aim of mitigating the risk present in the asset and/or liability portfolios. The

29. The Prudent Person Principle set out in Article 132 of Directive 2009/138/EC requires the company to only invest in assets and instruments whose risks can be identified, measured, monitored, controlled and reported as well as taken into account in the company overall solvency needs. The adoption of this principle is ruled in the Investment Governance Group Policy.

derivatives help the Group to improve the quality, liquidity and profitability of the portfolio, according to the business planning targets. Operations in derivatives are likewise subject to a regular monitoring and reporting process.

During 2022 the effects of the Covid-19 pandemic decreased, however, the geopolitical context and in particular the Ukrainian conflict has kept financial markets' volatility high. Therefore, some monitoring measures, already adopted since 2020, have been maintained. In particular:
- for equity exposures, hedging strategies have been implemented;
- for the bond component, in order to monitor any accelerations in the deterioration of creditworthiness, a bi-weekly reporting was prepared on issuers subject to a rating deterioration or to a spread widening that might suggest an increased probability of default.

In addition to the risk tolerance limits set on the Group solvency position within the Group RAF, the current Group risk monitoring process is also integrated by the application of the Investments Risk Group Guidelines (hereinafter, IRGG). The IRGG include general principles, quantitative risk limits (with a strong focus on credit and market concentration), authorization processes and prohibitions that Group entities need to comply with.

Financial Risk

Within the life business, the Group assumes a considerable financial risk related to guarantees to policyholders with a minimum return on the accumulated capital over a potentially long period. If the yields generated by the financial investments are lower than the guaranteed return during this period, then the Group shall compensate the shortfall for those contractual guarantees. In addition, independently on the achieved asset returns, the Group has to secure that the value of the financial investments backing the insurance contracts remains sufficient to meet the value of its obligations.
Unit-linked business typically does not represent a source of financial risk for insurers (except when there are guarantees embedded in the contracts), although market fluctuations typically have profitability implications.
Regarding P&C business, the Group has to ensure that the benefits can be paid on a timely basis when claims occur.

In more detail, the Group is exposed to the following generic financial risk types:
- equity risk deriving from the risk of adverse changes in the market value of the assets or in the value of liabilities due to changes in the level of equity market prices which can lead to financial losses;
- equity volatility risk deriving from changes in the volatility of equity markets. Exposure to equity volatility is typically related to equity option contracts or to insurance products sold with embedded guarantees whose market consistent value is sensitive to the level of equity volatility;
- interest rate risk, defined as the risk of adverse changes in the market value of the assets or in the value of liabilities due to changes in the level of interest rates in the market. The Group is mostly exposed to downward changes in interest rates as lower interest rates increase the present value of the promises made to policyholders more than the value of the assets backing those promises. As a result, it may become increasingly costly for the Group to maintain its promises, thereby leading to financial losses;
- interest rate volatility risk derives from changes in the level of interest rate implied volatilities. This comes, for example, from insurance products sold with embedded minimum interest rate guarantees whose market consistent value is sensitive to the level of interest rates volatility;
- property risk deriving from changes in the level of property market prices. Exposure to property risk arises from property asset positions;
- currency risk deriving from adverse changes in exchange rates;
- concentration risk deriving from asset portfolio concentration to a small number of counterparties.

Notes, Investments, for further details on the Group's key figures and financial assets

Financial risks are measured by means of the PIM[30].
In particular:
- equity risk is modelled by associating each equity exposure to a market index representative of its industrial sector and/or geography. Potential changes in market value of the equities are then estimated based on past shocks observed for the selected indices;
- equity volatility risk models the impact that changes in the equity implied volatility can have on the market value of derivatives;
- interest rate risk models the changes in the term structure of the interest rates for various currencies and the impact of these changes on any interest rate sensitive asset and on the value of future liability cash-flows;
- interest rate volatility risk models the impact that the variability in interest rate curves can have on both the market value of derivatives and the value of liabilities sensitive to interest rate volatility assumptions (such as minimum pension guarantees);
- property risk models the returns on a selection of property investment indices and the associated impact on the value of the Group's property assets. These are mapped to various indices based on property location and type of use;
- for currency risk, the plausible movements in exchange rate of the reporting currency of the Group in respect to foreign currencies are modelled, as well as the consequent impact on the value of asset holdings not denominated in the domestic currency;
- for concentration risk the extent of additional risk borne by the Group due to insufficient diversification in its equity, property and bond portfolios is assessed.

Risk measurement by means of the Internal Model also applies to complex and/or illiquid financial instruments, ensuring their

30. For the scope of the PIM please refer to section A. Executive Summary. Entities not included in the IM scope calculate the capital requirement based on Standard Formula or the capital requirements of sectoral regime.

correct valuation within the modules included in the Group Risk Map.

The SCR for financial risk amounts to € 13,530 million before diversification (equal to 41% of total SCR before diversification). This risk is mainly driven by interest rate risk and equity risk, followed by real estate and currency risk.

During 2022, the stock markets suffered a fall caused by the geopolitical tensions generated by the Ukrainian conflict and by the significant increase in the cost of energy. These events also caused the inflationary spiral that led central banks to implement restrictive monetary policies, sharply raising interest rates after years of negative or near-zero rates.

Since all the available historical observations contribute to define the risk metrics of the Internal Model, the market events related to 2022, and in particular the sudden increase in the interest rates, are integrated into the calibration of the Internal Model.

Credit Risk

The Group is exposed to credit risks related to invested assets and those arising from other counterparties (e.g. cash, reinsurance).
Credit risks include the following two categories:
- spread widening risk, defined as the risk of adverse changes in the market value of debt security assets. Spread widening can be linked either to the market's assessment of the creditworthiness of the specific obligor (often implying also a decrease in rating) or to a market-wide systemic reduction in the price of credit assets;
- default risk, defined as the risk of incurring in losses because of the inability of a counterparty to honour its financial obligations.

Notes, Investments, for the overall volume of assets subject to credit risk please refer to the volumes of bonds and receivables (including reinsurance recoverable)

Credit risks are measured by means of the PIM[31].
In particular:
- credit spread risk models the possible movement of the credit spread levels for bond exposures of different rating, industrial sector and geography based on the historical analysis of a set of representative bond indices. Spread-sensitive assets held by the Group are associated with specific indices based on the characteristics of their issuer and currency;
- default risk models the impact of default of bond issuers or counterparties to derivatives, reinsurance and other transactions on the value of the Group's assets. Distinct modelling approaches have been implemented to model default risk for the bond portfolio (i.e. credit default risk) and the risk arising from the default of counterparties in cash deposits, risk mitigation contracts (such as reinsurance), and other types of exposures (i.e. counterparty default risk).

Risk measurement by means of the Internal Model also applies to complex and/or illiquid financial instruments, ensuring their correct valuation within the modules included in the Group Risk Map.

The IM credit risk model evaluates spread risk and default risk also for sovereign bond exposures. This approach is more prudent than the Standard Formula, which treats bonds issued by EU Central Governments and denominated in domestic currency as exempt from credit risk.

The SCR for credit risk amounts to € 6,788 million before diversification (equal to 20% of total SCR before diversification). Credit risk mainly derives from the spread risk of fixed-income securities, while the contribution to SCR of the counterparty risk (including reinsurer's default) remains more limited.

During 2022, credit spreads for corporate issues increased driven by the same market dynamics outlined in the financial risks section, while government issues remained stable compared to the previous year. The severity of the spread increase is already considered within the assumptions underlying the Internal Model, which thus confirmed its ability to represent different market events.

In addition, all the credit risk monitoring tools introduced following the Covid-19 pandemic have been maintained, and in particular the continuous monitoring of portfolio downgrades to identify their solvency impacts and to define possible risk mitigation actions.

The credit risk assessment is based on the credit rating assigned to counterparties and financial instruments. To limit the reliance on rating assessments provided by external rating agencies, an internal credit rating assignment framework has been set.
Within this framework additional rating assessments can be performed at counterparty and/or financial instrument level and ratings need to be renewed at least annually. This process applies even where an external rating is available. Moreover, additional assessments shall be performed each time the parties involved in the process possess any information, coming from reliable sources, that may affect the creditworthiness of the issuer/issues.
The internal credit rating assignment system at counterparty level is based on the evaluation of quantitative metrics and qualitative elements. The risk elements that are considered, among others, are referred to the assessment of the riskiness of the sector to which the counterparties belong, of the country in which their activities are carried out, and of the controlling group, where present. At financial instrument level, instead, the risk of the issuer is one of the main elements considered, together with the peculiarities of the instrument itself.

31. For the scope of the PIM please refer to section A. Executive Summary. Entities not included in the IM scope calculate the capital requirement based on Standard Formula or the capital requirements of sectoral regime.

The most important strategy for the mitigation of credit risk used by the Group is the application of a liability-driven SAA, which can limit the impact of the market spread volatility. In addition, the Group is actively mitigating counterparty default risk by using, where feasible like e.g. for derivative transactions, collateralisation strategies mitigating the losses the Group might suffer as a result of the default of one or more of its counterparties.

Operational Risk

Operational risk is the risk of loss arising from inadequate or failed internal processes, personnel or systems, or from external events. The definition includes the compliance risk and financial reporting risk while strategic and reputational risks are excluded.
The operational risks to which Generali Group is exposed are identified and detailed within the Risk Map defined in the Risk Management Group Policy and in the Operational Risk Management Group Policy.

Operational risks are measured by means of the PIM[32]. In particular, the operational risk capital is calculated using a scenario-based approach carried out by means of expert judgement: risk owners and experts provide estimates for frequency and severity for each operational risk category. Only material operational risks are then considered as input for the Internal Model calibration. The probability distributions of losses over one-year horizon are thus derived, which are subsequently aggregated in order to obtain the annual loss distribution allowing to determine the capital requirement at a confidence level of 99.5% (as per Solvency II principles).
This approach allows to better reflect Group risk profile capturing its specificities. The SCR for operational risk amounts to € 2,773 million before diversification (equal to 8% of total SCR before diversification).

On the basis of the most recent assessments carried out, in line with last year, the most relevant risks for the Group are linked to cyber-attacks and to the customer data protection, followed by other IT risks such as dysfunctions of IT infrastructures and applications, the risks of non-compliance with anti-money laundering regulations and international sanctions (also in relation to the current geopolitical situation and the attention paid by regulators with consequent continuous updating of related regulations), as well as the risks of errors in product development and documentation, distribution and customer relationship management (also in light of the enactment of local secondary regulations implementing the Insurance Distribution Directive, with which sustainability-related regulatory requirements are beginning to be associated).

During 2022, geopolitical turmoil hindered economic recovery in a context severely affected by the pandemic crisis, which is now being resolved. Regarding operational risks, pressure on supply chains and business interruptions, together with energy crisis leading to possible blackouts, increase risks related to business continuity and unavailability of facilities/utilities as well as business interruptions deriving from unavailability of the IT systems and the related critical infrastructure.
In the current context, to ensure business continuity, both internal and external operational resilience has to be guaranteed: in fact, the risk of business interruption can also derive from third parties management, in case of service failures by external providers (linked to the increased use of Cloud services too), contract conditions not respected and relationship issues, as well as from unavailability of utilities services (e.g. electricity, water, internet outages) due to external events. To this end, a third-party risk management framework has been developed and progressively implemented within the Group, with the aim of ensuring effective management and integrated monitoring of risks arising from third parties and their underlying contracts. Even cyber-attacks or crimes gained further relevance in light of the recent geopolitical tensions, targeting also essential services (such as energy suppliers).

In terms of governance, the responsibility for managing the risk sits in the first line of defence, the so-called risk owners, whereas the Risk Management Function defines methodologies and processes aimed at identifying, measuring, managing and monitoring the main risks to which the Group is exposed. In this way, management at all levels is guaranteed with a holistic view of the broad operational risk spectrum that is essential for prioritizing actions and allocating resources in most risk related critical areas.
The target is achieved by adopting methodologies and tools in line with industry best practices and by establishing a strong dialogue with the first line of defence.

To further strengthen the risk management system and in addition to the usual risk owners' responsibilities, the Group has established specialised units within the first line of defence with the aim of dealing with specific risks (relating, for example, to cyber-attacks, fraud events and financial reporting risk) acting as a key partner for the Risk Management Function.
An example is the creation of a dedicated unit for the management and coordination of the Group-wide IT Security (cyber risk) that steers the evolution of the IT security strategy and operating model, ensuring a timely detection and resolution of the vulnerabilities that may affect the business.

Finally, it should be noted that Generali Group exchanges operational risk data, properly anonymized, through the Operational Risk data eXchange Association (ORX), a global association of operational risk practitioners where main banking and insurance players at global level participate. The aim is to use the data to improve the risk management and to anticipate emerging trends. In addition, since losses are collected by the first line, the process contributes to create awareness among the risk owners upon risks that could impact the Group. In this sense, a primary role is played by forward-looking assessments that aim to estimate the evolution of the operational risk exposure in a given time horizon, supporting in the anticipation of potential threats, the efficient allocation of

32. For the scope of the PIM please refer to section A. Executive Summary. Entities not included in the IM scope calculate the capital requirement based on Standard Formula or the capital requirements of sectoral regime.

resources and the definition of related initiatives.
The loss data collection integrates the previously mentioned scenario analysis (forward-looking perspective) with a backward perspective, thus allowing for a comprehensive assessment of operational risks.

Other Material Risks

Liquidity Risk

Liquidity risk is defined as the uncertainty, related to business operations, investment or financing activities, over the ability of the Group and its legal entities to meet payment obligations in a full and timely manner, in a current or stressed environment.
The Group is exposed to liquidity risk from its insurance and reinsurance operating activity, due to the potential mismatches between the cash inflows and the cash outflows deriving from the business.
Liquidity risk can also stem from investing activity, due to potential liquidity gaps deriving from the management of the asset portfolio as well as from a potentially insufficient level of liquidity in case of disposals (e.g. capacity to sell adequate amounts at a fair price and within a reasonable timeframe).
Liquidity risk from financing activity is related to the potential difficulties in accessing external funding or in paying excessive financing costs.
The Group can be also exposed to liquidity outflows related to issued guarantees, commitments, derivative contract margin calls or regulatory constraints.

The Group liquidity risk management framework relies on projecting cash obligations and available cash resources over a 12-month time horizon, to monitor that available liquid resources are at all times sufficient to cover cash obligations that will become due in the same horizon.
A liquidity risk metric (liquidity indicator) has been defined to monitor the liquidity situation of each Group insurance legal entity on a regular basis. Such metric is forward-looking, i.e. it is based on projections of cash flows, stemming both from assets and liabilities and on the assessment of the level of liquidity and ability to sell of the asset portfolio at the beginning of period.
The metric is calculated under both the so-called base scenario, in which the values of cash flows and assets correspond to those projected according to each legal entity's Strategic Plan scenario, and the so-called liquidity stress scenario, in which the projected cash inflows and outflows and the market price of assets are calculated to take into account unlikely but plausible circumstances that would adversely impact the liquidity of each Group insurance legal entity.
Liquidity risk limits have been defined in terms of value of the above-mentioned liquidity indicator. The limit framework is designed to ensure that each Group legal entity holds an adequate buffer of liquidity in excess of the amount required to withstand the adverse circumstances described in the stress scenario.

The Group has defined a metric to measure liquidity risk at Group level, based on the liquidity metric calculated at legal entity level. The Group manages expected cash inflows and outflows to maintain a sufficient available level of liquid resources to meet its medium-term needs. The Group metric is forward-looking and is calculated under both the base and liquidity stress scenario; liquidity risk limits have been defined in terms of value of the above-mentioned Group liquidity risk indicator.

The Group has established clear governance for liquidity risk management, including specific limit setting and the escalation process in case of limit breaches or other liquidity issues.
The principles for liquidity risk management designed at Group level are fully embedded in strategic and business processes, including investments and product development.
Since the Group explicitly identifies liquidity risk as one of the main risks connected to investments, indicators as cash flow duration mismatch are embedded in the SAA process. In addition, investment limits are set to ensure that the share of illiquid assets (including also complex financial instruments) remains within a level that does not impair the Group asset liquidity. These limits are subject to a regular monitoring at Group and Business Unit level.

The Group has defined in its Life and P&C Underwriting and Reserving Group Policies the principles to be applied to mitigate the impact on liquidity from surrenders in life business and claims in non-life business.

Despite the uncertain macroeconomic environment, influenced by geopolitical tensions and central banks' responses to rising inflation, all the expected 2022 Group cash remittances have been secured, contributing to the Parent Company's significant cash position.
Finally, it should be noted that, given the current context, the monitoring of lapses has been further strengthened.

Management Report, Debt and Liquidity, p. 111 for further details on the management of financial liabilities and of the related maturities, including exhaustive analysis on liabilities linked to financial activities and on available liquidity in terms of cash and cash equivalents

Notes, Detailed information on insurance and investments contracts for the management of insurance liabilities

Concentration Risk

Concentration risk stems from all risk exposures with a potential loss which is large enough to threaten the solvency or the financial position.
The Group identifies three categories of exposures in terms of main sources of concentration risk for the Group:
- investment exposures stemming from investment activities;
- exposures to reinsurance counterparty default risk stemming from ceded reinsurance;
- non-life underwriting exposures, specifically natural disasters or man-made catastrophes.

Investment concentrations at Group level are managed through the Risk Concentrations Management Group Policy

- Investment Exposures. This Policy defines a comprehensive framework for managing concentrations arising from investments.
In particular, the framework defines the categories against which the concentration must be measured: ultimate, geography, industry sector and currency.
The metrics for measuring concentrations related to investments are based on both market value and Risk Based Exposure (Risk Based Exposure is calculated by multiplying the market value by a stress coefficient identified in coherence with the Internal Model considering the risk profile of each individual position in terms of rating, country of issue, asset type and industry sector).
The exposure is subject to specific concentration limits (above which the Board of Directors approval is needed) and concentration reporting thresholds (above which the exposure is reported to the Board of Directors for informative purposes). The concentration limits are set to prevent exposures that could endanger the solvency or liquidity position of the Group, substantially change the Group risk profile or undermine the interests of policyholders and/or those entitled to insurance benefits.
Alongside the limits defined in terms of market value and Risk Based Exposure, the Policy also defines further limits set for bonds in terms of incidence of exposure with respect to the issuer's total debt, and for shares in terms of voting rights. The concentrations on investments are monitored on a quarterly basis and in any case positions exceeding the reporting thresholds are reported on half yearly basis to the Board of Directors.
The Group has developed a specific framework for identifying, measuring, monitoring, managing and reporting Group risk concentrations stemming from exposures to reinsurance counterparties and non-life underwriting exposures, within the Risk Concentrations Management Group Policy - Reinsurance and Underwriting Exposures.

Reputational, Emerging and Sustainability Risks

Although not included in the calculation of SCR, the following risks are also taken into account:

- reputational risk referring to potential losses arising from deterioration or a negative perception of the Group among its customers and other stakeholders. Within the Reputational Risk Group Guideline, reputational risks are mostly considered second order risks, closely referred to sustainability factors or consequent to operational risks;
- emerging risks arising from new or future risks are difficult to perceive and quantify, as well as typically systemic. These risks generally refer to environmental topics and climate change, technological changes and digitalisation, geopolitical developments, and demographic and social changes. For the identification and the assessment of these risks and to raise the awareness on the implications of the main emerging risks, the Risk Management Function engages with a dedicated network, including specialists from business functions (Group Life & Health Insurance, Group P&C, Claims and Reinsurance, Group Chief Investment Officer, Asset & Wealth Management, Group Strategic Planning, Monitoring & Control, Group Data & Digital, Group Integrated Reporting, Group Chief Marketing & Customer Officer, Group Strategy & Business Transformation and Group Sustainability & Social Responsibility given the relevant interrelationship with sustainability factors).
The Group also participates to the Emerging Risk Initiative (ERI), a dedicated working group of the CRO Forum, which involves the CROs of the main European groups. Within the ERI, risks common to the insurance industry are discussed and published in the ERI Radar as well as specific studies (Position Papers) on selected emerging risks. During 2022, in addition to the update of the Radar, ERI coordinated the preparation of the CRO Forum Paper on the risks deriving from new energy storage systems (Energy Storage Systems – An Emerging Risk Perspective), available on the CRO Forum website.
- sustainability risks referring to an environmental, social or governance event or condition that, in case of occurrence, it could cause an actual or a potential negative impact on the value of the investment or on the value of the liability. The management of sustainability risks (outside-in), as well as the management of the potential negative impacts of business decisions on sustainability factors (inside-out), in addition to being defined in the Risk Management Group Policy, are mainly ruled in the Investment Governance Group Policy, Life Underwriting and Reserving Group Policy, P&C Underwriting and Reserving Group Policy and further detailed in the related guidelines.
During 2022, the Climate Change Risk project also continued with the aim of implementing a climate risk management framework in line with the two-fold perspective outlined above in relation to the incurred risk (outside-in) focused on the impacts that climate change produces on the Group and the generated risk (inside-out) resulting from the impacts that the Group itself produces on climate change.

Challenges and opportunities of the market context, p. 24, for more details on climate change, including the Climate Change Risk project, demographics and digitalization

www.generali.com/what-we-do/emerging-risks for more details on emerging risks

OUTLOOK

In early 2023, some economic indicators, including European labour market data, seem to suggest mitigating signs against the possible slowdown of the global economy. Inflation readings and central bank comments at the beginning of 2023 have raised rates expectations by markets which remain uncertain. At the same time, it will be important to assess the impact from the fragility signs of some US banks that have emerged at the beginning of March. During the first half of 2023, core government yields may stay around the levels observed in the second half of 2022, before receding somewhat later in the year as inflation worries gradually subside.
The implications of the macroeconomic situation described above could affect the global insurance sector.

In this context, the Group continues its strategy to rebalance the Life portfolio to further increase profitability and allocate capital more efficiently. It also maintains its focus on product simplification and innovation, with the introduction of a range of modular product solutions that are designed to meet the specific requirements of today's customer, and are marketed through the most suitable and efficient distribution channels. Generali's objective to be a Lifetime Partner to its customers underpins all Life and Health business development processes in line with the Group's strategic plan.
This strategic approach for new business growth continues to be centred on the selective development of business lines designed to better respond to increasingly competitiveness financial markets. Primary areas of focus include protection and health, as well as capital-light savings and investment insurance solutions. The development of these lines aims to offer a wide range of insurance solutions adapted to risk and investment profiles for the benefit of both the policyholder and the Group. In particular, for protection and health products we aim to offer modular solutions in which traditional risk coverage is combined with substantial service packages to provide enhanced prevention, information, management and resolution. For capital-light savings, an increasing number of unit-linked products benefit from financial mechanisms that mitigate potential market contractions (e.g., protected funds and guided investment management options).
The Group will increase its focus on developing insurance solutions that adequately and effectively respond to its ESG goals. ESG criteria have become an important factor for a growing number of customers who are looking to generate investment returns while also being mindful of social and environmental issues. The development of this type of investment solution has been further progressed by the introduction of European regulation on sustainable finance (Sustainable Finance Disclosure Regulation or SFDR) and the related transparency commitments towards customers.
With regard to the Group's in-force business as part of Generali's Lifetime Partner commitment, efforts will continue to further strengthen relations with existing customers on the basis of an updated analysis of current insurance needs.
Premium trends will continue to reflect the Group's priorities identified in the strategic plan, centred on customer needs and a prudent underwriting policy consistent with the Risk Appetite Framework, which is focused on continuous value creation through capital-light products.

In the Property & Casualty segment, the Group's objective is to maximize profitable growth in its mature insurance markets, especially in the non-motor line, and to continue to strengthen its position in markets with high growth potential by expanding its presence and offering.
Due to rising inflation in 2022 which mainly affected the motor line, the Group envisages additional rate adjustments, which will also address the impact of increased cost for reinsurance protections.
In line with the strategic priorities to drive profitable growth and of being a Lifetime Partner to our customers, the non-motor offering has been strengthened with the addition of modular insurance solutions that reflect specific customer interests and needs, and improve the prevention, assistance and protection offering thanks to improved digital tools and platforms. The Group maintains a prudent approach to market opportunities with a disciplined approach in risk underwriting, portfolio management optimization (pricing, risk selection and profitability, careful management of claims) combined with the careful assessment of new customer requests, which are placed at the core of product development.
Based on these opportunities and thanks to the low level of capital absorption required for these products, growing the P&C segment will continue to be a key element of Group strategy, focused on maintaining Generali's leadership in the European insurance market for individuals, professionals and small and medium-sized enterprises (SMEs).

In 2022, the global reinsurance market recorded significant claims, manly related to natural catastrophes like hurricane Ian which hit the U.S. in September, and the hailstorms that struck Europe in the summer. These events led some important market players to reduce their offer in the catastrophe line. As a consequence, the global reinsurance market experienced a hardening phase across all business lines in the last months of 2022, worsening reinsurance conditions for many buyers.
In this market context, the Group renewed its 2023 reinsurance protections, increasing property programme retentions, while still remaining within its regular risk appetite framework. The technical quality of the portfolio allowed the Group to limit the negative impact of the market trends and to contain the increase in costs and the tightening of conditions compared to the average.

With regards to Asset Management, the Group will continue to roll out its strategy described in the three-year plan. This includes extending the product catalogue and strengthening distribution capabilities for the Asset Management platform, with the aim to increase revenues and assets under management (AUM) from external customers. On the Wealth Management side, the Banca Generali group will continue to be focused on the delivery of its targets for size, profitability and shareholders' remuneration defined in its strategic plan announced in 2022.

With reference to the investment policy, the Group will continue to pursue an asset allocation strategy aimed at ensuring consistency with liabilities to policyholders and, where possible, at increasing current returns given the interesting market levels.

In order to efficiently match assets and liabilities, the Group will continue to mainly use long-term government bonds with high credit ratings to ensure effective coverage of long-term liabilities. The Group will also maintain a balanced approach to investments in investment-grade corporate bonds that contribute to improving the portfolios' profitability.

Thanks to their contribution to portfolio diversification and returns, and to the coverage offered in inflationary scenarios, investments in private and real assets continue to be an important part of the Group strategy, which keeps a prudential approach to take into account the lower liquidity of these instruments. In the real estate sector, the controlled investment fund strategy will focus on the main European cities, by dimension and liquidity of their respective real estate markets, mainly taking into account France, Italy, CEE and Germany, whereas in Asia we will invest through funds of funds.

The Group's equity investments are managed with particular attention to periods of volatility, in order to seize opportunities offered by the market and ensure greater portfolio diversification. Equity exposure is also managed through hedging derivative strategies.

The Group proactively integrates sustainability factors into the investment process for all asset classes, supporting the achievement of both financial returns and social welfare. In this context, the Group's policy is strongly focused on ESG aspects, prioritizing investments that are consistent with green energy policies aimed at reducing climate change impacts.

With these clear priorities identified and thanks to the results achieved in 2022, the Group confirms all targets of its *Lifetime Partner 24: Driving Growth* strategic plan, which is focussed on strong financial performance, best-in-class customer experience and an even greater social and environmental impact, delivered by all our employees.

In more detail, the Group intends to pursue sustainable growth, enhance its earnings profile and lead innovation to achieve a compound annual growth rate for earnings per share[1] between 6% and 8% in the period 2021-2024, to generate net holding cash flow[2] exceeding € 8.5 billion in the period 2022-2024 and to distribute cumulative dividends to shareholders for an amount between € 5.2 billion and € 5.6 billion in the period 2022-2024, with a ratchet policy on dividend per share.

Sustainability commitments are also embedded within the *Lifetime Partner 24: Driving Growth* strategic plan, including growing premiums from insurance solutions with ESG components by 5%-7% CAGR in the period 2021-2024 and a net-zero insurance portfolio by 2050, as well as the full integration[3] of ESG criteria into direct investments by 2024 and new green and sustainable investments worth between € 8.5 and € 9.5 billion in the period 2021-2025. The Group also aims to make the investment portfolio net-zero by 2050 by committing to reducing the carbon footprint of listed equities and corporate bonds by 25% by 2024[4]. In addition, a roadmap was defined for the complete exclusion of investments and underwriting activities in the thermal coal sector in OECD countries by 2030 and later in the rest of the world through more stringent exclusion criteria. The Group also defined exclusion criteria for other controversial sectors such as the conventional and unconventional oil and gas sector. To demonstrate consistency with what is required from companies insured and financed by the Group, it has set a science-based greenhouse gas emissions reduction target on own operations.

The Group will continue to invest in its employees to ensure they are engaged with the successful delivery of the strategic plan, while fostering a sustainable work environment. It will also focus on enhancing its customer-centric culture, based on competencies and skills development, including the 70% target for upskilling employees with new digital and strategic skills. Generali will continue to support its people with fair processes and equal opportunities, considering diversity in all its components as a value with a target, to have 40% women in strategic positions[5]. The Group is also committed to embracing new sustainable and balanced hybrid work models in all its entities, delivering important benefits to its employees and stakeholders in the Next Normal.

The Report contains statements concerning events, estimates, forecasts and future expectations based on the current knowledge of the Group's management. Such statements are generally preceded by expressions such as "a decrease/increase is expected", "is forecast", "should grow", "we believe it may decline" or other similar wording. Please note that these forward-looking statements should not be considered forecasts of the Group's actual results or of factors outside the Group. Generali assumes no obligation to update or revise such forecasts, even after new information, future events or other elements come to light, unless required by law.

1. 3 year CAGR; adjusted for impact of gains and losses related to acquisitions and disposals. Target based on current IFRS accounting standards.
2. Net holding cash flow and dividend expressed in cash view.
3. General account - Direct investments (corporate bond and equity, sovereign bond).
4. Reduction in terms of GHG intensity per invested amount. Baseline: 2019.
5. Group Management Committee, Generali Leadership Group and their first reporting line.

CONSOLIDATED NON-FINANCIAL STATEMENT

pursuant to legislative decree of 30 December 2016, no. 254 as amended

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The Annual Integrated Report of the Generali Group includes non-financial information in compliance with the provisions of legislative decree of 30 December 2016, no. 254 (leg. decree 254/2016), in implementation of European directive 2014/95. In line with the approach adopted, this information is clearly identified through a specific infographic to improve accessibility to the information itself.

Information relating to environmental matters, social and employee-related matters, respect for human rights, anti-corruption and bribery matters - which is relevant to the activities and characteristics of the Group - is reported to the extent necessary for an understanding of the Group's development, performance, position and impact of its activity. It comprises a description of the:

- organization and management model, including direct and indirect impact (p. 22-23). The main operating companies based in Italy have adopted models, pursuant to art. 6, paragraph 1, letter a), of legislative decree of 8 June 2001, no. 231. These models aim at mitigating risks connected to offences that are relevant also to leg. decree 254/2016;

Corporate Governance and Share Ownership Report 2022, p. 110 for the organization and management model of the Parent Company

- policies applied (p. 24-39; 82-86);
- non-financial key performance indicators (p. 11; 40-81);
- principal risks related to the matters mentioned above, as reported in the table below, and their management.

The Report also complies with art. 8 of Regulation EU 2020/852 (known as EU Taxonomy Regulation) on transparency of undertakings in non-financial statements and Delegated Regulation EU 2021/2178, specifying the content and presentation of information to be disclosed concerning environmentally sustainable economic activities, and specifying the methodology to comply with that disclosure obligation. Furthermore, the disclosure drafted in compliance with the aforementioned Regulations is based on the description of the economic activities included in Annexes I and II of the Delegated Regulation EU 2021/2139, which establish the technical screening criteria for determining the conditions under which an economic activity qualifies as contributing substantially to climate change mitigation or climate change adaptation and for determining whether that economic activity causes no significant harm to any of the other environmental objectives. We also took into account the reporting guidelines and communications published by the European Commission in December 2021[1], October 2022[2] and December 2022[3].

Our strategy, Responsible investor, p. 62
Our strategy, Responsible insurer, p. 67

The Report is in accordance with the criteria of the *International <IR> Framework*[4]. It adopts for the disclosure of non-financial matters envisaged by leg. decree 254/2016 selected indicators from the *GRI Standards 2021* and indicators in accordance with a proprietary methodology.
The Report is in line with the 2022 priorities on non-financial information by ESMA[5] and considers the Task force on Climate-related Financial Disclosures (TCFD) recommendations and the guidelines on non-financial reporting of the European Commission[6] as for the the environmental matters.

Notes to the Management Report, p. 184 for the criteria of the International <IR> Framework and selected indicators

In 2019, we developed the materiality analysis process methodology by concentrating our efforts on the identification of the mega trends, i.e. the large social, environmental and governance transformations, which are expected to be able to significantly change the world of enterprises, society and the natural environment over a ten-year horizon, entailing risks and opportunities for Generali, its value chain and its stakeholders. We intend to gather strategies, actions and reporting to support the Group's ability to create lasting value over time. The Statement reflects this analysis: it focuses on the most material identified mega trends and describes the management tools in place to mitigate risks and seize opportunities related to them.
The following activities were carried out to identify the material aspects:

- identification of the potentially material mega trends in connection with the Group's activities, strategy and countries, which were identified based on public scenario analysis documents and sustainable development research drawn up by international non-government institutions or associations, think tanks, trade associations and forums in the industry;
- assessment of the mega trends, aggregating the viewpoint of both internal and external stakeholders, who were asked to order the identified mega trends by priority, considering both their potential impact on Generali and the possibility that they are influenced by us, also through our value chain.
  Over 120 top managers at the Group Head Office and business unit levels were involved internally through interviews and focus groups. To guarantee an adequate consideration of the risk component of the identified mega trends, the internal assessment also considered the results of the Group Own Risk and Solvency Assessment process.

1. *FAQs: How should financial and non-financial undertakings report Taxonomy-eligible economic activities and assets in accordance with the Taxonomy Regulation Article 8 Disclosures Delegated Act?*
2. *Commission Notice on the interpretation of certain legal provisions of the Disclosures Delegated Act under Article 8 of EU Taxonomy Regulation on the reporting of eligible economic activities and assets.*
3. *Draft Commission Notice on the interpretation and implementation of certain legal provisions of the Disclosures Delegated Act under Article 8 of EU Taxonomy Regulation on the reporting of Taxonomy eligible and Taxonomy-aligned economic activities and assets (second Commission Notice)..*
4. The responsibility of the document, developed by the International Integrated Reporting Council (IIRC) in 2021, has been assumed by the IFRS Foundation starting from August 2022.
5. The document *European common enforcement priorities for 2022 annual financial reports* is available on www.esma.europa.eu.
6. *Guidelines on non-financial reporting: supplement on reporting climate-related information* (C/2019/4490) were published in June 2019. They are available on eur-lex.europa.eu.

The assessment of the external stakeholders was supplemented by the analysis of the investment policies of 20 large SRI and traditional investors, by the results of opinion polls conducted by Eurobarometer involving a sample of over 114,000 people in Europe, and by the analysis of a survey conducted with the sustainability managers of roughly 190 multinational companies. Furthermore, about 1,700 company reports, 2,600 rules and bills of law, 4,000 articles published online and over 108 million tweets published between April and October 2019 were analysed using Artificial Intelligence technology and computational linguistics with the support of a specialised provider;

- processing of the Group materiality analysis, previously discussed by the Board Committee competent for sustainability issues and the Board of Statutory Auditors, and then approved by the Board of Directors.

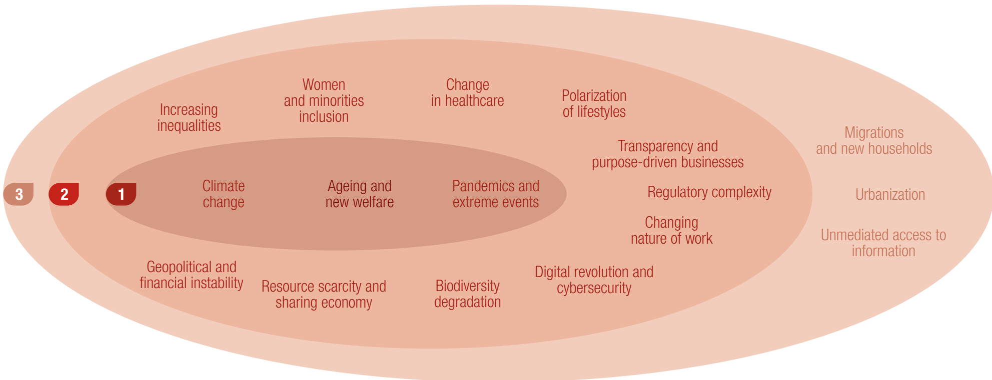
In 2020, considered the context changed following the crisis triggered by the Covid-19 pandemic, Generali's top management reviewed the current relevance of the materiality analysis carried out the year before and confirmed its validity, still considering it an effective synthesis of the priority corporate and social challenges for the years to come.
There was just a limited number of changes compared to the results from the analysis carried out in 2019: the *Pandemics and extreme events* mega trend was moved to cluster 1, which currently includes only two other priorities for the benefit of a greater focus: *Climate change* and *Ageing and new welfare*. In November 2020, the Board of Directors approved these updates together with a more immediate representation of the materiality analysis, which further highlights the distribution of the mega trends within the three priority clusters that determine the Group's approach for their management.

In 2022, such analysis continued to guide the Group's approach to managing and reporting on mega trends, also in light of the perspective of the potential impact that they can have on the Group and how they can be influenced by the Group, also through its value creation chain.

1 Central cluster that identifies the material mega trends on which the strategic initiatives common to the Group are focused and the disclosure of which is included in this Report

2 Intermediate cluster that groups the mega trends of considerable relevance, which are addressed by specific business units or functions

3 External cluster that groups the mega trends to be monitored, which are of minor relevance compared to the other factors analysed



Glossary available at the end of this document

The material information pursuant to the decree[7] was identified taking the mega trends belonging to the first two clusters into consideration. Confirming the approach adopted in the previous Statement, the material mega trends specified above are reported in this Report using indicators announced through the strategic plan and monitored in the planning and control processes, comparing them - where feasible - to the previous period and considering their consolidated reporting scope, unless otherwise reported in the chapters dedicated to them. In general, exclusions from the consolidated reporting scope may apply to the entities when alternatively:

- their data are not relevant for an understanding of the Group's development, performance, position and impact of its activity;
- they are classified as discontinued operations (ex IFRS 5);
- they are acquired in the financial year covered by the Consolidated Non-Financial Statement and don't have adequate non-financial data collection processes already in place;
- there's a lack of access to the necessary data beyond reasonable efforts.

In order to monitor the processes for the collection of non-financial information, the Group has implemented an integrated data quality framework. This model leverages the approach adopted for the financial reporting disclosed to the market. In specific, the integrated approach to data quality, for which recurring awareness campaigns have been held, is based both on general principles adopted by all employees and on a dedicated system of governance (i.e. roles and responsibilities) over the data governance at Group level. For supporting the alignment of data and information in this Consolidated Non-Financial Statement with the Group's methodology, a Reporting Guidebook has been drawn. It includes indicators, calculation methods and reporting flows, as well as main roles and responsibilities and a standard catalogue of control objectives applicable to

7. The following matters envisaged by leg. decree 254/2016, art. 3, paragraph 2 are not material: water use, air pollutant emissions and impact on health and safety.

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the processes at Assicurazioni Generali and each Group contributing company level. The integrated data quality framework is based on a streamlined approach that allows the control activities to be identified and assessed compared to the applicable control objectives and risks. For monitoring purposes, specific activities aimed at verifying the design of the processes and the effectiveness of controls are also carried out, where necessary, by an independent advisor.

MATTERS ex leg. decree 254/2016	MATERIAL MEGA TRENDS AND THOSE OF CONSIDERABLE RELEVANCE	MAIN RISK CATEGORIES[8]
1. ENVIRONMENTAL MATTERS	CLIMATE CHANGE[9]	**Emerging sustainability risks with foreseeable developments on underwriting, financial, operational and reputational risks** (Clients and products: *Product flaws;* Damage to physical assets: *Accidents and natural disasters, Human caused events*; Business disruption and system failure: *Infrastructure dysfunction, Unavailability of facilities/utilities*)
	RESOURCE SCARCITY AND SHARING ECONOMY	
	BIODIVERSITY DEGRADATION	
	TRANSPARENCY AND PURPOSE-DRIVEN BUSINESSES	**Operational risks**[10] (Clients and products: *Suitability, disclosure and fiduciary duties, Improper business or market practices, Selection, sponsorship and exposure;* Transaction capture, execution and maintenance: *Third Party management*)
2. SOCIAL MATTERS	PANDEMICS AND EXTREME EVENTS[11]	**Operational risks** (External fraud: *System security (from external attack)*; Employment practices: *Employee relations, Workplace safety*) **with possible impact in terms of strategic and underwriting risks**
	DIGITAL REVOLUTION AND CYBERSECURITY	**Operational risks** (External fraud: *System security (from external attack)*; Employment practices: *Employee relations, Workplace safety, Workplace discrimination*; Transaction capture, execution and maintenance: *Third Party management*
	TRANSPARENCY AND PURPOSE-DRIVEN BUSINESSES	
	AGEING AND NEW WELFARE	**Emerging risks with foreseeable developments on strategic, underwriting and operational risks** (Clients and products: *Product flaws, Selection, sponsorship and exposure, Advisory activities*; Employment practices: *Workplace discrimination*; Damage to physical assets: *Human caused events*)
	CHANGE IN HEALTHCARE	
	POLARIZATION OF LIFESTYLES	
	INCREASING INEQUALITIES	
3. EMPLOYEE-RELATED MATTERS	TRANSPARENCY AND PURPOSE-DRIVEN BUSINESSES	**Operational risks** (Employment practices: *Employee relations, Workplace safety, Workplace discrimination*)
	CHANGING NATURE OF WORK	
	WOMEN AND MINORITIES INCLUSION	
4. RESPECT FOR HUMAN RIGHTS MATTERS	TRANSPARENCY AND PURPOSE-DRIVEN BUSINESSES	**Operational risks**[10] (Employment practices: *Employee relations, Workplace safety, Workplace discrimination*; Clients and products: *Product flaws, Selection, sponsorship and exposure, Advisory Activities*; Transaction capture, execution and maintenance: *Third Party management*)
5. ANTI-CORRUPTION AND BRIBERY MATTERS	TRANSPARENCY AND PURPOSE-DRIVEN BUSINESSES	**Operational risks** (Internal fraud: *Unauthorised activity*; Clients and products: *Improper business or market practices*)
	REGULATORY COMPLEXITY	

8. Categories are defined in accordance with the provisions of the European directive 2009/138 on the taking-up and pursuit of the business of insurance and reinsurance (Solvency II). Specifically, within the sustainability risks, i.e., risks from environmental, social and governance issues, which are by their nature cross and impact several risk categories, a specific framework was defined for the climate change risk management. See the *Risk Report* chapter in the Annual Integrated Report and Consolidated Financial Statements 2022 for their specific management. As for operational risks, the taxonomy is in line with the provisions of Solvency II Directive/Basel III. See also the page What we do/Emerging Risks on the Group's website for the analysis of the emerging risks and their relations with environmental, social and governance factors.
9. The mega trend *Climate change* also includes extreme events.
10. Limited to possible risks of non-compliance with laws.
11. Extreme events are illustrated in the mega trend *Climate change*.

The following table connects the material mega trends and those of considerable relevance as mentioned above to the five matters envisaged by leg. decree 254/2016, including the related main risk categories, kei performance indicators and pages of the Report in which they are reported. It also highlights our support for the Sustainable Development Goals of the United Nations.

KEY PERFORMANCE INDICATORS	PAGES OF THE REPORT	SUSTAINABLE DEVELOPMENT GOALS
• GHG emissions from Group operations • Electricity purchased from renewable sources • Carbon footprint of investment portfolio (EVIC) • New green and sustainable investments • Direct investments by the Group's insurance companies subject to negative screening approach • Mandates managed ex art. 8/9 SFDR • Investments managed ex art. 8/9 SFDR • Shareholders' Meetings attended • Resolutions voted • Against votes • Premiums from insurance solutions with ESG components - environmental sphere • Insurance exposure to fossil fuel sector	p. 11, 28-35, 51-60, 66-67, 69-70, 78-79, 82-83 p. 28-29, 79, 82 p. 51-60, 82, 84 p. 51-60	7 Affordable and clean energy 11 Sustainable cities and communities 12 Responsible consumption and production 13 Climate action
• Direct investments by the Group's insurance companies subject to negative screening approach • Mandates managed ex art. 8/9 SFDR • Investments managed ex art. 8/9 SFDR • Shareholders' Meetings attended • Resolutions voted • Against votes • Fenice 190 • Investments in Digital & Technology • Premiums from insurance solutions with ESG components - social sphere • Relationship NPS • % multi-holding customers • Customers • Agents • Active countries for The Human Safety Net • Active partners for The Human Safety Net	p. 11, 37-38, 59 p. 25-27, 47-49 p. 10-11, 45-47, 51-60 p. 11, 36, 66-67 p. 11, 36, 66-67 p. 11, 36, 66-67 p. 11, 80-81	3 Good health and well-being 4 Quality education 9 Industry, innovation and infrastructure 10 Reduced inequalities 12 Responsible consumption and production
• Women in strategic positions • Upskilled employees • Entities working hybrid • Engagement rate • Our people • Women • Average training hours per capita • Training investment • Equal pay gap • Gender pay gap • Accessibility gap to variable remuneration between males and females	p. 11, 73, 76-77 p. 10-11, 72, 77-78 p. 11, 72, 74-76	5 Gender equality 8 Decent work and economic growth 10 Reduced inequalities 12 Responsible consumption and production
• Direct investments by the Group's insurance companies subject to negative screening approach • Mandates managed ex art. 8/9 SFDR • Investments managed ex art. 8/9 SFDR • Shareholders' Meetings attended • Resolutions voted • Against votes	p. 51-60, 82, 84	12 Responsible consumption and production
• Direct investments by the Group's insurance companies subject to negative screening approach • Mandates managed ex art. 8/9 SFDR • Investments managed ex art. 8/9 SFDR • Shareholders' Meetings attended • Resolutions voted • Against votes • Employees who completed the training course on the Code of Conduct • Managed reports on the Code of Conduct	p. 51-60, 82, 85-86 p. 82, 85-86	12 Responsible consumption and production 16 Peace, justice and strong institutions

Pursuant to art. 5 of the Consob Regulation of 18 January 2018, no. 20267, the Generali Group assigned the auditing firm KPMG S.p.A. - the current external auditor for the financial statements - with the task of performing the limited assurance activity on this Statement, except for the provisions of Regulation EU 2020/852 and the relative Delegated Regulations in line with the guidelines issued by Assonime and Assirevi.

Milan, 13 March 2023
The Board of Directors

APPENDICES TO THE MANAGEMENT REPORT

NOTES TO THE MANAGEMENT REPORT

The Annual Integrated Report and Consolidated Financial Statements 2022 is drafted in compliance with currently effective regulations and it applies the IAS/IFRS international accounting standards as well as the *International <IR> Framework*.

Annual Integrated Report and Consolidated Financial Statements 2022, p. 208 for further details on the basis of presentation and accounting principles

The Group used the option provided for under art. 70, paragraph 8, and art. 71, paragraph 1-bis of Issuers' Regulation to waive the obligation to publish the information documents provided for in relation to significant mergers, de-mergers or capital increases by contribution of assets, acquisitions and disposals.

The Report is drawn up in euro, i.e. the functional currency used by the entity that prepares the Annual Integrated Report and Consolidated Financial Statements. The amounts are shown in million and rounded to the first decimal, unless otherwise reported. Therefore, the sum of each rounded amounts may sometimes differ from the rounded total.

Information broken down by geographical area reported in this document reflects the Group's managerial structure that was in place for a large part of 2022[1] and is made up of:
- Italy[2];
- France;
- Germany;
- ACEE[3]: Austria and Central Eastern Europe (CEE) countries - Czech Republic, Poland, Hungary, Slovakia, Serbia, Montenegro, Romania, Slovenia, Bulgaria and Croatia;
- International, consisting of Spain, Switzerland, Americas and Southern Europe, and Asia;
- Asset & Wealth Management, which includes the main Group entities operating in investment advisory, asset management and financial planning;
- Group holdings and other companies, which consists of the Parent Company's management and coordination activities, including Group reinsurance, as well as Europ Assistance, Global Corporate & Commercial, Generali Employee Benefits and other financial holding companies and suppliers of international services not included in the previous geographical areas.

Our main markets: positioning and performance, p. 115

At 31 December 2022, the consolidated entities increased to 542 from 505. In particular, the entities consolidated line-by-line went from 445 to 481, and those measured with the equity method from 60 to 61.

Transactions with related parties

Information on transactions with related parties is available in the chapter Transactions with related parties in the Notes in the Annual Integrated Report and Consolidated Financial Statements.

Annual Integrated Report and Consolidated Financial Statements 2022, p. 261

Report and International <IR> Framework

The Report is drafted in line with the *International <IR> Framework*: each chapter of the Report meets one or more *Content Elements* envisaged by the Framework.

1. The Group's managerial structure effective from 1 September 2022 will be applied to Reports and information to the market starting from 1 January 2023.
2. Italy also included companies of the Cattolica group, that were previously represented in Group holdings and other companies.
3. As from 1Q2022, the ACEER area changed name in ACEE following the Group's decision to close its Moscow representative office, resign from positions held on the Board of Directors of the Russian insurer Ingosstrakh and wind down Europ Assistance business in Russia.

Group Annual Integrated Report		**Content Elements of the *International <IR> Framework***
WE, GENERALI		
Group's highlights	▶	Performance
2022 and 2023 key facts	▶	Organisational overview and external environment
The value creation process	▶	Business model
Challenges and opportunities of the market context	▶	Risks and opportunities
Our strategy	▶	Strategy
		Performance
		Risks and opportunities
Our rules for running business with integrity	▶	Organisational overview and external environment
		Risks and opportunities
Our governance and remuneration policy	▶	Governance
OUR FINANCIAL PERFORMANCE	▶	Performance
OUTLOOK	▶	Outlook

The Report is drafted also applying the Guiding Principles of the Framework.

The strategy, together with our value creation process, remains at the heart of our story. The strategic focus and future orientation principle is, in fact, applied in the whole document.

The key forms of connectivity of information used by Generali include the connectivity between qualitative and quantitative information, financial and non-financial information, present and future information, that is coherent with the information included in other communication tools in accordance with the Core & More reporting approach. Other elements that improve the connectivity of information and the overall usefulness of the Report are the cross-referencing[4], the graphic component and a glossary at the end of this document to use in case of insurance sector's terminology.

Generali maintains stakeholder relationships in order to understand and meet their needs, especially their information and dialogue needs.
We regularly engage with investors, analysts and rating agencies by meeting them every quarter following our results' presentation as well as on specific occasions, thus sharing the reporting required. We organise roadshows and participate in sector conferences. Some of the main annual recurring occasions for interaction between the financial community and the Company's top management are the Shareholders' Meeting, events dedicated to investors, as well as the main presentations of the financial results. During 2022, we came into contact with over 530 people based in the main financial centres of Europe and North America, with individual and small group meetings. We successfully continued our dialogue with relevant stakeholders both via virtual platforms and during physical events.

We regularly interact with national and European regulators and supervisors, as well as with European and international institutions to maintain good relationships and share authoritative and updated information in order to properly interpret and apply new regulations.
We are committed to transparency in our relations with European public authorities: 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 on how Generali represents its interests.
We also offer our skills and expertise by contributing to public consultations to share our point of view with regard to new laws and regulations in the sector, by providing, in view of the Group's direct experience, concrete indications in order to safeguard the specificities of the Group and the insurance industry.
To this purpose, we collaborate with several trade organizations and associations in the sector. Our active presence in these organizations allows us also to expand our knowledge of the different regulations and their potential impacts, and influence the industry's thinking in line with Generali's business and commercial priorities.

We also engage clients, agents and employees of the Group with a view to continuous improvement.

Our strategy, p. 40

www.generali.com/our-responsibilities/responsible-business/stakeholder-engagement for different methods of dialogue with stakeholders

4. The Report includes links to web pages that might not exist in the future.

The materiality approach is presented in the Consolidated Non-Financial Statement.

Consolidated Non-Financial Statement, p. 171

The conciseness principle is met through the issue of the Group Annual Integrated Report. The diagram below shows the shift from the Group Annual Integrated Report, drafted in accordance with the materiality principle, to the Annual Integrated Report and Consolidated Financial Statements, compliant with regulations..

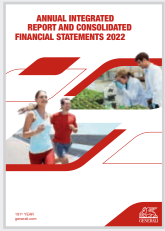
Group Annual Integrated Report

Additional management information on segments

Risk Report

Further financial statements and Notes

Management Report



Annual Integrated Report and Consolidated Financial Statements

Reliability and completeness are supported by a structured information system, built for the drafting of the Report and processing financial and non-financial information while ensuring their homogeneity and reliability. They are also supported by a specific integrated data quality framework, which is based on general principles adopted by all employees, on a dedicated system of governance (i.e. roles and responsibilities) over the data governance and on a monitoring system at Group level. The performance indicators are those used in the business management in line with the strategic plan. They refer to the whole Group, unless otherwise reported in the chapters dedicated to them.

Consolidated Non-Financial Statement, p. 171

The integrated data quality control framework covers the consistency and comparability principle and the Report includes, therefore, information that is consistent with the previous year, unless otherwise reported.

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Report and Consolidated Non-Financial Statement

The Report adopts for the disclosure of non-financial matters envisaged by leg. decree 254/2016 the *GRI Standards* 2021 with reference to selected GRI Standards as well as some indicators of the GRI G4 *Financial Services Sector Disclosures*.

Statement of use	The Generali Group has reported the information cited in this GRI content index for the period 1 January 2022 - 31 December 2022 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021
GRI Sector Standard used	GRI G4 Financial Services Sector Disclosures

GRI STANDARD	DISCLOSURE	LOCATION
GRI 2: General Disclosures 2021	2-6 Activities, value chain and other business relationships (b)	p. 46-47
	2-29 Approach to stakeholder engagement	p. 47, 73, 185
GRI 205: Anti-corruption 2016	205-2 Communication and training about anti-corruption policies and procedures (e, aggregated data)	p. 86
GRI 302: Energy 2016	302-1 Energy consumption within the organization (c,f)	p. 79
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions (a,b,d,g)	p. 78-79
	305-2 Energy indirect (Scope 2) GHG emissions (a,b,c,d,g)	p. 78-79
	305-3 Other indirect (Scope 3) GHG emissions (a,e,g)	p. 56-58, 78-79
	305-4 GHG emissions intensity (a,b)	p. 56-58
	305-5 Reduction of GHG emissions (a,c,d,e)	p. 56-58, 78-79

GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee (a, aggregated data)	p. 76
	404-2 Programs for upgrading employee skills and transition assistance programs (a)	p. 77
GRI 413: Local Communities 2016	Topic management disclosures	p. 80-81
GRI G4 Financial Services Sector Disclosures	FS7 Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by purpose	p. 66-67
	FS8 Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose	p. 66-67
	FS11 Percentage of assets subject to positive and negative environmental or social screening	p. 52-54, 60
	FS12 Voting policy(ies) applied to environmental or social issues for shares over which the reporting organization holds the right to vote shares or advises on voting	p. 54-55

We use key performance indicators in accordance with a proprietary disclosure methodology for material and relevant mega trends. They are not envisaged by the standard adopted but they are representative of our business and, in line with our strategy, they are monitored in the planning and control processes.

MATERIAL MEGA TRENDS AND THOSE OF CONSIDERABLE RELEVANCE	INDICATORS IN ACCORDANCE WITH A PROPRIETARY METHODOLOGY	INDICATORS COVERED BY GRI STANDARDS
Climate change	Insurance exposure to fossil fuel sector	GHG emissions from Group operations [305-1 (a,b,d,g), 305-2 (a,b,c,d,g), 305-3 (a,e,g) and 305-5 (a,c,d,e)] Carbon footprint of investment portfolio (EVIC) [305-3 (a,e,g), 305-4 (a,b) and 305-5 (a,c,d,e)] New green and sustainable investments [FS11] Premiums from insurance solutions with ESG components - environmental sphere [FS8]
Ageing and new welfare	-	Premiums from insurance solutions with ESG components - social sphere [FS7]
Pandemics and extreme events	Fenice 190	-
Digital revolution and cybersecurity	Investments in Digital & Technology	-
Biodiversity degradation	-	Direct investments by the Group's insurance companies subject to negative screening approach [FS11]
Resource scarcity and sharing economy	-	Electricity purchased from renewable sources [302-1 (c,f)]
Change in healthcare	-	Premiums from insurance solutions with ESG components - social sphere [FS7]
Polarization of lifestyles	-	Premiums from insurance solutions with ESG components - social sphere [FS7]
Transparency and purpose-driven businesses	% multi-holding customers Customers Training investment	Direct investments by the Group's insurance companies subject to negative screening approach [FS11] Mandates managed ex art. 8/9 SFDR [FS11] Investments managed ex art. 8/9 SFDR [FS11] Shareholders' Meetings attended [FS12] Resolutions voted [FS12] Against votes [FS12] Relationship NPS [2-29] Agents [2-6 (b)] Upskilled employees [404-2 (a)] Engagement rate [2-29] Average training hours per capita [404-1 (a, aggregated data)] Employees who completed the training course on the Code of Conduct [205-2 (e, aggregated data)]
Increasing inequalities	Active countries for The Human Safety Net Active partners for The Human Safety Net	-
Women and minorities inclusion	Women in strategic positions Women Equal pay gap Gender pay gap Accessibility gap to variable remuneration between males and females	-
Changing nature of work	Entities working hybrid Our people	-
Regulatory complexity	Managed reports on the Code of Conduct	Employees who completed the training course on the Code of Conduct [205-2 (e, aggregated data)]

Glossary available at the end of this document

The reporting process and methodologies to calculate all indicators are included in a specific manual (Reporting Guidebook), shared at both the Group Head Office and each contributing company level.

Consolidated Non-Financial Statement, p. 171

METHODOLOGICAL NOTES ON ALTERNATIVE PERFORMANCE MEASURES

In order to help the assessment of the quality and sustainability of the net result of the Generali Group in the various business segments and territorial areas, the Management Report includes the following alternative performance measures.

Gross written premiums

Gross written premiums in the Management Report differ from gross earned premiums in the Income Statement, since they include premiums related to investment contracts as to better present the insurance turnover of the Group and they exclude changes in the provisions for unearned premiums.

Operating result

The operating result cannot replace earnings before taxes calculated in accordance with IAS/IFRS. In addition, it should be read with the financial information and related notes on the accounts which are included in the audited financial statements.
The operating result is drawn up by reclassifying items of earnings before taxes for each segment on the basis of the management characteristics of each segment and taking into consideration the recurring holding expenses.
Specifically, the operating result represents earnings before taxes, gross of interest expense on financial debt, specific net income from investments and non-recurring income and expenses.

In the Life segment, all profit and loss accounts are considered as operating items, except for the following which are represented in the non-operating result:
- net realized gains and net impairment losses that do not affect both the local technical reserves, but only the deferred liabilities towards policyholders for the amount not attributable to the policyholders, and the free assets;
- net other non-operating expenses that mainly include results of the run-off activities, company restructuring costs, amortization of the value of the portfolios acquired directly or through acquisition of control of insurance companies (Value Of Business Acquired, VOBA) and net other non-recurring expenses.

In particular, the Life non-operating result in Germany and Austria is net of the entire estimated amount attributable to the policyholders in order to consider the specific calculation method of the policyholders' profit sharing based on the net result of the period in these countries.
Furthermore, where a new fiscal law or other non-recurring fiscal impacts materially affects the operating result of the countries where the policyholders' profit sharing is based on the net result of the period, the estimated amount of non-recurring effects mentioned above is accounted for in the operating result.

In the Property & Casualty segment, all profit and loss accounts are considered as operating items, except for the following which are represented in the non-operating result:
- realized gains and losses, unrealized gains and losses, net impairment losses on investments, including gains and losses on foreign currencies;
- net other non-operating expenses that mainly include results of both real estate development activities and run-off activities, impairment losses on self-used properties, company restructuring costs and amortization of the value of the portfolios acquired directly or through the acquisition of control of insurance companies (Value Of Business Acquired, VOBA) and net other non-recurring expenses.

In the Asset & Wealth Management segment, all profit and loss accounts are considered as operating items, except for the following which are represented in the non-operating result:
- net other non-operating expenses that mainly include project costs, including consulting, and severances.

The Holding and other businesses segment includes activities in the banking and asset management sectors, expenses for management, coordination and financing activities, as well as all the other operations that the Group considers to be ancillary to the core insurance business. All profit and loss accounts are considered as operating items, except for the following which are represented in the non-operating result:

- non-recurring realized gains and losses and net impairment losses;
- net other non-operating expenses that mainly include results of the run-off activities, company restructuring costs, amortization of the value of the portfolios acquired directly or through acquisition of control of companies operating in the banking and asset management sectors (Value Of Business Acquired, VOBA) and net other non-recurring expenses.

As for holding expenses, general expenses incurred for management and coordination by the Parent Company and territorial sub-holdings are considered as operating items. Non-operating holding expenses include:

- interest expenses on financial debt[5];
- company restructuring costs and other non-recurring expenses incurred for management and coordination activities;
- costs arising from the assignment of stock options and stock grants by the Group.

The operating result and non-operating result of the Group are equivalent to the sum of the operating result and the non-operating result of the abovementioned segments and related consolidation adjustments.

In accordance with the approach described above, the operating result in the main countries where the Group operates is reported for the Life and Property & Casualty segments and the consolidated figures. In order to provide a management view of the operating result by geographical area, the disclosure by business segment and geographical area allows measurement of the result of each geographical area from a country viewpoint instead of as a contribution to the Group's results.
Within the context of the Life and Property & Casualty operating result of each country, reinsurance operations between Group companies in different countries are considered as transactions concluded with external reinsurers. This representation of the Life and Property & Casualty operating result by geographical area makes this performance indicator more consistent with both the risk management policies implemented by each company and the other indicators measuring the technical profitability of the Group's companies.

The following table reconciles the operating and non-operating result with the corresponding items in the income statement:

Operating and non-operating result	Profit and loss account
Net earned premiums	1.1
Net insurance benefits and claims	2.1
Acquisition and administration costs	2.5.1 - 2.5.3
Net fee and commission income and net income from financial service activities	1.2 - 2.2
Net operating income from financial instruments at fair value through profit or loss	1.3 - 1.4 - 1.5 - 2.3 - 2.4 - 2.5.2
Net operating income from other financial instruments	1.3 - 1.4 - 1.5 - 2.3 - 2.4 - 2.5.2
Net non-operating income from financial instruments at fair value through profit or loss	1.3 - 1.4 - 1.5 - 2.3 - 2.4 - 2.5.2
Net non-operating income from investments	1.3 - 1.4 - 1.5 - 2.3 - 2.4 - 2.5.2
Net other and holding operating expenses	1.6 - 2.6
Net other and holding non-operating expenses	1.6 - 2.6

The following reclassifications are made in the calculation of the operating result with respect to the corresponding items in the income statement:

- investment management expenses and investment property management expenses are reclassified from acquisition and administration costs to net operating income from other financial instruments, more specifically to other expenses from financial instruments and land and buildings (investment properties);
- income and expenses related to real estate development activities are classified under other non-operating income and expenses, in accordance with the management model adopted that provides for sale at completion;
- in the Life and Holding and other businesses segments, gains and losses on foreign currencies are reclassified from net operating income to net operating income from financial instruments at fair value through profit or loss. In the Property & Casualty segment, they are reclassified from net operating income to net non-operating income from financial instruments at

5. Please refer to the paragraph *Debt* in the chapter Group's financial position for further details on the definition of financial debt.

fair value through profit or loss. The classification for each segment is consistent with the related classification of the derivative transaction drawn up in order to hedge the Group's equity exposure to the changes in the main currencies of operations. Net operating and non-operating income from other financial instruments are therefore not subject to financial market volatility;
- net other operating expenses are adjusted for operating taxes and for non-recurring taxes that significantly affect the operating result of the countries where the policyholders' profit sharing is determined by taking the taxes for the period into account. These adjustments are included in the calculation of the operating result and are excluded from the income taxes item;
- in net operating income from other financial instruments, interest expenses on deposits and current accounts under reinsurance business are not included among interest expenses related to liabilities linked to operating activities but are deducted from the related interest income. Moreover, the interest expenses related to the abovementioned real estate development activities are not included in interest expenses related to liabilities linked to operating activities but are classified under other non-operating income and expenses in accordance with the management model adopted that provides for sale at completion.

Operating result by margins

The operating result of the various segments are reported also in accordance with a margin-based view which shows the operating trends of the changes occurred in each segment performance more clearly.
The Life operating result is made up of the technical margin excluding insurance expenses, the net investment result and the component that includes acquisition and administration costs related to the insurance business and other net operating expenses. Specifically, the technical margin includes loadings, technical result and other components, and unit- and index-linked fees. The net investment result comprises operating income from investments, net of the portion attributable to the policyholders. Finally, the insurance management and other net operating components are indicated separately.
The Property & Casualty operating result is made up of the technical result, the financial result and other operating items. Specifically, the technical result represents the insurance activity result, i.e. the difference between premiums and claims, acquisition and administration costs and other net technical income. The investment result comprises current income from investments and other operating net financial expenses, like expenses on investment management and interest expenses on operating debt. Finally, other operating items mainly include acquisition and administration costs related to the insurance business, depreciation of tangible assets and amortization of long-term costs, provisions for recurring risks and other taxes.

Adjusted net profit

The adjusted net profit is the profit adjusted for impact of gains and losses related to acquisitions and disposals.

Return on investments

The indicators for the return on investments are:
- net current return calculated as the ratio of:
  - interest and other income, including income from financial instruments at fair value through profit and loss (excluding income from financial instruments related to linked contracts) net of depreciation on real estate investments; to
  - average investments (calculated on book value);
- harvesting rate calculated as the ratio of:
  - net realized gains, net impairment losses and realized and unrealized gains and losses from financial instruments at fair value through profit and loss (excluding those from financial instruments related to linked contracts); to
  - average investments (calculated on book value)..

The profit and loss return is the sum of the net current return and the harvesting rate net of investment management expenses as well as gains and losses on foreign currencies.

The average investments (calculated on book value) include: land and buildings (investment properties), investments in subsidiaries, associated companies and joint ventures, loans and receivables, cash and cash equivalents, available for sale financial assets, financial assets at fair value through profit or loss excluding those related to linked contracts. Total investments are adjusted for both derivative instruments classified as financial liabilities at fair value through profit of loss and REPOs classified as other financial liabilities. The average is calculated on the average investment base of each quarter of the reporting period.

The indicators for the return on investments described above are presented for the Group and for Life and Property & Casualty segments.

Consolidated investments

In order to provide a presentation of investments that is consistent with the calculation of the return on investments, the Group's investments in the Management Report differ from those reported in the balance sheet items since:
- Investment Fund Units (IFU) are split by nature in equity, bond and investment property instruments as well as cash equivalents;
- derivatives are presented on a net basis, thus including derivative liabilities. Moreover, hedging derivatives are classified in the respective asset class hedged;
- reverse REPOs (Repurchase Agreements) are reclassified from other fixed income instruments to cash and cash equivalents in accordance with their nature of short-term liquidity commitments; and
- REPOs classified as liabilities are presented in cash and cash equivalents.

Investments by segment are presented in accordance with the methods described in the chapter *Segment reporting* in the *Notes*.

CONSOLIDATED FINANCIAL STATEMENTS

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Consolidated Financial Statements

Company **ASSICURAZIONI GENERALI S.p.A.**

CONSOLIDATED STATEMENTS

Consolidated financial statements

as at **31 December 2022**

(Amount in € million)

BALANCE SHEET

Assets

References:	(€ million)	31/12/2022	31/12/2021
	1 INTANGIBLE ASSETS	**10,901**	**9,970**
4	1.1 Goodwill	7,919	7,607
19	1.2 Other intangible assets	2,982	2,363
	2 TANGIBLE ASSETS	**4,073**	**3,990**
20	2.1 Land and buildings (self used)	3,049	2,965
20	2.2 Other tangible assets	1,024	1,025
14	**3 AMOUNTS CEDED TO REINSURERS FROM INSURANCE PROVISIONS**	**7,268**	**6,646**
39, 40, 41, 42	**4 INVESTMENTS**	**451,317**	**527,904**
11	4.1 Land and buildings (investment properties)	17,495	16,867
3	4.2 Investments in subsidiaries, associated companies and joint ventures	2,363	2,353
7	4.3 Held to maturity investments	2,041	1,687
8	4.4 Loans and receivables	32,921	31,420
9	4.5 Available for sale financial assets	280,422	348,572
10	4.6 Financial assets at fair value through profit or loss	116,075	127,006
	of which financial assets where the investment risk is borne by the policyholders and related to pension funds	98,070	107,243
21	**5 RECEIVABLES**	**16,063**	**13,912**
	5.1 Receivables arising out of direct insurance operations	8,713	7,686
	5.2 Receivables arising out of reinsurance operations	2,188	1,999
	5.3 Other receivables	5,162	4,228
22	**6 OTHER ASSETS**	**22,185**	**15,326**
5	6.1 Non-current assets or disposal groups classified as held for sale	4,157	0
15	6.2 Deferred acquisition costs	2,157	2,198
	6.3 Deferred tax assets	5,473	3,633
	6.4 Tax receivables	4,135	3,747
	6.5 Other assets	6,264	5,748
12	**7 CASH AND CASH EQUIVALENTS**	**7,243**	**8,476**
	TOTAL ASSETS	**519,051**	**586,225**

Equity and liabilities

References:	(€ million)	31/12/2022	31/12/2021
16	**1 SHAREHOLDERS' EQUITY**	**18,137**	**31,875**
	1.1 Shareholders' equity attributable to the Group	**16,201**	**29,308**
	1.1.1 Share capital	1,587	1,581
	1.1.2 Other equity instruments	0	0
	1.1.3 Capital reserves	7,107	7,107
	1.1.4 Revenue reserves and other reserves	13,530	12,292
	1.1.5 (Own shares)	-583	-82
	1.1.6 Reserve for currency translation differences	91	-93
	1.1.7 Reserve for unrealized gains and losses on available for sale financial assets	-7,471	6,841
	1.1.8 Reserve for other unrealized gains and losses through equity	-972	-1,185
	1.1.9 Result of the period attributable to the Group	2,912	2,847
	1.2 Shareholders' equity attributable to minority interests	**1,936**	**2,568**
	1.2.1 Share capital and reserves	2,084	1,933
	1.2.2 Reserve for unrealized gains and losses through equity	-426	286
	1.2.3 Result of the period attributable to minority interests	277	348
23	**2 OTHER PROVISIONS**	**2,454**	**2,424**
13	**3 INSURANCE PROVISIONS**	**423,501**	**479,449**
	of which insurance provisions for policies where the investment risk is borne by the policyholders and related to pension funds	95,116	102,481
	4 FINANCIAL LIABILITIES	**48,653**	**47,713**
17	4.1 Financial liabilities at fair value through profit or loss	10,207	9,317
	of which financial liabilities where the investment risk is borne by the policyholders and related to pension funds	5,256	6,038
18	4.2 Other financial liabilities	38,446	38,396
	of which subordinated liabilities	8,266	8,760
24	**5 PAYABLES**	**14,035**	**13,250**
	5.1 Payables arising out of direct insurance operations	5,856	5,502
	5.2 Payables arising out of reinsurance operations	1,767	1,460
	5.3 Other payables	6,412	6,288
25	**6 OTHER LIABILITIES**	**12,270**	**11,512**
5	6.1 Liabilities directly associated with non-current assets and disposal groups classified as held for sale	4,316	0
	6.2 Deferred tax liabilities	1,257	3,815
	6.3 Tax payables	1,874	2,134
	6.4 Other liabilities	4,823	5,564
	TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**519,051**	**586,225**

INCOME STATEMENT

References:	(€ million)	31/12/2022	31/12/2021
26	1.1 Net earned premiums	75,627	70,684
	1.1.1 Gross earned premiums	79,497	73,985
	1.1.2 Earned premiums ceded	-3,871	-3,301
27	1.2 Fee and commission income and income from financial service activities	1,889	1,953
28	1.3 Net income from financial instruments at fair value through profit or loss	-14,028	8,834
	of which net income from financial instruments where the investment risk is borne by the policyholders and related to pension funds	-13,126	9,222
29	1.4 Income from subsidiaries, associated companies and joint ventures	222	245
30	1.5 Income from other financial instruments and land and buildings (investment properties)	12,840	13,164
	1.5.1 Interest income	7,822	7,449
	1.5.2 Other income	3,214	3,221
	1.5.3 Realized gains	1,674	2,409
	1.5.4 Unrealized gains and reversal of impairment losses	131	86
31	1.6 Other income	4,980	4,209
	1 TOTAL INCOME	**81,530**	**99,088**
32	2.1 Net insurance benefits and claims	-50,941	-72,971
	2.1.1 Claims paid and change in insurance provisions	-53,349	-75,779
	2.1.2 Reinsurers' share	2,408	2,808
33	2.2 Fee and commission expenses and expenses from financial service activities	-808	-784
34	2.3 Expenses from subsidiaries, associated companies and joint ventures	-26	-10
35	2.4 Expenses from other financial instruments and land and buildings (investment properties)	-4,012	-2,203
	2.4.1 Interest expense	-750	-736
	2.4.2 Other expenses	-522	-455
	2.4.3 Realized losses	-1,544	-476
	2.4.4 Unrealized losses and impairment losses	-1,195	-536
36	2.5 Acquisition and administration costs	-14,464	-12,658
	2.5.1 Commissions and other acquisition costs	-10,708	-9,520
	2.5.2 Investment management expenses	-409	-304
	2.5.3 Other administration costs	-3,347	-2,835
37	2.6 Other expenses	-6,541	-5,883
	2 TOTAL EXPENSES	**-76,792**	**-94,509**
	EARNINGS BEFORE TAXES	**4,738**	**4,580**
38	**3 Income taxes**	**-1,549**	**-1,384**
	EARNINGS AFTER TAXES	**3,189**	**3,195**
	4 RESULT OF DISCONTINUED OPERATIONS	**0**	**0**
	CONSOLIDATED RESULT OF THE PERIOD	**3,189**	**3,195**
	Result of the period attributable to the Group	2,912	2,847
	Result of the period attributable to minority interests	277	348
16	EARNINGS PER SHARE:		
	Earnings per share (in €)	1.85	1.81
	From continuing operation	1.85	1.81
	Diluted earnings per share (in €)	1.84	1.79
	From continuing operation	1.84	1.79

STATEMENT OF COMPREHENSIVE INCOME

(€ million)	31/12/2022	31/12/2021
1 CONSOLIDATED RESULT OF THE PERIOD	3,189	3,195
Items that may be reclassified to profit and loss in future periods		
2.1 Foreign currency translation differences	168	555
2.2 Net unrealized gains and losses on investments available for sale	-14,898	-1,915
2.3 Net unrealized gains and losses on cash flows hedging derivatives	-146	-76
2.4 Net unrealized gains and losses on hedge of a net investment in foreign operations	-23	-81
2.5 Share of other comprehensive income of associates	31	-19
2.8 Result of discontinued operations	-372	3
2.10 Other		0
Subtotal	-15,241	-1,533
Items that may not be reclassified to profit and loss in future periods		0
2.5 Share of other comprehensive income of associates	0	-0
2.8 Result of discontinued operations	0	0
2.6 Reserve for revaluation model on intangible assets		
2.7 Reserve for revaluation model on tangible assets		
2.9 Actuarial gains or losses arising from defined benefit plans	613	366
Subtotal	613	366
2 OTHER COMPREHENSIVE INCOME	-14,627	-1,167
3 TOTAL COMPREHENSIVE INCOME	-11,438	2,028
attributable to the Group	-11,003	1,574
attributable to minority interests	-435	454
Earnings per share (in €)	-7.01	1.00
Diluted earnings per share (in €)	-6.94	0.99

STATEMENT OF CHANGES IN EQUITY

		Amounts at 31/12/2020	Changes in amounts	Allocation	Transfer to profit and loss account	Other transfer	Change in owhership interest	Amounts at 31/12/2021
SHAREHOLDERS' EQUITY ATTRIBUTABLE TO THE GROUP	Share Capital	1,576	0	5	0	0	0	1,581
	Other equity instruments	0	0	0	0	0	0	0
	Capital reserves	7,107	0	0	0	0	0	7,107
	Revenue reserves and other reserves	12,848	0	1,821	0	-2,315	-61	12,292
	(Own shares)	-80	0	-2	0	0	0	-82
	Result of the period	1,744	0	1,103	0	0	0	2,847
	Other comprehensive income	6,836	0	-1,428	155	0	0	5,563
	Total shareholders' equity attributable to the group	**30,029**	**0**	**1,500**	**155**	**-2,315**	**-61**	**29,308**
SHAREHOLDERS' EQUITY ATTRIBUTABLE TO MINORITY INTERESTS	Share capital and reserves	1,295	0	893	0	-261	6	1,933
	Result of the period	289	0	59	0	0	0	348
	Other comprehensive income	181	0	117	-11	0	0	286
	Total shareholders' equity attributable to minority interests	**1,765**	**0**	**1,069**	**-11**	**-261**	**6**	**2,568**
TOTAL		**31,794**	**0**	**2,569**	**144**	**-2,577**	**-55**	**31,875**

Amounts at 31/12/2021	Changes in amounts	Allocation	Transfer to profit and loss account	Other transfer	Change in owhership interest	Amounts at 31/12/2022
1,581	0	6	0	0	0	1,587
0	0	0	0	0	0	0
7,107	0	0	0	0	0	7,107
12,292	0	2,869	0	-1,691	60	13,530
-82	0	-500	0	0	0	-583
2,847	0	65	0	0	0	2,912
5,563	0	-14,721	806	0	0	-8,352
29,308	**0**	**-12,282**	**806**	**-1,691**	**60**	**16,201**
1,933	0	585	0	-219	-215	2,084
348	0	-71	0	0	0	277
286	0	-716	4	0	0	-426
2,568	**0**	**-202**	**4**	**-219**	**-215**	**1,936**
31,875	**0**	**-12,483**	**810**	**-1,910**	**-155**	**18,137**

STATEMENT OF CASH FLOWS

(€ million)	31/12/2022	31/12/2021
Earnings before taxes	**4,738**	**4,580**
Changes in non-cash items	**10,470**	**14,156**
Change in the provisions for unearned premiums and for unexpired risks for non-life segment	149	230
Change in the provisions for outstanding claims and other insurance provisions for non-life segment	1,310	528
Change in the mathematical provisions and other insurance provisions for life segment	-7,010	22,602
Change in deferred acquisition costs	32	3
Change in other provisions	110	707
Other non-cash expenses and revenues arising out of financial instruments, investment properties and investments in subsidiaries, associated companies and joint ventures	14,463	-7,712
Other changes	1,417	-2,203
Change in receivables and payables from operating activities	**-1,702**	**-2,831**
Change in receivables and payables arising out of direct insurance and reinsurance operations	-297	398
Change in other receivables and payables	-1,405	-3,229
Income taxes paid	**-1,698**	**-1,176**
Net cash flows from cash items related to investing or financing activities	**-1,272**	**2,752**
Financial liabilities related to investment contracts	-303	317
Payables to banks and customers	-800	2,753
Loans and receivables from banks and customers	-168	-317
Other financial instruments at fair value through profit or loss	0	0
NET CASH FLOWS FROM OPERATING ACTIVITIES	**10,537**	**17,480**
Net cash flows from investment properties	-1,468	333
Net cash flows from investments in subsidiaries, associated companies and joint ventures (***)	-1,192	-1,100
Net cash flows from loans and receivables	-932	1,941
Net cash flows from held to maturity investments	-127	436
Net cash flows from available for sale financial assets	-3,005	-11,322
Net cash flows from tangible and intangible assets	-638	334
Net cash flows from other investing activities	-2,177	-6,916
CASH FLOW FROM INVESTING ACTIVITIES	**-9,540**	**-16,295**
Net cash flows from shareholders' equity attributable to the Group	0	0
Net cash flows from own shares	-500	0
Dividends payment	-1,690	-2,310
Net cash flows from shareholders' equity attributable to minority interests (****)	-219	-261
Net cash flows from subordinated liabilities and other similar liabilities	-447	374
Net cash flows from other financial liabilities	633	1,520
CASH FLOW FROM FINANCING ACTIVITIES	**-2,223**	**-677**
Effect of exchange rate changes on cash and cash equivalents	42	49
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD (*)	8,377	7,821
CHANGES IN CASH AND CASH EQUIVALENTS	-1,184	556
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (**)	7,194	8,377

(*) Cash and cash equivalents at the end of the period include cash and cash equivalents (€ 8,476 million), liabilities to banks payables on demand (€ -98 million), bank overdrafts (€ -0.9 million).

(**) Cash and cash equivalents at the beginning of the period include cash and cash equivalents (€ 7,243 million), liabilities to banks payables on demand (€ -37 million) and bank overdrafts (€ -12 million).

(***) Includes mainly the consideration paid for the acquisition of La Médicale (€ 435 million), Cattolica Assicurazioni S.p.A. (€ 239 million), Generali Insurance Malaysia Berhad (ex AXA Affin General Insurance) (€ 165 million), Future Generali India Insurance Company Ltd (€ 157 million) and MPI Generali Insurans Berhad (€ 116 million).

(****) It refers entirely to dividends attributable to minority interests.

Notes

BASIS OF PRESENTATION AND ACCOUNTING PRINCIPLES

Basis of presentation

This document is the consolidated financial statements of Generali Group, registered under number 026 of the Insurance Groups Register, whose Parent Company is Assicurazioni Generali S.p.A., a company established in Trieste in 1831 with a share capital of € 1,586,833,696 fully paid up.
The registered office of the Group and the Parent Company is established in Trieste, Piazza Duca degli Abruzzi, 2 and is registered under the number 1,00003 of the register of insurance and reinsurance companies.
The Generali Group's consolidated financial statements at 31 December 2022 were drawn up in accordance with the IAS/IFRS issued by the IASB and endorsed by the European Union, in accordance with the Regulation (EC) No. 1606 of 19 July 2002 and the Legislative Decree No. 58/1998, as subsequently amended.
The Legislative Decree No. 209/2005 empowered ISVAP (now IVASS) to give further instructions for financial statements and chart of accounts in compliance with the international accounting standards.
In this yearly report the Generali Group prepared its consolidated financial statements and Notes in conformity with the ISVAP (now IVASS) Regulation No. 7 of 13 July 2007, as subsequently amended, and information of the Consob Communication No. 6064293 of 28 July 2006.
As allowed by the aforementioned Regulation, the Generali Group believed it appropriate to supplement its consolidated financial statements with detailed items and to provide further details in the Notes. In particular, information on discontinued operations and their accounting treatment are included in the chapter *Non-current assets or disposal group classified as held for sale* in the section *Information on consolidation area and Group companies*.
The consolidated financial statements at 31 December 2022 were approved by the Board of Directors on 14 March 2023.
The consolidated financial statements at 31 December 2022 are subject to audit by the firm KPMG S.p.A., in charge of the statutory audit assignment for the period 2021-29.

Consolidated financial statements

The set of the consolidated financial statements is made up of the balance sheet, the income statement, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows, as required by the ISVAP Regulation No. 7 of 13 July 2007, as subsequently amended. The financial statements also include special items that are considered significant for the Group.
The Notes, which are mandatory as minimum content established by IVASS, are presented in the appendices to the notes to this report.
This yearly report is drawn up in euro (the functional currency used by the entity that prepared the financial statements) and the amounts are shown in millions, unless otherwise stated, the rounded amounts may not add to the rounded total in all cases.

Consolidation methods

Investments in subsidiaries are consolidated line by line, whereas investments in associated companies and interests in joint ventures are accounted for using the equity method.
The balance sheet items of the financial statements denominated in foreign currencies are translated into euro based on the exchange rates at the end of the year.
The profit and loss account items are translated based on the average exchange rates of the year. They reasonably approximate the exchange rates at the dates of the transactions.
The exchange rate differences arising from the translation of the statements expressed in foreign currencies are accounted for in equity in an appropriate reserve and recognized in the profit and loss account only at the time of the disposal of the investments.
For what concerns the accounting criterion for the translation of the financial statements of subsidiaries operating in countries subject to hyperinflation, please refer to a subsequent section.
Exchange rates used for the translation in euro of specifically relevant currencies for Generali Group are disclosed below.

Exchange rates of the balance sheet

Currency	Exchange rate at the end of the period (€)	
	31/12/2022	31/12/2021
US dollar	1.067	1.137
Swiss franc	0.987	1.036
British pound	0.887	0.840
Argentine peso	189.025	116.781
Czech Koruna	24.154	24.850
Chinese renmimbi	7.419	7.248

Exchange rates of the income statement

Currency	Average exchange rate (€)	
	31/12/2022	31/12/2021
US dollar	1.054	1.183
Swiss franc	1.005	1.081
British pound	0.853	0.860
Argentine peso*	136.893	112.369
Czech Koruna	24.559	25.645
Chinese renmimbi	7.080	7.634

(*) in accordance with IAS 29, the items of profit or loss has been restated at the exchange rate at the end of the period.

Basis of consolidation

The consolidated financial statements of the Group include the financial statements of Assicurazioni Generali S.p.A. (Parent Company) and its subsidiaries.

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an investee if, and only if, the Group has:

- power over the investee (i.e. existing not merely protective rights that give it the current ability to direct the relevant activities of the investee, that impact meaningfully the returns of the investee);
- exposure, or rights, to variable returns from its involvement with the investee;
- the ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- the contractual arrangements with the other vote holders of the investee;
- rights arising from other contractual arrangements;
- Group voting rights and potential voting rights.

The Group reviews periodically and systematically if there was a variation of one or more elements of control, based on the analysis of the facts and the essential circumstances.

Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

In preparing the consolidated financial statements:

- the financial statements of the Parent Company and its subsidiaries are consolidated line by line through specific reporting packages, which contribute to the consistent application of the Group's accounting policies. For consolidation purposes, if the financial year-end date of a company differs from that of the Parent Company, the former prepares anyhow for the financial period the financial statements closed at 31 December of each financial year;
- all intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation process (intra-group losses are eliminated, except to the extent that the underlying asset is impaired);
- the carrying amount of the Parent Company's investment in each subsidiary and the Parent Company's portion of the shareholder's equity of each subsidiary are eliminated at the date of acquisition;
- profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the Parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. The non-controlling interests, together with their share of profit are shown as separate items.

The impact of the changes in the ownership interest of a subsidiary, without a change of control, is accounted for as an equity transaction. Consequently, no additional goodwill or badwill is recognized.

If the Group loses control over a subsidiary, it derecognizes the related assets (including goodwill), liabilities, non-controlling interest and other components of equity while any resultant gain or loss is recognized in the profit or loss. Any retained investment is recognized at fair value.
Investment funds managed by the Group in which the Group holds an interest and that are not managed in the primary interest of the policyholders are consolidated based on the substance of the economic relationship and whether the conditions of control stated by IFRS 10 are satisfied. On consolidation of an investment fund, a liability is recognized to the extent that the Group is legally obliged to buy back participations held by third parties. Where this is not the case, other participations held by third parties are presented as non-controlling interests in equity.

Business combination and goodwill

Business combinations are acquisitions of assets and liabilities that constitutes a business and are accounted for by applying the so-called acquisition method. The acquisition cost is measured as the sum of the consideration transferred measured at its acquisition date fair value, including contingent consideration, liabilities assumed towards the previous owners and the amount of any non-controlling interests. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in the administrative expenses.
If in a business combination achieved in stages, the acquirer's previously held equity interests in the acquiree are re-measured at its acquisition date fair value and any resulting gain or loss is recognized in the profit or loss.
Any contingent consideration to be transferred or received by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of IAS 39 Financial Instruments: Recognition and Measurement, is measured at fair value with changes in fair value recognised in either profit or loss or as a change in the other comprehensive income. If the contingent consideration is not within the scope of IAS 39, it is measured at fair value with changes in fair value recognized in profit or loss. Contingent consideration that is classified as equity is not re-measured and subsequent settlement is accounted for within the shareholder's equity.
The assets acquired and liabilities deriving from a business combination are initially recognized at fair value at the acquisition date.
Goodwill is initially measured at cost being the excess of the aggregate acquisition cost over the net value of the identifiable assets acquired and liabilities assumed. If this amount is greater than acquisition cost, difference is recognized in profit and loss (badwill).

Investments in associates and joint ventures

The investments in associates and joint ventures are consolidated trough the equity method.
An associate is an entity over which the investor has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. If an investor holds, directly or indirectly through subsidiaries, 20% or more of the voting power of the investee, it is presumed that the investor has significant influence.
In general, joint arrangements are contractual agreements whereby the Group undertakes with other parties an economic activity that is subject to joint control. Investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations each investor has rather than the legal structure of the joint arrangement. A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control exists when it is contractually agreed to share control of an economic activity, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.
Generali Group has assessed the nature of its current joint arrangements and determined them to be joint ventures.
The considerations made in determining significant influence or joint control are similar to those necessary to determine control over subsidiaries. Investments in associates and joint ventures are accounted for using the equity method and they are initially recognized at cost, which includes goodwill arising on acquisition. Any excess between the share of interest in the net fair value of the identifiable assets and liabilities of the investee compared to the initial cost is recognized in the income statement at the date of acquisition. The carrying amount of the investment is subsequently adjusted to recognize changes in the Group's share of the net assets of the associate or joint venture since the acquisition date. The income statement reflects the Group's share of the results of operations of the associate or joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. Dividends receivable from associates are recognized as a reduction in the carrying amount of the investment.
At each reporting date, after application of the equity method the Group determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, then recognizes the loss as share of losses of an associate in the income statement. Where the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured long-term receivables, the group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the associate or joint venture.
Upon loss of significant influence over the associate or

joint control over the joint venture the Group measures and recognizes the retained investment at its fair value. Any difference between the net proceeds and the fair value of the retained interest and the carrying amount is recognized in the income statement and gains and losses previously recorded directly through OCI are reversed and recorded through the income statement.

Significant judgements in determining control, joint control and significant influence over an entity

The control is normally ensured by the full ownership of the voting rights, having thus the ability to direct the relevant activities and consequently being exposed to the variability of results arising from those activities.
The Group controls all the companies for which holds more than half of the voting rights. In three cases the Group controls the company owning half of the voting rights, being exposed to the variability of returns that depend on the operating policies that the Group, in substance, has the power to direct. The Group controls two subsidiary having less than the majority of voting rights.
To a minor extent, the Group holds interests in associates and joint ventures. The agreements under which the Group has joint control of a separate vehicle are qualified as joint ventures where they give rights to the net assets.
In two cases, the Group has no significant influence on a subject for which it holds more than 20% of the voting rights as the government structure is such that the Group, in substance, does not have the power to participate in financial and operating policies of the investee.
Regardless of the legal form of the investment, the evaluation of the control is made considering the real power on the investee and the practical ability to influence relevant activities, regardless of the voting rights held by the parent company or its subsidiaries.
In the Annexes to the consolidated financial statements the complete list of subsidiaries, associates and joint ventures included in the consolidated financial statements at 31 December 2022 is presented. Unless otherwise stated, the annex shows the share capital of each consolidated entity and the proportion of ownership interest held by the Group equals the voting rights of the Group.
The qualitative and quantitative disclosures required by IFRS 12 are provided in the chapter *Information on consolidation area and Group companies* in the Notes.

Foreign currency transactions and balances

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition.
Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.
Differences arising on settlement or translation of monetary items are recognised in profit or loss with the exception of the monetary items that are designated as part of the hedge of the Group's net investment of a foreign operation. These are recognised in other comprehensive income until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss. Tax charges and credits attributable to exchange differences on those monetary items are also recorded in other comprehensive income.
Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of gain or loss on change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognised in other comprehensive income or profit or loss are also recognised in other comprehensive income or profit or loss, respectively).

IAS 29 - Financial Reporting in Hyperinflationary Economies application

At 31 December 2022, as in the previous year, the IAS 29 - Financial Reporting in Hyperinflationary Economies to the financial statement values of the Argentine companies of the Group, Caja de Seguros S.A, Europ Assistance Argentina S.A, Caja de Ahorro y Seguro S.A., Ritenere S.A. is required, in particular the cumulative inflation rate over three years exceeds 100%.
The financial statements items of the abovementioned Argentine companies have been restated, applying the Argentine Consumer Price Index, which reflects the change of general purchasing power. In particular, the following items have been restated at the unit current at the end of the reporting period:

- non-monetary assets and liabilities;
- all items of comprehensive income, applying the change of the general price index from the date when income and expenses were initially registered in the financial statements;
- the items of the income statement have been restated at the closing exchange rate;
- restatement in the first period of application of the standard of the components of owners' equity, except retained earnings and any revaluation surplus, applying the Consumer Price Index from the dates the components were contributed. Restated retained earnings derive from the restatement of assets and liabilities;
- restatement at the end of the period of the components of owner's equity, applying the Consumer Price Index at the beginning of the period.

The effects of reassessment until 31 December 2021 are included in the opening balance of shareholder's equity. The impacts at consolidated level are not material and do not require the presentation of the statements of Argentine companies.

As at December 31, 2022, the conditions were met for applying the IAS 29 - Financial Reporting in Hyperinflationary Economies to the financial statement values of the Turkish company Generali Sigorta A.S. as well.

Accounting principles

The accounting standards adopted in preparing the consolidated financial statements, and the contents of the items in the financial statements are presented in this section.

New accounting principles, changes in the accounting rules and in the financial statements

Following the endorsement of the European Union, as from the 1 January 2022 new amendments shall be applied. The most relevant changes for the Group with respect to the consolidated financial statements at 31 December 2021 are described below. In addition, the main documents issued by the International Accounting Standard Board, that could be relevant for the Group, but not yet effective, are described.

New accounting principles, amendments and interpretations that shall be applied from 1 January 2022

The most significant new amendments to existing standards, effective from 1 January are illustrated below. Anyhow, there is not material impact for the Group.

Amendments to IFRS 3 Business Combinations; IAS 16 Property, Plant and Equipment; IAS 37 Provisions, Contingent Liabilities and Contingent Assets; Annual Improvements 2018-2020

On 14 March 2020, IASB issued following Amendments:
- Amendment to IFRS 3 Business Combinations - Reference to the Conceptual Framework;
- Amendment to IAS 16 Property, Plant and Equipment—Proceeds before Intended Use;
- Amendment to IAS 37 Provisions, Contingent Liabilities and Contingent Assets - Onerous Contracts—Cost of Fulfilling a Contract; and
- Annual Improvements 2018-2020, including minor Amendments.

The effective date of Amendments is 1 January 2022. Amendments have been endorsed on 28 June 2021.
These Amendments are not significant for the Group.

Amendments to IFRS 16 Covid-19 Related Rent Concessions (Amendments to IFRS 16 Covid-19-Related Rent Concessions beyond 30 June 2021)

The IASB published on 31 March 2021 the Amendment to IFRS 16 Covid-19-Related Rent Concessions beyond 30 June 2021, that extends, by one year, the possibility to account for Covid-19 related contract changes as if they were not lease modifications, and not to proceed, under specific conditions, to re-measure the lease liabilities, for payments originally due on or before 30 June 2022.
The effective date is 1 April 2021. The Amendment has been endorsed on 30 August 2021.
There are immaterial impacts on the accounting treatment and classification of current leases because the Group and its subsidiaries did not receive significant rent concessions requiring the application of this amendment.

New accounting principles and amendments not yet applicable

The Group will apply IFRS 17 - Insurance contracts and IFRS 9 - Financial Instruments starting from 1 January 2023.
The first application of both standards will introduce significant changes in measurement and accounting of (re)insurance contracts and financial instruments.
On 9 December 2021, the IASB published a limited amendment to the transition requirements of IFRS 17 (Amendment to IFRS 4 - Applying IFRS 9 Financial Instruments with IFRS 4 - Insurance Contracts), as regards the application of the requirements of IFRS 9 to the comparative periods. The proposed amendment allows for a better alignment of the presentation of comparative information pursuant to IFRS 17 and IFRS 9, by means of a classification overlay, which effectively applies to all financial instruments, including assets sold in 2022, the rules envisaged by IFRS 9 for purposes of classification and measurement.
The quantitative criteria for the purpose of adopting the deferral and the disclosure required to entities that apply IFRS 9 in arrears are included in the chapter *Information relating to the deferred application of IFRS 9*.
The Group will restate the comparative period to the first application of IFRS 9 and envisages the application of this amendment to all financial instruments, to produce 2022 comparative information consistent with the IFRS 17 and IFRS 9 requirements, in line with the financial information from 1 January 2023 onwards.
The following paragraphs report the main changes introduced by the adoption of the new standards, the accounting policies adopted by the Group and the estimated impacts expected at the transition date on the Group's shareholders' equity.
All the valuations in the paragraphs below represent a reasonable estimate based on the information available at the date of publication of the 2022 financial statements.

IFRS 17 Insurance contracts

On 18 May 2017, the IASB published Standard IFRS 17 - Insurance Contracts, which replaces the current IFRS 4 - Insurance Contracts. The standard introduces a new model for measuring insurance contracts, structured on a Building Block Approach based on the Fulfilment Cash Flows (FCF), which comprise the present value of future cash flows, weighted by the probability of occurrence (Present Value of Future Cash Flows – PVFC), and the adjustment for non-financial risk (Risk Adjustment - RA), and on the expected value of the unearned profit for the services provided (Contractual Service Margin - CSM). The adoption of a simplified approach (Premium Allocation Approach - PAA) is allowed if the contractual coverage period is less than one year or if the model used for the measurement provides a reasonable approximation with respect to the building block approach. The simplification applies to the measurement of the Liability for Remaining Coverage (LRC), which does not have to be broken down into PVFCF, RA and CSM, but is essentially based on the premium received net of acquisition costs. As it pertains to the Liability for Incurred Claims (LIC), the measurement is applied consistently with the General Measurement Model (GMM), for which all the claims occurred are subject to discounting and the calculation of the Risk Adjustment is executed accordingly. The Variable Fee Approach (VFA) is envisaged for contracts entailing the direct participation of the policyholders in the Company's financial and/or insurance results; this is an alternative model to GMM, which provides for a different treatment of changes in cash flows linked to financial variables whose impact is reported in the CSM rather than directly in the statement of comprehensive income.
The IFRS 17 will also affect the presentation of revenues from insurance contracts, which will no longer include the premiums written and, in particular, the deposit components included in the premiums and claims. In addition, insurance revenues and costs for insurance services gross of reinsurance will be presented with the reinsurance result included in the costs of the insurance service. Pursuant to the IFRS 17, insurance liabilities are subject to discounting; the periodic unwinding of discounting will be a financial charge included in the financial result.

Implementation of the standard

The Group expects a significant change in the financial statement information both in terms of evaluation of the technical provisions and in the presentation of the economic performance and the notes to the financial statements. In light of the significance of the changes introduced by the standard, very relevant impacts are also reported in terms of resources, processes and information systems to support the assessment framework.
In order to adopt IFRS 17 in the Group's consolidated financial statements, a global finance transformation program is in place since 2017. This program involves various central and local functions and has the objective of implementing IFRS 17 and IFRS 9 consistently at Group level. In particular, the program includes functional workstream dedicated to developing the methodological and interpretative aspects of the standard in coherence with the market practices of the sector and implementation workstream dedicated to the implementation of the operating model and architecture of the target information systems.
During 2022, the main objective of the program was the transition to the new standard, which provides for the determination of the new opening balances as at 1st of January 2022 and the comparative information preparatory to entry into force.

IFRS 17: most relevant accounting requirements and policy choice

The following paragraphs summarize the most significant insurance accounting requirements of IFRS 17 and policy choice made by the Group.

Scope

IFRS 17 is applied to contracts that meet the definition of an insurance contract, which generally include:

- insurance contracts, including reinsurance contracts (i.e., Assumed business), it issues;
- reinsurance contracts it holds; and
- investment contracts with discretionary participation features (DPF) it issues if the entity also issues insurance contracts.

Insurance contracts create a bundle of rights and obligations that work together to generate a package of cash flows. Indeed, while some types of insurance contracts only provide insurance coverage (e.g., most short-term non-life contracts), other types of insurance contracts could contain one or more components that would be within the scope of another Standard if they were separate contracts. For example, some insurance contracts may contain:

- investment components (e.g., pure deposits, such as financial instruments whereby an entity receives a specified sum and undertakes to repay that sum with interest);
- good and service components (e.g., services other than insurance contract services, such as pension administration, risk management services, asset management or custody services); and
- embedded derivatives (e.g., financial derivatives, such as interest rate options or options linked to an equity index).

In certain cases, specifically defined by IFRS 17, the above-mentioned components must be separately considered and measured under another IFRS standard.

IFRS 17 requires separating from the host contract the distinct investment components only. Indeed, the investment component is distinct if, and only if, both of the following criteria are met:

- the investment component and the insurance component are not highly interrelated. The two components are highly interrelated if the value of one component varies with the value of the other component and hence the entity is unable to measure each component without considering the other one. The components are also highly interrelated if the policyholder is unable to benefit from one component unless the other is also present;
- a contract with terms equivalent to the investment component is sold, or could be sold, separately in the same market or same jurisdiction.

If the investment component does not satisfy the two conditions above, it would be identified as non-distinct and IFRS 17 would apply on the contract as a whole (no separation from host contract).

The Group does not expect significant impacts on the insurance contract classification when compared to IFRS 4, as well as from the unbundling of distinct investment components.

Level of Aggregation

IFRS 17 requires that an entity should aggregate contracts at inception in groups for recognition, measurement, presentation and disclosure. An entity shall establish the groups at initial recognition and shall not reassess the composition of the groups subsequently.

The starting point for aggregating contracts is to identify portfolios of insurance contracts. A portfolio comprises contracts that are subject to similar risks and managed together. The assessment of "similar risks" should take into consideration the prevailing risks of the contracts. In case the prevailing risks are similar, then two contracts can be considered as exposed to similar risks.

IFRS 17 then requires the entity to divide the contracts in each portfolio on initial recognition into the following groups:

- group of contracts that are onerous at initial recognition;
- group of contracts that at initial recognition have no significant possibility of becoming onerous subsequently; and
- group of the remaining contracts in the portfolio.

IFRS 17 prescribes that an entity cannot include contracts issued more than one year apart in the same group. Therefore, each portfolio should be disaggregated into annual cohorts, or cohorts consisting of periods of less than one year.

However, as per amendment done in the endorsement phase of IFRS 17, the Art.2 of Commission regulation (EU) 2021/2036 grants an entity applying IFRS 17 the option (i.e., Carve-out option) to not to apply the requirement laid down in paragraph 22 of the IFRS 17 (i.e., annual cohort requirement) to:

- groups of insurance contracts with direct participation features and groups of investment contracts with discretionary participation features as defined in Appendix A to the Annex to this Regulation, and with cash flows that affect or are affected by cash flows to policyholders of other contracts as laid down in paragraphs B67 and B68 of Appendix B of that Annex;
- groups of insurance contracts that are managed across generations of contracts and that meet the conditions laid down in Article 77b of Directive 2009/138/EC and have been approved by supervisory authorities for the application of the matching adjustment.

The Group will adopt the exemption for applying the annual cohort to most of its profit-sharing contracts valued according to the VFA model, and which are characterized by mutuality among the cash flows of the different generations of policyholders.

Contract Boundary

The measurement of a group of insurance contracts includes all the expected cash flows within the boundary of each contract within the group. Generali Group considers the contract boundary requirements as linked to the entity ability to fully reprice a contract. All future premiums and policyholder options should be included in the initial projections if the entity does not have the ability to fully reprice the contract when the premium is paid/the option is exercised.

According to this requirement, the contract boundaries will be set considering the insurance contract as a whole and not considering each single component independently, leading to difference compared to the current approach applied in Solvency 2, with particular reference to multi-risk contracts, where different risk components may have different contracts boundaries.

Expected Future Cash Flows

Expected Future Cash Flows are the first element of Fulfilment Cash Flows (FCF) and represents an estimate of future cash flows within the contract boundary.
The estimate of future cash flows should: i) incorporate, in an unbiased way, all reasonable and supportable information available; ii) reflect the perspective of the entity, provided that the estimates of any relevant market variables are consistent with observable market prices for those variables, iii) be current and iv) be explicit.
Generally, the operating assumptions underlying the projections of Expected Future Cash Flows are in line with the ones adopted within the Solvency 2 framework. However, as regard expense perimeter, differences may arise because of the IFRS 17 requirement envisaging that only expenses directly attributable to insurance and reinsurance contracts must be considered for the measurement of Expected Future Cash Flows.

Time value of money

The second element of FCF is represented by the time value of money. IFRS 17 requires adjusting the estimates of expected cash flows to reflect the time value of money and the financial risks associated with those cash flows to the extent that the financial risks are not already included in the cash flow estimates.
The discount rates must:

- reflect the time value of money, the characteristics of the cash flows and liquidity characteristics of the insurance contracts;
- be consistent with observable current market prices (if any) for financial instruments with cash flows whose characteristics are consistent with those of the insurance contracts (e.g., timing, currency and liquidity);
- exclude the effect of factors that influence such observable market prices but do not affect the future cash flows of the insurance contracts;
- in case of cash flows that vary according to any financial underlying items, reflect that variability.

The Group will apply a bottom-up approach to define the discount rates to apply to insurance and reinsurance contracts, consistently with Solvency 2 framework, where appropriate. In detail, the Group's position is to apply a risk neutral approach for IFRS 17 both for participating and non-participating business for the purpose of fulfilling market consistency requirements. In this context, the IFRS 17 discount curve, for each currency in the portfolio, will be determined as the sum of:

- a risk-free base curve; and
- an adjustment for the illiquidity premium (so-called IFRS 17 adjustment).

To determine the IFRS 17 adjustment, the average spread of a reference asset portfolio is considered, adjusted to exclude credit risk components (i.e. risk corrections) and the effect of potential misalignments of cash flows of underlying assets with respect to the portfolio of liabilities.

As regards the risk-free base curve, the approach is aligned with the parameterisation and the current Solvency 2 method. In particular, the same extrapolation algorithm is applied (i.e. the Smith-Wilson method) and the same convergence rate (i.e. ultimate forward rate) is used for most currencies.
With reference to the IFRS 17 adjustment component:

- for the GMM and PAA businesses, the same Solvency 2 adjustment is used (i.e. the volatility adjustment);
- for the VFA business, an adjustment for the specific illiquidity premium is calibrated for each company in order to ensure a better economic representation of the life business and avoid creating artificial volatility in the balance sheet and in the income statement due to the movement of market spreads. The illiquidity premium of the VFA business is based on the following entity specific characteristics:
  1. asset mix (instead of the EIOPA reference portfolio considered by Solvency 2);
  2. a duration ratio aimed to better reflect the assets and liabilities matching (instead of 65% required by Solvency 2).

Risk Adjustment

The Risk Adjustment (RA) is the last element included within the FCF and provides information to users of financial statements about the amount the entity charges for bearing the uncertainty over the amount and timing of cash flows arising from non-financial risk.
The RA considers risks arising from an insurance contract other than financial risk. This includes insurance risk and other non-financial risks as lapse and expense risk.
Entities are required to account for a Risk Adjustment explicitly, while time value of money and financial risk remains implicit in the Present Value Future Cash Flows (PVFCF).
The RA reflects:

- the degree of diversification benefit that the entity includes when determining the compensation that it requires for bearing that risk; and
- the entity's degree of risk aversion, reflected by both favorable and unfavorable outcomes.

With regards to diversification benefits, those among different entities and between Life and P&C segments are not considered.
Differently from Solvency 2 framework for which the Cost of Capital method is applied to quantify the Risk Margin, IFRS 17 does not prescribe a specific method to calculate the Risk Adjustment. The Group will adopt the percentile approach, leveraging on methodology and calculation models developed for Internal Model under Solvency 2, appropriately adjusted to comply with the IFRS 17 requirements for determining the Risk Adjustment. As part of the calibration, for both segments, the reference percentile for the Risk Adjustment calculation is represented by the 75th percentile of the risk distribution determined in the Internal Model used for Solvency 2 purpose[*].

(*) As required by the Solvency 2 Directive, the Solvency Capital Requirement corresponds to the value at risk of the basic own funds of the insurance or reinsurance undertaking subject to a 99.5% confidence level over a one-year period. Therefore, the percentile reported reflects a calibration of the non-financial risk margin in a "1-year" perspective.

Contractual Service Margin

The Contractual Service Margin (CSM) reflects the unearned profit in the group of insurance contracts that has not yet been recognized in profit or loss at each reporting date, because it relates to future service to be provided.
The pattern of release of the CSM may be different to the straight-line basis and may require judgement. The CSM is released on the basis of coverage units that are determined by considering for each contract the quantity of the benefits provided under a contract and its expected coverage duration.
Depending on the type of service provided, the coverage unit and the related quantity of benefit could be defined in different ways. Following, some alternatives (non-exhaustive) for the definition of the coverage unit:

- in case of Saving contracts, the coverage units are generally defined as a function of the assets under management (AuM);
- in case of contracts providing only insurance services, the coverage units are generally defined as a function of the sum insured;
- in case of contracts that envisages a bundle of services, hybrid approaches are generally adopted (e.g., combination of AuM and sum insured).

The carrying amount of the contractual service margin at the end of the reporting period is equal to the carrying amount at the beginning of the reporting period adjusted by:

- the New Business contribution;
- the impact of changes in non-financial variables on future fulfilment cash flows. Examples, which are not exhaustive, may be the updates of the operating assumptions or the adjustments based on experience variance relating to premiums received in the reporting period relating to future services;
- the recognition of the interest accreted on the carrying amount of the Contractual Service Margin in the reporting period. The interest accreted is defined using the current rates for the VFA measurement model and the discount rate determined at the date of initial recognition of the group of contracts (so called locked-in rate) for the GMM;
- for VFA measurement model, the impact of financial variables on current and future fulfilment cash flows, which includes the effect of the systematic variance due to the expected realization of the real world assumptions in the reporting period;
- the effect of currency exchange differences;
- the release of the Margin recognised in the income statement relating to insurance services provided during the period. The release of the Margin is computed after the recognition of the Margin relating to the new business, the impact of the variances and the interest accreted.

Variable Fee Approach (VFA)

The VFA is the mandatory measurement model to be applied for insurance contracts with direct participation features.
The Group will apply the VFA predominantly to the insurance portfolio of the Life segment and estimates that approximately 96% of the net insurance liabilities at the transition date (i.e., 1 January 2022) are measured through the VFA. The VFA measurement model will be mainly applied to traditional savings policies underwritten in the EU market and unit-linked policies.
For contracts characterised by direct participation features and with cash flows that affects or are affected by cash flows to policyholder of other contracts, the Group will make use of the exemption from the application of the requirement of annual cohorts (i.e. carve-out option).
It should be noted that the logic underlying the mechanisms defined in the VFA measurement model replaces the accounting practice of Shadow Accounting envisaged by IFRS 4, as both the insurance liabilities and the underlying investments are measured at fair current values. Consequently, any changes in the fair value of the underlying investments will be reflected in the measurement of Fulfilment Cash Flows and the Contractual Service Margin.

Premium Allocation Approach (PAA)

The PAA is an optional simplified model for measuring the Liability for Remaining Coverage of short-term contracts.
This model is predominantly applied to the insurance portfolio of the P&C segment. The Group estimates that approximately 99% of the net insurance liabilities at the transition date (i.e., 1 January 2022) are measured through the PAA.
With reference to the life segment, the application of this measurement model will be limited only to groups of contracts with a duration not exceeding one year, estimated at the transition date as less than 1% of net life liabilities.

General Model Measurement (GMM)

The GMM represents the standard measurement model envisaged by the standard for the measurement of insurance assets and liabilities.
Within the Life segment, the GMM measurement model will be mainly applied to traditional savings policies not eligible for application of the VFA business. The Group estimates that approximately 4% of the net insurance liabilities at the transition date (i.e., 1 January 2022) are measured through the GMM.
Within the P&C segment, the broad eligibility for the simplified PAA model determines a residual application of the standard measurement model. The Group estimates that less than 1% of the net insurance liabilities at the transition date are measured through the GMM (principally related to Spanish funeral business).

Insurance finance income or expenses

IFRS 17 requires an entity to make an accounting policy choice whether to disaggregate insurance finance income or expenses for the period between profit or loss and other comprehensive income. Once chosen, the accounting policy will need to be applied consistently at the level of a portfolio of insurance contracts issued and reinsurance contracts held.
When determining whether to select the accounting disaggregation policy choice, an entity should assess the combinations of various measurement methods for insurance

obligations under IFRS 17 and the underlying financial instruments under IFRS 9 that could lead to accounting mismatch and the potential ways to mitigate them.
The Group will apply the Disaggregation Approach to most of its existing insurance contracts issued and reinsurance contracts held portfolio to mitigate the potential accounting mismatch and related volatility in P&L.

Transition

IFRS 17 will be applied starting from the 1 January 2023. However, the Transition date is identified by the beginning of the annual reporting period immediately preceding the date of initial application (i.e., 1 January 2022).
IFRS 17 envisages the following methods to recognize and measure insurance and reinsurance contracts for transition purposes:

- Full Retrospective Approach (FRA): this method requires an entity to identify, recognize and measure each group of insurance and reinsurance contracts as if IFRS 17 had always been applied;
- Modified Retrospective Approach (MRA): if FRA is impracticable, an entity can choose to apply MRA that introduces a set of simplifications to the general Standard's requirements having regard to the level of aggregation, discount rate, recognition of CSM and allocation of insurance finance income and expenses. However, the objective of the Modified Retrospective Approach, similarly to the Fully Retrospective, is to determine the CSM at initial recognition (allowing for some simplification) and to carry it forward to the transition date;
- Fair Value Approach (FVA): if FRA is impracticable, an entity can choose to apply the FVA. This transition method relies on the possibility to determine the contractual service margin at the transition date as the difference between the fair value of a group of insurance contracts at that date and the Fulfilment Cash Flows measured at that date.

The Full Retrospective Approach (FRA) is practicable in case full historical data exists and hindsight is not required. The Group has assessed that this approach covers mainly LRC for short-term contracts classified under PAA and LIC for most recent generations.
As for long-term contracts where the FRA is impracticable, the MRA is considered as the preferred transition method.
Within the Life segment, approximately 95% of the Contractual Service Margin at the transition date was therefore valued by applying the Modified Retrospective Approach, or the Full Retrospective Approach to a residual extent. The remaining 5% of the Contractual Service Margin is measured using the Fair Value Approach and concerns specific run-off portfolios.
The extensive application of the Modified Retrospective Approach ensures greater alignment with the Present Value of Future Profits (PVFP) of the underlying portfolio and a valuation consistent with that applied to new business after the transition date.
In the P&C segment, the retrospective approach was applied for measurement at the transition date of the Liability for Remaining Coverage (LRC). With regard to the estimate of the Liability for Incurred Claims (LIC), it should be noted that the discount curve at year end 2021 was used to discount the liabilities relating to claims with an accident year prior to 2016, for which it was impracticable to assess the reference curve required by the Full Retrospective Approach. Consequently, there is no impact on the statement of Other Comprehensive Income at the transition date on the Liabilities for Incurred Claims (LIC) relating to claims with a year of occurrence prior to 2016.

IFRS 9 – Financial Instruments

IFRS 9 replaces IAS 39 - Financial Instruments: Classification and Measurement and includes a principle-based model for the classification and measurement of financial instruments, an impairment model based on expected credit losses and a hedge accounting approach more in line with risk management strategies.
The implementation of IFRS 9 by the Group aims to ensure the correct and homogeneous application of the new accounting principle in conjunction with the entry into force of the IFRS 17.

Classification and measurement

Financial assets

IFRS 9 introduces a classification approach of financial instruments that is based on contractual cash flows characteristics and models through which financial instruments are managed (business model).
In particular, the classification of financial instruments is driven by the business model through which the company manages its investments and the contractual terms of their cash flows.
A financial asset is measured at amortized cost if both of the following conditions are met:

- the asset is held to collect cash flows (business model assessment);
- the contractual cash flows represent only payments of principal and interest (solely payments of principal and interest–SPPI).

Considering the contractual characteristics, a financial instrument is eligible for measurement at amortized cost if it consists in a basic lending agreement. The entity shall make its own assessment on the single financial instrument to assess if the nature of the contractual cash flows characteristics exclusively consists in payments of principal and interest (SPPI). If a modification of the time value of the interest results in cash flows that are significantly different than those of a basic lending agreement, then the instrument must be classified and measured at fair value through profit or loss. If the business model (assessed on portfolio basis) has the objective to collect the cash flows from the investments and to sell financial assets and the contractual cash flows characteristics represent only payments of principal and interest, the financial instrument under assessment shall be measured at fair value through other comprehensive income with recycling to profit or loss when the instrument is realized.
As in the current IAS 39 - Financial Instruments: classification

and measurement, the entity has the ability at initial recognition, to designate a financial instrument at fair value through profit or loss if that would eliminate or significantly reduce the accounting mismatch in the measurement of assets or liabilities or recognition of gains and losses related to them. The equity instruments shall be classified and measured at fair value through profit or loss. The entity has the irrevocable option at initial recognition to present changes in the fair value of the equity instruments that are not held for the purpose of trading at fair value through other comprehensive income, with no recycling in the income statement except dividends. In other cases, financial instruments are classified and measured at fair value through profit or loss.
The Group intends to apply the irrevocable option of presenting the fair value changes in equity instruments that are not held for trading at fair value through other comprehensive income, if these instruments are held in portfolios other than those covering contracts underlying insurance contracts with direct participation features.

Financial liabilities

IFRS 9 does not substantially change the IAS 39 accounting rules for the classification and measurement of financial liabilities. The substantial difference between standards concerns the recognition of the change in the fair value of financial liabilities designated at fair value in the income statement. In particular, IFRS 9 requires that the part of the change in fair value attributable to the change in the creditworthiness of the liability be presented in other comprehensive income while the remaining part is recognised in income statement.
The Group expects an immaterial impact resulting from the application of the above requirement. The only financial liabilities designated at fair value are investment contracts which value change is therefore linked to the underlying asset and not to credit risk of the liability.

Additional changes to classification and measurement resulting from the new standards

It should be noted that, within the broader scope of Group investments, the Amendments made by IFRS 17 led to some changes with regard to the classification and measurement relating to real estate and, to a lesser extent, other items. Where these items underlying contracts with direct participation features, the Group adopts the fair value measurement.
In particular, with reference to real estate, according to accounting standards, a property can be valued alternatively according to:
- fair value model; or
- cost model;

this choice must be applied to all properties in the portfolio.
Nevertheless, in line with the provisions of IFRS 17 Amendment to IAS 40 and IAS 16, a company may:
(a) choose either the fair value model or the cost model for all properties covering liabilities that pay an economic return directly linked to their fair value; and
(b) choose either the fair value model or the cost model for all properties without taking into account option (a).
The Generali Group has decided to opt for option (a) by choosing the measurement at fair value for all those properties that are recognised as covering liabilities that pay an economic return directly linked to their fair value.

Impacts of classification and measurement

With reference to the composition of the portfolio of financial instruments within the scope of IFRS 9, a preponderance of financial instruments at fair value through other comprehensive income, equal to 59% (69% Available-for-sale financial assets pursuant to IAS 39), is noted. Financial instruments measured at fair value through profit or loss are 37% (25% in IAS 39), while those measured at amortised cost are 4% (6% in IAS 39).
The 43% of financial instruments measured at fair value through profit or loss relate to non-unit-linked instruments. Of these, 82% relate to VFA portfolios and therefore not directly impacting the income statement, as changes in the fair value of the underlying financial assets that go through the income statement are offset by the symmetrical movement in insurance liabilities. Considerations on the impacts of classification and measurement deriving from the application of IFRS 9 are reported below. Most of the investments are classified as financial instruments at fair value through other comprehensive income. This category mainly includes debt instruments classified in line with the Group business model “held to collect and sell” and that pass the SPPI test, as well as equities measured at fair value through other comprehensive income without recycling to profit or loss backing non-VFA businesses. The category of financial instruments at fair value through profit or loss mainly includes unit-linked instruments and investment fund units, as well as debt securities that do not pass the SPPI test to which there is limited exposure, and equities measured at fair value through profit or loss underlying VFA business.

Impairment

IFRS 9 introduced a new impairment approach for debt instruments measured at amortized cost or at fair value through other comprehensive income, which is based on expected losses. In particular, such new standard outlines an approach for the impairment in three stages based on the assessment of credit quality from the date of initial recognition at each balance sheet date:
- Stage 1 includes the financial instruments that have not had a significant increase in credit risk since initial recognition or that have low credit risk at the reporting date (investment grade). For these assets expected losses (ECL) over the next 12 months (12-month expected credit losses - losses expected in view of the possible occurrence of events of default in the next 12 months) are recognized in the profit or loss account. Interest is calculated on the gross carrying amount (i.e. without deduction of the loss allowance);

- Stage 2 includes financial instruments that have had a significant increase in credit risk since initial recognition (unless they are investment grade at the reporting date) but that do not have objective evidence of impairment. For these assets, expected credit losses arising from all possible default events over the entire expected life of the financial instrument are recognized in profit or loss. Interests are still calculated on the gross carrying amount of the asset. (i.e. without deduction of the loss allowance);
- Stage 3 includes financial assets that have objective evidence of impairment at the reporting date. For these assets, expected credit losses arising from all possible default events over the entire expected life of the financial instrument are recognized in profit or loss. Interests are calculated on the net carrying amount (that is, net of credit allowance).

The model also introduces a simplified approach for trade receivables and leases for which it is not necessary to calculate the 12-month expected credit losses but the lifetime expected credit losses are always recognized.

With regard to impairment, the new Expected Credit Losses model of the Group has implied limited impacts on the Financial Statements, reflecting the creditworthiness of the debt securities portfolio held by the Group.

Hedge accounting

IFRS 9 introduces a model substantially reformed for hedge accounting that allows better than in IAS 39 to reflect in financial statements the hedging activities undertaken under risk management strategies.

In particular there is a significant simplification of the effectiveness test. There are no more predetermined thresholds of coverage to achieve effective hedge (i.e. 80-125% in the current IAS 39), but it is sufficient that:

- there is an economic relationship between the hedging instrument and the hedged item; and
- credit risk should not be the key component of the hedged risk (i.e. the change in fair value of the hedging relationship must not be dominated by the credit risk component).

A transitional provision allows continuing to apply IAS 39 for all hedging transactions until completion of the macrohedging project. The Generali Group has decided to apply the new IFRS 9 rules on hedge accounting starting from 1 January 2023, while not detecting substantial impacts deriving from the application of the new rules.

Estimating the impact of the adoption of IFRS 17 and IFRS 9

The Group will apply IFRS 17 and IFRS 9 beginning from financial statements starting on 1 January 2023.

The impact on shareholders' equity from the combined application of IFRS 17 and IFRS 9 is determined on 1 January 2022, identified as the start of the financial year immediately prior to the date of first-time application.

Based on the valuations and reasonable estimates available at the date of publication of the 2022 financial statements, following the introduction of the new standards, the expected impact on the Group shareholders' equity at the transition date is estimated to be approximately -1%.

The table below summarises the main impacts by presenting a reconciliation between the Group shareholders 'equity as at 31 December 2021, calculated according to IAS 39 and IFRS 4, and the Group shareholders' equity at the transition date (i.e. 1 January 2022) measured with the new IFRS 17 and IFRS 9 accounting standards:

(in Euro billion)	Total
TOTAL SHAREHOLDERS' EQUITY (31 December 2021)	**31,9**
Shareholders' equity attributable to the Group	29,3
Shareholders' equity attributable to minority interests	2,6
Change in Fair Value of assets	9,8
Voba and Deferred Acquisition Costs derecognition	-2,8
IFRS 4 insurance provisions derecognition and IFRS 17 fulfillment cash flows recognition	28,7
Risk Adjustment recognition	-2,8
Contractual Service Margin recognition	-33,1
Deferred taxes and other changes	-0,1
TOTAL SHAREHOLDERS' EQUITY AT TRANSITION (1 January 2022)	**31,5**
Shareholders' equity attributable to the Group	29,1
Shareholders' equity attributable to minority interests	2,5
Transition effects on Shareholders' equity	**-0,3**

The expected change in the Group shareholders' equity is the result of the combined effect of the introduction of the new standards on the two main segments in which the Group operates:

- in the Life segment, an estimated reduction in equity of around € 2 billion is expected, mainly associated with recognition of the Contractual Service Margin (CSM) of contracts with direct participation features (VFA) absorbing the unrealised gains and losses, previously accounted for within the equity reserve relating to available for sale assets;
- in the P&C segment, there is an estimated positive effect on shareholders' equity of approximately € 2 billion, which mainly reflects the release of the adequacy reserve previously embedded within the measurements of the outstanding claims provisions compliant with the accounting principles applied locally.

The Contractual Service Margin (CSM) at the transition date is estimated at approximately € 33 billion, of which:

- approximately € 32 billion relating to groups of contracts in the Life segment, mainly associated to contracts sold in the European market;
- approximately € 1 billion relating to P&C contracts, which fall within the scope of GMM application.

Impacts of the transition on the Group Balance Sheet

The table below shows the effects from the application of IFRS 17 and IFRS 9 on the Group Balance Sheet as at 31 December 2021, highlighting the main items impacted by the transition.

(in Euro billion)	Balance Sheet as of YE 2021	Items derecognized	Items reclassified	IFRS 17/9 remeasurement	Pro-forma Balance Sheet at Transition	
	31/12/2021				01/01/2022	Change
INTANGIBLES ASSETS	**10.0**	-0.6	-0.0	-	**9.4**	-0.6
TANGIBLE ASSETS	**4.0**	-	-0.2	-	**3.8**	-0.2
NET ASSETS FROM REINSURANCE HELD CONTRACTS (*)	**6.6**	-	-1.6	0.0	**5.1**	-1.5
INVESTMENTS	**527.9**	-	-2.4	9.8	**535.3**	7.4
RECEIVABLES	**13.9**	-	-8.5	-	**5.4**	-8.5
OTHER ASSETS, CASH AND CASH EQUIVALENTS	**23.8**	-2.2	-4.5	1.4	**18.5**	-5.3
Deferred tax assets	3.6	-	-0.3	1.4	**4.7**	1.1
TOTAL ASSETS	**586.2**	**-2.8**	**-17.2**	**11.2**	**577.5**	**-8.7**
NET LIABILITIES FROM (RE)INSURANCE CONTRACTS ISSUED (*)	**479.4**	-	-7.3	7.2	**479.4**	-0.0
FINANCIAL LIABILITES	**47.7**	-	-3.1	-	**44.6**	**-3.1**
PAYABLES	**13.3**	-	-6.0	-	**7.2**	-6.0
OTHER LIABILITES AND PROVISIONS	**13.9**	-	-0.7	1.5	**14.7**	0.8
Deferred tax liabilities	3.8	-	-0.8	1.5	**4.6**	0.8
TOTAL LIABILITIES	**554.3**	**-**	**-17.2**	**8.8**	**546.0**	**-8.4**
SHAREHOLDERS' EQUITY	**31.9**	**-2.8**	**-0.0**	**2.5**	**31.5**	**-0.3**

(*) In order to facilitate the comparison of data, the assets and liabilities related to insurance contracts measured in application of IFRS 17 are reported in line with the presentation of the technical liabilities of the Consolidated Financial Statements according to IFRS 4, therefore the insurance contracts issued and reinsurance contracts held include the items relating to contracts that constitute assets and liabilities, respectively.

The main effects on the Group shareholders' equity are as follows:

- the decrease in intangible assets and other assets, mainly attributable to *derecognition* of the VOBA and deferred acquisition costs (negative effect);
- the increase in investments mainly determined by the fair value measurement of real estate investments backing VFA business, and of some debt securities measured at cost according to IAS 39 (positive effect);
- the measurement of liabilities for insurance contracts due to the following reasons:
  - recognition of the portion of unrealised gains on investments to cover the liability measured according to the VFA within the CSM (negative effect);
  - application of *best estimate* assumptions instead of *locked-in* prudential assumptions for insurance liabilities (positive effect);
  - discounting at market rates of liabilities for claims of the P&C segment previously not discounted (positive effect);
  - recognition of future profits of insurance contracts accounted for according to the GMM and VFA within the CSM under insurance liabilities (negative effect).
- the tax effect on the changes commented on above.

In addition, the application of IFRS 17 entailed the reclassification of some assets and liabilities previously accounted for in other elements of the balance sheet under assets and liabilities of insurance contracts. These reclassification effects mainly concerned: reinsurance deposits, receivables and payables related to (re)insurance contracts, policyholder loans.

Details of Insurance Assets and Liabilities at the transition date

The tables below provide details of IFRS 17 assets and liabilities at the transition date, broken down by measurement model and segment:

(in Euro billion)	Total	VFA	GM	PAA
NET ASSETS FROM REINSURANCE HELD CONTRACTS (*)	**5.1**	**-**	**0.7**	**4.4**
- of which Life Segment	**1.0**	-	0.7	0.3
- of which P&C Segment	**4.2**	-	-	4.2
NET LIABILITIES FROM (RE)INSURANCE CONTRACTS ISSUED (*)	**479.4**	**427.9**	**17.1**	**34.5**
- of which Life Segment	**445.8**	427.7	17.1	1.0
- of which P&C Segment	**33.6**	0.2	(0.1)	33.5

(*) In line with the table shown in the previous paragraph, the amounts of insurance contracts issued and reinsurance contracts held include the items relating to contracts that constitute assets and liabilities, respectively.

As highlighted in the previous paragraphs, it can be seen that the VFA measurement model is predominant in the Life segment; while for the P&C segment almost all net provisions are measured using the PAA model.

Impacts of the transition on investment value

(in Euro billion)	IAS 39 investments	o/w items reclassified from IAS39 to IFRS17 or viceversa	IAS 39 like-for-like perimeter	o/w change in classification	o/w change in measurement	IFRS 9 investments
	31/12/2021					01/01/2022
TOTAL INVESTMENTS	**527.9**	**-4.9**	**523.0**	**2.5**	**9.8**	**535.3**
Investment properties	**16.9**	-	**16.9**	0.1	**7.8**	24.8
Loans and receivables, Held to maturity investments/ Financial assets at amortized cost	**33.1**	-5.0	**28.1**	-9.7	**-0.2**	18.3
Available for sale financial assets/ Financial assets at FVOCI	**348.6**	-	**348.6**	-50.0	**2.0**	300.6
Financial assets at fair value through profit or loss	**127.0**	0.1	**127.1**	62.1	**0.0**	189.2
Subsidiaries, associated companies and JV	**2.4**	**-**	**2.4**	**-**	**0.1**	**2.4**

In the interpretation of the above table, following comments are reported.
According to IFRS 9, financial instruments were reclassified from IAS 39 categories into IFRS 9 ones in line with the new classification requirements. In terms of measurement, the total amount of unrealised gains on investments previously measured at cost is € 9.8 billion (mainly related to investment properties for € 7.8 billion and loans and unquoted bonds for € 1.8 billion). In particular, in IFRS 9, investment properties measured at cost amounted to € 4.1 billion and properties measured at fair value amounted to € 20.7 billion.
IAS 39 like for like perimeter does not consider elements previously included under IAS 39 scope and reclassified within the scope of IFRS 17 at transition, i.e. mainly policy loans and deposits under reinsurance business accepted (approximately € -5 billion).
The column related to change in classification between accounting categories of financial assets represents reclassifications among items of assets resulting from the change in the accounting category of destination (at IAS 39 balance sheet values) due to the application of the new standard, and includes accrued interests previously classified under "other assets" (outside the investments category), as well as the effect of change in presentation of some fully consolidated investment fund units measured at fair value through profit or loss. It should be noted that item related to financial assets measured at fair value through profit or loss (approximately € 62 billion) mainly includes investment fund units and debt instruments reclassified from the category of available for sale financial assets to the category of financial assets measured at fair value through profit or loss due to the failure of the SPPI test, and equities reclassified from the category of available for sale financial assets to the category of financial assets measured at fair value through profit or loss backing VFA business.

Impacts on Key Performance Indicators

Following the transition to the new standards, the Group expects to adjust some of the key performance indicators currently used for analysis and results presentation purposes.

Property and Casualty Segment (P&C)

Notwithstanding the Gross Written Premium (GWP) will no longer be reported into Profit and Loss, the Group will continue to disclose GWP as a major indicator of volumes for the P&C segment.
The Group has deemed to draw up an operating result under the new standards based on earnings before taxes items reclassification substantially in line with the current definition, by excluding some volatile components of the investments result, such as realized gains and losses, fair value market movements reported through P&L (due to the introduction of IFRS 9), as well as non-recurring revenue and expenses.
The Combined Ratio will remain the main profit indicator in the P&C segment, but its calculation methodology will be reviewed as follows:

- the numerator will include insurance service expenses (e.g. claims and costs attributable to insurance contracts), other operating expenses and the result of reinsurance held;
- the denominator will include gross insurance contract revenue.

The gross view applied to the denominator and the inclusion of other operating expenses in the numerator will have an unfavourable impact on the Combined Ratio without affecting the operating result of the P&C segment. Current year loss ratio will benefit from discounting effect and best estimate reserving, while prior year development will no longer benefit from the release of systematic reserve adequacy accounted for under IFRS 4. Moreover, the Group expects that the Risk Adjustment variation over the business cycle will have a neutral impact on the indicator.
The Operating Investment Result under the new standards will remain in line with the current definition, except for the inclusion of insurance finance expenses due to interest accretion on technical provisions.
Overall, the Group expects a higher volatility of the operating result due to the discounting of claims reserve. This expected higher volatility will be mitigated thanks to the business mix of the Group more focused on retail and short tail lines that are less sensitive to interest rates movements.

Life segment

In the Life Segment, the main indicators will be represented by the New Business Value (NBV) and the operating result.
Considering the core role of CSM into IFRS 17, the Group has decided to review and adapt the definition of the New Business Value (NBV), explicitly linking its calculation to the CSM recognised from New Business, properly adapted. In particular, in order to provide a consistent and complete view, the New Business Value of the Life Segment will be defined starting from the New Business CSM (calculated under IFRS 17 rules), adjusted to include the value of PAA business, investment contracts accounted for under IFRS 9 and look through profits from funds managed by the Group. Coherently with actual methodology, tax and minorities will be deducted.
Life operating result under IFRS 17 and IFRS 9 will have two main components: the operating insurance service result and the operating investment result. The first component will be driven by the CSM release that includes also financial margin arising from contracts with direct participation features measured under the VFA model. The broad application of VFA measurement model allows to substantially absorb the economic variances into future cash flows and CSM and to release them gradually into the operating result.
The operating investment result will be mainly represented by the financial margin arising from non-participating business and the net current income from free assets. Similarly to the P&C segment, more volatile elements of investment result for these business lines such as realized gains and losses and fair value market movements reported through P&L (due to the introduction of IFRS 9) will be classified in the non-operating result.

Overall, the Group expects the operating result to be more aligned to the economic view and less sensitive to one-off components that currently affect the operating results. Moreover, the new indicator will allow to better appreciate the New Business Value contribution to the Operating Result.
Finally, from 2023 onwards, the Group will also disclose, together with the reported Net Result, an Adjusted Net Result to be considered for the calculation of the *Adjusted Earnings per Share* (EPS) aiming to neutralize:

- gains and losses from merge and acquisition transactions, including any restructuring costs incurred in the related M&A year – treatment in line with current methodology;
- amortization of intangibles related to M&A transactions;
- market volatility arising from Fair Value Through Profit and Loss accounting for investments under non-participating business and Shareholders' funds;
- P&L impact of IAS 29 "*Financial Reporting in Hyperinflationary Economies*" application.

Amendments to IAS 12 Deferred Tax related to Assets and Liabilities arising from a Single Transaction

On 7 May 2021 IASB published Amendments to IAS12 Deferred Tax related to Assets and Liabilities arising from a Single Transaction, which modified paragraphs 15, 22 and 24 and added paragraphs 22A and 98J-98L, in order to clarify cases in which it is necessary to recognize deferred taxation, in particular for transactions such as leases and decommissioning obligations.
In particular, with amendments to paragraphs 15 and 14, it was clarified that the exemption from recognition of a deferred tax liability or deferred tax asset does not apply in case of initial recognition of an asset or liability in a transaction that, even if it is not a business combination and at the time of the transaction affects neither accounting profit nor taxable profit, gives rise to equal and offsetting temporary differences.
Moreover, new paragraph 22A added by Amendments, gives as an example for the non-application of exemption foreseen by paragraphs 15 and 24 the case of a lease transaction, which is not a business combination and, at the time of the transaction, affects neither accounting profit nor taxable profit. Depending on the applicable tax law, equal taxable and deductible temporary differences may arise on initial recognition of the asset and liability in such a transaction. The exemption provided by paragraphs 15 and 24 does not apply to such temporary differences and the lessee recognises any resulting deferred tax liability and asset.
The effective date of Amendments is 1 January 2023. Amendments have been endorsed on 11 August 2022.
The Group does not expect material impacts on shareholders' equity from the application of the Amendments as at 1 January 2023.

Balance sheet - Assets

Intangible assets

In accordance with IAS 38, an intangible asset is recognised if, and only if, it is identifiable and controllable, and it is probable that the expected future economic benefits attributable to the asset will flow to the company and the cost of the asset can be measured reliably.
This category includes goodwill and other intangible assets, such as goodwill recognised in the separate financial statements of the consolidated companies, software and purchased insurance portfolio.
This item also includes leased assets which are allocated to the individual macro-items in the financial statements on the basis of the nature of the assets.

Goodwill

Goodwill is the sum of future benefits not separately identifiable acquired in a business combination. At the date of acquisition, the goodwill is equal to the excess between the sum of the consideration transferred, including contingent consideration, liabilities assumed towards the previous owners the fair value of non-controlling interests as well as, in a business combination achieved in stages, the fair value of the acquirer's previously held equity interest in the acquiree and the fair value (present value) of net amount of the separately identifiable assets and liabilities acquired.
After initial recognition, goodwill is measured at cost less any impairment losses and it is no longer amortised. According to IAS 36, goodwill is not subject to amortization. Realized gains and losses on investments in subsidiaries include the related goodwill. Goodwill is tested at least annually in order to identify any impairment losses.
The purpose of the impairment test on goodwill is to identify the existence of any impairment losses on the carrying amount recognised as intangible asset. In this context, cash-generating units to which the goodwill is allocated are identified and tested for impairment. Cash-generating units (CGU) units usually represent the consolidated units within the same primary segment in each country. Any impairment is equal to the difference, if negative, between the carrying amount and the recoverable amount, which is the higher between the fair value of the cash-generating unit and its value in use, i.e. the present value of the future cash flows expected to be derived from the cash-generating units. The fair value of the CGU is determined on the basis of current market quotation or usually adopted valuation techniques (mainly Dividend Discount Model - DDM or alternatively Market Value Balance Sheet or appraisal value). The Dividend Discount Model is a variant of the Cash flows method. In particular the Dividend Discount Model, in the excess capital methodology, states that the economic value of an entity is equal to the discounted dividends flow, together with any excess capital quota, calculated considering the capital requirements consistent with the Risk Appetite Framework (RAF) defined by the Group for specific CGU. Such models are based on the projections on budgets/forecasts approved by management or conservative or prudential assumptions covering a maximum period of five years. Cash flow projections for a period longer than five years are extrapolated using estimated among others growth rates. The discount rates reflect the free risk rate, adjusted to take into account specific risks. Should any previous impairment losses no longer exist, they cannot be reversed.
For further details see section *Information on Consolidation perimeter and Group companies* in the Notes.

Other intangible assets

Intangible assets with finite useful life are measured at acquisition or production cost less any accumulated amortisation and impairment losses. The amortisation is based on the useful life and begins when the asset is available for use. Specifically, the purchased software expenses are capitalised on the basis of the cost for purchase and usage.
The costs related to their development and maintenance are charged to the profit and loss account of the period in which they are incurred.
Other intangible assets with indefinite useful life are not subject to amortization. They are periodically tested for impairment.
Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the income statement when the asset is de-recognised.
Other intangible assets include the right of use of leased assets and is subject to the recoverability test, carried out with a view to the overall cash generating unit, as illustrated in the dedicated paragraphs.

Contractual relations with customers - insurance contracts acquired in a business combination or portfolio transfer

In case of acquisition of life and non-life insurance contract portfolios in a business combination or portfolio transfer, the Group recognises any intangible assets related to the value of the acquired contractual relationships. This intangible asset represents the present value of the pre-tax future profit arising from the renewals of contracts in force at the purchase date, until extinction. The related deferred taxes are accounted for as liabilities in the consolidated balance sheet.
Moreover, the difference between the fair value of the insurance liabilities acquired in a business combination or a portfolio transfer, and the value of such liabilities measured

in accordance with the acquirer's accounting policies for the insurance contracts that it issues, is recognised on balance sheet, if positive, as intangible asset (Value of Business Acquired - VOBA) or, if negative, as an adjustment to the insurance provisions.
Intangible assets related to the acquisition of a portfolio are amortised over the effective life of the contracts acquired, by using an amortization pattern reflecting the expected future profit recognition. Assumptions used in the development of the amortization pattern are consistent with the ones applied in its initial measurement. The amortization pattern is reviewed on a yearly basis to assess its reliability and, if applicable, to verify the consistency with the assumptions used in the valuation of the corresponding insurance provisions.
The Generali Group applies this accounting treatment to the insurance liabilities assumed in the acquisition of life and non-life insurance portfolios.
The future VOBA recoverable amount is nonetheless tested on yearly basis.
As for as the life and non-life portfolios, the recoverable amount of the value of the in-force business acquired is carried out through the liability adequacy test (LAT) of the insurance provisions — mentioned in the paragraph related to life and non-life insurance provisions— taking into account, if any, the deferred acquisition costs recognised in the balance sheet. If any, the impairment losses are recognised in the profit or loss account and cannot be reversed in a subsequent period.
Similar criteria are applied for the initial recognition, the amortization and the impairment test of other contractual relationships arising from customer lists of asset management sector, acquired in a business combination where the acquiree belongs to the financial segment.

Tangible assets

This item comprises land and buildings used for own activities and other tangible assets.

Land and buildings (Self-Used)

In accordance with IAS 16, this item includes land and buildings used for own activities.
Land and buildings (self-used) are measured applying the cost model set out by IAS 16. The cost of the self-used property comprises purchase price and any directly attributable expenditure.
The depreciation is systematically calculated applying specific economic/technical rates which are determined locally in accordance with the residual value over the useful economic life of each individual component of the property.
Land and buildings (self-used) are measured at cost less any accumulated depreciation and impairment losses. Land and agricultural properties are not depreciated but periodically tested for impairment losses. Costs, which determine an increase in value, in the functionality or in the expected useful life of the asset, are directly charged to the assets to which they refer and depreciated in accordance with the residual value over the assets' useful economic life. Cost of the day-to-day servicing are charged to the profit and loss account.
Leases of land and buildings are accounted for according to IFRS 16. For further information please refer to chapter *Leasing*.

Other Tangible Assets

Property, plant, equipment, furniture and property inventories are classified in this item as property inventory. In particular, property, plant, equipment and furniture, as provided by IAS 16, are initially measured at cost and subsequently recognised net of any accumulated depreciation and any impairment losses. They are systematically depreciated on the basis of economic/technical rates determined in accordance with their residual value over their useful economic life. In particular the inventories, as stated by IAS 2, are measured at the lower of cost (including cost of purchase, cost of conversion and cost incurred the inventories to their present location and condition) and net realizable value, i.e. the estimated selling price in the ordinary course of business less the estimated cost of completion and costs to sell. An item of property, plant and equipment and any significant part initially recognised is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is de-recognised.
The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.
This item also includes leased assets that are allocated to the specific balance sheet items based on the nature of the assets.

Reinsurance provisions

The item comprises amounts ceded to reinsurers from insurance provisions that fall under IFRS 4 scope. They are accounted for in accordance with the accounting principles applied to direct insurance contracts.

Investments

Land and Buildings (Investment Properties)

In accordance with IAS 40, this item includes land and buildings held to earn rentals or for capital appreciation or both. Land and buildings for own activities and property inventories are instead classified as tangible assets. To measure the value of land and buildings (investment properties), the Generali Group applies the cost model set out by IAS 40, and adopts the depreciation criteria defined by IAS 16. Please refer to the paragraph on land and buildings (self-used) for information about criteria used by the Group and finance leases of land and buildings. This item also includes leased assets that are allocated to the specific balance sheet item based on the nature of the assets.

Investments in subsidiaries, associated companies and joint ventures

This item includes investments in subsidiaries and associated companies valued at equity or at cost. Immaterial investments in subsidiaries and associated companies, as well as investments in associated companies and interests in joint ventures valued using the equity method belong to this category.
A list of such investments is shown in attachment to this Consolidated financial statement.

Financial Investments – classification and measurement

Financial Instruments included in scope of IAS 39 are classified as follows:
- Held to maturity;
- Loans and receivables;
- Available for sale financial assets;
- Financial assets at fair value through profit or loss.

The classification depends on the nature and purpose of holding financial instruments and is determined at initial recognition except for allowed reclassifications in rare circumstances and when the purpose of holding the financial assets changes.
The financial investments are initially recognized at fair value plus, in the case of instruments not measured at fair value through profit or loss, the directly attributable transactions costs.
Non-derivative financial assets with fixed and determinable payments, those that the entity has the intention and the ability to hold to maturity, unquoted and not available for sale are subsequently measured at amortised cost.

Held to maturity financial assets

The category comprises the non-derivative financial assets with fixed or determinable payments and fixed maturity that a company has the positive intention and ability to hold to maturity, other than loans and receivables and those initially designated as at fair value through profit or loss or as available for sale. The intent and ability to hold investments to maturity must be demonstrated when initially acquired and at each reporting date.
In the case of an early disposal (significant and not due to particular events) of said investments, any remaining investments must be reclassified as available for sale.
Held to maturity investments are accounted for at settlement date and measured initially at fair value and subsequently at amortised cost using the effective interest rate method and considering any discounts or premiums obtained at the time of the acquisition which are accounted for over the remaining term to maturity.

Loans and receivables

This category comprises non-derivative financial assets with fixed or determinable payments, not quoted in an active market. It does not include financial assets held for trading and those designated as at fair value through profit or loss or as available for sale upon initial recognition.
In detail, the Generali Group includes in this category some unquoted bonds, mortgage loans, policy loans, term deposits with credit institutions, deposits under reinsurance business accepted, repurchase agreements, receivables from banks or customers accounted for by companies of the financial segment, and the mandatory deposit reserve with the central bank. The Group's trade receivables are instead classified as other receivables in the balance sheet.
Loans and receivables are accounted for at settlement date and measured initially at fair value and subsequently at amortised cost using the effective interest rate method and considering any discounts or premiums obtained at the time of the acquisition which are accounted for over the remaining term to maturity. Short-term receivables are not discounted because the effect of discounting cash flows is immaterial. Gains or losses are recognised in the profit and loss account when the financial assets are de-recognised or impaired as well as through the normal amortization process envisaged by the amortised cost principle.

Available for sale financial assets

Available for sale financial assets are accounted for at the settlement date at the fair value at the related transaction dates, plus the transaction costs directly attributable to the acquisition.
The unrealized gains and losses on available for sale financial assets arising out of subsequent changes in value are recognised in other comprehensive income in a specific reserve until they are sold or impaired. At this time the cumulative gains or losses previously recognised in other comprehensive income are accounted for in the profit and loss account.
This category includes quoted and unquoted equities, investment fund units (IFU) not held for trading, nor designated as financial assets at fair value through profit or loss, and bonds, mainly quoted, designated as available for sale.
Interests on debt financial instruments classified as available for sale are measured using the effective interest rate with impact

on profit or loss. Dividends related to equities classified in this category are reported in profit or loss when the shareholder's right to receive payment is established, which usually coincides with the shareholders' resolution.

The Group evaluates whether the ability and intention to sell its Available for sale financial assets in the near term is still appropriate. When, in rare circumstances, the Group is unable to trade these financial assets due to inactive markets and management's intention to do so significantly changes in the foreseeable future, the Group may elect to reclassify these financial assets. Reclassification to loans and receivables is permitted when the financial assets meet the definition of loans and receivables and the Group has the intent and ability to hold these assets for the foreseeable future or until maturity. Reclassification to the held to maturity category is permitted only when the entity has the ability and intention to hold the financial asset accordingly.

For a financial asset reclassified from the available for sale category, the fair value carrying amount at the date of reclassification becomes its new amortised cost and any previous gain or loss on the asset that has been recognised in equity is amortised to profit or loss over the remaining life of the investment using the EIR (Effective Interest Rate). Any difference between the new amortised cost and the maturity amount is also amortised over the remaining life of the asset using the EIR. If the asset is subsequently determined to be impaired, then the amount recorded in equity is reclassified to the income statement.

Financial assets at fair value through profit or loss

This category comprises financial assets held for trading, i.e. acquired mainly to be sold in a short term, and financial assets that upon initial recognition are designated as at fair value through profit or loss.

In particular both bonds and equities, mainly quoted, and all derivative assets, held for both trading and hedging purposes, are included in this category. Financial assets at fair value through profit or loss also take into account investments back to policies where the investment risk is borne by the policyholders and back to pension funds in order to significantly reduce the valuation mismatch between assets and related liabilities.

Structured instruments, whose embedded derivatives cannot be separated from the host contracts, are classified as financial assets at fair value through profit or loss.

The financial assets at fair value through profit or loss are accounted for at settlement date and are measured at fair value. Their unrealized and realized gains and losses at the end of the period are immediately accounted for in the profit and loss account. The Group evaluates its financial assets held for trading, other than derivatives, to determine whether the intention to sell them in the near term is still appropriate. When, in rare circumstances, the Group is unable to trade these financial assets due to inactive markets and management's intention to sell them in the foreseeable future significantly changes, the Group may elect to reclassify them. The reclassification to loans and receivables, available for sale or held to maturity depends on the nature of the asset. This evaluation does not affect any financial assets designated at fair value through profit or loss using the fair value option at designation, as these instruments cannot be reclassified after initial recognition.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is de-recognised when:

- the rights to receive cash flows from the asset have expired;
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass-through arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the asset is recognised to the extent of the Group's continuing involvement in the asset. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Receivables

This item includes receivables arising out of direct insurance and reinsurance operations, and other receivables.

Receivables Arising out of Direct Insurance and Reinsurance Operations

Receivables on premiums written in course of collection and receivables from intermediates and brokers, co-insurers and reinsurers are included in this item. They are accounted for at their fair value at acquisition date and subsequently at their presumed recoverable amounts.

Other receivables

This item includes all other receivables, which do not have an insurance or tax nature. They are accounted for at fair value at recognition and subsequently at their presumed recoverable amounts.

Other Assets

Non-current assets or disposal groups classified as held for sale, deferred acquisition costs, tax receivables, deferred tax assets, and other assets are classified in this item and includes leased assets that are allocated to the specific balance sheet items based on the nature of the assets.

Non-Current Assets or Disposal Groups Classified as Held For Sale

This item comprises non-current assets or disposal groups classified as held for sale under IFRS 5. Non-current assets and disposal groups are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the asset or disposal group is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification

They are measured at the lower of their carrying amount and fair value less costs to sell.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount in profit or loss after tax from discontinued operations in the income statement.

Deferred acquisition costs

Concerning deferred acquisition costs, according to requirements of IFRS 4, the Group continued to apply accounting policies prior to the transition to international accounting principles. In this item acquisition costs paid before the subscription of multi-year contracts to amortize within the duration of the contracts are included.

Deferred tax assets

Deferred tax assets are recognized for deductible temporary differences between the carrying amounts of assets and liabilities and the corresponding amounts recognized for tax purposes.

In the presence of tax losses carried forward or unused tax credits, deferred tax assets are recognized to the extent that it is probable that future taxable profit will be available against which the aforementioned tax losses or unused tax credits.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to offset current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Deferred tax assets are measured at the tax rates that are expected to be applied in the year when the asset is realized, based on information available at the reporting date.

Deferred tax assets are not recognized in the following cases provided in paragraph 24 of IAS 12:

- when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized;
- for all deductible temporary differences between the carrying amount of assets or liabilities and their tax base to the extent that it is probable that taxable income will be available, against which the deductible temporary differences can be utilised.

Tax receivables

Receivables related to current income taxes as defined and regulated by IAS 12 are classified in this item. They are accounted for based on the tax laws in force in the countries where the consolidated subsidiaries have their offices.

Current income tax relating to items recognised directly in equity are recognised in equity and not in the income statement.

Other assets

The item mainly includes accrued income and prepayments, specifically accrued interest from bonds.

It also comprises deferred commissions for investment management services related to investment contracts. Deferred fee and commission expenses include acquisition commissions related to investment contracts without DPF fair valued as provided for by IAS 39 as financial liabilities at fair

value through profit or loss. Acquisition commissions related to these products are accounted for in accordance with the IFRS 15. For further information please refer to paragraph *Revenues from contracts with customers within to scope of IFRS 15*.
Deferred commissions for investment management services are amortised, after assessing their recoverability in accordance with IAS 36.
Tax credits not arising from Income Taxes, therefore out of the scope of IAS 12 - Income Taxes (including tax credits acquired on the market) are also included among Other assets.

Cash and cash equivalents

Cash in hand and equivalent assets, cash and balances with banks payable on demand and with central banks are accounted for in this item at their carrying amounts.
Short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value are included in this item. Investments are qualified as cash equivalents only when they have a short maturity of 3 months or less from the date of the acquisition.

Balance sheet – Equity and Liabilities

Shareholder's equity

Shareholder's Equity Attributable to the Group

Share Capital

Ordinary shares are recognized as share capital and their value equals the nominal value.

Other equity instruments

The item includes preference shares and equity components of compound financial instruments.

Capital Reserve

The item includes the share premium account of the Parent Company.

Revenue reserve and other reserves

The item comprises retained earnings or losses adjusted for the effect of changes arising from the first-time application of IAS/IFRS, reserves for share-based payments, equalisation and catastrophe provisions not recognised as insurance provisions according to IFRS 4, legal reserves envisaged by the Italian Civil Code and special laws before the adoption of IAS, as well as reserves from the consolidation process.

Own shares

As provided for by IAS 32, the item includes equity instruments of the Parent company held by the same company or by its consolidated subsidiaries.

Reserve for currency translation differences

The item comprises the exchange differences to be recognised in equity in accordance with IAS 21, which derive from accounting for transactions in foreign currencies and from the translation of subsidiaries' financial statements denominated in foreign currencies.

Reserve for unrealised gains and losses on available for sale financial assets

The item includes gains or losses arising from changes in the fair value of available for sale financial assets, as previously described in the corresponding item of financial investments.
The amounts are accounted for net of the related deferred taxes and deferred policyholder liabilities.

Reserve for other unrealised gains and losses through equity

The item includes the cash flow hedging derivatives reserve, the reserve for hedges of net investments in foreign operations. This item includes gains or losses on cash flow hedging instruments and gains or losses on hedging instruments of a net investment in a foreign operation. In addition, this item also includes the profits and losses relating to defined benefit plans and the part of the balance sheet reserves whose variation is part of the comprehensive income of participations and those relating to non-current assets or disposal groups classified as held for sale.

Result of the period

The item refers to the Group consolidated result of the period. Dividend payments are accounted for after the approval of the shareholders' general meeting.

Shareholder's Equity Attributable to Minority Interests

The item comprises equity instruments attributable to minority interests.
It also includes the reserve for unrealized gains and losses on available for sale investments and any other gains or losses recognized directly in equity attributable to minority interests.

Provisions

Provisions for risks and charges are provided only when it is deemed necessary to respond to an obligation (legal or implicit) arising from a past event and it is probable that an outflow of resources whose amount can be reliably estimated, as required by IAS 37.

Insurance provisions

This item comprises amounts, gross of ceded reinsurance, of liabilities related to insurance contracts and investment contracts with discretionary participation features.

Life insurance policies

In accordance with IFRS 4, policies of the life segment are classified as insurance contracts or investment contracts based on the significance of the underlying insurance risk.

Classification requires the following steps:
- identification of the characteristics of products (option, discretionary participation feature, etc.) and services rendered;
- determination of the level of insurance risk in the contract; and
- application of the international principle.

Insurance contracts and investment contracts with DPF

Premiums, payments and change in the insurance provision related to products whose insurance risk is considered significant (e.g. term insurance, whole life and endowment with annual premiums, life contingent annuities and contracts containing an option to elect at maturity a life contingent annuity at rates granted at inception, long-term health insurance and unit-linked with sum assured in case of death significantly higher than the value of the fund) or investment contracts with discretionary participation feature – DPF (e.g. policies linked to segregated funds, contracts with additional benefits that are contractually based on the economic result of the company) are accounted for in accordance with previous local GAAP, while maintaining the requirements of IFRS 4. Gross premiums are recognised as a revenue, net of cancellations of the period, and ceded premiums are recognised as expenses of the period.

Shadow accounting

In order to mitigate the valuation mismatch between financial investments backing life insurance contracts carried at fair value according to IAS 39 and insurance provisions which are accounted for in accordance with previous local GAAP, shadow accounting is applied to insurance contracts and investments contracts with DPF. This accounting practice attributes to the policyholders' part of the difference between IAS/IFRS valuation of the basis on which the profit sharing is determined and valuation which is used to determine the profit sharing actually paid. This accounting treatment is included in the deferred policyholder liabilities in the life insurance provisions.
The policyholders' share is calculated on the average contractual percentage for the policyholder participation, as the local regulation already foresees the protection of guaranteed obligations through the recognition of additional provisions for interest rate risk if future financial returns based on a proper time horizon are not sufficient to cover the financial guaranties included in the contract.
The accounting item arising from the shadow accounting application is included in the carrying amount of insurance liabilities whose adequacy is tested by the liability adequacy test (LAT) according to IFRS 4 (refer to paragraph Details on insurance and investment contracts), to rectify the IAS/IFRS carrying amount of insurance provisions.
The main accounting effect of the shadow accounting is double fold: on the one hand, the recognition of the policyholders' share of unrealized gains and losses on available for sale financial assets and also on financial assets measured at fair value through profit or loss, in the deferred policyholders' liabilities; on the other, the insurer's share is recognised in equity. If financial instruments are fair valued through profit or loss or financial investments are impaired, the policyholders' share on the difference between the market value and valuation used to determine the return which the profit sharing is based on (e.g. the carrying amount in segregated fund) is recognised in the profit and loss account. The shadow accounting also allows the recognition of an insurance liability related to unrealized gains on available for sale financial assets linked to contracts with discretionary participation feature, up to the amount of the increase in value of these assets due to the change of market rates.

Investment contracts

Investment contracts without DPF and that do not have a significant investment risk, mainly include unit/index-linked policies and pure capitalization contracts. These products are accounted for in accordance with IAS 39 as follows:

- the products are recognised as financial liabilities at fair value or at amortised cost. In detail, linked products classified as investment contracts are fair valued through profit or loss, while pure capitalization policies are generally valued at amortised cost;
- fee and commission income and expenses are recognised in the profit and loss account based on IAS 39 and IFRS 15;
- fee and commission income and incremental costs of pure capitalization contracts without DPF (other than administration costs and other non-incremental costs) are included in the amortised cost measurement;
- the risk component of linked products is unbundled, if possible, and accounted for as insurance contracts.

Life insurance provisions

Life insurance provisions are related to insurance contracts and investment contracts with discretionary participation features. These provisions are accounted for based on local GAAP, in compliance with IFRS 4.

Liabilities related to insurance contracts and investment contracts with discretionary participation features are determined analytically for each kind of contract on the basis of appropriate actuarial assumptions. They meet all the existing commitments based on best estimates.

These actuarial assumptions take into consideration the most recent demographic tables of each country where the risk is underwritten, aspects of mortality, morbidity, determination of risk-free rates, expenses and inflation. The tax charge is based on laws in force.

Among life insurance provisions, provisions in addition to mathematical provisions, already envisaged by the local regulations in case of adverse changes in the interest rates or mortality, are classified as provisions for the liability adequacy test. In case of any changes in the local legislation that are characterized by the introduction of excessive prudence, the Group applies paragraph 4.26 of IFRS 4 to ensure consistency with the valuation policies used by the Group in the context of IFRS.

As previously mentioned, insurance provisions include deferred policyholder liabilities related to contracts with DPF. The recognition of the deferred policyholder liabilities is made in accordance to shadow accounting, as already mentioned in paragraph *Shadow accounting* of section *Insurance Provision*.

Liability adequacy test (LAT) – Life segment

In accordance with IFRS 4, in order to verify the adequacy of the reserves a Liability Adequacy Test (LAT) is performed. The aim of the test is to verify if the technical provisions - inclusive of deferred policyholders' liabilities - are adequate to cover the current value of future cash flows related to insurance contracts.

The liability adequacy test is performed through the comparison of the IFRS reserves (taking into account the amount of gains definitively attributable to the policyholders), net of any deferred acquisition costs or intangible assets related to these contracts, with the current value of future cash flows related to insurance contracts.

The abovementioned amount also includes the costs of embedded financial options and guarantees, which are measured with a market-consistent methodology. Technical reserves which are subject to the Liability Adequacy Test also include the interest rate risk provisions as required by local regulations.

The insurance contracts modelling and best estimates assumptions used are derived from the evaluation process of the insurance provisions in accordance with Solvency 2.

Any difference between the IFRS carrying amount and the current value for LAT purposes is charged to the profit and loss account, initially by reducing the deferred acquisition costs and the VOBA and subsequently, for the excess, by adjusting the technical provisions.

Non-life insurance provisions

The local GAAP for each country is applied to non-life insurance provisions, since all the existing policies fall under IFRS 4 scope. In conformity with the international standard, no provisions for future claims are recognised, in line with the derecognition of the equalisation and catastrophe provisions and some additional components of the unearned premiums provisions, carried out on the date of the first-time application.

The provisions for unearned premiums include the pro-rata temporis provision, which is the amount of gross premiums written allocated to the following financial periods, and the provision for unexpired risks, which provides for claims and expenses in excess of the related unearned premiums.

The provisions for outstanding claims are determined by a prudent assessment of damages, based on objective and prospective considerations of all predictable charges.

Provisions are deemed adequate to cover payments of damages and the cost of settlement of claims related to accident occurred during the year but not yet reported.

The non-life insurance provisions meet the requirements of the liability adequacy test according to IFRS 4.

Amounts ceded to reinsurers from insurance provisions are determined in accordance with the criteria applied for the direct insurance and accepted reinsurance.

The criteria used locally for the determination of the technical provisions are usually in line with the requirements of the Liability adequacy test provided for by the IFRS 4. Otherwise, the Group performs the liability adequacy test in line with the methodology described above. Amounts ceded to reinsurers from insurance provisions are determined in accordance with the criteria applied for the direct insurance and accepted reinsurance.

Financial Liabilities

Financial liabilities at fair value through profit or loss and financial liabilities at amortised cost are included in this item.

Financial liabilities at fair value through profit or loss

The item refers to financial liabilities at fair value through profit or loss, as defined and regulated by IAS 39. In detail, it includes the financial liabilities related to investment contracts where the investment risk is borne by the policyholders as well as derivative liabilities.

Other financial liabilities

The item includes financial liabilities within the scope of IAS 39 that are not classified as at fair value through profit or loss and are instead measured at amortised cost.
This item comprises both subordinated liabilities, which, in the case of bankruptcy, are to be repaid only after the claims of all other creditors have been met, and hybrid instruments.
Bond instruments issued are measured at issue price, net of costs directly attributed to the transaction. The difference between the aforesaid price and the reimbursement price is recognised along the duration of the issuance in the profit and loss account using the effective interest rate method.
Furthermore, it includes liabilities to banks or customers, deposits received from reinsurers, bonds issued, lease liabilities, other loans and financial liabilities at amortised cost related to investment contracts that do not fall under IFRS 4 scope.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.
When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the income statement.

Payables

Payables Arising out Insurance Operations

The item includes payables deriving from insurance and reinsurance transactions.

Other payables

This item mainly includes provisions for the Italian trattamento di fine rapporto (employee severance pay). These provisions are accounted for in accordance with IAS 19 (see chapter *Other liabilities*).

Other liabilities

The item comprises liabilities not elsewhere accounted for. In detail, it includes liabilities directly associated with non-current assets and disposal groups classified as held for sale, tax payables and deferred tax liabilities and deferred fee and commission income.

Liabilities Directly Associated With Non-Current Assets and Disposal Groups Classified As Held For Sale

The item includes liabilities directly associated with a disposal group, for which assets are equally classified as held for sale, as by defined by IFRS 5.

Deferred tax liabilities

Deferred tax liabilities are recognised for all taxable temporary differences between the carrying amount of assets and liabilities and their tax base, Deferred tax liabilities are measured at the tax rates that are expected to be applied in the year when temporary differences will be taxable, are based on the tax rates and tax laws enacted or substantively enacted at the reporting date.
Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.
Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.
Deferred tax liabilities are not recognized in the following cases provided for in paragraph 15 of IAS 12:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Tax payables

The item includes payables due to tax authorities for current taxes. Current income tax relating to items recognised directly in equity is recognised in equity and in the comprehensive income, while not in the income statement. This item includes also the uncertainties in the accounting treatment of income taxes, as required by IFRIC 23.

Other liabilities

This item includes provisions for defined benefit plans, such as termination benefit liabilities and other long-term employee benefits (the Italian provision for trattamento di fine rapporto is excluded and classified as other payables). In compliance with IAS 19, these provisions are measured according to the project unit credit method. This method implies that the defined benefit liability is influenced by many variables, such as mortality, employee turnover, salary trends, expected inflation, expected rate of return on investments, etc. The liability recognised in the balance sheet represents the net present value of the defined benefit obligation less the fair value of plan assets (if any), adjusted for any actuarial gains and losses and any past service costs not amortised. The rate used to discount future cash flows is determined by reference to market yields on high-quality corporate bonds. The actuarial assumptions are periodically tested to confirm their consistency. The actuarial gains and losses arising from subsequent changes in variables used to make estimates are recognised shall be accounted for in other comprehensive income without any possibility of recycling to profit and loss. Deferred fee and commission income include acquisition loadings related to investment contracts without DPF, which are classified as financial liabilities at fair value through profit or loss, according to IAS 39.

Acquisition loadings related to these products are accounted for in accordance with IFRS 15.

Profit and loss account

Income

Earned premiums

The item includes gross earned premiums on insurance contracts and investment contracts with discretionary participation features, net of earned premiums ceded.

Fee and commission income

The item includes fee and commission income for financial services rendered by companies belonging to the financial segment and fee and commission income related to investment contracts.

Net income from financial instruments at fair value through profit or loss

The item comprises realized gains and losses, interests, dividends and unrealized gains and losses on financial assets and liabilities at fair value through profit or loss.

Income from subsidiaries, associated companies and joint ventures

The item comprises income from investments in subsidiaries, associated companies and joint ventures, which are accounted for in the corresponding asset item of the balance sheet and it is related to the Group share of result attributable to each associate or joint venture.

Income from financial instruments and other investments

The item includes income from financial instruments not at fair value through profit or loss and from land and buildings (investment properties). In detail, it includes mainly interests from financial instruments measured using the effective interest method, other income from investments, including dividends recognised when the right arises, income from properties used by third parties, realized gains from financial assets, financial liabilities and investment properties and reversals of impairment.

Other income

The item includes: revenue arising from sale of goods and rendering of services other than financial services; other insurance income; gains on foreign currency accounted for under IAS 21; realized gains and reversals of impairment on tangible assets and other assets; and any gains recognised on the re-measurement of non-current assets or disposal groups classified as held for sale.

Expenses

Net insurance benefit and claims

The item includes the amounts paid in respect of claims occurring during the period, maturities and surrenders, as well as the amounts of changes in insurance provisions that fall under IFRS 4 scope, net of recoveries and reinsurance. It also comprises changes in the provision for deferred policyholders' liabilities with impact on the profit and loss account.

Fee and commission expenses and expenses from financial service activities

The item includes fee and commission expenses for financial services received by companies belonging to the financial segment and fee and commission expenses related to investment contracts.

Expenses from subsidiaries, associated companies and joint ventures

The item includes expenses from investments in subsidiaries, associated companies and joint ventures, which are accounted for in the corresponding asset item of the balance sheet and it is related to the Group share of result attributable to each associate or joint venture.

Expenses from financial instruments and other instruments

The item comprises expenses from land and buildings (investment properties) and from financial instruments not at fair value through profit or loss. It includes: interest expense; expenses on land and buildings (investment properties), such as general property expenses and maintenance and repair expenses not recognised in the carrying amount of investment properties; realized losses from financial assets, financial liabilities and land and buildings (investment properties); depreciations and impairment of such investments.

Acquisition and administration costs

The item comprises acquisition commissions, other acquisition costs and administration costs related to contracts that fall under IFRS 4 scope. Other acquisition costs and administration costs related to investment contracts without discretionary participation features are also included, as well as overheads and personnel expenses for investment management, and administration expenses of non-insurance companies.

Other expenses

The item includes: other insurance expenses; allocation to provisions; losses on foreign currency accounted for under IAS 21; realized losses, impairment and depreciation of tangible assets not elsewhere allocated; and amortization of intangible assets. It also comprises any loss on the re-measurement of non-current assets or disposal groups classified as held for sale, other than discontinued operations.

Capitalization of borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily take a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Income taxes

The item includes income taxes for the period and for previous years, deferred taxes and tax losses carried back, as well as the tax benefit from tax losses. This item includes also the uncertainties in the accounting treatment of income taxes, as required by IFRIC 23.

Comprehensive income

The statement of comprehensive income was introduced by the revised IAS 1 issued in September 2007 by the IASB, approved by the EC Regulation No 1274/2008. The statement comprises items of income and expenses different from those included in profit or loss, recognised directly in equity other than those changes resulting from transactions with shareholders. In accordance with the ISVAP (now IVASS) Regulation No. 7 of 13 July 2007 as subsequently amended, items of income and expenses are net of taxes as well as net of gains and losses on available for sale assets attributable to the policyholders according to the deferred policyholders' liabilities calculation. The transactions with owners and the result of comprehensive income are presented in the statement of changes in equity.

Statement of changes in equity

The statement was prepared in accordance with the requirements of the ISVAP (now IVASS) No. 7 of 13 July 2007 of 13 July 2007 as subsequently amended and explains all the variations of equity.

Change of the closing balance

This section comprises changes of the closing balance of the previous financial year determined by the correction of errors or changes in accounting policies (IAS 8) and by the change in the values of the assets and liabilities deriving from the retrospective application of new or amended accounting principles.

Allocation

This section comprises the allocation of the profit or loss of the year, the allocation of the previous year profit or loss into the capital reserves, increases in capital and other reserves (for the issuance of new shares, equity instruments, stock options or derivatives on own shares, for the sale of shares pursuant to IAS 32.33, for the reclassification to equity instruments previously recognized in liabilities and, in the consolidated financial statements, for changes in scope of consolidation), changes within equity reserves (es. allocation of surplus capital, stock option exercise, transfer of revaluation reserves related to tangible and intangible assets to retained earnings in accordance with IAS 38.87 and IAS 16.41 etc.), the changes in gains and losses recognized directly in equity.

Reclassification adjustments to profit or loss

This section comprises gains or losses previously recognized in equity, that are reclassified to the profit or loss according to IFRSs (e.g. following the transfer of a financial asset available for sale).

Transfer

This section comprises the distribution of ordinary or extraordinary dividends, decreases in capital and other reserves (for redemption of shares, equity instruments and distributable reserves, the purchase of own shares, for the reclassification of liabilities previously recognized in equity instruments and, in the consolidated financial statements, for changes in scope of consolidation) and the attribution of profit or loss recognized directly in equity and in other balance sheet items (i.e. gains or losses on cash flow hedging instruments allocated to the carrying amount of hedged instruments).

Changes in ownership interests

This section comprises the effects capita transaction of the subsidiaries, that do not result in the loss of control.

Existence

This section comprises the equity components and gains or losses directly recognized in equity at the end of the reporting period.
The statement illustrates all changes net of taxes and gains and losses arising from the valuation of financial assets available for sale, attributable to policyholders and accounted for in the insurance liabilities.

Cash Flows statement

The report, prepared using the indirect method, is drawn up in accordance with the ISVAP (now IVASS) requirements n. 7 of 13 July 2007, as amended by Measure ISVAP (now IVASS) n. 2784 of 8 March 2010, and distinguishing its component items among operating, investing and financing activities.

Other information

Fair value

IFRS 13 - Fair Value Measurement provides guidance on fair value measurement and requires disclosures about fair value measurements, including the classification of financial assets and liabilities in fair value hierarchy levels.
With reference to the investments, Generali Group measures financial assets and liabilities at fair value in the financial statements, or discloses the contrary in the notes.
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (exit price). In particular, an orderly transaction takes place in the principal or most advantageous market at the measurement date under current market conditions.
A fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either:
(a) in the principal market for the asset or liability; or
(b) in the absence of a principal market, in the most advantageous market for the asset or liability.
The fair value is equal to market price if market information is available (i.e. relative trading levels of identical or similar instruments) into an active market, which is defined as a market where the items traded within the market are homogeneous, willing buyers and sellers can normally be found at any time and prices are available to the public.
If there isn't an active market, a valuation technique should be used which shall maximise the observable inputs. If the fair value cannot be measured reliably, amortised cost is used as the best estimate in determining the fair value.
As for measurement and disclosure, the fair value depends on the unit of account, depending on whether the asset or liability is a stand-alone asset or liability, a group of assets, a group of liabilities or a group of assets and liabilities in accordance with the related IFRS.
However, when determining fair value, the valuation should reflect its use if in combination with other assets.
With reference to non-financial assets, fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The highest and best use of a non-financial asset takes into account the use of the asset that is physically possible, legally permissible and financially feasible. However, an entity's current use of a non-financial asset is presumed

to be its highest and best use unless market or other factors suggest that a different use by market participants would maximise the value of the asset.
For the liabilities, the fair value is represented by the price that would be paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price).
When a quoted price for the transfer of an identical or a similar liability or entity's own equity instrument is not available and the identical item is held by another party as an asset, an entity shall measure the fair value of the liability or equity instrument from the return perspective of a market participant that holds the identical item as an asset at the measurement date. This return perspective is determined, where relevant, also having regard to the remuneration of the capital necessary to assume this liability.

Fair value hierarchy

Assets and liabilities measured at fair value in the consolidated financial statements are measured and classified in accordance with the fair value hierarchy in IFRS13, which consists of three levels based on the observability of inputs within the corresponding valuation techniques used.
The fair value hierarchy levels are based on the type of inputs used to determine the fair value with the use of adequate valuation techniques, which shall maximize the market observable inputs and limit the use of unobservable inputs:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly (i.e. quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; inputs other than quoted prices that are observable for the asset or liability; market-corroborated inputs);
- Level 3: inputs are unobservable inputs for the asset or liability, which reflect the assumptions that market participants would use when pricing the asset or liability, including assumptions about risk (of the model used and of inputs used).

The fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. Assessing the significance of a particular input to the entire measurement requires judgement, taking into account factors specific to the asset or liability.
A fair value measurement developed using a present value technique might be categorised within Level 2 or Level 3, depending on the inputs that are significant to the entire measurement and the level of the fair value hierarchy within which those inputs are categorised.
If an observable input requires an adjustment using an unobservable input and that adjustment results in a significantly higher or lower fair value measurement, the resulting measurement would be categorised within the level attributable to the input with the lowest level utilized.
Adequate controls have been set up to monitor all measurements including those provided by third parties. If these checks show that the measurement is not considered as market corroborated the instrument must be classified in level 3. In this case, generally the main inputs used in the valuation techniques are volatility, interest rate, yield curves, credit spreads, dividend estimates and foreign exchange rates.

Valuation techniques

Valuation techniques are used when a quoted price is not available or shall be appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.
Single or multiple valuation techniques valuation technique will be appropriate. If multiple valuation techniques are used to measure fair value, the results shall be evaluated considering the reasonableness of the range of values indicated by those results. A fair value measurement is the point within that range that is most representative of fair value in the circumstances.
Three widely used valuation techniques are:

- market approach: uses prices and other relevant information generated by market transactions involving identical or comparable (i.e. similar) assets, liabilities or a group of assets and liabilities;
- cost approach: reflects the amount that would be required currently to replace the service capacity of an asset; and
- income approach: converts future amounts to a single current (i.e. discounted) amount).

Application to assets and liabilities

- Debt securities

Generally, if available and if the market is defined as active, fair value is equal to the market price.
In the opposite case, the fair value is determined using the market and income approach. Primary inputs to the market approach are quoted prices for identical or comparable assets in active markets where the comparability between security and benchmark defines the fair value level. The income approach in most cases means a discounted cash flow method where either the cash flow or the discount curve is adjusted to reflect credit risk and liquidity risk, using interest rates and yield curves commonly observable at frequent intervals. Depending on the observability of these parameters, the security is classified in level 2 or level 3. In particular, for level 3 instruments, the fair value is determined using expert judgement estimates or risk-adjusted value ranges.

- Equity securities

Generally, if available and if the market is defined as active, fair value is equal to the market price.

In the opposite case, the fair value is determined using the market and income approach. Primary inputs to the market approach are quoted prices for identical or comparable assets in active markets where the comparability between security and benchmark defines the fair value level. The income approach in most cases means a discounted cash flow method estimating the present value of future dividends. Depending on the observability of these parameters, the security is classified in level 2 or level 3.

- Investments fund units

Generally, if available and if the market is defined as active, fair value is equal to the market price.
In the opposite case, the fair value of IFU is mainly determined using net asset values (NAV) provided by the fund's managers provided by the subjects responsible for the NAV calculation. This value is based on the valuation of the underlying assets carried out through the use of the most appropriate approach and inputs. Depending on how the share value is collected, directly from public providers or through counterparts, the appropriate hierarchy level is assigned. If this NAV equals the price at which the quote can be effectively traded on the market in any moment, the Group considers this value comparable to the market price.

- Private equity funds and Hedge funds

Generally, if available and if the market is defined as active, fair value is equal to the market price.
In the opposite case, the fair value of private equity funds and hedge funds is generally expressed as the net asset value at the balance sheet date, determined using periodical net asset value and audited financial statements provided by fund administrators, in case adjusted for the illiquidity of the same fund and consequently hierarchized according to the quality of the inputs used. If at the balance sheet date, such information is not available, the latest official net asset value is used. The fair value of these investments is also closely monitored by a team of professionals within the Group.

- Derivatives

Generally, if available and if the market is defined as active, fair value is equal to the market price.
In the opposite case, the fair value of derivatives is determined using internal valuation models or provided by third parties. In particular, the fair value is determined primarily on the basis of income approach using deterministic or stochastic models of discounted cash flows commonly shared and used by the market.
The main input used in the valuation include volatility, interest rates, yield curves, credit spreads, dividend estimates and exchange rates observed at frequent intervals.
With reference to the fair value adjustment for credit and debt risk of derivatives (credit and debt valuation adjustment CVA / DVA), the Group considered this adjustment as not material for the valuation of its positive and negative derivatives, as almost entirely of them is collateralized. Their evaluation does not take into account for these adjustments.

- Financial assets where the investment risk is borne by the policyholders and related to pension funds

Generally, if available and if the market is defined as active, fair value is equal to the market price. On the contrary, valuation methodologies listed above for the different asset classes shall be used.

- Financial liabilities

Generally, if available and if the market is defined as active, fair value is equal to the market price.
The fair value is determined primarily on the basis of the income approach using discounting techniques.
In particular, the fair value of debt instruments issued by the Group are valued using discounted cash flow models based on the current marginal rates of funding of the Group for similar types of loans, with maturities consistent with the maturity of the debt instruments subject to valuation.
The fair value of other liabilities relating to investment contracts is determined using discounted cash flow models that incorporate several factors, including the credit risk embedded derivatives, volatility, servicing costs and redemptions. In general, however, are subject to the same valuation techniques used for financial assets linked policies.

Accounting for derivatives

Derivatives are financial instruments or other contracts with the following characteristics:
- their value changes in response to the change in interest rate, security price, commodity price, foreign exchange rate, index of prices or rates, credit rating or other pre-defined underlying variables;
- they require no initial net investment or, if necessary, an initial net investment that is smaller than one which would be required for other types of contracts that would be expected to have a similar response to changes in market factors;
- they are settled at a future date. Derivatives are classified as at fair value through profit or loss.

The Group carries out hedging transactions accounted for using the hedge accounting technique.
According to this accounting model the portion of the gain or loss on the hedging instrument that is determined to be an effective hedge is recognized directly in an appropriate item of comprehensive income while the ineffective portion of the gains or loss on the hedging instrument is recognized in profit or loss.
The amount accumulated in the other components of comprehensive income is reversed to profit and loss account in line with the economic changes of the hedged item.
When the hedging instrument expires or is sold, or the hedge no longer meets the criteria for hedge accounting, the cumulative gain or loss on the hedging instruments, that remains recognized directly in the other components of other comprehensive income from the period when the hedge was effective, remains separately recognized in comprehensive income until the forecast transaction occurs. However, if the

forecasted transaction is no longer expected to occur, any related cumulative gain or loss on the hedging instrument that remains recognized directly in the other components of comprehensive income from the period when the hedge was effective is immediately recognized in profit or loss.
With reference to emissions of some subordinated liabilities, the Group has entered into hedging transactions of the interest rates volatility and exchange rate fluctuations GBP/EURO, which for accounting purposes is designated as hedging the volatility of cash flows (cash flow hedge) and accounted adopting the hedge accounting technique.
Further the Group set cash flow hedges on forecast refinancing operations of subordinated liabilities that are accounted for as hedge of forecast operations, that are highly probable and could affect profit or loss. The portion of the gain or loss on the hedging instrument that is determined to be an effective hedge is recognized directly in an appropriate item of comprehensive income. The ineffective portion of the gains or loss on the hedging instrument is recognized in profit or loss. If a forecast transaction subsequently results in the recognition of a financial asset or a financial liability, the associated gains or losses that were recognised in other comprehensive income shall be reclassified from equity to profit or loss as a reclassification adjustment.
Hedges of a net investment in a foreign operation are accounted for similarly to cash flow hedges: the effective portion of gain or loss on the hedging instrument is recognized among the components of profit or loss, while the part is not effective be recognized in the separate income statement.

Impairment losses on financial assets

As for financial assets, except investments at fair value through profit or loss, IAS 39 is applied whether there is any objective evidence that they are impaired.
Evidence of impairment includes, for example, significant financial difficulties of the issuer, its default or delinquency in interest or principal payments, the probability that the borrower will enter bankruptcy or other financial reorganisation and the disappearance of an active market for that financial asset.
The recognition of impairment follows a complex analysis in order to conclude whether there are conditions to effectively recognize the loss. The level of detail and the detail with which testing is being undertaken varies depending on the relevance of the latent losses of each investment.
A significant or prolonged decline in the fair value of an investment in an equity instrument below its average cost is considered as an objective evidence of impairment.
The threshold of significance is defined at 30%, while the prolonged decline in fair value is defined as a continuous decline in market value below average cost for 12 months.
The prolonged decline in value of bonds and loans are evaluated as a result of specific analysis that involve the single issuances.
If an investment has been impaired in previous periods, further fair value declines are automatically considered prolonged.

If there is objective evidence of impairment the loss is measured as follows:

- on financial assets at amortised cost, as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate;
- on available for sale financial assets, as the difference between the cost and the fair value at the measurement date.

Reversals of impairment are recognized respectively: in the profit or loss in the case of debt instruments, in the equity reserve in the case of equity securities including shares of mutual funds (IFU).

Revenues from contracts with customers within to scope of IFRS 15

The Generali Group is a predominantly insurance group. The revenues arising from this business are defined by IFRS 4 - Insurance contracts; the other revenues arising from the sale of goods and services different from financial and insurance services, and arising from asset management are defined and disciplined by IFRS 15. These revenues are included in the income statement item Other income. In particular, within Generali Group, entities specialized in in banking, asset management and other residual businesses included in the segment Holding and other activities operates.
Revenues from contracts with customers for Generali Group are mainly financial and real estate asset manager, investment and pension funds commissions, as well as service and assistance. These revenues are not multi-annual and recognized on accrual basis during the financial year, and included in the item Commission income (note 27). In some cases, in particular in case of asset and pension fund management, the revenues are linked to managed amounts or to the performance of the assets. Despite this, significant judgements in estimate and measurement of revenues has been rarely needed, i.e. for the definition of transfer price, timing.
Within the Group, there are also other entities which operates in different activities, with an absolutely residual impact on Group revenues and income. The revenues arising from these activities are included in the item Other income and further detailed in item Other revenues.
The asset/liabilities arising from contracts with customers are not significant, in particular due to the above illustrated business.

Use of estimates

The preparation of financial statements compliant to IFRS requires the Group to make estimates and assumptions that affect items reported in the consolidations financial balance sheet and income statement and the disclosure of contingent assets and liabilities. The use of estimates mainly refers to as follows:

- insurance provisions for the life and non-life segment;

- financial instruments measured at fair value classified in level 3 of the fair value hierarchy;
- the analysis in order to identify durable impairments on intangible assets (e.g. goodwill) booked in in the balance sheet (impairment test);
- deferred acquisition costs and value of business acquired;
- other provisions;
- deferred and anticipated taxes;
- defined benefit plan obligation;
- share-based payments.

Estimates are periodically reviewed and are based on key management's best knowledge of current facts and circumstances.

However, due to the complexity and uncertainty affecting the abovementioned items, future events and actions, actual results ultimately may differ from those estimates, possibly significantly.

Further information on the process used to determine assumptions affecting the abovementioned items and the main risk factors are included in the paragraphs on accounting principles and in the risk report.

In particular, macroeconomic variables such as inflation, interest rate trends, and other financial variables were taken into account in the valuation of assets and liabilities, as well as in the recoverability analyses listed above.

Share-based payments

The stock option plans granted by the Board in past periods configure as share based payments to compensate officers and employees. The fair value of the share options granted is estimated at the grant date and is based on the option pricing model that takes into account, at the grant date, factors such as the exercise price and the life of the options, the current price of the underlying shares, the expected volatility of the share price, the dividends expected on the shares and the risk-free interest rate as well as the specific characteristics of the plan itself. The pricing model is based on a binomial simulation that takes into account the possibility of early exercise of the options. If present, the pricing model estimates separately the option value and the probability that the market conditions are satisfied. Therefore, the abovementioned values determine the fair value of equity instruments granted.

Long term incentive plans, aimed at strengthening the bond between the remuneration of management and expected performance in accordance with the Group strategic plan, as well as the link between remuneration and generation of value in comparison with peers, are also treated as an equity-settled share-based payment.

The fair value of the right to obtain free shares in relation to market condition is assessed at grant date and is based on a model that takes into account factors such as historical volatility of the Generali share price and of the peer group, the correlation between these shares, the dividends expected on the shares, the risk-free interest rate as well as the specific characteristics of the plan itself. The pricing model is based on simulation models generally used for this type of estimation. Other conditions different than market condition are considered external to this valuation. The probability that these conditions are satisfied, combined with the estimated fair value of the right to obtain free shares, defines the overall plan cost.

The cost is charged to the profit and loss account and, as a double-entry, to equity during the vesting period, taking into account, where possible, the probability of satisfaction of the vesting condition related to the rights granted.

The charge or credit to the profit or loss for a period represents the change in cumulative expense recognised as at the beginning and end of that period.

No expense is recognised for awards that do not ultimately vest, except for equity-settled transactions for which vesting is conditional upon a market or a non-vesting condition. These are treated as vested irrespective of whether or not the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense to be recognised is the expense had the terms had not been modified, only if the original terms of the award are met.

An additional expense is recognized for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification.

When an equity-settled award is cancelled, it is treated as if it vested on the date of cancellation, and any expense not yet recognised for the award is recognized immediately. This includes any award where non-vesting conditions within the control of either the entity or the employee are not met. However, if a new award is substituted for the cancelled award, and designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

Information of financial and insurance risk

In accordance with IFRS 7 and IFRS 4, the information which enables the users of financial statements to evaluate the Group exposure to financial and insurance risks and how these risks are managed is disclosed in the section Risk report in the Management Report. It provides a description of the principal risks to which the Group is exposed and risk governance.

Further information regarding risk exposures are included in the Notes.

SEGMENT REPORTING

Generali activities could be split in different lines of business according to the products and services offered. In particular, in accordance to IFRS 8, four main sectors of activity have been defined in line with the performance monitoring made by the Chief Operating Decision Maker (CODM):

- Life segment, which includes insurance activities performed in the Life business;
- Non-life segment, which includes insurance activities performed in the Non-life business;
- Asset & Wealth Management;
- Holding and other business segment.

The performances from each single segment are reported in the Management Report, in the section *Our financial performance* in the paragraphs *Life segment* at page 126, *P&C segment* at page 134, *Asset & Wealth Management segment* at page 141 and *Holding and other businesses segment* at page 143.
As already mentioned in the Management Report, starting from 31 March 2022, the Asset Management segment changed its name to Asset & Wealth Management: in line with the new managerial responsibilities, it also includes the Banca Generali group which was represented in the Holding and other activities until 31 December 2021.

Life Segment

Activities of Life segment include saving and protection business, both individual and for family, as well as unit linked products with investment purposes and complex plans for multinationals.
Investment vehicles and entities supporting the activities of Life companies are also reported in this segment.

Non-life segment

Activities of Non-life segment include both motor and non-motor businesses, among which motor third party liabilities, casualty, accident and health. It includes also more sophisticated covers for commercial and industrial risks.
Investment vehicles and entities supporting the activities of Non-life companies are also reported in this segment.

Asset & Wealth Management

This segment, in addition to including the activities of the Banca Generali group, operates as a supplier of products and services both for the insurance companies of the Generali Group and for third-party customers identifying investment opportunities and sources of income for all of its customers, simultaneously managing risks. The products include equity and fixed-income funds, as well as alternative products.

The segment includes companies that may specialize in institutional or retail clients, rather than on Group insurance companies or on third-party customers, or on products such as real assets, high conviction strategies or more traditional solutions.

Holding and other businesses

This grouping is a heterogeneous pool of activities different form insurance and asset & wealth management – include in the above-mentioned segments - and in particular it includes financial holding activities, activities for the supply of international services and other activities that the Group considers ancillary to the core insurance business as well as the expenses related to the management and coordination activities and to the Group business financing. The holding expenses mainly include the holding and regional sub-holding expenses regarding coordination activities, the expenses related to parent company stock option and stock grant plans as well interest expenses on the Group financial debt.

Methods of disclosure presentation

According to IFRS 8, the disclosure regarding operating segments of the Group is consistent with the evidence reviewed periodically at the highest managerial level for the purpose of making operational decisions about resources to be allocated to the segments and assessment of the results.
Assets, liabilities, income and expenses of each segment are prepared as defined by the ISVAP Regulation No. 7 of 13 July 2007 and subsequent amendments.
Segment data derives from a separate consolidation of the amounts of subsidiaries and associated companies in each business segment, eliminating the effects of transactions between companies belonging to the same segment and, where applicable, eliminating the carrying amount of the investments in subsidiaries and the related shareholder's equity quota. The reporting and control process implemented by the Group implies that assets, liabilities, income and expenses of the companies operating in different business segments are allocated to each segment through specific segment reporting. Intra-group balances between companies belonging to different business segments are accounted for in the consolidation adjustments column in order to reconcile segment information with consolidated information.
In this context, the Group adopts a business approach on segment reporting, characterized by the fact that some transactions between companies belonging to different segments are eliminated within each segment.

The main impacts are explained below:

- the elimination in the Non-life segment and holding and other businesses segment of participations and loans to companies of other segments, belonging to the same country, as well as related income (dividends and interests);
- the elimination in the Non-life segment and holding and other businesses segment of the realized gains and losses arising from intra-segment operations;
- the elimination in the Life segment of the participations and loans to companies of other segments, belonging to the same country, as well the related income (dividends and interests) if not backing technical reserves;
- the elimination in the Life segment of the realized gains and losses arising from intra-segment operations if not backing technical reserves.

Furthermore, loans and related interest expenses on loans between Group companies belonging to different segments are eliminated directly in each segment.

This approach allows to reduce consolidation adjustments, which in this view principally consist of investments and dividends received by Life and Non-life companies from companies belonging to other segments, intragroup financing and related interest income and fee and commissions income and expenses on financial services rendered or received by Group companies, still allowing for an adequate performance presentation for each segment.

Assets, liabilities, income and expenses of each segment are presented here below.

Appendix 1

Segment reporting - Balance sheet

(€ million)	NON-LIFE SEGMENT		LIFE SEGMENT	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
1 INTANGIBLE ASSETS	4,797	4,263	5,247	4,862
2 TANGIBLE ASSETS	2,235	2,219	741	633
3 AMOUNTS CEDED TO REINSURERS FROM INSURANCE PROVISIONS	4,511	3,825	2,758	2,821
4 INVESTMENTS	40,986	40,916	391,510	469,732
4.1 Land and buildings (investment properties)	4,327	4,311	8,716	8,261
4.2 Investments in subsidiaries, associated companies and joint ventures	3,115	2,691	13,107	11,645
4.3 Held to maturity investments	512	168	1,108	1,065
4.4 Loans and receivables	3,645	2,646	24,815	25,577
4.5 Available for sale financial assets	28,088	28,994	230,046	298,831
4.6 Financial assets at fair value through profit or loss	1,299	2,106	113,718	124,352
5 RECEIVABLES	7,107	6,084	8,218	7,101
6 OTHER ASSETS	5,415	4,192	15,647	10,329
6.1 Deferred acquisition costs	343	369	1,814	1,829
6.2 Other assets	5,072	3,823	13,833	8,500
7 CASH AND CASH EQUIVALENTS	2,254	2,802	3,147	2,816
TOTAL ASSETS	**67,305**	**64,302**	**427,267**	**498,293**
1 SHAREHOLDERS' EQUITY				
2 OTHER PROVISIONS	1,331	1,317	627	585
3 INSURANCE PROVISIONS	42,670	38,086	380,831	441,363
4 FINANCIAL LIABILITIES	8,008	8,413	21,370	21,309
4.1 Financial liabilities at fair value through profit or loss	217	256	9,828	8,835
4.2 Other financial liabilities	7,791	8,157	11,542	12,474
5 PAYABLES	5,555	5,092	6,790	6,625
6 OTHER LIABILITIES	3,485	4,251	6,710	5,445
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES				

ASSET & WEALTH MANAGEMENT		HOLDING AND OTHER BUSINESSES		CONSOLIDATION ADJUSTMENTS		TOTAL	
31/12/2022	31/12/2021	31/12/2022	31/12/2021	31/12/2022	31/12/2021	31/12/2022	31/12/2021
490	493	366	351	1	1	10,901	9,970
218	229	1,021	1,060	-141	-150	4,073	3,990
0	0	0	0	0	0	7,268	6,646
15,832	14,266	25,182	23,725	-22,192	-20,735	451,317	527,904
0	0	4,452	4,294	0	0	17,495	16,867
15	13	823	891	-14,696	-12,886	2,363	2,353
421	454	0	0	0	0	2,041	1,687
3,691	3,273	8,265	7,772	-7,496	-7,849	32,921	31,420
10,876	10,073	11,413	10,673	0	0	280,422	348,572
829	453	230	95	0	0	116,075	127,006
425	486	310	267	3	-25	16,063	13,912
851	563	330	293	-58	-52	22,185	15,326
0	0	0	0	0	0	2,157	2,198
851	563	330	293	-58	-52	20,028	13,128
993	1,857	1,030	1,197	-181	-196	7,243	8,476
18,809	**17,893**	**28,238**	**26,893**	**-22,568**	**-21,157**	**519,051**	**586,225**
						18,137	31,875
266	250	413	454	-182	-182	2,454	2,424
0	0	0	0	0	0	423,501	479,449
14,962	14,066	7,347	7,170	-3,034	-3,246	48,653	47,713
124	172	11	27	27	27	10,207	9,317
14,839	13,894	7,336	7,143	-3,062	-3,274	38,446	38,396
540	568	1,147	968	3	-3	14,035	13,250
754	459	1,335	1,373	-15	-16	12,270	11,512
						519,051	**586,225**

Appendix 2

Segment reporting - Income statement

(€ million)	NON-LIFE SEGMENT		LIFE SEGMENT	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
1.1 Net earned premiums	26,227	22,151	49,400	48,533
1.1.1 Gross earned premiums	28,353	23,799	51,145	50,185
1.1.2 Earned premiums ceded	-2,126	-1,649	-1,745	-1,652
1.2 Fee and commission income and income from financial service activities	2	2	199	168
1.3 Net income from financial instruments at fair value through profit or loss	192	21	-14,649	8,939
1.4 Income from subsidiaries, associated companies and joint ventures	386	449	594	511
1.5 Income from other financial instruments and land and buildings (investment properties)	1,461	1,292	10,182	10,387
1.6 Other income	2,296	2,058	2,430	2,001
1 TOTAL INCOME	**30,565**	**25,974**	**48,156**	**70,538**
2.1 Net insurance benefits and claims	-16,929	-13,866	-34,189	-59,238
2.1.1 Claims paid and change in insurance provisions	-18,085	-15,304	-35,441	-60,608
2.1.2 Reinsurers' share	1,157	1,439	1,252	1,370
2.2 Fee and commission expenses and expenses from financial service activities	-1	0	-37	-25
2.3 Expenses from subsidiaries, associated companies and joint ventures	-22	-6	-0	-1
2.4 Expenses from other financial instruments and land and buildings (investment properties)	-729	-526	-2,043	-898
2.5Acquisition and administration costs	-7,645	-6,383	-6,165	-5,782
2.6Other expenses	-2,937	-2,889	-2,726	-2,035
2 TOTAL EXPENSES	**-28,262**	**-23,669**	**-45,161**	**-67,980**
EARNINGS BEFORE TAXES	**2,303**	**2,305**	**2,995**	**2,558**

ASSET & WEALTH MANAGEMENT		HOLDING AND OTHER BUSINESSES		CONSOLIDATION ADJUSTMENTS		TOTAL	
31/12/2022	31/12/2021	31/12/2022	31/12/2021	31/12/2022	31/12/2021	31/12/2022	31/12/2021
0	0	0	0	0	0	75,627	70,684
0	0	0	0	0	0	79,497	73,985
0	0	0	0	0	0	-3,871	-3,301
2,057	2,278	206	123	-576	-618	1,889	1,953
309	-141	120	15	0	0	-14,028	8,834
126	119	88	57	-972	-892	222	245
307	220	1,012	1,367	-122	-102	12,840	13,164
282	276	369	261	-397	-387	4,980	4,209
3,081	**2,753**	**1,795**	**1,823**	**-2,066**	**-2,000**	**81,530**	**99,088**
0	0	0	0	177	133	-50,941	-72,971
0	0	0	0	177	133	-53,349	-75,779
0	0	0	0	0	0	2,408	2,808
-714	-725	-108	-77	52	43	-808	-784
-1	-0	-3	-3	0	0	-26	-10
-451	-48	-824	-744	34	13	-4,012	-2,203
-685	-633	-382	-322	414	462	-14,464	-12,658
-270	-296	-1,116	-1,168	508	505	-6,541	-5,883
-2,122	**-1,702**	**-2,433**	**-2,313**	**1,186**	**1,156**	**-76,792**	**-94,509**
959	**1,051**	**-639**	**-490**	**-881**	**-844**	**4,738**	**4,580**

INFORMATION ON CONSOLIDATION AREA AND GROUP COMPANIES

1 Consolidation area

Based on the IFRS 10, the Consolidated financial statements include the figures for both the Parent company and the subsidiaries directly or indirectly controlled.
As at 31 December 2022, the consolidation area increased from 505 to 542 companies, of which 481 subsidiaries consolidated line by line and 61 associated companies valued at equity.
Changes in the consolidation area compared to the previous year and the table listing companies included in the consolidation area are attached to these Notes, in the Appendix related to the change in the consolidation area, compared to 2021.

2 Disclosures on interests in other entities

2.1 Interests in subsidiaries

Non-controlling interests

A summary of the financial information relating to the most significant subsidiaries that have non-controlling interests material for the Group is provided here below. The amounts disclosed are before inter-company eliminations (except for the items Net result, presented net of dividends paid to Banca Generali by its subsidiaries, and Cumulated non-controlling interests and profit or loss attributable to non-controlling interests that are disclosed from a consolidated perspective).

Non-controlling interests

Principal place of business	Banca Generali Group Italy		Generali China Life Insurance Co. Ltd China	
(€ million)	31/12/2022	31/12/2021	31/12/2022	31/12/2021
BALANCE SHEET				
Investments	15,112	13,749	14,987	13,966
Other assets	1,320	1,044	505	533
Cash and cash equivalents	826	1,687	159	64
TOTAL ASSETS	17,257	16,481	15,652	14,564
Technical provisions	-	-	11,530	10,250
Financial liabilities	15,311	14,515	2,088	2,041
Other liabilities	1,093	784	901	942
Net Assets	853	1,182	1,133	1,331
TOTAL NET ASSETS AND LIABILITIES	**17,257**	**16,481**	**15,652**	**14,564**
NET ASSETS ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	**-403**	**569**	**607**	**706**
INCOME STATEMENT				
Net earned premiums	-	-	2,600	2,192
Fee and commission income	1,078	1,285	5	4
NET RESULT	216	325	152	146
OTHER COMPREHENSIVE INCOME	-311	-54	-290	199
TOTAL COMPREHENSIVE INCOME	-95	270	-138	344
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	**105**	**158**	**70**	**69**
DIVIDENDS PAID TO NON-CONTROLLING INTERESTS	**104**	**140**	**30**	**36**
CASH FLOW				
cash flow from operating activities	-592	1,172	110	103
cash flow from investing activities	-21	93	44	-66
cash flow from financing activities	-233	-311	-58	-32

Significant restrictions

In relation to the Group's interests in subsidiaries, no significant restrictions exist on the Group's ability to access or use its assets and settle its liabilities.

2.2 Interests in associates

The most significant associates entities for the Group(*), accounted for according to the equity method, are the following ones:

Material Group associates

Company	Deutsche Vermogensberatung Aktiengesellshaft DVAG	Guotai Asset Management Company	Aliance Klesia Generali
Nature of the relationship with the Group	DVAG is the leading sales network for financial services in Germany and has an exclusive distribution partnership with a company held by Generali Deutschland Group.	Guotai is one of the first professional fund management companies in China. The company manages mutual funds and several Social Security Fund (SSF) portfolios.	AKG is the holding company which helds the participation in the French mutual insurance company Klesia SA.
Principal Place of business	Germany	China	Francia
Profit rights/voting rights held (if different)	30% / 40%	30%	43%

The summarised financial information relating to the most material associates in which the Group has an interest including the reconciliation with the related carrying amounts (including goodwill, where present) are provided here below.

Summarised financial information - material associates

(€ million)	Deutsche Vermogensberatung Aktiengesellshaft DVAG		Guotai Asset Management Company		Aliance Klesia Generali	
	31/12/2021 (**)	31/12/2020 (**)	31/12/2022	31/12/2021	31/12/2021 (**)	31/12/2020 (**)
INCOME STATEMENT						
Revenues	2,262	2,005	478	430	695	835
Profit from continuing operations	**242**	**212**	**249**	**215**	**31**	**-44**
Profit from discontinued operations after taxes	0	0	0	0	0	0
Net result after taxes	**242**	**212**	**187**	**162**	**27**	**-44**
Other comprehensive income	0	0	0	0	0	0
TOTAL COMPREHENSIVE INCOME	**242**	**212**	**187**	**162**	**27**	**-44**
BALANCE SHEET						
Intangible assets	74	99	15	5	0	0
Tangible assets	275	286	0	0	0	0
Amounts ceded to reinsurers from insurance provisions	0	0	0	0	339	401
Investments	526	214	646	545	1,279	1,183
Other assets	115	108	179	159	15	13
Cash and cash equivalents	421	558	65	37	0	0
TOTAL ASSETS	**1,409**	**1,264**	**904**	**746**	**1,633**	**1,596**
Other provisions	0	0	0	0	0	0
Insurance provisions	0	0	0	0	1,275	1,297
Financial liabilities	139	125	0	0	7	1
Other liabilities	671	622	312	255	0	0
TOTAL LIABILITIES	**811**	**747**	**312**	**255**	**1,282**	**1,298**
SHAREHOLDERS' EQUITY	**599**	**517**	**593**	**491**	**351**	**298**

(**)The financial information are referred to the last approved financial statements by the respective Shareholders' meetings of each associated company.

(*) Please note that associates are related parties of the Group.

Carrying amount reconciliation - material associates

(€ million)	Deutsche Vermogensberatung Aktiengesellshaft DVAG		Guotai Asset Management Company		Aliance Klesia Generali	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Carrying amount in investee as at 31 December previous year	**230**	**229**	**244**	**191**	**148**	**135**
Total comprehensive income attributable to the Group	108	41	43	61	16	13
Dividends received during the year	-46	-40	-12	-8	0	0
Carrying amount in investee at the end of the year	**292**	**230**	**274**	**244**	**164**	**148**

As part of the commercial relationships in the German area with the distribution partner DVAG, we inform that the current controlling shareholder hold a put option exercisable in respect of Generali Group.
At the reporting date no liability has been accounted for because the put option refers to an associate and therefore it does not fall into the category of the options on non-controlling interests referred to in par. 23 of IAS 32. The potential outflow of resources will be defined by the parties when and if the option is exercised on the basis of the fair value measurement criteria of the option itself.

Furthermore, the Group holds interests in associates which are not individually material that are accounted for according to the equity method (for an amount of € 369 million) and, on a minor extent, held at cost (for an amount of € 49 million). The associates in which the Group has interest mainly operate in the insurance and financial services industries.
For these associates aggregated summarised financial information are provided here below:

Summarized financial information - immaterial associates

(€ million)	31/12/2022	31/12/2021
Carrying amount of interests in immaterial associates	**417**	**661**
Aggregated Group's share of:		
Profit from continuing operations	12	86
Profit from discontinued operations after taxes	0	0
Other comprehensive income	12	-12
Total comprehensive income	**24**	**74**

In relation to the Group's interests in associates, no significant contractual, legal or regulatory restrictions exist on the Group's ability to access or use its assets and settle its liabilities.

2.3 Joint ventures

Here below please find the information on Group joint ventures:

Aggregated information on immaterial joint ventures

(€ million)	31/12/2022	31/12/2021
Carrying amount of interests in immaterial joint ventures	**1,005**	**993**
Aggregated Group's share of:		
Profit from continuing operations	45	11
Profit from discontinued operations after taxes	0	0
Other comprehensive income	-8	-20
Total comprehensive income	**37**	**-9**

The carrying value related to interests in joint ventures is basically stable compared to last year and it mainly includes real estate investment vehicles.

Significant restrictions

In relation to the Group's interests in joint ventures, no significant contractual, legal or regulatory restrictions exist on the Group's ability to access or use its assets and settle its liabilities, nor significant commitments exist.

2.4 Unconsolidated structured entities

As of 31 December 2022, Generali Group holds no interests in unconsolidated structured entities that expose the Group to the variability of returns arising from their performance.
However, please find below the following case.
In June 2021, Assicurazioni Generali S.p.A. stipulated a reinsurance contract with Lion III Re DAC, an Irish special purpose company, which for a period of four years will cover the possible catastrophic losses suffered by the Generali Group following storms in Europe and earthquakes in Italy. The Lion III Re transaction transfers part of the risk to bond investors, thus optimizing the Group's protection against disasters. Generali paid an annual premium of 3.83% for a total of € 200 million of reinsurance coverage. This amount will be returned by Lion III Re DAC to investors if during the 4 years of operation of the transaction no events occur on the Generali Group, deriving respectively from storms in Europe or earthquake in Italy, in excess of pre-established damage thresholds for each type of risk.

The aforementioned vehicle is not consolidated as the Generali Group has no control over the entity and is not exposed to the resulting variable returns.

3 Investments in subsidiaries, associated companies and joint ventures

Investments in subsidiaries, associated companies and joint venture

(€ million)	31/12/2022	31/12/2021
Investments in non-consolidated subsidiaries	211	226
Investments in associated companies valued at equity	1,099	1,099
Investments in joint venture	1,005	993
Investments in other associated companies	49	35
Total	**2,363**	**2,353**

4 Goodwill

Avviamento

(€ million)	31/12/2022	31/12/2021
Gross book value as at 31 December previous year	**7,720**	**7,650**
Accumulated impairment as at 31 December previous year	**-113**	**-113**
Carrying amount as at 31 December previous year	**7,607**	**7,537**
Change in consolidation scope	476	25
Other variations	-164	45
Carrying amount as at the end of the period	**7,919**	**7,607**
Accumulated impairment as at the end of the period	**307**	**113**
Gross book value as at the end of the period	**8,225**	**7,720**

As at 31 December 2022 Group's goodwill amounted to a € 7,919 million.
Change in consolidation is mainly attributable to the acquisition of control of Future Generali India Insurance Company Ltd., Future Generali India Life Insurance Company Ltd., MPI Generali Insurans Berhad, the acquisition of La Médicale, Generali Insurance Malaysia Berhad (former AXA Affin General Insurance) and Generali Life Insurance Malaysia Berhad (former AXA Affin Life Insurance Berhad) and for the remaining part to the variation in Europ Assistance perimeter.
The entities acquired in Malaysia have been converged in a new CGU named Generali Malaysia, La Médicale converged in the CGU Generali France Group in consideration of synergies with French companies operating in the non-life segment while the other entities Future Generali Life Insurance e Future Generali Insurance originated a new CGU converged

in the cluster Other. For details related to the Purchase Price Allocation process, as defined by IFRS 3, please refer to the section *New Entities Acquisition*.
The Other variations are mainly attributable to the impairment amounting to € 178 million of goodwill Future Generali Insurance and the impairment amounting to € 15 million of goodwill allocated to Future Generali India Life. Other variations are attributable to the exchange rates.

Cash generating units were established in accordance with the Group's participation structure, the manner in which management monitors operations and the business of the CGUs and considering the IFRS 8 requirements relating to operating segments, which Assicurazioni Generali identified as Life, Non-Life and Asset Management.

The table below shows the details of the Group's goodwill by cash generating unit:

Goodwill by cash generating unit

(€ million)	Life	Non Life	Asset Management	31/12/2022
Generali Deutschland Holding	562	1,617		2,179
Alleanza Assicurazioni	1,461			1,461
Generali Italia	640	692		1,332
Generali CEE Holding Group	429	387	58	874
Generali France Group	319	248		567
Generali Seguros - Portugal		372		372
Europ Assistance Group		278		278
Generali Schweiz Holding AG		257		257
Multiboutique			227	227
Generali Versicherung AG	76	77		153
Generali Malaysia		62		62
Other				157
Total				**7,919**

Goodwill by cash generating unit

(€ million)	Life	Non-Life	Asset Management	31/12/2021
Generali Deutschland Holding	562	1,617		2,179
Alleanza Assicurazioni	1,461			1,461
Generali Italia	640	692		1,332
Generali CEE Holding Group	418	382	59	859
Generali France Group	319	96		415
Generali Seguros - Portugal		372		372
Europ Assistance Group		252		252
Generali Schweiz Holding AG		243		243
Multiboutique			227	227
Generali Versicherung AG	76	77		153
Other				112
Total				**7,607**

The goodwill booked was subject to impairment tests as stated by IAS 36.
The cash generating units have been defined consistently with IAS 36; with regard to the measurement of the recovery value, of the cash generating unit (Life, Non-Life and Asset Management) of Generali Italia, Alleanza Assicurazioni, Generali Deutschland Holding, Generali CEE Holding Group, Generali Schweiz Holding AG, Europ Assistance, Generali Versicherung AG, Generali France, Multiboutique, Generali Seguros – Portugal and Generali Malaysia the Dividend Discount Model (DDM) has been used, as described in the basis of presentation and accounting principles, for the determination of the recovery value.
This method represents a variant of the method of cash flows. In particular, the Excess Capital variant, defines the entity's economic value as the discounted dividend maintaining an

appropriate capital structure taking into consideration the capital constraints imposed by the Supervisor as the solvency margin. This method results in the sum of discounted value of future dividends and the cash generating unit terminal value.
The application of this criterion entailed in general the following phases:

- explicit forecast of the future cash flows to be distributed to the shareholders in the planned time frame, taking into account the limit due to the necessity of maintaining an adequate capital level;
- calculation of the cash generating unit's terminal value, that was the foreseen value of the cash generating unit at the end of the latest year planned.

The cash flow are defined by local financial plans approved by the competent bodies of the entities that make up the relevant CGU More specifically, the detailed data used were taken from the plans drawn up in accordance with local accounting principles and used as the basis for the preparation of the local capital Management plans for the three-year period 2023 - 2025 and included in the Group Risk Appetite Framework and Group Capital Management Plan for the three-year period 2023 - 2025 as approved by the Board of Directors on 15th of December 2022. In order to extend the analysis horizon to a 5 years period, the main economic and financial data were estimated for a further two years (2026 and 2027). The net result (2026 e 2027) was mainly calculated using a sustainable growth rate for each CGU.

The table below shows the evaluation parameters used for the main CGU:

A) Nominal Growth Rate (g):

Goodwill: Nominal growth rate (g)

	31/12/2022	31/12/2021
Generali Deutschland Holding	2.00%	2.00%
Alleanza Assicurazioni	1.50%	1.50%
Generali Italia	1.50%	1.50%
Generali CEE Holding Group	2.50%	2.50%
Generali France Group	2.00%	2.00%
Generali Seguros - Portugal	1.00%	1.00%
Europ Assistance Group	2.00%	2.00%
Generali Schweiz Holding AG	1.00%	1.00%
Multiboutique	2.00%	2.00%
Generali Versicherung AG	2.00%	2.00%
Generali Malaysia	3.00%	n.d.

B) Cost of Equity of the company net of taxes (Ke):

Goodwill: cost of equity (Ke) net of taxes

	31/12/2022	31/12/2021
Generali Deutschland Holding		
Life Companies	8.8%	7,9%
Non-Life Companies	7.5%	6,6%
Alleanza Assicurazioni		
Life Companies	10.9%	8,8%
Generali Italia		
Life Companies	10.9%	8,8%
Non-Life Companies	9.6%	7,6%
Generali CEE Holding Group		
Life Companies	12.6%	9,3%
Non-Life Companies	10.9%	8,0%
Asset Management	16.7%	12,4%
Generali France Group		
Life Companies	9.3%	8,0%
Non-Life Companies	8.0%	6,7%
Generali Seguros - Portugal		
Non-Life	8.5%	7,0%
Europ Assistance Group AG		
Non-Life Companies	9.6%	8,4%
Generali Schweiz Holding AG		
Non-Life Companies	6.6%	6,6%
Multiboutique		
Asset Management	12.3%	9,8%
Generali Versicherung AG		
Life Companies	9.4%	7.9%
Non-Life Companies	8.2%	6.6%
Generali Malaysia		
Non-Life	8.7%	n.d.

The cost of equity (Ke) for each entity is extrapolated based on the Capital Asset Pricing Model (CAPM) formula eventually adjusted to reflect specifics and identified risks.
In detail:
- Risk free rate was defined as the average value - observed during the last three months of 2022 of the 10-years government bond of the reference country of operation of the CGU, on which the goodwill has been allocated;
- The Beta coefficient was determined based on a homogeneous basket of securities of the non-life and life insurance sectors, which was compared to market indexes. The observation period was 5 years with weekly frequency;
- The market risk premium amounts to 5.5% for all Group's CGUs.

The impairment test results have confirmed the recoverability of all CGU carrying amount with the exemption India Life and India Non-Life where the recoverable amount is lower than the book value. Accordingly, the goodwill has been reduced of € 15 million for the CGU India Life and € 178 million for the CGU India Non-Life. The Ke defined for the CGU is equal to 12.8% and the g rate equal to 8.6%. The impairment take into account of the impact a Contingent Liability reported in accordance with IFRS 3.23 against potential risk on account of the present dynamic business and regulatory environment in India for the Insurance Industry. Furthermore, within the goodwill impairment test, a sensitivity analysis was performed on the results, by changing the cost of own capital of the company (Ke) (+/-1%) and the perpetual growth rate of distributable future cash flows (g) (+/-0.5%). For the Non-Life segment also a sensitivity analysis for the main operating assumptions has been carried out.
Variation of the financial assumption has not been reflected, for prudency reasons, on the cash flows detailed in the plan used for the test, and on the CGUs carrying amounts.

For Life and Asset management the sensitivity analysis did not highlight any negative difference between the carrying amount and the recoverable amount For Non-Life segment the sensitivity analysis highlighted that for the CGU Generali Malaysia Danni a balance between recoverable amount and carrying amount is reached by increasing Ke 0,57%. The sensitivity of the operating assumption did not highlight any negative difference between the carrying amount and the recoverable amount.

The impairment test of goodwill has been accompanied by a multi-scenario analysis to investigate potential impact on the cash flow defined by the business plan and consequentially on the evaluation of the CGUs. The sensitivity analysis did not highlight any negative difference between the carrying amount and the recoverable amount.

New Entities Acquisition

The acquisitions

During 2022, in line with the Lifetime Partner 24: Driving Growth strategy strengthening Generali's position in fast-growing markets and confirms and its position in the markets in which the Group operates, the following acquisition has been finalized: on March 2022 Generali completed the acquisition of the stake (circa 16%) owned by Industrial Investment Trust Limited (IITL) of Future Generali India Life (FGIL) and the subscription of a reserved capital increase in FGIL increasing the owned stake in FGIL to 68%. On May 2022 Generali completed the acquisition from Future Enterprises Limited of 25% of the shares of Future Generali India Insurance (FGII) increasing the owned stake in FGII to 74%.On July 2022 Generali completed the acquisition of 100% of La Médicale from Crédit Agricole Assurances and the and the death coverage portfolio from Predica, a Life insurance company fully owned by Crédit Agricole Assurances. On August 2022 Generali completed the acquisition of the majority stake of AXA – Affin Malaysian joint venture. The Group acquired a participation of 70% in the joint venture AXA Affin Life Insurance (AALI) joint venture (49% owned by AXA and 21% owned by Affin) and the 53% of AXA Affin General Insurance (AAGI) joint venture. The Group increased from 49% to 100% the participation in MPI Generali Insurans Berhad, acquiring the stake owned by Multi-Purpose Capital Holdings Berhad (MPHB Capital) (MPIG), joint venture partner in Malaysia.

Methodological notes to the accounting of the operations

The Described operations, following the acquisition of control from Generali Group, have been accounted according to IFRS 3 – Business Combinations. More specific, the acquisitions of Future Generali India Life (FGIL), Future Generali India Insurance (FGII) e MPI Generali Insurans Berhad have been identified as a step up acquisition according to IFRS 3.41 and following.

In accordance with IFRS 3, the purchase method is applied the following steps:

- identification of the acquisition date;
- calculation of the acquisition cost, consisting of the amount paid by Generali Group;
- the allocation of the cost of the combination, i.e. the Purchase Price Allocation (PPA) process consisting of recognising and measuring all the assets acquired and liabilities assumed at fair value at the acquisition date. Any surplus in the cost of the combination that is not allocated compared to the fair value of the assets acquired and liabilities assumed, as required by IFRS, is recognised as goodwill or, if negative, in the income statement as badwill.

Identification of the acquisition date

The acquisition date is the date from which the acquirer effectively obtains control of the acquiree and the point in time from which the results of the acquisition are included on a line by line basis in the acquirer's consolidated financial statements. With reference to this date, the initial determination of the fair value of the assets acquired and liabilities assumed is made.

Calculation of acquisition cost

The acquisition cost, is equal to the price paid forth acquisition of the new stake including the interest already held of the entities for which has been identified the step acquisition.

Allocation of the acquisition cost

As required by IFRS 3, at the acquisition date, the cost of the acquisition was allocated to the assets acquired and liabilities assumed at their fair values at that date. A brief illustration is provided below of the main assumptions and hypotheses used to estimate fair value under IFRS 13 for the categories of assets acquired and liabilities assumed that have the greatest impact within the PPA process.

As noted above, the acquisition accounting was used to determine the fair value adjustment of the assets acquired and liabilities assumed with respect to the net worth of the acquired companies. The main fair value adjustments are as follows for financial investments and liabilities, fair value was calculated on the basis of prices on acquisition date for financial instruments valued on liquid markets or on internal evaluation models for other financial instruments. The fair value of the properties was estimated on the basis of the latest available official appraisals and the most up-to-date additional information available.

Technical provisions have also been reassessed at their fair value in accordance with IFRS 13. The methodology used to determine the fair value of technical provisions takes into account three components, in order to: ensure that commitments to policyholders are covered; allow an adequate margin for the risk and uncertainty involved in the liabilities to policyholders; and adequately remunerate the shareholder's capital invested in the insurance business. Therefore, the fair value of insurance liabilities was defined as the sum of: i) the present value of expected future cash-flows, ii) a risk-based prudence margin iii) the Cost of Capital against the regulatory solvency requirement.

Any difference between the fair value of the insurance liabilities assumed at the time of the acquisition and the carrying amount of the same liabilities recognised the acquired companies financial statements, determined in accordance with the accounting policies adopted by the acquirer for measuring insurance liabilities, was recognised in the financial statements in accordance with IFRS 4, if positive, among intangible assets (Value of Business Acquired - VOBA) and, if negative, as an adjustment to insurance provisions.

Contingent Liabilities: the contingent liabilities have been valued according to IFRS 3 par. 23. The acquirer shall recognise as of the acquisition date a contingent liability assumed in a business combination if it is a present obligation that arises from past events and its fair value can be measured reliably. Therefore, contrary to paragraphs 14(b), 23, 27, 29 and 30 of IAS 37, the acquirer recognises a contingent liability assumed in a business combination at the acquisition date even if it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

For each of the adjustments made in the PPA, the relevant tax effect has been calculated on the basis of the legislation in force to date and the share pertaining to third parties.

With reference to the measurement period for obtaining the information needed to measure the acquiree's identifiable assets and liabilities at fair value and to terminate the PPA process, IFRS 3 paragraph 45 requires that period to end as soon as the acquirer has received all of the necessary information that was outstanding at the acquisition date or has determined that it is not feasible to obtain more information to measure the acquiree's assets and liabilities. In all cases, the period of evaluation may not extend beyond one year from the date of acquisition In relation to the acquisition of Future Generali India Life, Future Generali India Insurance e La Médicale the evaluation period and, consequently, the PPA process, came to an end on 13 March 2023, the date on which the Board of Directors approved the results for the year and the consolidated results of the Generali Group as at 31 December 2022, because, at that date, all activities to identify the assets and liabilities acquired, including contingent liabilities, and to measure their fair value were completed. As regards Generali Life Insurance Malaysia Berhad (ex AXA Affin Life Insurance), Generali Insurance Malaysia Berhad (ex AXA Affin General Insurance) e MPI Generali Insurans Berhad the PPA process will be concluded with the approval of the 2023 half-yearly financial report as at the reporting date of the consolidated financial statements as at 31 December 2022 the measurements of technical reserves and the recognition of other intangible assets are provisional.

The details of the acquisition are presented in the paragraph below:

Future Generali India Life (FGIL)

In the context of the aggregation by the Generali Group of Future Generali India Life (FGIL), 31 March 2022 constitutes the date of acquisition of control within the meaning of IFRS 10 as it corresponds to the time of transfer to Assicurazioni Generali of ownership of the shares.

The cost of acquisition, is equal to the price paid to IITL for the purchase of 16% of the shares of FGIL to which was added the subscribed capital increase reserved for Assicurazioni Generali and the value of the previously held 49% stake.

Acquisition Cost

(€ million)		
Price Paid for 16% stake acquired from IITL	27	A
Reserved Capital Injection	21	B
Value of participation held	23	C
Total Acquisition Cost	**71**	**D = A + B + C**

The following table illustrates the details with reference to the calculation of the goodwill arising from the PPA process:

Purchase Price Allocation

(€ million)		
Net Assets Value as at 31 March 2022	**10**	
Adjustment to align to group accounting policy	-3	
Intangible Asset Recognition (Distribution Agreement)	5	
FV Adjustment on Financial Investment	2	
FV Adjustment on Technical Provision (VOBA Attribution)	110	
FV Adjustment on Financial Liabilities	-8	
Other Adjustment	-8	
Recognition of contingent liabilities	-9	
Tax Effect	-17	
Fair Value of Net Asset as at 31 March 2022	**82**	
Non-Controlling Interest	-26	
Fair Value of Net Assets as at 31 March 2022 net of Non-Controlling Interest	**56**	a
Acquisition Cost	71	b
Goodwill	**15**	c = b - a

The goodwill of € 15 million recognised at the time of the PPA was tested for impairment on 31 December 2022 and consequently fully written down as described in the section Goodwill.
The following table summarises the balance sheet of the first-time consolidation of Future Generali India Life (FGIL):

Balance sheet for first consolidation

(€ million)	
Intangible Asset	115
Amount ceded to reinsurers from insurance provision	20
Investments	718
Receivables And other asset	42
Cash and cash equivalent	17
Total asset	**912**
Other Provision, Payables and Other liabilities	75
Insurance Provision	629
Financial Liabilities	125
Total Liabilities	**830**
Net asset at fair value acquired as at 31 March 2022	**82**

The item Provisions, Payables and Other Liabilities includes the recognition of a contingent liability in the amount of € 9 million recognised in the PPA and measured in accordance with IFRS 3 par. 23.

Future Generali India Insurance (FGII)

In the context of the aggregation by the Generali Group of Future Generali India Insurance (FGII), 5 May 2022 constitutes the date of acquisition of control within the meaning of IFRS 10 as it corresponds to the time of transfer to Assicurazioni Generali of the ownership of the shares.
In consideration of the short time lapse between the acquisition date (5 May 2022) and the reference date of the latest consolidated financial statements in the absence of material events occurring between the two dates, for the purposes of applying IFRS 3 it was deemed appropriate to refer to the fair values of the assets acquired and liabilities assumed determined with reference to 30 April 2022. The results of operations of Future India Insurance were, therefore, consolidated as of 1 May 2022.

The cost of acquisition, is equal to the price paid to Future Enterprise Limited for the purchase of 25% of the shares of FGII to which was added the value of the previously held 49% stake.

Acquisition Cost

(€ million)		
Price Paid for 25% stake acquired from Future Enterprise Limited	157	A
value participation held	102	B
Total Acquisition Cost	**259**	**C = A + B**

The following table illustrates the details with reference to the calculation of the goodwill arising from the PPA process:

Purchase Price Allocation

(€ million)		
Net Asset Value as at 30 April 2022	**154**	
Adjustment to align to group accounting policy	-3	
Intangible Asset Recognition (Distribution Agreement)	25	
FV Adjustment on Financial Investment	-3	
FV Adjustment on Technical Provision (VOBA Attribution)	22	
Other Adjustment	-17	
Recognition of contingent liabilities	-122	
Tax Effect	-7	
Fair Value of Net Asset as at 30 April 2022	**49**	
Non-Controlling Interest	-13	
Fair Value of Net Assets as at 30 April 2022 net of Non-Controlling Interest	**37**	**a**
Acquisition Cost	259	b
Goodwill	**223**	**c = b - a**

Goodwill recognised at PPA in the amount of € 223 million was tested for impairment on 31 December 2022 and consequently written down by € 178 million as described in the section Goodwill.
The following table summarises the balance sheet of the first-time consolidation of Future Generali India Life (FGII):

Balance sheet for first consolidation

(€ million)	
Intangible Asset	47
Amount ceded to reinsurers from insurance provision	196
Investments	707
Receivables And other asset	87
Cash and cash equivalent	20
Total asset	**1,058**
Other Provision, Payables and Other liabilities	275
Insurance Provision	725
Financial Liabilities	8
Total Liabilities	**1,008**
Net asset at fair value acquired as at 31 March 2022	**49**

Provisions, Payables and Other Liabilities includes the recognition of a contingent liability in the amount of € 122 million recognised in the PPA and measured in accordance with IFRS 3 par. 23.

La Médicale

In the context of the aggregation by the Generali Group of La Médicale, 1 July 2022 constitutes the date of acquisition of control within the meaning of IFRS 10 as it corresponds to the time of transfer to Assicurazioni Generali of ownership of the shares.

The acquisition cost, determined in accordance with IFRS 3 par. 37, is equal to the price paid to Credit Agricole for the purchase of 100% of the shares of La Médicale.

Acquisition Cost

(€ million)	
Price paid for 100% of La Médicale to Credit Agricole	385
Total Acquisition Cost	**385**

The following table illustrates the details with reference to the calculation of the goodwill arising from the PPA process:

Purchase Price Allocation

(€ million)		
Net Asset Value as at 30 June 2022	**161**	
FV Adjustment on Financial Investment	-21	
FV Adjustment on Technical Provision (VOBA Attribution)	103	
Other Adjustment	-13	
Tax Effect	4	
Fair Value of Net Asset as at 30 June 2022	**234**	
Non-Controlling Interest	-	
Fair Value of Net Assets as at 30 June 2022 net of Non-Controlling Interest	**234**	a
Acquisition Cost	385	b
Goodwill	**151**	c = b - a

The following table summarises the balance sheet of the first-time consolidation of La Médicale:

Balance sheet for first consolidation

(€ million)	
Intangible asset	131
Amount ceded to reinsurers from insurance provision	180
Investments	1,155
Receivables And other asset	347
Cash and cash equivalent	14
Total asset	**1,826**
Other Provision, Payables and Other liabilities	150
Insurance Provision	1,443
Financial Liabilities	0
Total Liabilities	**1,593**
Net asset at fair value acquired as at 30 June 2022	**234**

MPI Generali Insurans Berhad

In the context of the aggregation by the Generali Group of MPI Generali Insurans Berhard, 30 August 2022 constitutes the date of acquisition of control pursuant to IFRS 10 as it corresponds to the time of the transfer to Assicurazioni Generali of the ownership of the shares.

In view of the short time lapse between the acquisition date (30 August 2022) and the reference date of the last financial statements and in the absence of significant events occurring between the two dates, for the purposes of applying IFRS 3 it was deemed appropriate to refer to the fair values of the assets acquired and liabilities assumed determined with reference to 31 August 2022. The results of operations of MPIG were, therefore, consolidated as of 1 September 2022.

The acquisition cost, is equal to the price paid to Multi-Purpose Capital Holdings Berhad (MPHB Capital) for the purchase of 51% of the shares of MPIG, to which was added the value of the previously held 49% stake.

Acquisition Cost

(€ million)		
Price paid for 51% da Multi-Purpose Capital Holdings Berhad (MPHB Capital)	116	a
Value participation held	112	b
Total Acquisition Cost	**228**	**c = b - a**

The following table illustrates the details with reference to the calculation of the goodwill arising from the PPA process:

Purchase Price Allocation

(€ million)		
Net Asset Value as at 31 August 2022	**163**	
Intangible Asset Recognition (Relationship Agencies)	17	
FV Adjustment on Financial Investment	0	
FV Adjustment on Technical Provision (VOBA Attribution)	7	
Other Adjustment	1	
Tax Effect	-6	
Fair Value of Net Asset as at 31 August 2022	**182**	
Non-Controlling Interest	0	
Fair Value of Net Assets as at 31 August 2022 net of Non-Controlling Interest	**182**	**a**
Acquisition Cost	228	b
Goodwill	**46**	**c = b - a**

The following table summarises the balance sheet of the first-time consolidation of MPIG:

Balance sheet for first consolidation

(€ million)	
Intangible Asset	28
Amount ceded to reinsurers from insurance provision	161
Investments	313
Receivables And other asset	50
Cash and cash equivalent	3
Total asset	**555**
Other Provision, Payables and Other liabilities	29
Insurance Provision	344
Financial Liabilities	0
Total Liabilities	**373**
Fair Value of Net Asset as at 31 August 2022	**182**

In accordance with IFRS 3 par. 45 the PPA process will be concluded with the approval of the 2023 half-yearly financial report as at the reporting date of the consolidated financial statements as at 31 December 2022 the measurements of technical reserves and the recognition of other intangible assets are provisional.

Generali Insurance Malaysia Berhad (ex AXA Affin General Insurance - AAGI)

In the context of the Generali Group's aggregation of Generali Insurance Malaysia Berhad (formerly AXA Affin General Insurance - AAGI) joint venture, 30 August 2022 constitutes the date of acquisition of control within the meaning of IFRS 10 as it corresponds to the time of the transfer to Assicurazioni Generali of the ownership of the shares.

In consideration of the short time lapse between the acquisition date (30 August 2022) and the reference date of the latest financial statements and in the absence of relevant events occurring between the two dates, for the purposes of applying IFRS 3 it was deemed appropriate to refer to the fair values of the assets acquired and liabilities assumed determined with reference to 31 August 2022. The results of operations of AAGI were, therefore, consolidated as of 1 September 2022. The acquisition cost, determined in accordance with IFRS 3 par. 37, is equal to the price paid to AXA-Affin joint venture for the purchase of 53% of the shares of AAGI.

Acquisition Cost

(€ million)		
Price paid for 53% from JV of AXA and Affin	165	A
Total Acquisition Cost	**165**	**C = A + B**

The following table illustrates the details with reference to the calculation of the goodwill arising from the PPA process:

Purchase Price Allocation

(€ million)		
Net Asset Value as at 31 August 2022	**272**	
Intangible Asset Recognition (Relationship Agencies)	24	
FV Adjustment on Financial Investment	0	
FV Adjustment on Technical Provision	-12	
Other Adjustment	-7	
Tax Effect	-1	
Fair Value of Net Asset as at 31 August 2022	**276**	
Non-Controlling Interest	-130	
Fair Value of Net Assets as at 31 August 2022 net of Non-Controlling Interest	**146**	**a**
Acquisition Cost	165	b
Goodwill	**18**	**c = b - a**

The following table summarises the balance sheet of the first-time consolidation of AAGI:

First time consolidation balance sheet

(€ million)	
Intangible Asset	31
Amount ceded to reinsurers from insurance provision	111
Investments	680
Receivables And other asset	82
Cash and cash equivalent	9
Total asset	**912**
Other Provision, Payables and Other liabilities	106
Insurance Provision	527
Financial Liabilities	3
Total Liabilities	**636**
Fair Value of Net Asset as at 31 August 2022	**276**

In accordance with IFRS 3 par. 45 the PPA process will be concluded with the approval of the 2023 half-yearly financial report as at the reporting date of the consolidated financial statements as at 31 December 2022 the measurements of technical reserves and the recognition of other intangible assets are provisional.

Generali Life Insurance Malaysia Berhad (ex AXA Affin Life Insurance - AALI)

In the context of the aggregation by the Generali Group of Generali Life Insurance Malaysia Berhad (former AXA Affin Life Insurance - AALI) joint venture, 30 August 2022 constitutes the date of acquisition of control in accordance with IFRS 10 as it corresponds to the moment of the transfer to Assicurazioni Generali of the ownership of the shares.

In view of the short time lapse between the acquisition date (30 August 2022) and the reference date of the latest financial statements and in the absence of material events occurring between the two dates, for the purposes of applying IFRS 3 it was deemed appropriate to refer to the fair values of the assets acquired and liabilities assumed determined with reference to 31 August 2022. The results of operations of AALI were, therefore, consolidated as of 1 September 2022.

The acquisition cost is equal to the price paid to AXA-Affin joint venture for the acquisition of 70% of the shares of AALI:

Acquisition Cost

(€ million)	
Price paid for 70% from JV of AXA and Affin	36
Total Acquisition Cost	**36**

The following table illustrates the details with reference to the calculation of the goodwill arising from the PPA process:

Purchase Price Allocation

(€ million)		
Net Asset Value as at 31 August 2022	**50**	
FV Adjustment on Financial Investment	0	
FV Adjustment on Technical Provision	-6	
Other Adjustment	0	
Tax Effect	7	
Fair Value of Net Asset Value as at 31 August 2022	**51**	
Non-Controlling Interest	-15	
Fair Value of Net Assets Value as at 31 August 2022 net of Non-Controlling Interest	**36**	**a**
Acquisition Cost	36	b
Goodwill	**0**	**c = b - a**

The following table summarises the balance sheet of the first-time consolidation of AALI:

First time consolidation balance sheet

(€ million)	
Intangible Asset	1
Amount ceded to reinsurers from insurance provision	3
Investments	567
Receivables And other asset	17
Cash and cash equivalent	13
Total asset	**601**
Other Provision, Payables and Other liabilities	67
Insurance Provision	483
Financial Liabilities	1
Total Liabilities	**551**
Fair Value of Net Asset as at 31 August 2022	**51**

In accordance with IFRS 3 par. 45 the PPA process will be concluded with the approval of the 2023 half-yearly financial report as at the reporting date of the consolidated financial statements as at 31 December 2022 the measurements of technical reserves and the recognition of other intangible assets are provisional.

5 Non-current assets or disposal group classified as held for sale

On 12 October, the Board of Directors approved the termination of the bancassurance agreement in place between Cattolica Assicurazioni S.p.A. and ICCREA Banca S.p.A., through the exercise of the option to sell the two companies BCC Vita and BCC Assicurazioni, agreed at the time of the renewal of the bancassurance partnership in July 2019.
The Group, therefore, considers the two companies (BCC Vita and BCC Assicurazioni) as non-current assets classified as held for sale, presenting them separately from other balance sheet items.
This transaction is expected to be completed during 2023.
It should be noted that total assets held amount to € 4,157 million, of which approximately € 3,679 million are investments, mainly bonds available-for-sale and securities backing unit-linked policies, while liabilities amount to € 4,315 million, consisting almost entirely of technical provisions.

6 Transactions with related parties

With regards to transactions with related parties, the main activities, set on an arm's length basis, were undertaken through relations of insurance, reinsurance and co-insurance, administration and management of securities and real estate assets, leasing, loans and guarantees, financial advice, IT and administrative services, personnel secondment and claims settlement.
These services substantially aim at guaranteeing the streamlining of operational functions, an exploitation of synergies, greater economies in overall management and an appropriate level of service.
For further information regarding related parties' transactions - and in particular regarding the procedures adopted by the Group to ensure that these transactions are performed in accordance with the principles of transparency and substantive and procedural correctness - please refer to the paragraph *Related Party Transactions Procedures* included in section *Internal control and risk management system* of the Corporate governance and Ownership Report.
The total remuneration due to the Members of the Board of Directors, the Board of Statutory Auditors and the Managers with Strategic Responsibilities and the shareholdings held by the same are shown, as per Consob regulations, in the *Report on Remuneration Policy and Payments*, in the specific tables 1, 3a, 3b and 4 of Part II of Section II of the report itself.
Furthermore, pursuant to IAS 24, the following table shows the remuneration paid for the same subjects for the relevant year of reference to these Financial Statements as approved by the competent corporate bodies on the basis of the Group's results and on the basis of the verification of compliance of the solvency requirements (Regulatory Solvency Ratio), even if not paid and subject to deferral (where applicable) and the verification of malus conditions, clawback and prohibitions of hedging strategies as better defined in the *Report on Remuneration Policy and Payments*.
The amounts shown are consistent with Consob principles as reported in the *Report on Remuneration Policy and Payments* and also include social security contributions and the provision for post-employment benefits where required by regulatory and contractual legislation.

Remuneration Components

(€ million)		Non-executive Directors and Members of the Board of Statutory Auditors(*)	Other Managers with Strategie Responsibilities(**)
a	Short-term employee benefits	5	35
b	Post-employment benefits	-	2
c	Other long-term employee benefits	-	1
d	Termination benefits	-	3
e	Share-based payment	-	15
	Total	**5**	**55**

(*) It includes 23 individuals.
(**) It includes 23 individuals, including the Managing Director/Group GEO.

Below we highlight the economic and financial transactions relating to loans and interest income and expenses with Group companies not included in the area of full consolidation and with other related parties.
The transactions between Group companies consolidated line-by-line have been eliminated in the consolidation and are not disclosed in the Notes.
As shown in the table below, the impact of such transactions, if compared on a Group basis, is not material.

Related parties

(€ million)	Subsidiaries with significant control not consolidated	Associated companies and Joint ventures	Other related parties	Total	% on balance - sheet item
Loans	7	681	0	688	0.1%
Loans issued	-2	-8	-11	-21	0.0%
Interest income	1	12	0	13	0.3%
Interest expense	-0	-0	0	-0	0.0%

In particular, the subtotal Associate companies and Joint Ventures includes loans to Group companies valued with equity method for € 681 million, mostly related to real estate companies.

With reference to the related parties as stated by IAS 24 par. 19 letter b, it should be highlighted that regarding the relations with Mediobanca Banca di Credito Finanziario S.p.A. – company that has significant influence over the Generali Group – and its subsidiaries, the main balances on assets and liabilities at 31 December 2022 are represented by investment funds (approximately € 330 million), debt securities issued by Mediobanca and its subsidiaries (approximately € 120 million) and equity investments (approximately € 20 million), accounted for under the investments of the Generali Group, as well as collateralised hedging derivatives for about € - 40 million. The main impacts on the profit and loss account at 31 December 2022 amounted to about € - 34 million, mainly attributable to costs related to commercial relations, in force in Italy on insurance activity, as well as to the net commissions.
These relationships, regulated at market conditions, have not a significant impact on the size of Generali Group.
With reference to the paragraph 18 of Related Party Transactions Procedures adopted by the Board of Directors in November 2010 there were no (i) Operations of major importance concluded during the reporting period (ii) Related Party Transactions, concluded during the reference period, which influenced the Group's financial statements or profit to a significant extent (iii) changes or developments of the Transactions described in the previous annual report that have had a significant effect on the Group's financial statements or profit.

INVESTMENTS

In the table below Group investments are split into the four IAS categories, as reported on balance sheet, as well as by nature (equity instruments, fixed income instruments, real estate instruments, other investments and cash and similar instruments). Given their short-term investments nature, the reverse repurchase agreements are reclassified within cash and similar instruments. For the same reason repurchase agreements are reclassified in the same item, as well. Derivatives instruments are presented net of derivatives held as financial liabilities, hedging derivatives are excluded, as they are presented within Other investments classes. Investments fund units (IFU) are allocated to respective asset classes based on prevailing underlying assets. IFU are therefore allocated within the items equity instruments, fixed income instruments, real estate instruments, other investments and cash and similar instruments.
Comments on the specific balance sheet items are presented in the following paragraphs.

Investments

(€ million)	31/12/2022		31/12/2021	
	Total Book value	Impact (%)	Total Book value	Impact (%)
Equity instruments	**26,505**	**7.5%**	**28,054**	**6.6%**
Available for sale financial assets	25,101	7.1%	26,398	6.2%
Financial assets at fair value through profit or loss	1,405	0.4%	1,656	0.4%
Fixed income instruments	**289,066**	**82.1%**	**356,484**	**84.2%**
Bonds	238,430	67.7%	308,258	72.8%
Other fixed income instruments	50,636	14.4%	48,226	11.4%
Held to maturity investments	2,041	0.6%	1,687	0.4%
Loans	29,895	8.5%	28,824	6.8%
Available for sale financial assets	248,734	70.6%	317,276	74.9%
Financial assets at fair value through profit or loss	8,397	2.4%	8,697	2.1%
Real estate investments	**20,966**	**6.0%**	**19,847**	**4.7%**
Other investments	**4,774**	**1.4%**	**5,294**	**1.2%**
Investments in subsidiaries, associated companies and joint venture	2,364	0.7%	2,353	0.6%
Derivatives	-292	-0.1%	73	0.0%
Receivables from banks or customers	2,446	0.7%	2,269	0.5%
Other investments	256	0.1%	599	0.1%
Cash and similar instruments	**10,954**	**3.1%**	**13,830**	**3.3%**
Total	**352,266**	**100.0%**	**423,509**	**100.0%**
Investments back to unit and index-linked policies	98,070		107,243	
Total investments	**450,335**		**530,752**	

7 Held to maturity investments

Held to maturity investments

(€ million)	31/12/2022	31/12/2021
Quoted bonds	2,041	1,687
Other held to maturity investments	0	0
Total	**2,041**	**1,687**

The Group limits the use of this category only to high quality quoted bonds that Group companies are able to hold till maturity.
Debt securities in this category are almost entirely investment grade.
The fair value of the held to maturity investments amounted to € 1,962 million.
The carrying values were considered as part of the impairment test required by IAS 39.
A portion of the hidden capital gains and/or losses relating to the life segment are generally included in funds subject to the policyholders' profit sharing.

8 Loans and receivables

Loans and receivables

(€ million)	31/12/2022	31/12/2021
Loans	**30,475**	**29,151**
Unquoted bonds	10,950	12,317
Deposits under reinsurance business accepted	3,523	3,382
Other loans and receivables	16,002	13,452
Mortgage loans	6,360	6,112
Policy loans	1,581	1,628
Term deposits with credit institutions	3,448	1,767
Other loans	4,612	3,946
Receivables from banks or customers	**2,446**	**2,269**
Receivables from banks	292	336
Receivables from customers	2,153	1,933
Total	**32,921**	**31,420**

This category mainly consisted of unquoted bonds and mortgage loans, which represent 35.9% and 20.9% of total loans, respectively. Debt securities, mainly of long-term average, account for more than 87.0% represented by fixed-rate securities.
The slight increase is mainly attributable to the Other loans and receivables. This is partially compensated by the decrease in Unquoted bonds.
The debt securities of this category are almost entirely investment grade and more than 59.2% of the class boasts a rating greater or equal to A.
Receivables from banks or customers are mainly short-term.
The fair value of total loans and receivables amounted to € 31,902 million, of which € 10,239 million related to bonds.
The carrying values were considered as part of the impairment test required by IAS 39.
A portion of the hidden capital gains and/or losses relating to the life segment are generally included in funds subject to the policyholders' profit sharing.

9 Available for sale financial assets

Available for sale financial assets

(€ million)	31/12/2022	31/12/2021
Unquoted equities at cost	21	21
Equities at fair value	8,190	10,278
quoted	6,972	8,402
unquoted	1,218	1,876
Bonds	221,568	289,930
quoted	217,701	286,249
unquoted	3,868	3,681
Investment fund units	47,324	45,800
Other available for sale financial assets	3,319	2,543
Total	**280,422**	**348,572**

This category accounted for 62.3% of the total investments. The decrease compared to 31 December 2021 was mainly attributable Bonds quoted.
The item Available for sale assets consists of bonds for 79.0%, of which 90% with a rating higher or equal to BBB, class assigned to the Italian government bonds.
As already mentioned, available for sale financial assets are measured at fair value and unrealized gains and losses on these assets are accounted for in shareholders' equity in an appropriate reserve. The amortized cost of the available for sale financial assets amounted to € 318,385 million.
The table below shows unrealized gains and losses and gains and losses recognized in profit or loss in the reporting period of available for sale financial assets.

Available for sale financial assets - unrealised gains and losses 31/12/2022

(€ million)	Fair value	Unrealized gains / losses	Amortized cost
Unquoted equities at cost	21	0	21
Equities at fair value	8,190	789	7,401
Bonds	221,568	-40,403	261,971
Investment fund units	47,324	1,651	45,673
Other available for sale financial assets	3,319	23	3,296
Total	**280,422**	**-37,940**	**318,363**

Available for sale financial assets - unrealised gains and losses 31/12/2021

(€ million)	Fair value	Unrealized gains / losses	Amortized cost
Unquoted equities at cost	21	0	21
Equities at fair value	10,278	1,975	8,303
Bonds	289,930	23,187	266,743
Investment fund units	45,800	5,334	40,467
Other available for sale financial assets	2,543	277	2,266
Total	**348,572**	**30,773**	**317,799**

Available for sale financial assets - gains and losses at profit or loss 31/12/2022

(€ million)	Realized gains	Realized losses	Net impairment losses
Equities	550	-384	-453
Bonds	645	-594	-84
Investment fund units	257	-138	-299
Other available for sale financial assets	-0	-408	-22
Total	**1,451**	**-1,524**	**-858**

Available for sale financial assets - gains and losses at profit or loss 31/12/2021

(€ million)	Realized gains	Realized losses	Net impairment losses
Equities	699	-191	-71
Bonds	690	-140	-0
Investment fund units	302	-58	-201
Other available for sale financial assets	101	-66	-5
Total	**1,792**	**-455**	**-277**

10 Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss

(€ million)	Financial assets held for trading		Financial assets designated as at fair value through profit or loss		Total financial assets at fair value through profit or loss	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Equities	0	0	111	117	111	117
Quoted	0	0	68	67	69	67
Unquoted	0	0	42	50	42	50
Bonds	14	5	3,857	4,319	3,871	4,324
Quoted	14	5	3,424	3,671	3,438	3,676
Unquoted	0	0	433	648	433	648
Investment fund units	516	423	11,103	12,671	11,619	13,094
Derivatives	1,479	1,147	0	0	1,479	1,147
Hedging derivatives	0	0	463	686	463	686
Investments back to policies where the investment risk is borne by the policyholders and back to pension funds	0	0	98,070	107,243	98,070	107,243
Other financial investments	0	0	462	395	462	395
Total	**2,010**	**1,576**	**114,065**	**125,431**	**116,075**	**127,006**

This category accounted for 25.8% of the total investments. In detail, these investments were mainly allocated in the life segment (€ 113,745 million, which accounted for 98.0% of this category).

Bond securities in this category belong to classes of rating greater than or equal to BBB.

The decrease compared to 31 December 2021 was given by the decrease both in value and volumes in the financial assets where the risk is borne by the policyholders.

Assets covering contracts where the financial risk is borne by the policyholders

(€ million)	Policies where the investment risk is borne by the policyholders		Pension funds		Total	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Assets	94,317	103,105	3,753	4,138	98,070	107,243
Total assets	**94,317**	**103,105**	**3,753**	**4,138**	**98,070**	**107,243**
Financial liabilities	1,648	2,209	3,608	3,829	5,256	6,038
Insurance provisions (*)	94,938	102,187	161	257	95,099	102,444
Total liabilities	**96,586**	**104,396**	**3,769**	**4,086**	**100,355**	**108,482**

(*) Insurance provisions are net of amounts ceded to reinsurers from insurance provisions.

11 Land and buildings (investment properties)

The table below shows the main changes in land and buildings (investment properties) in the reporting period, i.e. those held to earn rentals or capital appreciation or both, and their fair value:

Investment properties

(€ million)	31/12/2022	31/12/2021
Gross book value as at 31 December previous year	**19,735**	**17,641**
Accumulated depreciation and impairment as at 31 December previous year	**-2,868**	**-2,517**
Carrying amount as at 31 December previous year	**16,867**	**15,124**
Foreign currency translation effects	17	106
Acquisition of the period	847	515
Capitalized expenses	145	123
Changes in consolidation scope	174	2,165
Reclassifications	407	209
Sales of the period	-563	-1,052
Depreciation of the period	-261	-232
Impairment loss of the period	-167	-105
Reversal of impairment of the period	29	13
Carrying amount as at the end of the period	**17,495**	**16,867**
Accumulated depreciation and impairment as at the end of the period	**3,192**	**2,868**
Gross book value as at the end of the period	**20,687**	**19,735**
Fair value	**28,129**	**27,103**

Fair value of land and buildings (investment properties) at the end of the reporting period is mainly based on external appraisals. A portion of the hidden capital gains relating to the life segment are generally included in funds subject to the policyholders' profit sharing.

12 Cash and cash equivalents

Cash and cash equivalents

(€ million)	31/12/2022	31/12/2021
Cash and cash equivalents	446	254
Cash and balances with central banks	706	1,617
Cash at bank and short-term securities	6,091	6,605
Total	**7,243**	**8,476**

Details on investments

Bonds

Group's exposures to bonds - detailed by rating and maturity - are reported at book value in the following tables:

Bonds: breakdown by rating

(€ million)	Available for sale financial assets	Financial assets at fair value through profit or loss	Held to maturity investments	Loans	Total
AAA	12,263	242	16	2,060	14,582
AA	46,743	1,112	89	2,226	50,170
A	51,917	1,141	621	2,031	55,711
BBB	99,010	958	723	4,349	105,040
Non-investment grade	7,466	333	331	221	8,351
Not Rated	4,168	85	261	62	4,576
Total	**221,568**	**3,871**	**2,041**	**10,950**	**238,430**

Bonds: breakdown by maturity

(€ million)	Available for sale financial assets	Financial assets at fair value through profit or loss	Held to maturity investments	Loans	Total
Until 1 year	13,261	1,030	229	1,073	15,593
From 1 to 5 years	56,407	448	928	4,027	61,809
From 5 to 10 years	53,677	812	288	1,889	56,666
More than 10 years	96,680	1,549	596	3,960	102,785
Perpetual	1,545	32		1	1,577
Total	**221,568**	**3,871**	**2,041**	**10,950**	**238,430**

The incidence of maturities of debt securities by asset classes remains substantially in line with that of the previous year.
Bond investments totaled € 238,430 million at the end of the period. The portfolio was composed for € 143,132 million by government bonds, while corporate bonds amounted to € 95,298 million.

Loans accounted for 99.8% of assets not past due.
Group's exposures to government bonds, detailed by country of risk and rating, are reported at book value in the following tables:

Government bonds: breakdown by Country

(€ million)	31/12/2022	
	Total book value	Impact (%)
Government bonds	**143,132**	
Italy	44,267	30.9%
France	25,522	17.8%
Germany	3,133	2.2%
Central and Eastern Europe	12,758	8.9%
Rest of Europe	39,842	27.8%
Spain	20,516	14.3%
Austria	1,864	1.3%
Belgium	7,381	5.2%
Others	10,081	7.0%
Rest of world	12,481	8.7%
Supranational	5,129	3.6%

The government bonds portfolio amounted to € 143,132 million at the end of the period, with the 50.9% of the portfolio represented by Italian, French and German debt instruments. The exposure to individual sovereign bonds is mainly allocated to their respective countries of operation.

Government bonds: breakdown by rating

(€ million)	31/12/2022		31/12/2021	
	Total book value	Impact (%)	Total book value	Impact (%)
Government bonds	**143,132**		**194,293**	
AAA	8,376	5.9%	9,733	5.0%
AA	41,728	29.2%	55,729	28.7%
A	29,916	20.9%	43,841	22.6%
BBB	58,580	40.9%	81,170	41.8%
Non-investment grade	1,455	1.0%	1,558	0.8%
Not rated	3,076	2.1%	2,262	1.2%

In terms of exposure to different rating classes, the Class AAA credit rating includes some supranational, Dutch and Swiss issuances. Class AA includes French and Belgian government bonds. Class A includes mainly Spanish bonds, while the class BBB mainly includes Italian bonds. Group's exposures to investments in corporate bonds, detailed by sector and rating, are reported at book value in the following tables:

Corporate bonds: breakdown by sector

(€ million)	31/12/2022	
	Total book value	Impact (%)
Corporate bonds	**95,298**	
Financial	28,478	29.9%
Covered Bonds	8,563	9.0%
Utilities	14,520	15.2%
Industrial	7,215	7.6%
Consumer	9,329	9.8%
Telecommunication services	7,915	8.3%
Energy	3,351	3.5%
Other	15,928	16.7%

Corporate bonds: breakdown by rating

(€ million)	31/12/2022		31/12/2021	
	Total book value	Impact (%)	Total book value	Impact (%)
Corporate bonds	**95,298**		**113,965**	
AAA	6,206	6.5%	7,568	6.6%
AA	8,442	8.9%	8,936	7.8%
A	25,794	27.1%	28,334	24.9%
BBB	46,460	48.8%	58,772	51.6%
Non-investment grade	6,896	7.2%	8,639	7.6%
Not Rated	1,499	1.6%	1,716	1.5%

The investments in corporate bonds totaled € 95,298 million at the end of the period. The portfolio was composed for 61.3% by non-financial corporate bonds and for 38.7% by financial corporate bonds.

Equities

Group's exposures to investments in equities, detailed by sector and country of risk, are reported at fair value in the following tables:

Equity investments: breakdown by sector

(€ million)	31/12/2022	
	Total fair value	Impact (%)
Equity instruments	**26,505**	
Financial	2,250	8.5%
Consumer	1,308	4.9%
Utilities	399	1.5%
Industrial	987	3.7%
Other	3,378	12.7%
Alternative investments	13,616	51.4%
Asset allocation funds	4,567	17.2%

Direct equity investments: breakdown by Country of risk

(€ million)	31/12/2022	
	Total fair value	Impact (%)
Direct equity investments	**8,322**	
Italy	783	9.4%
France	2,530	30.4%
Germany	870	10.4%
Central and Eastern Europe	119	1.4%
Rest of Europe	2,126	25.5%
Spain	656	7.9%
Austria	114	1.4%
Switzerland	126	1.5%
The Netherlands	453	5.4%
United Kingdom	149	1.8%
Others	629	7.6%
Rest of world	1,894	22.8%

Real estate investments

Group's exposures to direct real estate investments, detailed by country of location, is reported at fair values in the following table[1]:

Direct real estate investments: breakdown by Country of location

(€ million)	31/12/2022		31/12/2022	
	Investment properties		Self-used real estates	
	Total fair value	Impact (%)	Total fair value	Impact (%)
Direct Real-estate investments	**28,129**		**4,006**	
Italy	7,764	27.6%	2,204	55.0%
France	9,022	32.1%	500	12.5%
Germany	3,962	14.1%	303	7.6%
Central and Eastern Europe	1,108	3.9%	349	8.7%
Rest of Europe	6,155	21.9%	413	10.3%
Spain	977	3.5%	106	2.6%
Austria	1,939	6.9%	158	3.9%
Switzerland	1,818	6.5%	22	0.5%
Others	1,423	5.1%	127	3.2%
Rest of world	119	0.4%	237	5.9%

Further information on reclassified financial instruments

As of 1 January 2009, the Group transferred to the loans and receivables category € 14,658 million of corporate bonds, according to the IAS 39 reclassification option. At 31 December 2022, after sales and pay backs made up till the balance sheet date, the stock of these reclassified financial instruments amounted to € 504.7 million.

Assets transferred that do not qualify for derecognition

Generali Group in the context of its business activities enters into securities lending transactions (REPO e Reverse REPO). Generally, collaterals can be in cash or in readily available assets other than cash.

In general, if the Group retains substantially all risks and rewards of the financial assets underlying these transactions, the Group continues to recognise the underlying assets whereas cash instruments shall be transferred as a consequence of debit and credit relationships.

For REPO contracts, the Group continues to recognise in its financial statements the underlying financial asset as the risks and benefits are retained by the Group. The consideration received upon sale is recognised as a liability.

As far as Reverse REPO transactions are concerned, considering that all underlying risks and rewards are retained by the counterparty for the entire life of the transaction, the related financial asset is not recognised as an asset in the Group's financial statements. The consideration paid is accounted for within the loans and receivable category.

Finally, the Group is committed in other transactions in which some financial assets are pledged as collateral but they are still recognised in the financial statements because all risks and rewards are retained by the Group.

Consequently, some of the assets recorded are not fully available and usable by the Group as they are subject to securitization agreements, REPOs and other forms of collateralisation. Furthermore, considering the insurance business of the Group and in particular the life business with profit sharing, it should be noted that in some countries where the Group operates, the national legislation indicates that the related collateral assets are to be considered fully dedicated to those contracts and thus to the business itself.

As at 31 December 2022, the Group has retained substantially all risks and rewards arising from the ownership of the transferred assets and there are no transfers of financial assets which have been completely or partially derecognised on which the Group continues to control. In particular, the Group continues to recognize, in terms of market value, € 18,336 million of financial assets linked to various contracts such as, securities lending transactions for € 8,150 million, mainly in France, repurchase agreements for € 3,371 million and assets pledged as collateral to cover its reinsurance activities for € 760 million, as well as € 2,153 million have been pledged in derivatives transactions. Residual part is related to collateral pledged other operations (please refer to the chapter *Contingent liabilities, commitments, guarantees, pledged assets and collaterals* in section *Additional Information*).

With reference to collateral for derivative transactions, it should be noted that over-the-counter derivatives are subject to Master Netting Agreements. In particular, the Group requires the so-called ISDA Master Agreement (or equivalent), including

1. Alternative investments and units of UCITS are excluded.

bilateral clearing agreements, and the ISDA Credit Support Annex (or equivalent) to be adopted for each derivative transaction in order to mitigate counterparty risk. Furthermore, the Group requires that such transactions shall be carried out only with counterparties admitted by internal risk management policies.

These agreements require that offsetting between derivatives is granted only in the event of bankruptcy or failure of the parties and, to mitigate the counterparty credit risk relating to such transactions, the parties sign a collateralization agreement.

As a result of these agreements, the net exposure in derivatives becomes close to zero as it is neutralized by the collateral given or received, both as cash or assets other than cash.

Similar considerations apply to securities lending and REPO / Reverse REPO transactions which are covered by framework agreements with characteristics similar to the ISDAs, named respectively Global Master Securities Lending Agreement (GMSLA) and Global Master Repurchase Agreement (GMRA), making the counterparty risk substantially intangible. These considerations are evident in the case of REPO / Reverse REPO transactions where the value of the collateral is, for each transaction, substantially equal to the asset object of the repurchase agreement.

ISDAs and similar netting agreements signed by the Group do not meet the requirements for the purpose of offsetting between items in the financial statements. These agreements in fact guarantee the parties the right to offset the flows only in the event of bankruptcy, insolvency or failure of the Group or the counterparty. Furthermore, there is no intention by the Group and its counterparties to realize the assets and to offset the liabilities simultaneously or to settle them on a net basis.

Derivative financial instruments

The Group's balance sheet exposure to derivative instruments is mainly associated with economic hedging transactions of financial assets or liabilities, in line with strategies aiming at mitigating financial and currency risks. The total exposure amounts to € - 2,720 million for a corresponding notional amount of € 61,303 million. The notional exposure is presented in absolute amounts, including positions with both positive and negative balances, and it arises for an amount of € 18,369 million from instruments for which a hedge accounting relationship has been formally designated, in accordance with the international accounting standard IAS 39. The remaining notional amount is attributable to derivative instruments for which, notwithstanding their purpose as economic hedging instruments, a formal hedge accounting relationship has not been activated.

Derivative instruments designated for hedge accounting

The exposure in terms of amounts recognised in the financial statements amounts to € - 2,347 million.

- Fair value hedge

Fair value hedging relationships mainly relate to hedging strategies implemented in Life portfolios of subsidiaries operating in Central-Eastern Europe, with particular reference to risks arising from fluctuations in interest rates and foreign exchange rates.

- Cash flow hedge

The cash flow hedging relationships mainly relate to cross currency swaps hedging subordinated liabilities issued by the Group in British pound and to micro-hedge and reinvestment risk reduction operations in the life portfolios.

- Hedge of net investment in foreign operations

The Group continued the hedging strategy aimed at neutralising risks arising from foreign exchange fluctuations of its subsidiaries whose functional currency is the Swiss franc, Czech crowns and British pound.

Other derivative instruments

The recognised amounts in the financial statements for these exposures at 31 December 2022 amounted to € 292 million for a corresponding notional amount of € 35,623 million, which mainly relates to over-the-counter positions. The exposure is mainly associated with operations relating to interest rates hedges and foreign exchange rates hedges. Furthermore, the Group undertakes macro hedge strategies aimed at protecting the capital and the income statement from the risk of a significant reduction in share prices.

In general, in order to mitigate the credit risk arising from over-the-counter transactions, the Group collateralized most of them. Furthermore, a list of selected authorized counterparties is identified for the opening of new derivative transactions.

Below the detail on exposures in derivatives instruments designated as hedge accounting and other derivative instruments.

Details on exposure in derivative instruments

(€ million)	Maturity distribution by nominal amount			Total notional	Positive fair value	Negative fair value	Net fair value
	Within 1 year	Between 1 and 5 years	More than 5 years				
Total equity/index contracts	3,312	5,618	103	9,032	254	-138	116
Total interest rate contracts	3,265	9,224	15,579	28,067	1,387	-2,724	-1,337
Total foreign exchange contracts	5,520	5,205	6,142	16,866	302	-1,809	-1,507
Total credit derivatives	53	0	0	53	0	-0	-0
Total	**12,149**	**20,046**	**21,823**	**54,019**	**1,943**	**-4,671**	**-2,728**

Sensitivity analysis to market and credit risks

The Generali Group makes its own analysis of sensitivity to market and credit risks following the logic of Solvency 2. For further information and the relevant numerical evidence please refer to the Risk Report in the Management Report.
Information on climate changes is provided in the relevant chapter of these Notes.

INSURANCE AND INVESTMENT CONTRACTS

13 Insurance provisions

Insurance provisions

(€ million)	Direct insurance		Accepted reinsurance		Total	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Non-life insurance provisions	**40,376**	**36,163**	**2,294**	**1,922**	**42,670**	**38,086**
Provisions for unearned premiums	7,970	7,110	234	232	8,204	7,342
Provisions for outstanding claims	32,024	28,710	2,043	1,680	34,066	30,389
Other insurance provisions	383	343	18	11	400	355
of which provisions for liability adequacy test	0	0	0	0	0	0
Life insurance provisions	**375,356**	**436,057**	**5,475**	**5,306**	**380,831**	**441,363**
Provisions for outstanding claims	7,039	6,567	1,784	2,452	8,824	9,019
Mathematical provisions	274,754	277,779	3,457	2,598	278,212	280,377
Provisions for policies where the investment risk is borne by the policyholders and provisions for pension funds	95,111	102,477	5	5	95,116	102,481
Other insurance provisions	-1,549	49,235	229	252	-1,320	49,487
of which provisions for liability adequacy test	1,077	1,287	5	5	1,082	1,292
of which deferred policyholder liabilities	-29,061	22,356	0	0	-29,061	22,356
Total	**415,732**	**472,221**	**7,769**	**7,228**	**423,501**	**479,449**

In the non-life segment insurance provisions increased (+ 12.0% compared to 31 December 2021), mainly driven by first consolidation effect of Future Generali India Insurance Company Ltd., Future MPI Generali Insurans Berhad, Generali Insurance Malaysia Berhad (ex AXA Affin General Insurance Berhad) and La Médicale SA.

In the life segment insurance provisions decreased by 13.7% mainly due to the unrealized losses deriving from shadow accounting.

The overall total of other life insurance provisions included both the provision for profit sharing and premium refunds, which amounts to € 5,597 million (€ 5,303 million in 2021) and the ageing provisions for life segment, which amount to € 18,209 million (€ 17,494 million in 2021). As part of the technical provisions of the life segment, subject to liability adequacy test, are also included the reservations made in accordance with applicable locally regulations related to the risk of interest rates change. Moreover, the Liability adequacy test takes into account the deferred policyholder liability recoverable.

14 Amounts ceded to reinsurers from insurance provisions

Insurance provisions ceded to reinsurers

(€ million)	Direct insurance		Accepted reinsurance		Total	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Non-life amounts ceded to reinsurers from insurance provisions	**2,917**	**2,197**	**1,594**	**1,629**	**4,511**	**3,825**
Life amounts ceded to reinsurers from insurance provisions	**1,149**	**1,235**	**1,609**	**1,585**	**2,758**	**2,821**
Provisions for policies where the investment risk is borne by the policyholders and provisions for pension funds	17	37	0	0	17	37
Mathematical provisions and other insurance provisions	1,132	1,198	1,609	1,585	2,741	2,784
Total	**4,066**	**3,432**	**3,202**	**3,214**	**7,268**	**6,646**

15 Deferred acquisition costs

Deferred acquisition costs

(€ million)	Segment Life		Segment Non Life		Total	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Carrying amount as at 31 December previous year	**1,829**	**1,767**	**369**	**349**	**2,198**	**2,117**
Acquisition costs deferred	335	443	38	98	373	541
Changes in consolidation scope	0	-1	0	-11	0	-12
Amortization of the period	-353	-384	-66	-71	-419	-455
Other movements	2	4	2	4	5	8
Carrying amount as at 31 December current year	**1,814**	**1,829**	**343**	**369**	**2,157**	**2,198**

Details on insurance and investment contracts

Insurance provisions and financial liabilities related to policies of the life segment

Insurance provisions and financial liabilities related to the life segment

(€ million)	Net amount
	31/12/2022
Insurance contracts	194,515
Investment contracts with discretionary participation feature	195,511
Total insurance provisions	**390,027**
Investments contracts fair valued	5,506
Investments contracts at amortised cost	2,070
Total financial liabilities	**7,576**
Total	**397,603**

Total insurance provisions, net of reinsurance, include the mathematical provisions and provisions for policies where the investment risk is borne by policyholders and for pension funds (which amounted to € 276,751 million and € 95,099 million respectively), and net ageing provisions for life segment, which amounted to € 18,177 million. In the Life portfolio, the policies with significant insurance risk amounted to 49.9%, whereas investment contracts with discretionary participation feature amounted to 50.1%. The investment contracts contribute 1.9% to Life portfolio and the 72.7% consist of unit- and index linked policies without significant insurance risk.

Mathematical provisions and ageing for life segment

(€ million)	Gross direct amount	
	31/12/2022	31/12/2021
Carrying amount as at 31 December previous year	**295,263**	**276,130**
Foreign currency translation effects	-50	1,152
Premiums and payments	-5,956	-3,190
Interests and bonuses credited to policyholders	6,285	7,204
Acquisitions, disinvestments and other movements	-2,586	13,968
Transfer to Non-current assets or disposal group classified as held for sale	0	0
Carrying amount as at the end of the period	**292,957**	**295,263**

Provisions for policies where the investment risk is borne by policyholders and for pension funds

(€ million)	Gross direct amount	
	31/12/2022	31/12/2021
Carrying amount as at 31 December previous year	**102,477**	**80,365**
Foreign currency translation effects	368	400
Premiums and claims	6,481	7,770
Interests and bonuses credited to policyholders	-13,332	9,354
Acquisitions, disinvestments and other	-882	4,587
Transfer to Non-current assets or disposal group classified as held for sale	0	0
Carrying amount as at the end of the period	**95,111**	**102,477**

The decrease in provisions for policies where the investment risk is borne by policyholders and for pension funds is determined by the negative effect of interests and bonuses credited to policyholders, the development in the market value of funds linked to unit- and index policies and due to financial market movements.
Group's financial guarantee of life insurance provisions and financial liabilities of gross direct insurance is reported in the following table.

Life insurance provisions and financial liabilities: financial guarantees

(€ million)	Gross direct insurance	
	31/12/2022	31/12/2021
Liabilities with guaranteed interest (*)	**259,716**	**268,152**
less than 1%	132,740	138,260
between 1% and 3%	88,298	92,236
between 3% and 4%	25,728	24,339
more than 4%	12,950	13,317
Provisions without guaranteed interest	**127,323**	**127,207**
Provisions matched by specific assets	**8,605**	**10,697**
Total	**395,644**	**406,056**

(*) The upper bound of each range is excluded.

The total insurance provisions include the gross direct amount of mathematical provisions, which amount to € 274,754 million (€ 277,779 million at 31 December 2021), the provisions for policies where the investment risk is borne by the policyholders and for pension fund, which amount to € 95,111 million (€ 102,477 million at 31 December 2021), the ageing provision for life segment, which amounts to € 18,202 million (€ 17,485 million at 31 December 2021), and financial liabilities related to investment contacts, which amount to € 7,576 million (€ 8,316 million at 31 December 2021). Liabilities without guaranteed interest amount to € 127,323 million in 2022, decreasing compared to the previous year (€ 127,207 million as at 31 December 2021), mainly determined by the financial revaluation of the unit linked business investment result and by the new production without guarantee.

The table below shows the amount of the life gross direct insurance provisions broken down by expected contractual residual duration.

Life insurance provisions and financial liabilities related to investment contracts: contractual term to maturity

(€ million)	Gross direct insurance
	31/12/2022
Up to 1 year	24,392
Between 1 and 5 years	87,297
Between 5 and 10 years	58,909
Between 11 and 20 years	86,810
More than 20 years	138,237
Total	**395,644**

Deferred policyholders liabilities

(€ million)	31/12/2022	31/12/2021
Carrying amount as at the beginning of the period	**22,356**	**33,833**
Foreign currency translation effects	2	29
Change of the period	-51,438	-12,113
Acquisitions and disinvestments	18	608
Carrying amount as at the end of the period	**-29,061**	**22,356**

Deferred policyholders' liabilities showed an increase which mainly reflects the trend of the policyholders' share recognized on the fair value of the investment available for sale, with reference to the government component and to the corporate component.

Provisions for outstanding claims

Provisions for outstanding claims

(€ million)	Gross direct insurance	
	31/12/2022	31/12/2021
Motor	13,150	12,248
Non motor	18,873	16,462
Personal and commercial lines	14,772	12,969
Accident/Health (*)	4,101	3,493
Total	**32,024**	**28,710**

(*) Life segment includes health insurance with life features.

With reference to the gross direct claims provisions 41.1% was referred to the motor business slightly decreasing with respect the prior year (42.7%). In the non-motor business, the personal and commercial lines weighted 78.3%.
With reference to non-life segment, the table below shows the amount of gross direct claims and unearned premiums reserves split by remaining maturity. The total liability is broken down by remaining duration in proportion to the cash flows expected to arise during each duration band.

Non-life insurance provisions: maturity

(€ million)	Gross direct insurance	
	31/12/2022	31/12/2021
Up to 1 year	11,728	10,892
Between 1 and 5 years	18,351	16,343
Between 5 and 10 years	5,282	4,495
Between 11 and 20 years	3,340	2,907
More than 20 years	1,292	1,183
Total	**39,993**	**35,820**

The following table shows the cumulative claim payments and the ultimate cost of claims by accident year and their development from 2013 to 2022. The ultimate cost includes paid losses, outstanding reserves on reported losses, estimated reserves for IBNR claims and ULAE.
The amounts refer to direct business gross of reinsurance and recoveries amounting to € 577 million in 2022.
The difference between the ultimate cost of claims and the cumulative paid losses for calendar year 2022 constitutes the claim reserve for accident years 2013 to 2022. The reserve reported in the balance sheet also includes a residual claim reserve that is composed almost exclusively by the accident years not reported in the development triangle.
The observed trend in the ultimate cost for generations 2013-2022 indicates the adequate level of prudence adopted by the Generali Group in its reserving policy.
The claims development is presented for all diagonals taking into consideration the consolidation perimeter changes that occurred as at 31 December 2022.

Claims development

(€ million)	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Total
Cumulative claim payments											
at the end of accident year	6,420	6,056	6,190	6,312	6,625	6,634	6,932	6,154	6,921	7,366	
one year later	10,371	9,764	9,852	10,128	10,972	10,713	10,979	9,594	11,183		
two years later	11,429	10,781	10,879	11,193	12,094	11,811	12,058	10,522			
three years later	11,916	11,261	11,339	11,698	12,630	12,372	12,575				
four years later	12,189	11,541	11,664	11,998	12,970	12,667					
five years later	12,396	11,751	11,864	12,215	13,188						
six years later	12,571	11,890	12,012	12,394							
seven years later	12,672	12,021	12,118								
eight years later	12,760	12,107									
nine years later	12,831										
Estimate of ultimate cumulative claims costs:											
at the end of accident year	14,569	14,034	13,954	14,159	15,010	14,865	14,872	13,720	15,300	16,044	146,528
one year later	14,216	13,952	13,924	14,086	15,200	14,885	14,856	13,418	15,263		
two years later	14,007	13,586	13,525	13,813	14,921	14,589	14,813	13,251			
three years later	13,858	13,306	13,245	13,635	14,733	14,428	14,583				
four years later	13,697	12,988	13,161	13,534	14,596	14,284					
five years later	13,530	12,925	13,034	13,445	14,463						
six years later	13,491	12,854	12,916	13,355							
seven years later	13,461	12,804	12,877								
eight years later	13,438	12,764									
nine years later	13,401										
Estimate of ultimate cumulative claims costs at reporting date	**13,401**	**12,764**	**12,877**	**13,355**	**14,463**	**14,284**	**14,583**	**13,251**	**15,263**	**16,044**	**140,285**
Cumulative payments to date	**-12,831**	**-12,107**	**-12,118**	**-12,394**	**-13,188**	**-12,667**	**-12,575**	**-10,522**	**-11,183**	**-7,366**	**-116,951**
Provision recognised in the balance sheet	**569**	**658**	**759**	**961**	**1,275**	**1,616**	**2,008**	**2,729**	**4,080**	**8,678**	**23,334**
Provision not included in the claims development table											9,267
Total provision included in the balance sheet											**32,601**

Reinsurance policy of the Group

With reference to the reinsurance policy, the table proves that the careful criteria for the selection of reinsurers adopted by the Group over the past allowed Generali to have a significant presence of counterparties in rating classes of high quality.

Insurance provisions ceded to reinsurers: breakdown by rating

(€ million)	31/12/2022	31/12/2021
AAA	0	0
AA	2,450	2,356
A	2,304	1,976
BBB	176	1,502
Non-investment grade	1,658	109
No Rating	680	704
Total	**7,268**	**6,646**

In some circumstances, local regulations, market practice or specific types of business allow the Group to benefit from mitigation of the related reinsurance credit risk through deposits from reinsurers and/or letters of credit as a guarantee on ceded reserves.
The increase of the Non-investment grade is mainly linked to French reinsurance portfolios which are in any case covered by guarantees.
No Rating counterparties still remain; as in the past, they also include a considerable amount of captive insurance companies of large industrial Groups that do not qualify for any rating while showing a good financial strength, companies that are no longer active in the reinsurance market and not valued by the rating agencies, but not necessarily less financially sound, companies that are part of major insurance groups which benefit from high rating but who have abandoned their reinsurance activities, or, finally, of mutual and reinsurance pools.
No Rating is partially mitigated by the presence of forms of guarantee such as parental guarantee or other collateral.

Sensitivity analysis of underwriting risks

The Generali Group makes its own analysis of sensitivity to insurance, not market, risks following the logic of Solvency 2. For further information and the relevant numerical evidence please refer to the Risk Report in the Management Report. Information on climate changes is provided in the relevant chapter of these Notes.

SHAREHOLDERS' EQUITY AND SHARE

16 Shareholders' equity

Shareholders' equity

(€ million)	31/12/2022	31/12/2021
Shareholders' equity attributable to the Group	**16,201**	**29,308**
Share capital	1,587	1,581
Capital reserves	7,107	7,107
Revenue reserves and other reserves	13,530	12,292
(Own shares)	-583	-82
Reserve for currency translation differences	91	-93
Reserve for unrealized gains and losses on available for sale financial assets	-7,471	6,841
Reserve for other unrealized gains and losses through equity	-972	-1,185
Result of the period	2,912	2,847
Shareholders' equity attributable to minority interests	1,936	2,568
Total	**18,137**	**31,875**

The share capital is made up of 1,586,833,696 ordinary shares without nominal value.
The Group's own share are € - 582 million, amounting to 39,537,792 shares (€ - 82 million, amounting to 6,436,421 shares as at 31 December 2021), mainly due to the shares buy-back in 2022.
During 2022 the Parent company resolved a dividend distribution amounting to € 1,691 million. The entire amount has been deducted from the revenue reserves.
The reserve for currency translation differences arising from the translation of subsidiaries' financial statement denominated in foreign currencies amounted to € 91 million (€ - 93 million as at 31 December 2021) due to the depreciation of the euro against most major currencies.
The reserve for unrealised gains and losses on available for sale financial assets, i.e. the balance between unrealised gains and losses on financial assets net of life deferred policyholder liabilities and deferred taxes, amounted € - 7,471 million (€ 6,841 million as at 31 December 2021). The decrease of investments classified as financial assets available for sale is mainly driven by the increase of interest rates which significantly reduced the market value of bonds.
The reserve for other unrealised gains and losses through equity comprised, among other component gains and losses on re-measurement of the net defined benefit liability in accordance with IAS 19 revised, gains and losses on hedging instruments accounted for as hedging derivatives (cash flow hedge) put in place in order to cover the volatility of interest rate and the volatility of exchange rates. The Item amounted to € - 972 million (€ - 1,185 million as at 31 December 2021).

Other comprehensive income

Other comprehensive income

(€ million)	31/12/2022	31/12/2021
Consolidated result of the period	**3,189**	**3,195**
Items that may be reclassified to profit and loss in future periods		
Foreign currency translation differences	168	555
Allocation	160	498
Transfer to profit and loss account	9	56
Net unrealized gains and losses on investments available for sale	-14,898	-1,915
Allocation	-15,795	-2,040
Transfer to profit and loss account	896	125
Net unrealized gains and losses on cash flows hedging derivatives	-146	-76
Allocation	-96	-129
Transfer to profit and loss account	-50	53
Net unrealized gains and losses on hedge of a net investment in foreign operations	-23	-81
Allocation	15	-17
Transfer to profit and loss account	-38	-64
Share of other comprehensive income of associates	31	-19
Allocation	38	11
Transfer to profit and loss account	-7	-29
Result of discontinued operations	-372	3
Allocation	-372	0
Transfer to profit and loss account	0	3
Others	0	0
Allocation	0	0
Transfer to profit and loss account	0	0
Subtotal	-15,241	-1,533
Allocation	-16,050	-1,677
Transfer to profit and loss account	810	144
Items that may not be reclassified to profit and loss in future periods		
Share of other comprehensive income of associates	0	-0
Allocation	0	-0
Result of discontinued operations	0	0
Allocation	0	0
Reserve for revaluation model on intangible assets	0	0
Allocation	0	0
Reserve for revaluation model on tangible assets	0	0
Allocation	0	0
Actuarial gains or losses arising from defined benefit plans	613	366
Allocation	613	366
Subtotal	613	366
Allocation	613	366
Total other comprehensive income	**-14,627**	**-1,167**
Total comprehensive income	**-11,438**	**2,028**
attributable to the Group	-11,003	1,574
attributable to minority interests	-435	454

The following table shows the change of deferred tax assets and liabilities related to gains or losses recognized in shareholders' equity or transferred from shareholders' equity.

Income taxes related to other comprehensive income

(€ million)	31/12/2022	31/12/2021
Income taxes related to other comprehensive income	**4,873**	**479**
Foreign currency translation differences	0	-1
Unrealized gains and losses on available for sale financial assets	5,094	599
Net unrealized gains and losses on cash flows hedging derivatives	38	16
Net unrealized gains and losses on hedge of a net investment in foreign operations	0	0
Reserve on associates	-2	-2
Reserve for revaluation model on intangible assets	0	0
Reserve for revaluation model on tangible assets	0	0
Result of discontinued operations	0	0
Actuarial gains or losses arising from defined benefit plans	-257	-134

Earnings per share

Basic earnings per share are calculated by dividing the result of the period attributable to the Group by the weighted average number of ordinary shares outstanding during the period, adjusted for the Parent Company's average number of shares owned by itself or by other Group companies during the period.
Diluted earnings per share reflect the eventual dilution effect of potential ordinary shares.

Earnings per share

	31/12/2022	31/12/2021
Result of the period (€ million)	2,912	2,847
- from continuing operations	2,912	2,847
- from discontinued operations	0	0
Weighted average number of ordinary shares outstanding	1,570,223,226	1,573,173,478
Adjustments for potential dilutive effect	16,231,762	16,231,762
Weighted average number of ordinary shares outstanding	1,586,454,988	1,589,405,240
Earnings per share (in €)	1.85	1.81
- from continuing operation	1.85	1.81
- from discontinued operations	0.0	0.0
Diluted earnings per share (in €)	1.84	1.79
- from continuing operation	1.84	1.79
- from discontinued operations	0.0	0.0

For more details on dividend per share please refer to the Management Report.

Reconciliation statement of the result of the period and shareholders’ equity of the Group and the Parent Company

In accordance with the Consob Communication No. 6064293 of 28 July 2006, the table below summarizes the reconciliation of the result of the period and shareholders’ equity of the Group and the Parent Company.

Reconciliation report

(€ million)	31/12/2022		31/12/2021	
	Shareholders' equity before the result of the period	Result of the period	Shareholders' equity before the result of the period	Result of the period
Parent Company amounts in conformity with the Italian accounting principles	**15,767**	**2,821**	**16,074**	**1,847**
Adjustments to Parent Company for IAS/IFRS application	689	161	873	55
Parent Company amounts in conformity with IAS/IFRS principles	**16,456**	**2,982**	**16,947**	**1,902**
Result of the period of entities included in the consolidation area		9,803		9,282
Dividends	8,650	-8,650	6,640	-6,640
Elimination of participations, equity valuation impacts and other consolidation adjustments	-3,845	-1,222	-2,831	-1,697
Reserve for currency translation differences	91		-93	
Reserve for unrealized gains and losses on available for sale financial assets	-7,312		6,773	
Reserve for other unrealized gains and losses through equity	-751		-976	
Shareholders equity attributable to the group	**13,290**	**2,912**	**26,461**	**2,847**

FINANCIAL LIABILITIES

17 Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss

(€ million)	Financial liabilities held for trading		Financial liabilities designated as at fair value through profit or loss		Total	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Financial liabilities related to investment contracts issued by insurance companies	0	0	5,506	6,246	5,506	6,246
where the investment risk is borne by the policyholders	0	0	1,648	2,209	1,648	2,209
pension funds	0	0	3,608	3,829	3,608	3,829
other financial liabilities related to investment contracts	0	0	250	208	250	208
Derivatives	1,771	1,074	0	0	1,771	1,074
Hedging derivatives	0	0	2,900	1,966	2,900	1,966
Other financial liabilities at FV	0	0	30	32	30	32
Total	**1,771**	**1,074**	**8,436**	**8,244**	**10,207**	**9,317**

18 Other financial liabilities

Other financial liabilities

(€ million)	31/12/2022	31/12/2021
Subordinated liabilities	**8,266**	**8,760**
Loans and bonds	**12,037**	**10,830**
Deposits received from reinsurers	1,766	1,676
Bonds	1,739	1,737
Other loans	6,462	5,347
Financial liabilities related to investment contracts issued by insurance companies	2,070	2,070
Liabilities to banks or customers	**18,144**	**18,806**
Liabilities to banks	15	728
Liabilities to customers	18,129	18,078
Total	**38,446**	**38,396**

The reduction in the item Subordinated liabilities is mainly due to the redemption of bonds with an overall nominal amount of € 969 million; these bonds have been partially refinanced in July 2022 through the issuance of a green subordinated bond with a nominal value of € 500 million.

The remaining part has been already refinanced in 2021 through the anticipated issuance of a sustainable subordinated bond with a nominal value of € 500 million.

The following tables sort Senior and Subordinated liabilities into categories based on maturity, or first call date, when applicable. For each category of maturity, the undiscounted cash flows (including the related hedging derivatives), the book value and the fair value of financial liabilities are reported.

Subordinated liabilities - undiscounted cash flows

(€ million)	31/12/2022			31/12/2021		
	Undiscounted cash flow	Book value	Fair value	Undiscounted cash flow	Book value	Fair value
Up to 1 year	473	55	53	1,392	967	1,017
between 1 and 5 years	6,111	4,557	4,472	4,526	2,831	3,194
between 5 and 10 years	4,075	3,654	3,318	4,863	4,464	5,044
more than 10 years	-	-	-	509	498	493
Total subordinated liabilities	**10,659**	**8,266**	**7,844**	**11,288**	**8,760**	**9,748**

The following main subordinated issuances are included as part of the subordinated liabilities category:

Main subordinated issues

	Coupon	Outstanding (*)	Currency	Amortised cost (**)	Issue date	Call date	Maturity
Assicurazioni Generali	6.27%	350	GBP	393	16/06/2006	16/06/2026	Perp
Assicurazioni Generali	4.13%	1,000	EUR	962	02/05/2014	n.a.	04/05/2026
Assicurazioni Generali	4.60%	1,500	EUR	1,341	21/11/2014	21/11/2025	Perp
Assicurazioni Generali	5.50%	1,250	EUR	1,246	27/10/2015	27/10/2027	27/10/2047
Assicurazioni Generali	5.00%	850	EUR	844	08/06/2016	08/06/2028	08/06/2048
Assicurazioni Generali	3.88%	500	EUR	488	29/01/2019	n.a.	29/01/2029
Assicurazioni Generali	2.12%	750	EUR	729	01/10/2019	n.a.	01/10/2030
Assicurazioni Generali	2.43%	600	EUR	597	14/07/2020	14/01/2031	14/07/2031
Assicurazioni Generali	1.71%	500	EUR	498	30/06/2021	30/12/2031	30/06/2032
Assicurazioni Generali	5.80%	500	EUR	497	06/07/2022	06/01/2032	06/07/2032
Società Cattolica di Assicurazioni S.p.A.	7.25%	100	EUR	55	17/12/2013	17/12/2023	17/12/2043
Società Cattolica di Assicurazioni S.p.A.	4.25%	500	EUR	552	14/12/2017	14/12/2027	14/12/2047

(*) In currency million.
(**)In € million.

Subordinated liabilities issued by Assicurazioni Generali S.p.A. and Cattolica Assicurazioni S.p.A. are classified in this category. The remaining subordinated liabilities are related to the securities issued by Austrian and Italian subsidiaries and correspond to an amortized cost of approximately € 25 million and € 37 million respectively.
As previously mentioned, the most relevant variations occurred are related to the issuance of a green subordinated bond with a nominal value of € 500 million during July 2022 and to the exclusion of the subordinated bonds redeemed during 2022 with an overall nominal amount of € 969 million.

The fair value of subordinated liabilities amounted to € 7,844 million.

Senior bonds - undiscounted cash flows

(€ million)	31/12/2022			31/12/2021		
	Undiscounted cash flow	Book value	Fair value	Undiscounted cash flow	Book value	Fair value
Up to 1 year	90	-	-	90	-	-
between 1 and 5 years	1,840	1,739	1,791	1,929	1,737	1,993
between 5 and 10 years	-	-	-	-	-	-
more than 10 years	-	-	-	-	-	-
Total bond issued	**1,929**	**1,739**	**1,791**	**2,019**	**1,737**	**1,993**

The category of bonds includes several listed senior issues shown below:

Main senior bonds issues

Issuer	Coupon	Outstanding (*)	Currency	Amortised cost (**)	Issue date	Maturity
Assicurazioni Generali	5.13%	1,750	EUR	1,739	16/09/2009	16/09/2024

(*) In currency million.
(**)In € million.

Details on financial liabilities

The major monetary and non-monetary changes occurred during the period for the main items of financial liabilities (non-insurance) as well as for derivatives at fair value are shown below:

Other financial liabilities

(€ million)			Non-cash movements				
	Carrying amount as at 31.12 previous year	Cash-flows movements	Fair value changes	Changes in consolidation scope	Foreign currency translation effects	Other non cash movements	Carrying amount as at the end of the period
Subordinated liabilities	8,760	-462	0	0	-33	0	8,266
Net position of hedging derivatives on subordinated liabilities	120	-1	9	0	-6	0	121
Bonds and other loans at long term	4,394	38	0	124	-13	13	4,557
Derivatives and hedging derivatives classified as financial liabilities	2,914	-741	2,295	0	82	0	4,550
REPO and other short term financial liabilities	2,690	980	0	0	-25	0	3,644
Other financial liabilities at fair value	32	0	-2	0	-0	0	30
Total	**18,910**	**-186**	**2,302**	**124**	**4**	**13**	**21,167**

OTHER BALANCE SHEET ITEMS

19 Intangible assets

Intangible assets

(€ million)	31/12/2022	31/12/2021
Goodwill	**7,919**	**7,607**
Other intangible assets	**2,982**	**2,363**
Software	757	620
Value of in-force business arising from insurance business combination	747	626
Other intangible assets	1,477	1,117
Total	**10,901**	**9,970**

Other intangible assets

(€ million)	31/12/2022	31/12/2021
Gross book value as at 31 December previous year	**7,097**	**6,497**
Accumulated depreciation and impairment as at 31 December previous year	**-4,733**	**-4,422**
Carrying amount as at 31 December previous year	**2,363**	**2,075**
Foreign currency translation effects	9	31
Acquisitions of the period	715	425
Changes in consolidation scope	355	177
Sales of the period	-109	-5
Amortization of the period	-408	-339
Impairment losses of the period	-0	-0
Other variations	57	-0
Carrying amount as at the end of the period	**2,982**	**2,363**
Accumulated depreciation and impairment as at the end of the period	**5,136**	**4,733**
Gross book value as at the end of the period	**8,118**	**7,097**

Regarding other intangible assets, the amount in the acquisitions of the period mainly reflected the impact of the bancassurance agreement novation with Cajamar.
The value of the insurance portfolio (or the value in force) acquired in business combinations, according to IFRS 3, amounted to € 747 million. This amount was attributable to:

- the acquisitions which took place in 2006 of portfolio of Toro Group (€ 19 million net of accumulated amortization);
- the acquisition of Ceska Group, which brought a further activation of € 391 million, net of amortization and other acquisitions occurred in Central-Eastern Europe equal to € 24 million net of accumulated amortization (of which Adriatic Slovenica for € 21 million net of amortization);
- the acquisition of Cattolica Group which took place in 2021 equal to € 95 million net of accumulated amortization;
- the control acquisition of companies in India, which took place during 2022 and bring to the activation of € 115 million net of accumulated amortization.

Deferred tax liabilities were accounted for with reference to the above-mentioned intangible assets. Further information on calculation method are detailed in the chapter *Other intangible assets* of the section *Basis for presentation and accounting principles*.

20 Tangible assets

The main changes that occurred in the period and the fair value of the properties used for own activity by the Parent Company and its subsidiaries to run the activity are shown in the table below:

Land and buildings (Self used)

(€ million)	31/12/2022	31/12/2021
Gross book value as at 31 December previous year	**3,951**	**3,803**
Accumulated depreciation and impairment as at 31 December previous year	**-986**	**-1,039**
Carrying amount as at 31 December previous year	**2,965**	**2,764**
Foreign currency translation effects	3	28
Acquisition of the period	178	44
Capitalized expenses	22	46
Changes in consolidation scope	7	291
Reclassifications	-35	-104
Sales of the period	0	-7
Depreciation of the period	-93	-97
Impairment loss of the period	-7	-0
Reversal of impairment of the period	8	0
Carrying amount as at the end of the period	3,049	2,965
Accumulated depreciation and impairment as at the end of the period	**1,019**	**986**
Gross book value as at the end of the period	**4,067**	**3,951**
Fair value	**4,006**	**3,901**

The fair value of land and buildings (self-used) at the end of the reporting period was mainly based on external appraisal.

Other tangible assets

(€ million)	31/12/2022	31/12/2021
Gross book value as at 31 December previous year	**2,537**	**2,475**
Accumulated depreciation and impairment as at 31 December previous year	**-1,512**	**-1,436**
Carrying amount as at 31 December previous year	**1,025**	**1,040**
Foreign currency translation effects	-1	-0
Acquisition of the period	97	64
Changes in consolidation scope	20	45
Sales of the period	-30	-23
Amortization of the period	-106	-109
Net impairment losses of the period	-0	-0
Other variations	19	9
Carrying amount as at the end of the period	**1,024**	**1,025**
Accumulated depreciation and impairment as at the end of the period	**1,569**	**1,512**
Gross book value as at the end of the period	**2,593**	**2,537**

Other tangible assets, which amounted to € 1,024 million (€ 1,025 million at 31 December 2021), mainly includes property inventories for an amount of € 579 million (mainly related to Citylife project) and furniture, fittings and office equipment, net of accumulated amortization and impairment losses (€ 329 million).

21 Receivables

Receivables

(€ million)	31/12/2022	31/12/2021
Receivables arising out of direct insurance operations	8,713	7,686
Receivables arising out of reinsurance operations	2,188	1,999
Other receivables	5,162	4,228
Total	**16,063**	**13,912**

The category includes receivables arising out of the different activities of the Group, such as direct insurance and reinsurance operations.
The item Other receivables and its change mainly relates to collateral as guarantee of derivative operations.

22 Other assets

Other assets

(€ million)	31/12/2022	31/12/2021
Non-current assets or disposal groups classified as held for sale	4,157	0
Deferred acquisition costs	2,157	2,198
Tax receivables	4,135	3,747
Deferred tax assets	5,473	3,633
Other assets	6,264	5,748
Total	**22,185**	**15,326**

The increase of other assets is mainly attributable to the registration in assets classified as held for sale, of BCC Vita S.p.A. and BCC Assicurazioni S.p.A., and to deferred tax as a consequence of the movement of the reserve for unrealised gains and losses on available for sale financial asset, as a consequence of the financial market trend.

23 Other provisions

Other provisions

(€ million)	31/12/2022	31/12/2021
Provision for taxation other than income taxes	21	29
Provisions for commitments	748	841
Other provisions	1,685	1,554
Total	**2,454**	**2,424**

Provisions for commitments and other provisions included provisions for corporate restructuring, litigation or similar events as well as other commitments for which, at balance sheet date, an outflow of resources to setting the related obligation is considered probable and estimated in a reliable way. The amounts recognized in the financial statements represents the best estimate of their value. In particular, in the assessment all the peculiarities of the specific provisions are taken into account, including the effective period of incurrence of the contingent liabilities and consequently the expected cash flows on the different estimates and assumptions.
In 2022, there are increases related to the inclusion of the Indian companies in the consolidation scope, further detail in the dedicated chapter, partially compensated by the release of restructuring provision and other provision registered in the previous years.

The table below summarized the main changes occurred during the period:

Other provisions - main changes occurred during the period

(€ million)	31/12/2022	31/12/2021
Carrying amount as at 31 December previous year	**2,424**	**1,772**
Foreign currency translation effects	0	-3
Changes in consolidation scope	153	156
Changes	-123	500
Carrying amount as at the end of the period	**2,454**	**2,424**

In the normal course of business, the Group may enter into arrangements that do not lead to the recognition of those commitments as assets and liabilities in the consolidated financial statements under IFRS (contingent assets and liabilities). For further information regarding contingent liabilities please refer to the chapter *Contingent liabilities, commitments, guarantees, pledged assets and collaterals* in *Additional information*.

24 Payables

Payables

(€ million)	31/12/2022	31/12/2021
Payables arising out of direct insurance operations	**5,856**	**5,502**
Payables arising out of reinsurance operations	**1,767**	**1,460**
Other payables	**6,412**	**6,288**
Payables to employees	1,157	1,169
Provision for defined benefit plans	73	88
Payables to suppliers	2,041	1,923
Social security	248	231
Other payables	2,893	2,877
Total	**14,035**	**13,250**

The item Other payables and its change mainly relates to collateral as guarantee of derivative operations.

25 Other liabilities

Other liabilities

(€ million)	31/12/2022	31/12/2021
Liabilities directly associated to non-current assets and disposal groups classified as held for sale	4,316	0
Deferred tax liabilities	1,257	3,815
Tax payables	1,874	2,134
Other liabilities	4,823	5,564
Total	**12,270**	**11,512**

The increase of other liabilities is mainly attributable to the registration in liabilities classified as held for sale, of BCC Vita S.p.A. and BCC Assicurazioni S.p.A..
Other liabilities include liabilities related to defined employee benefit plans amounting to € 2,827 million (€ 3,822 million as of 31 December 2021).
For details on deferred taxes please refer to the chapter *Income taxes* of the section in *Notes to the income statement*.

NOTES TO THE INCOME STATEMENT

Income

26 Net earned premiums

Net earned premiums

(€ million)	Gross amount		Reinsurers' share		Net amount	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Non-life earned premiums	**28,353**	**23,799**	**-2,126**	**-1,649**	**26,227**	**22,151**
Premiums written	28,622	24,120	-2,247	-1,740	26,376	22,380
Change in the provision for unearned premiums	-270	-321	121	91	-149	-230
Life premiums	**51,145**	**50,185**	**-1,745**	**-1,652**	**49,400**	**48,533**
Other premiums written	**0**	**0**	**0**	**0**	**0**	**0**
Total	**79,497**	**73,985**	**-3,871**	**-3,301**	**75,627**	**70,684**

27 Fee and commissions income and income from financial service activities

Fee and commissions income from financial services activities

(€ million)	31/12/2022	31/12/2021
Fee and commission income from banking activity	340	280
Fee and commission income from asset management activity	1,348	1,503
Fee and commission income related to investment contracts	85	57
Fee and commission income related to pension funds management	76	76
Other fees and commission income	40	37
Total	**1,889**	**1,953**

28 Net income from financial assets at fair value through profit and loss

Net income from financial asset at fair value through profit or loss

(€ million)	Financial investments held for trading		Financial investments back to policies where the investment risk is borne by the policyholders and related to pension funds		Financial investments designated at fair value through profit or loss		Total financial investments at fair value through profit or loss	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Interest income	23	46	339	267	105	130	468	442
Realized gains	831	522	448	1,015	78	16	1,357	1,552
Realized losses	-497	-716	-2,159	-472	-181	-90	-2,836	-1,278
Unrealized gains	2,344	623	5,797	11,375	500	350	8,641	12,349
Unrealized losses	-2,927	-889	-17,551	-2,963	-1,180	-381	-21,658	-4,232
Total	**-224**	**-414**	**-13,126**	**9,222**	**-678**	**25**	**-14,028**	**8,834**

The net income from financial assets at fair value through profit or loss mainly referred to the life segment (€ -14,629 million). This item is not material for non-life segment (€ 206 million).

29 Income and expenses from subsidiaries, associated companies and joint ventures

Income and expenses from subsidiaries, associated companies and joint ventures

(€ million)	31/12/2022	31/12/2021
Dividends and other income	210	215
Realized gains	8	29
Reversal of impairment	3	1
Total	**222**	**245**

30 Income from other financial instruments and land and buildings (investment properties)

Income from other financial instruments and land and buildings (investment properties)

(€ million)	31/12/2022	31/12/2021
Interest income	**7,822**	**7,449**
Interest income from held to maturity investments	159	131
Interest income from loans and receivables	955	901
Interest income from available for sale financial assets	6,636	6,359
Interest income from other receivables	19	7
Interest income from cash and cash equivalents	52	50
Other income	**3,214**	**3,221**
Income from land and buildings (investment properties)	1,104	955
Other income from available for sale financial assets	2,109	2,266
Realized gains	**1,674**	**2,409**
Realized gains on land and buildings (investment properties)	206	507
Realized gains on held to maturity investments	6	1
Realized gains on loans and receivables	11	109
Realized gains on available for sale financial assets	1,451	1,792
Realized gains on other receivables	0	0
Realized gains on financial liabilities at amortised cost	1	0
Reversal of impairment	**131**	**86**
Reversal of impairment of land and buildings (investment properties)	29	13
Reversal of impairment of held to maturity investments	0	0
Reversal of impairment of loans and receivables	25	16
Reversal of impairment of available for sale financial assets	1	0
Reversal of impairment of other receivables	75	56
Total	**12,840**	**13,164**

31 Other income

Other income

(€ million)	31/12/2022	31/12/2021
Gains on foreign currencies	1,803	1,171
Income from tangible assets	193	362
Reversal of other provisions	368	257
Income from service and assistance activities and recovery of charges	1,061	1,078
Income from non-current assets or disposal group classified as held for sale	0	0
Other technical income	1,267	1,124
Other income	287	217
Total	**4,980**	**4,209**

Expenses

32 Net insurance benefits and claims

Net insurance benefits and claims

(€ million)	Gross amount		Reinsurers' share		Net amount	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Non-life net insurance benefits and claims	**18,085**	**15,304**	**-1,157**	**-1,439**	**16,929**	**13,866**
Claims paid	16,776	14,095	-1,157	-758	15,619	13,337
Change in the provisions for outstanding claims	1,086	1,200	14	-682	1,100	519
Change in claims paid to be recovered	90	-56	-7	1	83	-55
Change in other insurance provisions	134	65	-6	-0	127	65
Life net insurance benefits and claims	**35,264**	**60,475**	**-1,252**	**-1,370**	**34,012**	**59,105**
Claims payments	42,301	37,694	-1,277	-1,190	41,023	36,504
Change in the provisions for outstanding claims	647	244	-31	-109	616	135
Change in the mathematical provisions	-139	3,390	31	-77	-108	3,313
Change in the provisions for policies where the investment risk is borne by the policyholders and provisions for pension funds	-6,942	17,622	19	8	-6,924	17,630
Change in other insurance provisions	-603	1,525	7	-2	-595	1,523
Total	**53,349**	**75,779**	**-2,408**	**-2,808**	**50,941**	**72,971**

33 Fee and commissions expenses and expenses from financial service activities

Fee and commissions expenses and expenses from financial service activities

(€ million)	31/12/2022	31/12/2021
Fee and commission expenses from banking activity	536	516
Fee and commission expenses from asset management activity	246	243
Fee and commission expenses related to investment contracts	16	11
Fee and commission expenses related to pension funds management	11	13
Total	**808**	**784**

34 Expenses from subsidiaries, associated companies and joint ventures

Expenses from subsidiaries, associated companies and joint ventures

(€ million)	31/12/2022	31/12/2021
Realized losses	17	1
Impairment losses	9	8
Total	**26**	**10**

35 Expenses from other financial instruments and land and buildings (investment properties)

Expenses from other financial instruments and land and buildings (investment properties)

(€ million)	31/12/2022	31/12/2021
Interest expense	**750**	**736**
Interest expense on subordinated liabilities	387	395
Interest expense on loans, bonds and other payables	238	239
Interest expense on deposits received from reinsurers	35	36
Other interest expense	90	67
Other expenses	**522**	**455**
Other expenses on financial instruments	0	0
Depreciation of land and buildings (investment properties)	261	232
Expenses from land and buildings (investment properties)	261	223
Realized losses	**1,544**	**476**
Realized losses on land and buildings (investment properties)	9	11
Realized losses on held to maturity investments	0	0
Realized losses on loans and receivables	2	2
Realized losses on available for sale financial assets	1,524	455
Realized losses on other receivables	8	7
Realized losses on financial liabilities at amortized cost	1	0
Impairment losses	**1,195**	**536**
Impairment of land and buildings (investment properties)	167	105
Impairment on held to maturity investments	7	4
Impairment of loans and receivables	141	116
Impairment of available for sale financial assets	859	277
Impairment of other receivables	21	34
Total	**4,012**	**2,203**

36 Acquisition and administration costs

Acquisition and administration costs

(€ million)	Non-life segment		Life segment		Other businesses (**)	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Net acquisition costs and other commissions	6,140	5,165	4,568	4,355	0	0
Investment management expenses (*)	102	101	472	471	248	194
Other administration costs	1,403	1,117	1,125	957	819	761
Total	**7,645**	**6,383**	**6,165**	**5,782**	**1,068**	**955**

(*) Before the elimination of intra-group transactions between segments € 414 million the 31 December 2022 (€ 462 million the 31 December 2021).
(**) Including Asset & Wealth Management segment and Holding and other companies.

In the Non-life segment, acquisition and administration costs increased mainly due to increase in costs related to insurance activities; non-insurance administration expenses amounted to € 21 million (€ 27 million al 31 December 2021), of which € 6 million related to real estate activity (€ 7 million al 31 December 2021).

Within Other administrative costs of the Life segment, the investment management expenses amounted to € 31 million (€ 29 million at 31 December 2021), the non-insurance management expenses amounted to € 32 million (€ 8 million al 31 December 2021) and are mainly referred to real estate activity.

37 Other expenses

Other expenses

(€ million)	31/12/2022	31/12/2021
Amortization and impairment of intangible assets	602	339
Amortization of tangible assets	209	205
Expenses from tangible assets	91	81
Losses on foreign currencies	1,744	1,096
Restructuring charges, termination employee benefit expenses and allocation to other provisions	544	970
Other taxes	251	241
Expenses from service and assistance activities and charges incurred on behalf of third parties	607	724
Expenses from non-current assets or disposal group classified as held for sale	0	0
Other technical expenses	825	734
Holding costs	712	628
Other expenses	957	865
Total	**6,541**	**5,883**

The item Amortization and impairment of intangible assets included the impairment of the goodwill of the Indian companies Future Generali India Insurance Company Ltd., Future Generali India Life Insurance Company Ltd. for approximately € 193 million. For further details, please refer to the chapter *Goodwill* in these Notes.

38 Income taxes

This item shows the income taxes due by the Italian and the foreign consolidated companies by applying the income tax rates and rules in force in each country.
The components of the income tax expense for 2022 and 2021 are the following:

Income taxes

(€ million)	31/12/2022	31/12/2021
Income taxes	971	1,483
Deferred taxes	577	-99
Total taxes of period	**1,549**	**1,384**
Income taxes on discontinued operations	0	0
Total income taxes	**1,549**	**1,384**

In Italy, with respect to the 2022 fiscal year, income taxes are calculated by using the ordinary corporate income tax rate of 24% (IRES). Furthermore, income taxes of Italian companies include the regional tax on productive activities (IRAP).
In Germany, income is subject to the corporate income tax - which is calculated on a rate of 15% plus a solidarity surcharge of 5.5% on 15%. In addition, income earned by German companies is subject to a local tax (Gewerbesteuer), the rate of which varies depending on the municipality in which the company is situated. In 2022 the weighted average tax rate remained substantially unchanged at approximately 16%.
In France, income taxes are calculated by using an overall corporate income tax rate of 25.825%, down by 2.585 percentage points compared to that in force up to the 2021 fiscal year. In particular, this overall rate includes the basic rate expected in the tax on corporate income, equal to 25%, increased by an additional (contribution sociale) of 3.3% on 25%.
All other foreign subsidiaries apply their national tax rates, including: Austria (25%), Bulgaria (10%), China (25%), Czech Republic (19%), the Netherlands (25.8%), Poland (19%), Spain (25%), Switzerland (18%) and United States (21%).
The following table shows a reconciliation from the theoretical income tax expense, by using the Italian corporate income tax rate of 24%, to the effective tax rate.

Reconciliation from theoretical income tax expenses to the effective tax rate

(€ million)	31/12/2022	31/12/2021
Expected income tax rate	**24.0%**	**24.0%**
Earnings before taxes	**4,738**	**4,580**
Expected income tax expense	**1,137**	**1,099**
Effect of foreign tax rate differential	26	33
Effect of permanent differences	166	26
IRAP, trade tax and other local income taxes	167	135
Substitute taxes	21	32
Foreign withholding taxes not recoverable	43	41
Income taxes for prior years	-15	-11
Other	4	29
Tax expenses	**1,549**	**1,384**
Effective tax rate	**32.7%**	**30.2%**

In fiscal year 2022, effective tax rate increased by 2.5 percentage points compared to the previous year and is equal to 32.7%. This trend is mainly attributable to the absence of some positive one-off effects recorded in 2021, as well as, in 2022, to some non-deductible charges partially offset by the positive effect of taxes from previous periods.

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.

Fiscal losses carried forward are scheduled according to their expiry periods as follows.

Fiscal losses

(€ million)	31/12/2022	31/12/2021(*)
2022	1	0
2023	0	10
2024	0	0
2025	0	0
2026	0	6
2027	138	130
2028	45	45
2029	208	38
2030 and beyond	7	113
Unlimited	1,964	876
Fiscal losses carried forward	**2,364**	**1,218**

(*) Values restated after using an approach in line with that applied in 2022.

With regards to fiscal losses, it is worth noting that Italian Law by Decree 98/2011 introduced that fiscal losses can be carried forward with no time limits (as opposed to the previous five-year limitation). Losses from a given year may, however, only be used to offset up to 80% of the taxable income of any following fiscal year.

Deferred income taxes are calculated on the temporary differences between the carrying amounts of assets and liabilities reported in the financial statements and their tax base, by using the tax rates applicable at the expected time of realisation according to each country's current legislation.

The ultimate realisation of deferred tax assets is dependent on the generation of future taxable income during the periods in which those temporary differences become deductible.

Furthermore, in making this assessment, management considers the scheduled reversal of deferred tax liabilities and tax planning strategies.

Assessments show that deferred tax assets will be recovered in the future through either (i) expected taxable income of each consolidated company or (ii) expected taxable income of other companies included in the same tax group (e.g. Consolidato fiscale in Italy, Steuerliche Organschaft in Germany and Régime d'intégration fiscale in France).

The following tables show the details of the deferred tax assets and liabilities recorded in the financial statements, based on the nature of the temporary differences that generated them.

Net deferred tax assets

(€ million)	31/12/2022	31/12/2021
Intangible assets	426	574
Tangible assets	140	140
Land and buildings (investment properties)	509	506
Available for sale financial assets	7,170	3,703
Other investments	388	351
Deferred acquisition costs	29	24
Other assets	316	338
Fiscal losses carried forward	610	172
Allocation to other provisions and payables	730	660
Insurance provisions	741	1,108
Financial liabilities and other liabilities	513	726
Other	174	103
Total deferred tax assets	**11,746**	**8,405**
Netting	-6,273	-4,772
Total net deferred tax assets	**5,473**	**3,633**

Net deferred tax liabilities

(€ million)	31/12/2022	31/12/2021
Intangible assets	203	221
Tangible assets	122	122
Land and buildings (investment properties)	226	215
Available for sale financial assets	4,788	5,938
Other investments	398	471
Deferred acquisition costs	566	546
Other assets	76	74
Other provisions and payables	116	109
Insurance provisions	1,123	1,046
Financial liabilities and other liabilities	-105	-138
Other	19	-18
Total deferred tax liabilities	**7,530**	**8,586**
Netting	-6,273	-4,772
Total net deferred tax liabilities	**1,257**	**3,815**

FAIR VALUE MEASUREMENT

IFRS 13 - Fair Value Measurement provides guidance on fair value measurement and requires disclosures about fair value measurements, including the classification of financial assets and liabilities in the levels of fair value hierarchy.
With reference to the investments, the Group measures financial assets and liabilities at fair value in the financial statements, or discloses it in the notes.
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (exit price). In particular, an orderly transaction takes place in the principal or most advantageous market at the measurement date under current market conditions.
A fair value measurement assumes that the transaction to sell an asset or transfer a liability takes place either:
(a) in the principal market for the asset or liability; or
(b) in the absence of a principal market, in the most advantageous market for the asset or liability.
The fair value is equal to market price if market information is available (i.e. relative trading levels of identical or similar instruments) into an active market, which is defined as a market where the items traded within the market are homogeneous, willing buyers and sellers can normally be found at any time and prices are available to the public.
If there isn't an active market, it should be used a valuation technique which however shall maximize the observable inputs.
If the fair value cannot be measured reliably, amortized cost is used as the best estimate in determining the fair value.
As for measurement and disclosure, the fair value depends on its unit of account, depending on whether the asset or liability is a stand-alone asset or liability, a group of assets, a group of liabilities or a group of assets and liabilities, determined in accordance with the related IFRS.
The table below illustrates both the carrying amount and the fair value of financial assets and liabilities recognised in the balance sheet at 31 December 2022[2].

Carrying amount and Fair value

(€ million)	31/12/2022	
	Total carrying amount	Total fair value
Available for sale financial assets	280,422	280,422
Financial assets at fair value through profit or loss	18,006	18,006
Held to maturity investments	2,041	1,962
Loans	25,949	24,878
Land and buildings (investment properties)	17,495	28,129
Own used land and buildings	3,049	4,006
Investments in subsidiaries, associated companies and joint ventures	2,363	2,363
Cash and cash equivalents	7,243	7,243
Investments back to unit and index-linked policies	98,070	98,070
Total investments	**454,638**	**465,079**
Financial liabilities at fair value through profit or loss	10,207	10,207
Other liabilities	15,837	15,281
Liabilities to banks or customers	18,144	18,144
Total financial liabilities	**44,188**	**43,632**

From the table above, in line with IFRS 13 definitions, the following items, part of below mentioned balance sheet categories, are excluded:

- Loans and receivables: reinsurance deposits provided and term deposits;
- Other financial liabilities: reinsurance deposits received, liabilities arising from investment contracts measured at cost sold by insurance entities and liabilities subject to leasing.

2. With reference to investments in subsidiaries, associates and joint ventures, the book value, based on the fraction of equity for the associates and interests in joint ventures or on cost adjusted for any impairment losses for non-consolidated subsidiaries, was used as a reasonable proxy of their fair value. Loans included unquoted bonds, loans and receivables from banks and from bank customers..

39 Fair value hierarchy

Assets and liabilities measured at fair value in the consolidated financial statements are measured and classified in accordance with the fair value hierarchy in IFRS 13, which consists of three levels based on the observability of the inputs within the corresponding valuation techniques used.

The fair value hierarchy levels are based on the type of inputs used to determine the fair value:

- Level 1: inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly (i.e. quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; inputs other than quoted prices that are observable for the asset or liability; market-corroborated inputs);
- Level 3: inputs are unobservable inputs for the asset or liability, which reflect the assumptions that market participants would use when pricing the asset or liability, including assumptions about risk (of the model used and of inputs used).

The fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. Assessing the significance of a particular input to the entire measurement requires judgement, taking into account factors specific to the asset or liability.

A fair value measurement developed using a present value technique might be categorised within Level 2 or Level 3, depending on the inputs that are significant to the entire measurement and the level of the fair value hierarchy within which these inputs are categorised.

If an observable input requires an adjustment using an unobservable input and that adjustment results in a significantly higher or lower fair value measurement, the resulting measurement would be categorised within the level attributable to the input with the lowest level utilized.

Adequate controls have been set up to monitor all measurements including those provided by third parties. If these checks show that the measurement is not considered as market corroborated, the instrument must be classified in level 3.

The table shows the classification of the financial assets and liabilities measured at fair value among the levels of the fair value hierarchy as defined by IFRS 13.

Fair Value Hierarchy

31/12/2022	Level 1	Level 2	Level 3	Total
Available for sale financial assets	224,336	29,031	27,055	280,422
Equities	6,979	602	630	8,212
Bonds	198,241	21,848	1,479	221,568
Investment funds units	19,094	3,609	24,620	47,324
Other assets available for sale financial	21	2,972	325	3,319
Financial assets at fair value through profit or loss	99,293	10,063	6,719	116,075
Equities	37	3	70	111
Bonds	3,197	494	179	3,871
Investment fund units	8,495	244	2,880	11,619
Derivatives	21	1,335	122	1,479
Hedging derivatives	0	463	0	463
Investments back to policies where the risk is borne by the policyholders	87,542	7,124	3,404	98,070
Other assets at fair value through profit or loss	0	399	63	462
Total assets at fair value	**323,629**	**39,094**	**33,774**	**396,498**
Financial liabilities at fair value through profit or loss	4,551	5,228	428	10,207
Financial liabilities related to investments contracts issued by insurance companies	4,549	529	428	5,506
Derivatives	0	1,771	-0	1,771
Hedging derivatives	0	2,900	0	2,900
Other financial liabilities	2	28	0	30
Total liabilities at fair value	**4,551**	**5,228**	**428**	**10,207**

Fair Value Hierarchy: comparative period

31/12/2021	Level 1	Level 2	Level 3	Total
Available for sale financial assets	288,332	46,684	13,557	348,572
Equities	8,403	571	1,325	10,299
Bonds	253,431	35,460	1,039	289,930
Investment funds units	24,618	10,321	10,861	45,800
Other assets available for sale financial	1,880	332	332	2,543
Financial assets at fair value through profit or loss	111,116	13,552	2,338	127,006
Equities	67	1	49	117
Bonds	3,425	818	81	4,324
Investment fund units	10,767	2,220	108	13,094
Derivatives	14	1,128	5	1,147
Hedging derivatives	0	684	1	686
Investments back to policies where the risk is borne by the policyholders	96,518	8,701	2,025	107,243
Other assets at fair value through profit or loss	325	0	70	395
Total assets at fair value	**399,448**	**60,235**	**15,895**	**475,578**
Financial liabilities at fair value through profit or loss	5,459	3,658	200	9,317
Financial liabilities related to investments contracts issued by insurance companies	5,444	614	188	6,246
Derivatives	14	1,060	0	1,074
Hedging derivatives	0	1,954	12	1,966
Other financial liabilities	2	30	0	32
Total liabilities at fair value	**5,459**	**3,658**	**200**	**9,317**

40 Transfers of financial instruments measured at fair value between Level 1 and Level 2

Transfers of financial instruments measured at fair value between Level 1 and Level 2.

Generally, transfers between levels are attributable to the changes in the market activities and to the observability of the inputs used in the valuation techniques to determine the fair value of certain instruments.

Financial assets and financial liabilities are mainly transferred from level 1 to level 2 when the liquidity and the frequency of the transactions are no longer indicative of an active market. Conversely, for transfers from level 2 to level 1.

The transfers were as follows:

- from level 2 to level 1 € 5,384 million of bonds mainly of the government segment and from level 1 to level 2 € 6,770 million of bonds, mainly corporate;
- from level 2 to level 1 € 384 million and from level 1 to level 2 € 3,435 million of OICR classified as available for sale and designated at fair value through profit or loss;
- from level 2 to level 1 € 1,910 million and from level 1 to level 2 € 1,105 million of investments back to policies where the risk is borne by the policyholders and deriving from the management of pension funds.

41 Additional information on Level 3

The amount of financial instruments classified in Level 3 represents 8.4% of total financial assets and liabilities at fair value, growing compared to 31 December 2021.
Generally, the main inputs used in valuation techniques are volatility, interest rates, yield curves, credit spreads, dividend estimates and exchange rates.
The more significant assets classified within Level 3 are the following:

- Unquoted equities

It includes unquoted equity securities, mainly classified into available for sale. Their fair value is determined using the valuation methods described above or based on the net asset value of the company. These contracts are valued individually using appropriate input depending on the security and therefore neither a sensitivity analysis nor an aggregate of unobservable inputs used would be indicative of the valuation. In addition, for certain securities the amortized cost is considered to be a reasonable proxy for fair value, and does not therefore apply a sensitivity analysis.
With reference to the specific exposures in unquoted equity, it should be noted that the group holds an investment in the capital of Ingosstrakh. The fair value of this exposure was estimated as at 31 December 2022 on the basis of a Dividend Discount Model in which certain inputs were considered such as the flows expected in the time horizon considered in the assessment, risk and liquidity premiums, subject by their nature to the general uncertainties deriving from the reference context of the Russian insurance market determined by the Russian Ukrainian crisis. Please refer to the Management Report in the section *Our financial performance*, paragraph *Group's financial position* at page 109 for the impacts deriving from this estimate.

- Unquoted IFU funds

Are quotas in unquoted IFU funds classified into Available for Sale and Fair value through profit or loss. Their fair value is determined using the net asset value data provided by those who are responsible for their NAV calculation.
For more details on the nature of Group funds please refer to the section *Investments* in the Notes.
Being the unquoted IFU funds linearly affected by the variation of the underlying assets, the Group assumes that a variation in the value of the underlying assets causes the same variation in the fair value of these unquoted IFU bonds as well.

- Private equity and hedge funds

Are quotas in private equity and hedge funds classified into Available for Sale e Fair value through profit or loss. Their fair value is generally defined considering the net asset value at the reporting date, which is determined by using the periodical net asset value and the certified financial statements provided by the manager of the funds, possibly adjusted considering the liquidity of the funds. Furthermore, the fair value of these investments is closely monitored by a professional team within the Group.
For more details on the nature of Group funds please refer to the section *Investments* in the Notes.
Being the private equity and hedge funds linearly affected by the variation of the underlying assets, the Group assumes that a variation in the value of the underlying assets causes the same variation in the fair value of these funds as well.

- Bonds

Are corporate bonds, classified into available for sale and fair value through profit or loss. Their fair value is mainly determined based on the market or income approach. In terms of sensitivity analysis any changes in the inputs used in the valuation do not cause a significant impact on the fair value at the Group level considering the lack of materiality of these securities classified in level 3.
Moreover, given the analyses described above, the Group has decided to classify all the asset-backed securities items in Level 3 considering that their evaluation is generally not corroborated by market inputs. For what regards prices provided by providers or counterparties, bonds for which it is not possible to replicate the price using market inputs have been classified in Level 3. Therefore, given the lack of information concerning the inputs used for the determination of the price, the Group is not able to perform a sensitivity analysis on these bonds.

- Financial assets where the investment risk is borne by the policyholders and related to pension funds

Their fair value is determined using the valuation methods and observations on sensitivity analysis and input described above.
The following table shows a reconciliation of financial instruments measured at fair value and classified as level 3.

Rollforward of financial instruments classified as level 3

(€ million)	Carrying amount at the beginning of the period	Purchases and issues	Net transfers in (out of) Level 3	Disposals through sales and settlements
Available for sale assets	**13,557**	**2,631**	**13,147**	**-1,441**
- Equities	1,325	5	0	-177
- Bonds	1,039	517	455	-403
- Investment fund units	10,861	2,106	12,668	-857
- Other available for sale financial assets	332	4	24	-4
Financial assets at fair value through profit or loss	**2,338**	**632**	**3,856**	**-76**
- Equities	49	32	0	0
- Bonds	81	123	1	-21
- Investment fund units	108	202	2,586	0
- Derivatives	5	0	0	0
- Hedging derivatives	1	0	0	0
Investments back to policies where the investment risk is borne by the policyholders	2,025	275	1,269	-53
Other assets at fair value through profit or loss	70	0	0	-1
Total assets at fair value	**15,895**	**3,263**	**17,003**	**-1,517**
Financial liabilities at fair value through profit or loss	**200**	**175**	**0**	**0**
- Financial liabilities related to investment contracts issued by insurance companies	188	175	0	0
- Derivatives	0	0	0	0
- Hedging derivatives	12	0	0	0
Other financial liabilities	0	0	0	0
Total liabilities at fair value	**200**	**175**	**0**	**0**

Following the evolution of the macroeconomic context observed during the year, which was particularly significant in the second half of the year, the Group revised the level of fair value hierarchy assigned to specific investments in illiquid instruments, mainly private debt funds.

This revision, linked to the increase in the impact of inputs not directly observable on the market on the valuation, led to the reclassification to the third level of the fair value hierarchy, in analogy with what was already envisaged for private equity funds, for an amount of € 16,255 million.

Net unrealised gains and losses recognized in P&L	Net unrealised gains and losses recognized in OCI	Other changes	Carrying amount at the end of the period	Net impairment loss of the period recognised in P&L	Net realised gains of the period recognised in P&L
0	**-469**	**-369**	**27,055**	**111**	**-116**
0	-555	34	630	88	-115
0	-137	8	1,479	18	-0
0	241	-399	24,620	5	1
0	-18	-13	325	1	-1
87	**0**	**-118**	**6,719**	**26**	**25**
0	0	-10	70	0	0
-2	0	-3	179	0	3
-13	0	-2	2,880	0	0
77	0	40	122	26	22
0	0	-1	0	0	0
24	0	-136	3,404	0	-0
0	0	-6	63	0	0
87	**-469**	**-487**	**33,774**	**137**	**-90**
-7	**0**	**60**	**428**	**0**	**0**
-5	0	70	428	0	0
0	0	0	0	0	0
-2	0	-10	0	0	0
0	0	0	0	0	0
-7	**0**	**60**	**428**	**0**	**0**

42 Information on fair value hierarchy of assets and liabilities not measured at fair value

The table here below provides information on the fair value hierarchy for the main investment classes and financial liabilities.

Fair Value Hierarchy of assets and liabilities not measured at fair value

31/12/2022	Level 1	Level 2	Level 3	Total
Held to maturity investments	1,388	574	0	1,962
Loans	741	13,723	7,968	22,432
Debt securities	741	8,709	789	10,239
Other loans	0	5,014	7,179	12,193
Receivables from banks and customers	0	2,044	402	2,446
Investments in subsidiaries, associated companies and joint ventures	0	0	2,363	2,363
Land and buildings (investment properties)	0	0	28,129	28,129
Own used land and buildings	0	0	4,006	4,006
Total assets	**2,129**	**16,340**	**42,868**	**61,338**
Other liabilities	9,085	4,774	1,413	15,273
Subordinated liabilities	7,248	571	24	7,844
Senior debt	1,791	0	0	1,791
Other debt	46	4,203	1,389	5,638
Liabilities to banks and customers	0	12,662	5,481	18,144
Total liabilities	**9,085**	**17,437**	**6,895**	**33,417**

Fair Value Hierarchy of assets and liabilities not measured at fair value

31/12/2021	Level 1	Level 2	Level 3	Total
Held to maturity investments	1,277	544	0	1,821
Loans	1,135	17,571	7,529	26,236
Debt securities	1,135	11,985	991	14,111
Other loans	0	5,586	6,538	12,125
Receivables from banks and customers	0	1,871	407	2,278
Investments in subsidiaries, associated companies and joint ventures	0	0	2,353	2,353
Land and buildings (investment properties)	0	0	27,103	27,103
Own used land and buildings	0	0	3,901	3,901
Total assets	**2,412**	**19,986**	**41,292**	**63,690**
Other liabilities	10,456	4,772	1,232	16,460
Subordinated liabilities	8,447	1,292	8	9,748
Senior debt	1,993	-0	0	1,993
Other debt	15	3,479	1,224	4,719
Liabilities to banks and customers	0	13,438	5,367	18,806
Total liabilities	**10,456**	**18,210**	**6,600**	**35,266**

- Held to maturity investments

The category includes primarily bonds, which valuation is above described. If the fair value cannot be reliably determined, the amortized cost is used as the best estimate for the determination of fair value.

- Loans

The category includes bonds, which valuation is described above, mortgages and other loans.

In particular, mortgages and other loans are valued on the basis of future payments of principal and interest discounted at the interest rates for similar investments by incorporating the expected future losses or alternatively discounting (with risk-free rate) to the probable future cash flows considering market or entity- specific data (i.e. probability of default). These assets are classified as level 2 or 3 depending on whether or not the inputs are corroborated by market data.

If the fair value cannot be reliably determined, the amortized cost is used as the best estimate for the determination of fair value.

- Receivables from banks or customers

Considering their nature, the amortized cost is generally considered a good approximation of fair value and therefore classified within level 3. If appropriate, they are valued at market value, considering observable inputs, and therefore classified within level 2.

- Land and buildings (investment and self-used properties)

These assets are mainly valuated on the basis of inputs of similar assets in active markets or of discounted cash flows of future income and expenses of the rental considered as part of the higher and best use by a market participant. Based on the analysis of inputs used for valuation, considering the limited cases where the inputs would be observable in active markets, the Group proceeded to classify the whole category at level 3. In particular, the valuation takes into consideration not only the discounted net future income but also the peculiarities of the properties such as intended use and location as well as the entity of the vacancy rate.

The fair value of land and buildings (investment properties) is mainly based on external appraisals based on methods described above.

- Investments in subsidiaries, associated companies and joint ventures

The carrying amount, based on the share of equity for associates and interests in joint ventures or on cost adjusted for eventual impairment losses for non-consolidated subsidiaries, is used as a reasonable estimate of the related fair value and, therefore, these investments are classified in level 3.

- Subordinated debts, loans and bonds and liabilities to banks and customers

Generally, if available and if the market is defined as active, fair value is equal to the market price.

The fair value is determined primarily on the basis of the income approach using discounting techniques. In particular, the fair value of debt instruments issued by the Group are valued using discounted cash flow models based on the current marginal rates of the Group financing for similar types of instruments, with maturities consistent with the residual maturity of the debt instruments subject to valuation. If measured at amortized cost as an approximation of fair value, they are classified in Level 3.

ADDITIONAL INFORMATION

43 Disclosure regarding the deferred application of IFRS 9 - Financial Instruments

The Group adopted the temporary exemption from the application of IFRS 9, as provided for in the amendment to IFRS 4 - Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts. The Group qualifies for temporary exemption from application of IFRS 9.

As required by IFRS 4, the assessment of the applicability of the temporary exception from the application of IFRS 9 has been done as at 31 December 2015, and the conclusions are disclosed below.

The assessment, as required by the standard, consists of the statement that the activities carried out by the issuer are in fact preponderantly insurance activities or related to insurance activities, assessing the ratio of the related insurance liabilities on the total liabilities of the Group.

The carrying amount of liabilities for insurance operations (€ 443 billion) was in fact higher than 90% of the carrying amount of total liabilities (€ 476 billion) as of 31 December 2015 (application period required by the principle).

In addition, the liabilities linked to insurance activities not included in the scope of IFRS 4 are listed below:

- non-derivative liabilities linked to investment contracts measured at fair value through profit and loss, for which IAS 39 applies (€ 22 billion);
- subordinated liabilities that qualify as own funds pursuant to the Solvency 2 regulations (€ 9 billion);
- liabilities arising from defined benefit plans of Group companies operating in the Life and Non-life segments (€ 4 billions);
- tax liabilities, not related to insurance operations, consist mainly of liabilities to banks and bank customers.

The other liabilities, not related to insurance operations, consist mainly of liabilities to banks and bank customers.

The information required by the amendment to IFRS 4 for financial instruments as at 31 December 2022 is provided below.

The following table presents changes in the fair value of financial instruments included in the scope of application of IFRS 9 with the details of financial instruments that give rise to specific dates for cash flows that consist exclusively of payment of principal and interest.

Change in fair value of financial instruments in scope of IFRS 9

(€ million)	31/12/2022	Fair value change from 31 December 2021
Financial assets managed on fair value basis and held for trading*	**116,075**	**-**
Equities	111	-
Investment funds	11,619	-
Derivatives	1,479	-
Investments back to policies where the risk is borne by the policyholders and pension funds**	98,070	-
Other financial instruments managed on fair value basis	4,796	-
Available for sale financial assets (AFS), held to maturity and loans and receivables* **	**309,238**	**-70,769**
Financial assets that give rise on specified dates to cash flows that are solely payments of principal and interest	242,788	-63,567
Bonds	226,449	-63,044
Loans and other debt instruments	13,893	-524
Receivables from banks and customers	2,446	0
Other investments	0	0
Financial assets that do not give rise on specified dates to cash flows that are solely payments of principal and interest****	66,450	-7,202
Equities	8,212	-1,444
Investment funds	47,324	-4,026
Bonds	7,320	-1,562
Loans and other debt instruments	234	0
Receivables from banks and customers	0	0
Other financial instruments that do not give rise on specified dates to cash flows that are solely payments of principal and interest	3,361	-170

*,** The fair value change of financial assets measured at fair value through profit or loss is provided in the relative section in the notes.

*** Policy loans, reinsurance deposits and leasehold assets are excluded from the scope of SPPI test because in the scope respectively of insurance contracts and leases. Other receivables have been currently excluded from the scope of instruments subject to the standard, still to be define. However, the Group use the reasonable assumption that other receivables pass the SPPI, taking into account basic loan features of these financial instruments.

**** These assets would be measured as at fair value through profit or loss if IFRS 9 was applied.

The following disclosure is provided on the credit risk of the financial instruments that give rise to specific dates to cash flows consisting exclusively of principal and interest payments; specifically, the carrying amount in accordance with IAS 39 for rating classes of financial instruments that give rise to specific dates for cash flows consisting of exclusively of payment of principal and interest is reported.

Carrying amount by rating class of bonds that give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding

(€ million)	Carrying amount (IAS 39)
AAA	14,053
AA	49,467
A	52,292
BBB	100,051
Non-investment grade	7,555
Not Rated	3,371
Total	**227,239**

The carrying amount of bonds that do not have low credit risk, considered as exposure with a rating lower than investment grade or not rated, is equal to € 10,926 million with related fair value equal to € 10,479 million.
In addition to the bonds presented in the table above, financial assets that envisage cash flows represented solely by principal and interest payments also include mortgages and other loans, term deposits, repurchase agreements (reverse REPO) and receivables from banks and bank customers.
The loan portfolio consists mainly of mortgages with low credit risk (analogous to investment grade), largely guaranteed by collateral, mainly real estate, and primarily managed by Group banks. Furthermore, the credit risk management process includes a careful assessment of the customer's credit rating, either for individual or corporate counterparties.
The counterparty for term deposits is generally assessed by using the highest available rating, where possible, and considering minimum rating requirements, in particular, BBB for Group companies in countries classified as investment grade, or similar to the sovereign debt rating in countries that have a rating below investment grade.
Repurchase agreements are mainly with bank counterparties with high credit ratings.

Application of IFRS 9 by Group companies for their separate financial statements

There are no material associated companies or joint ventures that apply IFRS 9.
The main Subsidiaries that have applied IFRS 9 are banking, investment management and asset management companies. Information on their investments and the procedures for applying IFRS 9 are included in their published financial statements.

44 Information on employees

Employees

	31/12/2022	31/12/2021
Managers	2,292	2,082
Middle managers	12,179	11,367
Employees	50,297	44,530
Sales attendant	17,006	16,429
Others	287	213
Total	**82,061**	**74,621**

The increase was mainly attributable to the consolidation of Future Generali India Insurance Company Ltd., Future Generali India Life Insurance Company Ltd., MPI Generali Insurans Berhad, Generali Life Insurance Malaysia Berhad (ex AXA Affin Life Insurance Berhad), Generali Insurance Malaysia Berhad (ex AXA Affin General Insurance Berhad) and La Médicale SA.

45 Provisions for defined benefit plans

The pension benefits of Generali Group's employees are mainly in the form of defined benefit plans and defined contribution plans.
As for defined benefit plans, participants are granted a defined pension benefits either by the employers or via external entities. The main defined benefits plans are concentrated in Germany, Austria and Switzerland, while in Italy the provision for Trattamento di fine rapporto (employee severance pay) matured until 1 January 2007 is included in the provisions for defined benefit plan for € 73 million.
The table below shows the movements in the defined benefit plans liability which occurred during the financial year, net of assets legally separate and held solely to pay or fund employee benefits:

Net defined benefit plans liabilities: movements

(€ million)	31/12/2022	31/12/2021
Net liability as at 31 December previous year	**3,898**	**4,494**
Foreign currency translation effects	1	2
Net expense recognised in the income statement	99	78
Re-measurements recognised in Other Comprehensive Income	-907	-512
Contributions and benefits paid	-209	-195
Changes in consolidation scope and other changes	-0	30
Net liability as at 31 December current year	**2,882**	**3,897**

Part of the Group's defined benefit plans have assets that are designated, but not legally segregated, to meet the pension defined benefit obligations. These are investments backing insurance provisions or policies issued by Generali Group companies, or other investments owned by the Group entities. Consequently, in accordance with IAS 19, these investments are not recognised as plan assets and so cannot be deducted from the defined benefit obligations. However, to assess the net liability for defined benefit plans, these assets should have been netted against the present value of the related pension obligations.
In Germany and Austria, where is allocated approximately 91% of the present net value of defined benefit obligations, the pension guarantee associations, for yearly contributions to be paid by the companies, are liable for the fulfilment of the pension commitments granted in case of company insolvency.
The net defined benefit plans expense of the year recognised in the profit or loss account is represented as follows:

Net defined benefit plans expenses recognised in profit or loss

(€ million)	31/12/2022	31/12/2021
Current service cost	58	61
Net interest	42	15
Past service cost	1	2
Losses (gains) on settlements	1	0
Net expense recognised in the income statement	**102**	**78**

The re-measurement of liabilities related to defined benefit plans and plan assets, recognised in Other comprehensive income are detailed as follows:

Re-measurements recognised in Other Comprehensive Income

(€ million)	31/12/2022	31/12/2021
Actuarial gains (losses) from change in financial assumptions	1,127	336
Actuarial gains (losses) from change in demographical assumptions	8	32
Actuarial gains (losses) from experience	0	60
Return on plan assets (other than interest)	-160	84
Re-measurements recognised in Other Comprehensive Income	**976**	**512**

In comparison with the previous year, increase in the reference rates at the end of year, in application of IAS 19 for the determination of the discount rate applicable to the valuation of these liabilities, leads to higher actuarial gains and the consequent decrease of liabilities under evaluation.

The amounts reported are gross of deferred taxes and deferred policyholders' liabilities, where applicable.

The table below shows the movements in the defined benefit obligation during the financial year and the current value of the plan assets:

Present value of defined benefit obligation: movements

(€ million)	31/12/2022	31/12/2021
Defined benefit obligation as at 31 December previous year	**5,172**	**5,664**
Foreign currency translation effects	31	44
Current Service cost	55	61
Past service cost	1	2
Interest expense	50	20
Actuarial losses (gains)	-1,067	-428
Losses (gains) on settlements	1	0
Contribution by plan participants	21	11
Benefits paid	-240	-233
Changes in consolidation scope and other variation	4	29
Defined benefit obligation as at 31 December current year	**4,028**	**5,171**

Current value of plan assets: movements

(€ million)	31/12/2022	31/12/2021
Defined benefit obligation as at 31 December previous year	**1,274**	**1,171**
Foreign currency translation effects	30	42
Interest income	8	5
Return on plan assets (other than interest)	-160	84
Gains (losses) on settlements	-0	0
Employer contribution	37	27
Contribution by plan participants	21	11
Benefits paid	-68	-66
Changes in consolidation scope and other changes	5	-0
Fair value of plan assets as at 31 December	**1,147**	**1,274**

The defined benefit plans' weighted-average asset allocation by asset category is as follows:

Defined benefit plans: asset allocation

(%)	31/12/2022	31/12/2021
Bonds	42.9	49.7
Equities	18.9	19.4
Real estate	17.0	13.9
Investment fund units	1.3	0.6
Insurance policies issued by non-Group insurers	1.2	2.5
Other investments	18.7	13.9
Total	**100.0**	**100.0**

The assumptions used in the actuarial calculation of the defined benefit obligations and the related periodic pension cost are based on the best estimates of each companies granting defined benefit plans. The main weighted-average hypotheses considered for the value definition of defined benefits plans obligations are summarized in the following table, for the main operating areas:

Assumptions for actuarial calculation of defined benefit plans

(%)	Eurozone		Switzerland		United Kingdom	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Discount rate for evaluation at reporting date	3.9	1.1	1.9	0.2	4.8	1.9
Rate of salary increase	3.0	2.8	1.7	1.2	n.a.	n.a.
Rate of pension increase	2.1	2.0	0.0	0.0	3.2	3.3

The average duration of the obligation for defined benefit plans is 12 years as at 31 December 2022 (14 years at 31 December 2021).
A sensitivity analysis was carried out showing how the defined benefit obligation would have been affected by changes in the discount rate and the most relevant actuarial assumptions on these liabilities:

Defined benefit plans: sensitivity

(€ million) Assumptions	Discount rate for evaluation at reporting date		Rate of salary increase		Rate of pension increase
	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	0.5% increase
Impact on defined benefit obligation	-190	218	22	-16	90

To provide an indication of the effect of the defined benefit plans on the future cash flows of the Group, the future expected payments, divided by bands of maturity, are presented below:

Defined benefit plans: expected payments

(€ million)	31/12/2022	31/12/2021
Within the next 12 months	245	244
Between 2 and 5 years	967	966
Between 5 and 10 years	1,163	1,199
Beyond 10 years	3,891	4,179
Total	**6,266**	**6,588**

46 Share-based compensation plans

At 31 December 2022, different incentive plans based on equity instruments granted by the Parent Company and other Group companies are outstanding.

46.1 Share-based compensation plans granted by the Parent Company

Long-Term Incentives (LTI) represent the long-term variable remuneration of Generali, which takes the form of multi-year plans, approved from time to time by the competent bodies and may be addressed to directors, managers with strategic responsibilities and other Generali employees; they may be based on cash disbursements or financial instruments.

The plan LTI 2019 has completed the performance cycle at the end of 2021. The corresponding share allocation has been carried out starting from April 2022, depending on the target population.
The LTI plans 2020, 2021 and 2022, currently in progress, may result in shares' granting in the financial years envisaged under the plan rules depending on the different categories of beneficiaries, subject to the achievement of certain Group performance levels.
Further details are given in the information reports approved at the time by the Shareholders' Meeting and published on the Generali Group website, as well as in the Remuneration Report annually published.
A new long-term incentive plan based on Assicurazioni Generali S.p.A. shares – Long Term Incentive (LTI) 2022 - has been submitted for the approval of the Shareholders' Meeting.

In line with market practices and investor expectations, shares are assigned and made available to beneficiaries over a deferred long-term time span, subject to the achievement of Group's performance conditions (Net Holding Cash Flow, relevant TSR and ESG targets) and the achievement of a minimum level of Regulatory Solvency Ratio, as the only access threshold, as detailed below.

The Plan is based on the following essential aspects:

- the incentive connected with the achievement of the targets is paid through the grant of Assicurazioni Generali S.p.A. ordinary shares;
- the right to receive the shares is subject to an entry threshold, defined annually by the Board of Directors and which represents a condition precedent;
- the targets to which payment of the incentive is subject are Group financial and non-financial/ESG ones and are defined at the beginning of the performance period and kept consistent with the strategic long-term plans of the group.

The maximum number of shares that can be assigned is determined at the start of the plan. The maximum potential bonus to be disbursed in shares equals to 175% of the gross fixed remuneration of the Global Leadership Group (GLG) members (or a different percentage considering the role of the beneficiary); therefore, the maximum number of shares that can be assigned is the result of the ratio of the maximum bonus and the share value, with the latter calculated as the average price of the share in the three months prior to the meeting of the Board of Directors called to resolve on the draft statutory financial statements of the Parent Company and the consolidated financial statements for the year prior to that when the Plan is started.

With reference to methods and time frame for granting the shares, they are differentiated by:

- the Managing Director/Group CEO and the members of the Group Management Committee:
  - at the end of the three-year performance period, 50% of the shares accrued on the basis of the targets met will be granted; 25% are immediately available (to allow the beneficiaries to bear the tax charges connected with the grant), while the remaining 25% are subject to a one-year lock-up period;
  - the remaining 50% of the accrued shares is subject to another two years of deferral, during which the accrued amount may become zero if the Regulatory Solvency Ratio threshold level established by the plan is not met, or if a malus provided for by the plan regulation should occur. After having check that the aforesaid threshold level has been reached and that there is no malus, and provided that on that date the beneficiary has a relationship with the Company (or with other Group companies), the remaining 50% of the shares accrued are granted; 25% are immediately available (to allow the beneficiaries to bear the tax charges connected with the grant), while the remaining 25% are subject to a one year lock-up period;
- the remaining key employees, GLG, Directors and talents: at the end of the three-year performance period, 100% of the shares accrued will be granted, of which 50% are immediately available (to allow the beneficiaries to bear the tax charges connected with the grant), while the remaining 50% are subject to a two-year lock-up period.

The performance level is expressed as a percentage of the level of individual indicators achievement, which final results are calculated using a linear interpolation approach.

During each year of the plan and at the end of the three-year performance period and, in any case, at the end of the additional two-year deferral period, an evaluation is carried out on the degree to which access threshold has been achieved, defined in terms of Regulatory Solvency Ratio equal to 130% - the limit set considering the hard limit level defined in the Group Risk Appetite Framework - or an alternative percentage as may be chosen from time to time by the Board of Directors. This evaluation is a malus mechanism based on which the number of shares to grant definitively may be reduced or set at zero by the Board of Directors should the Regulatory Solvency Ratio be lower than the set threshold. The Board of Directors is also entitled to set a reduced number of shares to grant definitively should the Regulatory Solvency Ratio be lower than the soft limit level established by the Risk Appetite Framework, that is 150% - but in any case, higher than 130%.

In any case, no incentive will be paid in the event of a significant worsening of the capital and financial situation of Generali. Any amount disbursed will be subject to claw-back if the performance considered should later be found to be non-lasting or ineffective as a result of willful misconduct or gross negligence.

In line with what has already been established for the existing plans, the 2022 Plan has a dividend equivalent mechanism on the basis of the dividends distributed during the performance period (dividend equivalent). In particular, should the shareholders' meeting resolve upon the distribution of dividends in favour of the shareholders during the reference period, at the expiry of such period, an additional number of shares determined in relation to the overall dividends distributed during the reference period will be assigned in favour of the beneficiaries. The additional number of shares thus determined shall be assigned simultaneously and in relation with the other shares assigned in favour of each beneficiary, subject to the same restrictions (holding period) and determined considering the shares' value at the assignment of the plan, to be calculated as the average price of the share in the three months prior to the meeting of the Board of Directors called to resolve on the draft statutory financial statements of the Parent Company and the consolidated financial statements for the year before that when the Plan is started.

The maximum number of shares that can be granted is 10,500,000, accounting for 0.66% of the current share capital.

In line with the previous plans, the 2022 LTI plan can be treated as an equity-settled share-based payment falling under IFRS 2 scope, which provides a grant date measurement model seeking to capture the value of the contingent right to shares promised at grant date, to the extent that promises become an entitlement of the counterparty, rather than the value of any shares finally delivered.

The condition related to relative TSR configures as a market condition, other conditions mentioned above are considered whether as performance or as service condition.

The value of the right to receive free shares related to the market condition is estimated at grant date using a statistical model which estimates the statistically probable positioning of relative TSR of the Generali share compared to a peer group panel of selected companies.

The fair value of the bonus right linked to market condition is made by multiplying the forward price of assignable shares (taking into account the lock-up period set by the plan for the different beneficiary types) to the grant date with the pay-out ratio of the relative TSR. Such pay-out is determined as the average of the pay-outs resulting from the processing of a series of scenarios using a statistical model. The pay-out of the single simulation is zero in the case of the TSR of Generali's shares positioning below the median of the panel peer group, while it is positive in the case of the TSR of Generali's shares positioning above the median of the panel peer group. The maximum pay-out is recognized in the case of the relative TSR value of Generali shares positioning above the 90th percentile.

The estimated fair value of LTI 2022 plan at the grant date of the bonus right related to the performance level in terms of relative TSR is € 11.91 with reference to the members of the GLG category.

The related cost on the overall plan is obtained by multiplying the fair value mentioned above by the number of rights related to the market condition, to be assigned based on the satisfaction of the vesting condition. A similar calculation was applied to the bonus portion linked to Net Holding Cash Flow (NHCF), identifying the pay-out through the linear interpolation applied to the level of performance considered most probable. The range applied to the linear interpolation of NHCF is included between the maximum pay-out, granted in case of level equal to or greater than € 9.5 billion and a pay-out equal to 0 in case of a level equal or lower than € 8 billion. Payment related to the achievement of ESG target is determined based on 1) the amount of investments classifiable as New Green & Bond Investments[3] and 2) the percentages of women in strategic positions[4].

Finally, the cost related to the recognition of dividends paid during the period (so called dividend equivalent) was estimated by applying an estimated dividend to the expected number of shares to be assigned under the plan, based on the degree of achievement assessed as above described. For additional information related to incentive plans refer to the 2022 Remuneration Report.

At reporting date, the share plan for the benefit of the Managing Director/Group CEO and the share plan for Group employees (We Share) are fully concluded.

The overall cost of the LTI plans 2019, 2020, 2021 and 2022, the share plan for the benefit of the Managing Director/Group CEO and the share plan for Group employees (We Share) is allocated over the period of maturity (vesting period) starting from the first financial year on which the performance levels are assessed, with a corresponding increase in equity.

The cost associated with all above-mentioned outstanding plans recognized during the period amounted to € 103.3 million. The maximum number of shares that can be granted in relation to mentioned plans is approximately 32.7 million.

46.2 Share-based compensation plans granted by the other Group companies

The main share-based payments granted by the other Group companies are detailed here below.

Share-based compensation plans granted by Banca Generali

At the date of 31 December 2022 there are the following share-based compensation plans:

- the plans implemented regarding the Banca Generali Group remuneration and incentive policy in force at the time, based on which a portion of variable remuneration to key personnel must be paid through payments based on own financial instruments;
- the plans implemented as part of the 2017-2026 framework loyalty programme, approved by the Shareholders' Meeting of 20 April 2017, which had reached the fifth annual cycle 2021-2026 and contemplates payment of a portion of the indemnity accrued up to a maximum of 50% in own financial instruments;
- the LTI (Long Term Incentive) plans for the top management of the banking group based on Banca Generali shares activated starting from financial year 2018.

Share-based payment plans linked to the variable portion of remuneration based on performance objectives

As part of the policy on remuneration and incentives in relation to key personnel of Banca Generali Group, adopted to comply with the Supervisory Provisions in force[5], it is established that a portion of the variable remuneration, both current and deferred, takes place through the allocation of financial instruments of Banca Generali based on the rules submitted to the approval of the Shareholders' Meeting of the Bank each year.

Starting from the 2022 financial year, the variable component of the remuneration of identified staff, if it is higher than € 50 thousand and one third of the ordinary remuneration, is subject to deferred payment systems for at least 40% for a period of time not less than 4 years and to the disbursements in Banca Generali shares for no less than 50%, with the following allocation and retention mechanism:

3. The pay-out is identified through linear interpolation with a calculation range between the maximum payout, recognized in the case of attestation of the same at levels greater than or equal to 5.8, and a zero pay-out in the case of attestation of the same at levels less than or equal to 5.2 billion.
4. The pay-out is identified through linear interpolation with a calculation range between the maximum payout, recognized in the case of attestation of the same at levels greater than 40%, and a zero pay-out in the case of attestation of the same at levels less than or equal to 35%.
5. Bank of Italy Circular no.285/2013 Supervisory provisions for banks - Part I Title IV Chapter 2 Remuneration and Incentive Policies and Practices.

- 60% of the bonus paid up front, normally within the first half of the year subsequent to the reference period, 50% in cash and 50% in Banca Generali shares, subject to a retention period of one calendar year;
- 40% of the bonus will be paid according to a linear pro rata criterion, with an additional four-year deferral from the date of payment of the first portion: 50% in cash and 50% in Banca Generali shares, subject to a period of retention equal to one calendar year.

The methodology applied for calculating the number of share due to the receivers considers:

- to the numerator, the amount of variable remuneration subject to payment in shares accrued in relation to the meeting of targets set for the year in question and,
- to the denominator, the average Banca Generali share price in the three months prior to the meeting of the Board of Directors when both the draft statutory and consolidated financial statements for the year before that when the cycle of reference begins are approved.

The payment in shares is made after the Board of Directors verifies the economic results of the relevant year and is therefore conditioned not only by the meeting of the set targets[6], but also by surpassing access gates of the Banking Group (TCR Total Capital Ratio, LCR Liquidity Coverage Ratio) relating to the year the remuneration accrues and the years following the deferral, if necessary. The Remuneration Policy of the Banking Group for the year of reference, together with the authorization to purchase treasury shares to use for it are submitted each year to the Shareholders' Meeting that approves the financial statements of the previous year. Actual purchase of the treasury shares is also authorized by the Bank of Italy in advance.

Any other compensation paid in shares in connection with the following is also part of these categories of plans:

- ordinary sales incentives and programmes to hire financial consultants other than the main network managers and sales personnel with a contract of employment;
- agreements entered into in view or at the time of the early termination of employment or agency regarding beneficiaries falling under the classification of key personnel.

The methods for paying the variable remuneration, examined in the paragraph above, take the shape of share-based payment transactions settled with own instruments representing capital (equity settled) for those falling under the sphere of application of IFRS 2 - Share-based payments. The accounting treatment for these transactions consists of recognizing the estimated cost of the services received in the most appropriate item of the financial statements (personnel expenses, commissions payable). This cost is determined based on the fair value of the assigned rights (stock option/stock grant), as a contra entry for an increase in equity by charging it to a specific provision.

Since the share-based payment agreements made in connection with the plans under review do not include an exercise price, they are comparable to free grants (stock grants) and are treated in compliance with the rules established for this type of transaction.

The total charge relating to these agreements is then calculated based on the number of shares estimated to be granted, multiplied by the fair value of the Banca Generali share at the grant date.

The fair value of the Banca Generali share at the grant date is measured based on the stock market price recorded on the date of the Shareholders' Meeting approving, each year, the Remuneration Policy for the current year, adjusted to take into account the estimate of expected dividends not received by the beneficiaries during the deferral period.

Recognition of the value of the plans determined in this manner in the equity is done pro-rata temporis based on the period of accrual of the vesting conditions, i.e. the period elapsing between the grand and the final accrual of the right to receive the shares, also taking into account the probability that the conditions for all recipients to exercise it do take place.

Since the plans are usually broken down into multiple tranches with differentiated vesting periods, each of them is measured separately.

In particular, for the first upfront portion assigned after the approval of the financial statements for the reference year, the vesting period is determined from 1 January to 31 December of the reference year of the remuneration (12 months). For the subsequent deferred tranches, the vesting of which is contingent both on seniority and on passing the 1-year cliff (access gate), the vesting period is further extended until 31 December of the year prior to that of the actual allocation of the shares, according to a graded vesting criterion[7].

The actual number of shares allocated to beneficiaries can in any case vary in relation to the verification of the effective achievement targets set at the individual level.

The IFRS 2 charge relating to any beneficiaries belonging to banking group companies other than the parent company Banca Generali is recognised directly by these companies. Nevertheless, the Bank charges back an amount corresponding to the fair value of the plans in question at the time they are actually granted the repurchased treasury shares[8].

Three share-based payment cycles tied to the Remuneration Policies for the years 2020, 2021 and 2022 are active as at 31 December 2022, while the cycle relating to the year 2019 is basically depleted during this year with the payment of the second deferred tranche.

In addition, there is also a limited number of non-standardised entry plans providing for a higher deferral over a multi-year time frame.

The share-based payment plan linked to the 2019 Remuneration Policies, approved by the Shareholders' Meeting of 18 April 2019, has the following characteristics:

- the reference price of the Banca Generali share, for the purposes of determining the number of shares to be

6. Required by the Management by Objective (MBO) mechanism or by specific incentive/hire plans.
7. Starting from the year 2018 the IFRS2 recorded in the income statement charges relating to the ordinary incentives accrued by the financial consultants and linked to net inflow or new customer acquisition targets that may be paid out in shares are recorded along the broader 5-year time horizon. Furthermore, the disbursements in shares relating to several plans to hire financial consultants included in the key personnel can be covered by prior allocations to provisions for commission risks and charges only after the plan is concluded.
8. Particularly falling within this category are the bonuses in shares paid to the key personnel and, in some cases, to the managers of the subsidiary BGFML and to the key personnel of the subsidiary BG Valeur and BG Suisse.

allocated, was determined as the average of the official quotations between 10 December 2018 and 8 March 2019, at € 20.25;
- the fair value of the Banca Generali share on the grant date of the shares was determined based on the market price recorded as at 18 April 2019, amounting to approximately € 24.23, later adjusted to take into account the loss of the dividends expected in the period.

As part of this cycle, the total shares assigned to the beneficiaries amounted to 215.3 thousand, for a total fair value of € 4.7 million. During 2022, 41.8 thousand shares were assigned, relating to the second deferred tranche, with which the plan was concluded.

The share-based payment plan linked to the 2020 Remuneration Policies, approved by the Shareholders' Meeting of 23 April 2020, has the following characteristics:
- the reference price of the Banca Generali share, for the purposes of determining the number of shares to be allocated, was determined as the average of the official quotations between 9 December 2019 and 9 March 2020, at € 29.71;
- the fair value of the Banca Generali share on the grant date of the shares was determined based on the market price recorded as at 23 April 2020, amounting to approximately € 20.76, later adjusted to take into account the loss of the dividends expected in the period of deferral.

As part of this cycle, the shares to be allocated to identified staff were quantified as a total of 152.8 thousand, corresponding to a total fair value of approximately € 2.8 million.

The shares already assigned to the beneficiaries amounted to 123.3 thousand (upfront portion and deferred first tranche), of which 28.8 thousand shares allocated in 2022.

Therefore, 26.9 thousand shares remain to be allocated, which will vest in the first half of 2023.

The share-based payment plan linked to the 2021 Remuneration Policies, approved by the Shareholders' Meeting of 22 April 2021, has the following characteristics:
- the reference price of the Banca Generali share, for the purposes of determining the number of shares to be allocated, was determined as the average of the official quotations between 7 December 2020 and 5 March 2021, at € 27.58;
- the fair value of the Banca Generali share on the grant date of the shares was determined based on the market price recorded as at 22 April 2021, amounting to approximately € 30.69, later adjusted to take into account the loss of the dividends expected in the period of deferral.

As part of this cycle, the shares to be allocated to identified staff were quantified as a total of 191.8 thousand, corresponding to a total fair value of approximately € 2.8 million. During 2022, 111.5 thousand shares were allocated to the beneficiaries, relating to the upfront portion.

The shares still to be allocated amount to 76 thousand and refer to the two deferred tranches that will vest in 2023 and 2024, respectively.

The share-based payment plan linked to the 2022 Remuneration Policies, approved by the Shareholders' Meeting of 21 April 2022, has the following characteristics:
- the reference price of the Banca Generali share, for the purposes of determining the number of shares to be allocated, was determined as the average of the official quotations between 9 December 2021 and 9 March 2022, at € 36.00;
- the fair value of the Banca Generali share on the grant date of the shares was determined based on the market price recorded as at 21 April 2022, amounting to approximately € 32.35, later adjusted to take into account the loss of the dividends expected in the period of deferral.

In relation to the assessment of the achievement by the key personnel of the objectives set for 2022 it is estimated that the share of variable compensation subject to payment of shares amounts to approximately 268,7 thousand shares, for a total fair value of the plan of € 7.4 million.

This amount also includes an estimate of the shares in the course of vesting, quantifiable as at 31 December 2022 at 36 thousand, to be allocated to key personnel belonging to the sales network (Financial Advisors and Relationship managers) in relation to the three-year 2022-2024 incentive plan, launched by the bank in 2022.

With reference to meeting the performance targets set out in the Remuneration Policy for 2019, 2020 and 2021, during the year 187,824 treasury shares were granted to executives and network managers, of which 155,341 to managers' and financial consultants' area, 27,364 shares were granted to employees and 5,119 to other beneficiaries of the group.

More specifically, the grants concerned, respectively, the first and second deferred tranche with one-year deferral (20%) relating to the years 2019 and 2020, the up-front portion (60%) relating to 2021 and, for a residual portion, prior plans with different deferral characteristics for former employees and financial consultants.

(Thousands of shares)	Date of General Shareholders' Meeting	Bank of Italy's authorisation	Price of allotment	Weighted average FV	Total Shares (/000)	Shares granted (/000)	of which granted in 2022	Shares to be granted (/000)	Fair value plan (€ million)	IFRS 2 Reserve (€ million)
Year 2019	18/04/2019	21/06/2019	20.25	21.80	215.3	-215.3	-41.8	0.0	4.7	0.0
Year 2020	23/04/2020	16/07/2020	29.71	18.07	152.8	-123.3	-28.8	29.5	2.8	0.5
Year 2021	22/04/2021	01/07/2021	27.58	26.36	191.8	-111.5	-111.5	80.3	5.1	1.7
Year 2022	22/04/2022	01/07/2022	36.00	28.38	232.3	0.0	0.0	232.3	6.6	4.9
Year 2022 Triennial incl.	22/04/2022	01/07/2022	36.00	21.61	36.4	0.0	0.0	36.4	0.8	0.2
Other multi-year plans				25.32	35.3	-18.8	-5.6	16.5	0.9	0.3
Total (*)					**864.0**	**-469.0**	**-187.8**	**395.0**	**20.8**	**7.5**

2017-2026 Framework Sales Network Loyalty Programme

The 2017-2026 Framework Sales Network Loyalty Programme was approved by the Board of Directors during its meeting on 21 March 2017 and was later ratified by the Shareholders' Meeting on 20 April 2017.

The Framework Loyalty Programme provides the possibility to activate 8 single annual plans with fixed expiration on 31 December 2026 and decreasing duration, subject to the annual authorization of the Banca Generali Shareholders' Meeting.

Payment of the indemnity accrued along the entire time span of the Programme will however be made at one single time, within 60 days from the Shareholders' Meeting called to approve the 2026 financial statements.

The payment of a portion of the accrued indemnity up to 50% at the most, partly in Banca Generali shares subject to the assessment of potential effects on the equity ratio and floating capital by the corporate bodies (Board of Directors and Shareholders' Meeting), can be allowed.

Participation in each of the plans included in the Programme is offered to the financial Consultants and Relationship Managers who have accrued at least 5 years of company seniority by 31 December of the corporate year before the one of reference of the single plans.

The following is necessary in order to be able to gain access to the benefits of the activated plans:

- reach a minimum volume of total AUM and qualified AUM growing over time and with non-negative net inflows (condition for accrual) by the end of the year of reference;
- be regularly in service and not having given advance notice as at the date of payment, except for the cases in which termination depends on causes of death or permanent disability, retirement or withdrawal from the relationship by Banca Generali not backed by just cause (service condition).

In the event of death, the accrued indemnities are considered definitively acquired by are subject to settlement with the heirs applying the same methods as those applied to the other beneficiaries.

Lastly, the accrued indemnity is proportionate to a rate of the verified AUM for every single plan and is differentiated based on the type of subject (Consultant/RM) and on seniority of service up to reaching a cap.

Recognition of the indemnity at the day of payment is also subordinated to surpassing banking group gates of access as defined in the Remuneration Policies in force at the time and with the rules of correctness.

The number of Banca Generali shares due is determined with the same methods established for the share-based payment plans linked to the Remuneration Policies, i.e. on the basis of the average Banca Generali share price in the three months prior to the meeting of the Board of Directors when both the draft statutory and consolidated financial statements for the year before the annual plan of reference.

Payment in shares of 50% of the accrued indemnity has been established for both of the annual plans activated up until now. The value of the accrued indemnity was determined based on the AUM of the potential beneficiaries of the plans at the closing date of the year of reference, respectively, while the number of grantable financial instruments was determined based on the same value of reference of the Banca Generali share applied for the Remuneration Policies of the same years. As a whole, the shares granted and under accrual to serve the five plans amount to approximately 1,415 thousand (1,336 thousand net of the estimated turnover) for a total value of € 20.2 million, of which 8.2 already recorded in the income statement.

(Thousands of shares)	Max no. of shares	No. of shares net estimated turnover	Fair value plan (€ million)	IFRS 2 Reserve	Onere 2022
Plan 2017- 2026	204	193	2.4	1.4	0.3
Plan 2018- 2026	162	153	2.3	1.2	0.3
Plan 2019- 2026	334	315	4.4	2.1	0.6
Plan 2020- 2026	278	263	2.7	1.1	0.4
Plan 2021- 2026	437	412	8.4	2.5	1.3
	1,415	**1,336**	**20.2**	**8.2**	**2.8**

LTI Plans - Long Term Incentives

The Long-Term Incentive Plan (LTI) is a long-term incentive plan envisaged under Banca Generali's Identified Staff Remuneration Policies, approved annually by the Shareholders' Meeting of the same and based entirely on Banca Generali S.p.A. shares[9].

The plan is aimed at pursuing the objective of increasing the value of Banca Generali's shares, further strengthening the link between the remuneration of the beneficiaries and the performance of the banking Group, albeit in a context of consistency with the results expected within the strategic plan of the insurance Group.

This incentive instrument was introduced starting from 2018 to replace an incentive of a similar nature offered annually by the parent company Assicurazioni Generali to a large group of key managers of the insurance Group and based on the allocation of company shares.

In this context, the performance objectives set out in the plans assign a rate of 80% to the objectives of the Banking Group and 20% to the objectives of the Insurance Group.

The performance indicators identified, to which different weights are assigned, may vary from year to year and have the following characteristics:

- Banking group objectives (80%): tROE and adjusted EVA, share of ESG assets in AuM;
- objectives of the insurance group (20%): ROE (Return on Equity), rTSR (relative Total Shareholders' Return) compared to a peer group, net cash flow, sustainability indicators.

The main characteristics of the plans approved as from 2020 are as follows:

- the maximum number of allocable shares is determined at the beginning of the reference period based on the current remuneration multiple of the beneficiaries;
- every year, verification is carried out that the access gates of the banking Group and the insurance Group have been passed with reference to each year of the plan and the level of achievement of the objectives set at the beginning of the three-year period is assessed;
- at the end of the three-year period, once the access gates have been passed, the overall level of achievement of the objectives set at the beginning of the three-year period is assessed on the basis of the average annual results achieved in order to determine the actual number of vestable shares;
- the total shares vested are allocated to the beneficiaries of the plan, provided that the beneficiary's employment relationship with a company of the banking Group is still in place (service condition) through the free assignment of treasury shares bought back on the market (stock granting), in two tranches:
  - 50% of the shares are assigned immediately, and are subject to a non-transferability clause for an additional year;
  - the remaining 50% is subject to a deferral of a further two years without prejudice to the non-transferability clause for an additional year;
- the plan does not provide for dividend equivalent mechanisms, in line with the regulations and with the most widespread banking market practices;
- the usual malus and claw-back clauses are also envisaged.

The level of meeting the targets, expressed as a percentage, is determined separately for each basket, consisting of an indicator and of its relevant weight, using the methodology of linear interpolation compared to the levels of reference set at the beginning of the plan (minimum, target, maximum)[10].

9. For a more in-depth analysis of the Plan, please refer to the Report on the policy of remuneration and salaries paid, which is approved annually by the Shareholders' Meeting and published on the bank's institutional website.
10. In particular, a percentage of 175% is associated with the maximum performance level.

The performance indicators defined for the plans activated up until now are shown below.

	KPI Weight Banking-Insurance Group	Access gate Banking Group	Access gate Insurance Group	KPI Banking Group	KPI Insurance Group
LTI 2018	80% -20%			1. tROE; 2. EVA	1. Operating ROE; 2. rTSR
LTI 2019	80% -20%	Total Capital Ratio (TCR), Liquidity Coverage Ratio (LCR) (*)	Regulatory Solvency ratio	1. tROE; 2. Recurring Net Profit; 3. adjusted EVA	1. Net ROE average; 2. EPS growth; 3.rTSR
LTI 2020	80% -20%			1. tROE; 2. adjusted EVA	1. .Net Holding Cash Flow; 2. rTSR
LTI 2021	80% -20%			1. tROE; 2. adjusted EVA; 3.AUM ESG	1. .Net Holding Cash Flow; 2. rTSR; 3. Sustainability indices (MSCI ESG rating e S&P Global Corporate Sustainability Assessment Percentile)
LTI 2022	80%-20%			1. tROE; 2. adjusted EVA; 3.AUM ESG	1. .Net Holding Cash Flow; 2. rTSR; 3. Sustainability indices (MSCI ESG rating e S&P Global Corporate Sustainability Assessment Percentile)

(*) in particular, for 2022, the banking gates are TCR >=13% and LCR >=130%, while the insurance gate is TRR >150%.

The assessment of the number of shares due is made distinctly for each plan year and for each of the weighed baskets linked to the targets of the banking group and the insurance group.
As a whole, the shares granted and under accrual to serve the three plans amount to approximately 316 thousand for a total value of € 6 million, of which € 2.9 million already recorded in the income statement (€ 3.7 million in 2021).

Share-based compensation plans granted by Generali France

At the balance sheet date, there are the following share-based compensation plans granted by Generali France to the employees of Generali France Group: thirteen stock grant plans approved by the board on 21 December 2006, 20 December 2007, 4 December 2008, 10 December 2009, 9 December 2010, 14 March 2012, 25 June 2013, 7 March 2014, 6 March 2015, 9 March 2016, 9 March 2017, 1 March 2018, 7 March 2019, 11 March 2020 and 8 March 2021 and 9 March 2022.
At 31 December 2022, the number of shares granted amounted to 6,945,455 preferred shares, of which 130,672 related to the plan granted for 175th anniversary of foundation of Parent Company.
With reference to the stock granting plans assigned by Generali France within the scope of IFRS 2, the charge recognized in the profit or loss amounted to € 0.5 million. The plans are considered as cash-settled, for which a liability is recorded in the balance sheet equaling € 70.1 million.

Share-based compensation plans granted by Cattolica Assicurazioni S.p.A.

In consideration of the corporate developments resulting from the favourable outcome of the takeover bid promoted by Assicurazioni Generali in 2021, with particular reference to the subsequent sell-out and squeeze-out phases, promoted by the Parent Company Assicurazioni Generali, as well as the subsequent delisting of Cattolica Assicurazioni from Borsa Italiana, the Board of Directors of the Company, in accordance with the provisions of the respective Regulations, resolved, in 2022, the early allocation to the beneficiaries of the deferred shareholdings relating to the 2018-2020 LTI Plans and to the 2021-2023 LTI Plan.
In particular, the deferred shares allocated in 2022 amounted to 244,910 shares relating to the 2018-2020 LTI Plan, and to 203,983 shares in line with the 2021-2023 LTI Plan.
By virtue of these allocations, the 2018-2020 LTI and 2021-2023 LTI Plans, based on Cattolica Assicurazioni equity instruments, can now be considered fully concluded.

47 Contingent liabilities, commitments, guarantees, pledged assets and collateral

47.1 Contingent liabilities

In the course of the ordinary business, the Group may be involved in agreements or transactions which do not lead to the recognition of these commitments as assets and liabilities in the consolidated financial statements according to the IFRS definitions and requirements (contingent assets and liabilities).
As at 31 December 2022 the estimate of the contingent liabilities results as of € 14 million, related to some disputes for which the probability of occurrence is not considered as remote, however not sufficiently material to recognise them as liabilities on the balance sheet.
A contingent liability is:

- a possible obligation that arises from past events and whose existence will be confirmed only by occurrence or non- occurrence of one or more uncertain future events not wholly within the control of the entity; or
- a present obligation that arises from past events but is not recognized because:
  - (i) it is not probable than an outflow of resources embodying economic benefits will be required to settle the obligation; or
  - (ii) the amount of the obligation cannot be measured with sufficient reliability.

47.2 Commitment

Generali Group at 31 December 2022 held outstanding commitments for a total amount of € 18,610 million, related to potential commitments on investments, loans and other commitments.
Because part of these commitments may expire without being called, the amounts disclosed are not indicative of the actual liquidity needs arising from these commitments.
In particular, € 11,271 million represent commitments associated with alternative investments (private equity), mainly allocated in private equity funds which are consolidated line-by-line by the Group. Moreover, € 6,419 million refer to several investment opportunities and, in particular, to real estate investment funds and equities. The potential commitments to grant loans amount to € 388 million, mainly associated to liquidity or funding needs of the customers of the Group's banking operations.

Other commitments amounted totally to € 531 million and the main part refers to potential commitments of the German life companies towards a specific German entity founded in order to protect the local policyholders if the funds already available within the policyholders protection scheme are not sufficient to face the insolvency of one or more insurers.

47.3 Guarantees

The Group's nominal exposure towards third parties amounts to € 227 million, of which € 60 million refer to guarantees provided in the context of the Group's real estate development and € 159 million to sureties normally granted as part of the Group's banking business and other services provided by some Group Companies.
Furthermore, the Group in the context of its business operations in some countries receives guarantees provided by third parties, mainly in the form of letters of credit.

47.4 Pledged assets and collaterals

As at 31 December 2022, as already mentioned in the chapter *Assets transferred that do not qualify for derecognition* of the section *Investments*, the Group has pledged € 18,336 million of its assets as collateral. In particular, € 3,002 million have been pledged to cover loans and bonds issued, mainly related to the Group's real estate activities, € 760 million to cover its reinsurance activities, € 3,371 million have been pledged in repurchase agreements (REPO), € 8,150 million has been subject to securities lending operations, as well as € 2,153 million have been pledged in derivatives transactions. Residual part is related to collateral pledged other operations.
Furthermore, the Group has received assets as collateral for € 7,804 million, in particular for transactions in bonds and loans for € 6,219, in Reverse REPO for € 543 million and € 621 million to cover Group reinsurers' obligations. Residual part is related to collateral pledged in relation to transactions in derivatives and other operations.

48 Significant non-recurring events and transactions

There are no significant non-recurring events and transactions to be reported in 2022 other than the acquisition transactions reported in the chapter *Goodwill*, paragraph *New Entities Acquisition*.

49 Leasing

IFRS 16 - Leases replaces the requirements in IAS 17 - Leases. The new Standard provides presentation and disclosure requirements on leasing operations, involving in particular:
- the effects of first-time application of the new lease Standard, which are described in section *Basis of presentation and accounting principles*;
- ad hoc presentation and disclosure for lessees;
- ad hoc presentation and disclosure for lessors.

Main differences compared to previous IAS 17 requirements relate to presentation and disclosures related to Companies acting as lessees.
Here below details on lessees and lessors activities and related disclosures can be found.

49.1 Lessees

Group companies acting as lessees are mainly involved in real estate leases, mainly of offices, agencies and similar items, land leases, company cars leases and other assets leases.

Right of use assets

Right of use assets are not presented separately from other assets in the balance sheet, they are allocated based on their nature within specific Balance sheet items.
Balance sheet items Land and buildings (self-used) and Other tangible assets are the ones impacted by the new IFRS 16 requirements.
In details, below the carrying amount of right-of-use assets at the end of the reporting period by class of underlying asset can be found.

Right of use assets by class of underlying assets subject to leasing

(€ million)	31/12/2022	31/12/2021
Land and buildings (self used) subject to leasing	**473**	**473**
Properties used for own activities subject to leasing	421	417
Land and agricultural property subject to leasing	52	56
Other real right subject to leasing	0	0
Company cars subject to leasing	**30**	**31**
Other tangible assets subject to leasing	**45**	**52**
Intangible assets subject to leasing	**2**	**3**
Total right of use assets	**549**	**559**

Main changes incurred during the period are reported below by class of underlying items.

Land and buildings (Self used) subject to leasing

(€ million)	31/12/2022	31/12/2021
Carrying amount as at 31 December previous year	473	454
Foreign currency translation effects	-1	10
Acquisition of the period	58	39
Changes in consolidation scope	20	12
Reclassifications	-0	-0
Sales of the period	-3	1
Depreciation of the period	-105	-108
Impairment loss of the period	0	0
Reversal of impairment of the period	0	0
Other changes	30	65
Carrying amount as at the end of the period	**473**	**473**

Fair value of assets subject to leasing is estimated to be, besides for some rare cases, aligned to its carrying amount.

Tangible assets subject to leasing

(€ million)	31/12/2022	31/12/2021
Carrying amount as at 31 December previous year	82	52
Foreign currency translation effects	0	-0
Acquisition of the period	5	7
Changes in consolidation scope	0	10
Sales of the period	-0	0
Amortization of the period	-27	-25
Net impairment losses of the period	0	0
Other variations	14	39
Carrying amount as at the end of the period	**75**	**82**

Focus on impairment of right of use assets

Under IFRS 16, new right-of-use assets are subject to impairment requirements of IAS 36. Similar to other assets, a right-of-use-asset is tested for impairment when impairment indicators exist. In general, if impairment indicators exist, an entity must determine whether the right-of-use-asset can be tested on a stand-alone basis or whether it will have to be tested at a cash generating unit (CGU) level. This will depend on whether the right-of-use-asset generates largely independent cash inflows from other assets or groups of assets. At Group level, based on facts and circumstances, it is considered that right-of-use-assets are not able to generate largely independent cash inflows and therefore they have been assessed for impairment at a CGU level rather than at an individual asset level. In the majority of situations, CGUs to which right-of-use assets belong are the same ones used for impairment test of goodwill, as described in specific chapter, established in accordance with the Group's participation structure and considering the IFRS 8 requirements relating to operating segments. Therefore, the impairment test has been performed at that level, and according to Group methodology already in place for impairment test of goodwill. In this context, the carrying amount of a CGU is calculated considering right of use assets and lease liabilities belonging to that unit, if any, and therefore they are tested for impairment. If the recoverable amount of the CGU is less than its carrying amount, carrying amount of goodwill represents the first asset to be reduced. Then, impairment loss is allocated to other assets of the CGU pro rata based on the carrying amount of each asset in the unit to which the specific right of use asset belongs. For additional information on impairment test of goodwill please refer to the chapter *Goodwill*.

Lease liabilities

Lease liabilities as at 31 December 2022 amounted to € 629 million, while total cash outflows of the period amounted to € 121 million.
Lease liabilities are included in item Other financial liabilities on the Balance sheet.
Here below a maturity analysis of undiscounted lease payments can be found.

Maturity analysis of undiscounted lease liabilities

(€ million)	31/12/2022	31/12/2021
Maturity less than one year	109	98
Maturity between 1 and 2 years	97	94
Maturity between 2 and 3 years	83	80
Maturity between 3 and 4 years	72	64
Maturity between 4 and 5 years	52	54
Maturity more than 5 years	540	570
Total undiscounted lease liabilities	**952**	**961**

Amount of undiscounted lease payments as at 31 December 2022 with maturity of more than 5 years includes, among others, a peculiar lease contract with a duration of almost 200 years.
Short-term leases to which Group lessees are committed and exposed in the next reporting year amounted to € 7 million.

Expenses for lessees

Main impacts on expenses for lessees are reported below.

Expenses related to lease contracts

(€ million)	31/12/2022	31/12/2021
Interest expenses for lease payments (*)	14	13
Depreciation of properties used for own activities subject to leasing	105	108
Depreciation of tangible assets subject to leasing	11	10
Depreciation of company cars subject to leasing	15	15
Amortisation of intangible assets subject to leasing	2	2
Impairment and other expenses from assets subject to leasing	3	3
Expenses for leases of low value assets	2	1
Expenses for short term leases	17	16
Total expenses from lease contracts	**170**	**168**

(*) In this item is also included income arising from leases with negative yields.

Income from sub-leasing right-of use assets was not material for the period since it is not Group practice to undertake this kind of business. There have been no sale and leaseback transactions during the period.

49.2 Lessors

Operating leases

Group companies act also as lessors, mainly related to real estate rentals through operating leases. The majority of investment properties are consequently leased out for different uses. Group presents underlying assets subject to operating leases according to the nature of the underlying asset. Please refer to section Investments for additional information on investment properties.

Income from operating leases has been allocated according to the nature of the underlying item rented. Please refer to chapter *Income from other financial instruments and land and buildings (investment properties)* for additional information.

Income from variable lease payments that do not depend on an index or a rate amounted are not material.

Financial leases

There are limited activities related to automobile/vehicle leasing solutions provided by a Group financial lessor to the private and business sector.

50 Other information

With reference to the transparency of public funds legislation introduced by art. 1 of Law 124/2017, paragraphs 125, 125-bis and following, as modified by art. 35 of Legislative Decree 34/2019, converted into Law 58/2019 (so-called Decreto Crescita), during the 2022 financial year, Generali Group received public funds mainly related to training activities which are reported in the Registro Nazionale degli Aiuti di Stato pursuant to art. 52 of Law 234/2012 and subsequent amendments and additions, to which reference is made in the specific Transparency section, pursuant to art. 1, paragraph 125-quinquies of the aforementioned Law 124/2017.

51 Audit and other service fees for the fiscal year

In the table below, drawn up pursuant to the article 149-duodecies of Consob Regulation, are reported the 2022 fees for auditing and other services to Parent company's audit and companies within audit company's network.

Audit and other service fees

(€ thousands)	KPMG Italy	KPMG Network
	31/12/2022	31/12/2022
Parent Company	**4,414**	**746**
Audit fee	985	692
Attestation service fees	2,422	54
Other services	1,007	0
Subsidiaries	**10,304**	**29,038**
Audit fee	5,728	24,681
Attestation service fees	4,347	3,370
Other service fees	229	987
Total	**14,718**	**29,783**

52 Information about climate changes

Pursuant to the ESMA Public Statement of 28 October 2022, this chapter describes how the assessment of climatic risks is considered in the valuation of the most material assets for the Group such as: financial instruments, real estates and premiums / technical provisions. For further information about climate changes please refer to the Management Report, *Challenges and opportunities of the market context* section at page 28.

Financial Instruments

Climate-related matters may be relevant as they could affect the range of potential future economic scenarios, the lender's assessment of significant increases in credit risk, whether a financial asset is credit impaired and/ or the measurement of expected credit losses.

Regarding pricing topic, the level of the prices of actively traded securities (e.g. listed equities and bonds) should reflect the appetite of the market for the issuer of the security itself. Prices include any forecast of possible losses due to possible adverse economic scenarios - climate-related matters included. For this reason, no particular adjustment is made to the prices retrieved from the market. Concerning not actively traded securities, for which a reliable pricing source is not available (mark to market approach), the valuation is performed in terms of mark to model, estimating the relevant factors, such as:

- Structure of the note. The appropriate model and numerical method is chosen according to the structure of the note;
- The risk-free rates curve;
- The issuer specific credit curve;
- The liquidity premium.

In particular, the estimation of the credit spread curves and the liquidity premiums is performed starting from liquid prices, of the same issuer or peers, observed in the market. As liquid prices should include futures economic scenarios – among them climate-related matters – also prices of not actively traded securities are indirectly affected by any positive/ negative opinion of the market regarding the potential impact that climate-related matters could have on the issuer.

Real Estates

Our internal Generali Real Estate Valuation Policy follows the general principles and definitions from the RICS - Red Book published by the Royal Institution of Chartered Surveyors (RICS) – in particular with reference to the article 2.6 - and the European Valuation Standards - Blue Book issued by the European Group of Valuers' Associations.

The valuation of each asset is carried out by an External Independent Valuer who, following the abovementioned global standards, considers the Sustainability, ESG, and Climate change aspects that could affect the property value, and that must be declared by the Asset Manager, such as:

- The presence of hazardous materials, that could have harmful impacts to the building or physical persons;
- The zone map, assessing the key physical risks (including flooding, wildfires, storms and others) for each asset location;

- The Insurance premiums paid for each building that also integrate the climate risk.

The climate risk is therefore an integral part of our valuation process, that will be further strengthen as the global regulation and the local best practices on the topic will evolve. Generali Real Estate has launched a process of further integration of ESG topics also in the valuation area, which will lead to greater involvement of valuation companies, a strengthening of the Valuation Policy and in general the implementation of a shared framework.

Non-Life technical provisions

In non-life, climate change may potentially affect (for climate change effects that have already occurred) or could affect (for climate change effects that may arise in the future) the frequency and magnitude of insured events, in a way that is strongly dependent on geography and peril. There is still much uncertainty on the exact extent of these effects until now and in the future, given the volatility of the phenomena being measured. However, Generali is following rigorous practices to tackle this challenge.

Regarding non-life liabilities, Generali regularly monitors risk within its system of risk governance. Materiality assessments are made regularly to verify what territory and perils may be subject to either:

- an increase in frequency and severity of known risks in specific territories and perils or
- to the emergence of new risks.

This allows the Group to adjust to changes, if any, and to put in place the necessary measures that may help in mitigating the risk, as better outlined in the following paragraphs. Generali is exposed to natural events and to a number of hazards that may be impacted by climate change within the territories where it operates. The main exposures are in continental Europe, where the Group is most concentrated, although the Group also sells covers and is therefore exposed in a number of territories worldwide. The Group regularly monitors its concentrations of risks and uses external models and actuarial techniques to assess the probability of insured losses under the current climate. Sensitivity analyses may be conducted to evaluate the models used in a number of areas. This allows the Group to monitor the risk within its Partial Internal Model, which is recognized under Solvency 2, and to adopt and calibrate the most suitable mitigation strategies. Given that most policies being sold are one-year policies, and that multiyear policies often include contractual clauses that allow flexibility, e.g. in case of losses, this approach is deemed appropriate for assessing the current challenges of climate change. Regarding premiums, tariffs and rates are constantly monitored and updated as necessary, also to capture chronic and acute climate related hazards, as appropriate. Technically, actuarial models and techniques are being used in a growing number of cases, to ensure the best pricing of risk possible. Regarding claims and technical reserves, these are regularly processed and estimated using up-to-date accounting and actuarial techniques, which continue to be adequate also in case of claims tied to events that can be impacted by climate change.

53 Information on the impacts of the conflict in Ukraine

With reference to the Russian-Ukrainian conflict, please refer to the Management Report, section *Our financial performance* at page 109.

Appendices to the Notes

Tangible and intangible assets

Appendix 3

(€ million)	At cost	At revalued amount or at fair value	Total
Land and buildings (investment properties)	17,495		17,495
Land and buildings (self used)	3,049		3,049
Other tangible assets	1,024		1,024
Other intangible assets	2,982		2,982

Appendix 4

Amounts ceded to reinsurers from insurance provisions

(€ million)	Direct insurance		Accepted reinsurance		Total book value	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Non-life amounts ceded to reinsurers from insurance provisions (*)	**2,917**	**2,197**	**1,594**	**1,629**	**4,511**	**3,825**
Provisions for unearned premiums	460	346	158	135	618	481
Provisions for outstanding claims	2,448	1,848	1,435	1,493	3,883	3,342
Other insurance provisions	8	2	1	1	9	3
Life amounts ceded to reinsurers from insurance provisions (*)	**1,149**	**1,235**	**1,609**	**1,585**	**2,758**	**2,821**
Provisions for outstanding claims	594	660	598	795	1,192	1,456
Mathematical provisions	508	506	953	725	1,461	1,231
Provisions for policies where the investment risk is borne by the policyholders and provisions for pension funds	17	37	0	0	17	37
Other insurance provisions	30	32	58	65	88	97
Total	**4,066**	**3,432**	**3,202**	**3,214**	**7,268**	**6,646**

(*) After the elimination of intra-group transactions between segments,

Financial assets

Appendix 5

(€ million)	Held to maturity investments		Loans and receivables		Available for sale financial assets		Financial assets at fair value through profit or loss				Total book value	
							Financial assets held for trading		Financial assets designated as at fair value through profit or loss			
	31/12/2022	31/12/2021	31/12/2022	31/12/2021	31/12/2022	31/12/2021	31/12/2022	31/12/2021	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Equities at cost					21	21					21	21
Equities at fair value					8,190	10,278	0	0	5,450	5,236	13,641	15,514
of which quoted equities					6,972	8,402	0	0	3,526	3,823	10,498	12,226
Bonds	2,041	1,687	10,950	12,317	221,568	289,930	14	5	10,907	11,440	245,480	315,379
of which quoted bonds	2,041	1,687			217,701	286,249	14	5	10,273	10,546	230,029	298,487
Investment fund units					47,324	45,800	516	423	95,418	106,257	143,258	152,481
Loans and receivables from customers			2,153	1,933							2,153	1,933
Loans and receivables from banks			292	336							292	336
Deposits under reinsurance business accepted			3,523	3,382							3,523	3,382
Deposit components of reinsurance contracts											0	0
Other loans and receivables			16,002	13,452							16,002	13,452
Derivatives							1,479	1,147	-255	27	1,224	1,174
Hedging derivatives (*)									463	686	463	686
Other financial investments	0	0			3,319	2,543	0	0	2,081	1,785	5,400	4,328
Total	**2,041**	**1,687**	**32,921**	**31,420**	**280,422**	**348,572**	**2,010**	**1,576**	**114,065**	**125,431**	**431,460**	**508,685**

(*) In accordance with Regolamento n° 7 of 13 July 2007 hedging derivatives are only derivatives for which hedge accounting is applied.

Assets and liabilities related to policies where the investment risk is borne by policyholders and to pensions funds

Appendix 6

(€ million)	Policies where the investment risk is borne by the policyholders		Pension funds		Total	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Assets	94,317	103,105	3,753	4,138	98,070	107,243
Intra-group assets (*)						
Total	**94,317**	**103,105**	**3,753**	**4,138**	**98,070**	**107,243**
Financial liabilities	1,648	2,209	3,608	3,829	5,256	6,038
Insurance provisions (**)	94,938	102,187	161	257	95,099	102,444
Intra-group liabilities (*)						
Total	**96,586**	**104,396**	**3,769**	**4,086**	**100,355**	**108,482**

(*) Intra-group assets and liabilities refer to assets and liabilities which are eliminated in the consolidation process.

(**) Insurance provisions are net of amounts ceded to reinsurers from insurance provisions.

Insurance provisions

Appendix 7

(€ million)	Direct insurance		Accepted reinsurance		Total book value	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Non-life insurance provisions (*)	**40,376**	**36,163**	**2,294**	**1,922**	**42,670**	**38,086**
Provisions for unearned premiums	7,970	7,110	234	232	8,204	7,342
Provisions for outstanding claims	32,024	28,710	2,043	1,680	34,066	30,389
Other insurance provisions	383	343	18	11	400	355
of which provisions for liability adequacy test	0	0	0	0	0	0
Life insurance provisions (*)	**375,356**	**436,057**	**5,475**	**5,306**	**380,831**	**441,363**
Provisions for outstanding claims	7,039	6,567	1,784	2,452	8,824	9,019
Mathematical provisions	274,754	277,779	3,457	2,598	278,212	280,377
Provisions for policies where the investment risk is borne by the policyholders and provisions for pension funds	95,111	102,477	5	5	95,116	102,481
Other insurance provisions	-1,549	49,235	229	252	-1,320	49,487
of which provisions for liability adequacy test	1,077	1,287	5	5	1,082	1,292
of which deferred policyholder liabilities	-29,061	22,356			-29,061	22,356
Total provisions	**415,732**	**472,221**	**7,769**	**7,228**	**423,501**	**479,449**

(*) After the elimination of intra-group transactions between segments.

Financial liabilities

Appendix 8

(€ million)	Financial liabilities at fair value through profit or loss				Other financial liabilities		Total book value	
	Financial liabilities held for trading		Financial liabilities designated as at fair value through profit or loss					
	31/12/2022	31/12/2021	31/12/2022	31/12/2021	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Preference shares							0	0
Subordinated liabilities					8,266	8,760	8,266	8,760
Financial liabilities related to investment contracts issued by insurance companies			5,506	6,246	2,070	2,070	7,576	8,316
where the investment risk is borne by the policyholders			1,648	2,209			1,648	2,209
pension funds			3,608	3,829			3,608	3,829
other liabilities related to investment contracts			250	208	2,070	2,070	2,320	2,278
Deposits received from reinsurers					1,766	1,676	1,766	1,676
Deposit components of insurance contract							0	0
Bonds					1,739	1,737	1,739	1,737
Liabilities to customers					18,129	18,078	18,129	18,078
Liabilities to banks					15	728	15	728
Other loans					6,462	5,347	6,462	5,347
Derivatives	1,771	1,074					1,771	1,074
Hedging derivatives (*)			2,900	1,966			2,900	1,966
Other financial liabilities			30	32			30	32
Total	**1,771**	**1,074**	**8,436**	**8,244**	**38,446**	**38,396**	**48,653**	**47,713**

(*) In accordance with Regolamento n° 7 of 13 July 2007 hedging derivatives are only derivatives for which hedge accounting is applied.

Technical insurance items

Appendix 9

(€ million)	31/12/2022			31/12/2021		
	Gross amount	Reinsurers' share	Net amount	Gross amount	Reinsurers' share	Net amount
NON-LIFE SEGMENT						
NET EARNED PREMIUMS	28,353	-2,126	26,227	23,799	-1,649	22,151
a Premiums written	28,622	-2,247	26,376	24,120	-1,740	22,380
b Change in the provisions for unearned premiums	-270	121	-149	-321	91	-230
NET INSURANCE BENEFITS AND CLAIMS	-18,085	1,157	-16,929	-15,304	1,439	-13,866
a Claims paid	-16,776	1,157	-15,619	-14,095	758	-13,337
b Change in the provisions for outstanding claims	-1,086	-14	-1,100	-1,200	682	-519
c Change in claims to be recovered	-90	7	-83	56	-1	55
d Change in other insurance provisions	-134	6	-127	-65	0	-65
LIFE SEGMENT						
NET PREMIUMS	51,145	-1,745	49,400	50,185	-1,652	48,533
NET INSURANCE BENEFITS AND CLAIMS	-35,264	1,252	-34,012	-60,475	1,370	-59,105
a Claims paid	-42,301	1,277	-41,023	-37,694	1,190	-36,504
b Change in the provisions for outstanding claims	-647	31	-616	-244	109	-135
c Change in the mathematical provisions	139	-31	108	-3,390	77	-3,313
d Change in the provisions for policies where the investment risk is borne by the policyholders and the provisions for pension funds	6,942	-19	6,924	-17,622	-8	-17,630
e Change in other insurance provisions	603	-7	595	-1,525	2	-1,523

Income and expenses from investments, receivables and payables

Appendix 10

(€ million)	Interests	Other income	Other expenses	Realized gains	Realized losses	Total realized gains and losses	Unrealized gains and reversal of impairment losses		Unrealized losses and impairment losses		Total unrealized gains and losses	Total income and expenses 31/12/2022	Total income and expenses 31/12/2021
							Unrealized gains	Reversal of impairment losses	Unrealized losses	Impairment losses			
Income and expenses from investments	**8,415**	**3,793**	**-522**	**2,822**	**-4,041**	**10,468**	**7,765**	**59**	**-19,832**	**-1,184**	**-13,192**	**-2,724**	**21,240**
a from land and buildings (investment properties)		1,104	-521	206	-9	779		29		-167	-138	641	903
b from investments in subsidiaries, associated companies and joint ventures		210		8	-17	201		3		-9	-6	196	235
c from held to maturity investments	159		0	6	-0	165		0		-7	-7	157	129
d from loans and receivables	955		0	11	-2	964		25		-141	-115	848	909
e from available for sale financial assets	6,636	2,109	-0	1,451	-1,524	8,672		1		-859	-858	7,814	9,684
f from financial assets held for trading	67	9	0	616	-148	545	1,470		-1,103		368	913	-233
g from financial assets designated as at fair value through profit or loss	597	360	0	525	-2,340	-858	6,294		-18,729		-12,435	-13,293	9,613
Income and expenses from receivables	**19**			**0**	**-8**	**11**		**75**		**-21**	**54**	**65**	**22**
Income and expenses from cash and cash equivalents	**52**					**52**					**0**	**52**	**50**
Income and expenses from financial liabilities	**-1,315**	**0**	**-0**	**217**	**-350**	**-1,447**	**876**	**0**	**-1,827**	**0**	**-950**	**-2,397**	**-1,282**
a from financial liabilities held for trading	-53			215	-349	-186	874		-1,825		-951	-1,137	-181
b from financial liabilities designated as at fair value through profit or loss	-512			1	-0	-511	2		-2		0	-511	-365
c from other financial liabilities	-750		-0	1	-1	-750					0	-750	-736
Income and expenses from payables						**0**					**0**	**0**	
Total	**7,171**	**3,793**	**-522**	**3,039**	**-4,398**	**9,084**	**8,641**	**134**	**-21,658**	**-1,204**	**-14,088**	**-5,004**	**20,030**

Acquisition and administration costs of insurance business

Appendix 11

(€ million)	Non-life segment		Life segment	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Commissions and other acquisition costs	6,562	5,436	4,896	4,652
a Acquisition and administration commissions	5,303	4,393	3,707	3,600
b Other acquisition costs	1,097	929	1,118	986
c Change in deferred acquisition costs	15	-12	17	15
d Collecting commissions	148	125	54	51
Commissions and profit commissions from reinsurers	-423	-270	-328	-297
Commissions and other acquisition costs net of commissions and profit commissions from reinsurers (*)	102	101	472	471
Other administration costs	1,403	1,117	1,125	957
Total	**7,645**	**6,383**	**6,165**	**5,782**

(*) Before the elimination of intra-group transactions between segments.

Details on other comprehensive income

Appendix 12

(€ million)	Allocation		Transfer to profit and loss account		Other transfer		Total variation		Taxes		Amounts	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021	31/12/2022	31/12/2021	31/12/2022	31/12/2021	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Items that may be reclassified to profit and loss in future periods												
Reserve for currency translation differences	160	498	9	56			168	555	0	-1	74	-94
Net unrealized gains and losses on investments available for sale	-15,795	-2,040	896	125			-14,898	-1,915	5,094	599	-7,767	7,131
Net unrealized gains and losses on cash flows hedging derivatives	-96	-129	-50	53			-146	-76	38	16	-100	46
Net unrealized gains and losses on hedge of a net investment in foreign operations	15	-17	-38	-64			-23	-81	0	0	-225	-202
Share of other comprehensive income of associates	38	11	-7	-29			31	-19	-2	-2	97	65
Result of discontinued operations	-372	0	0	3			-372	3	0	0	-370	3
Others												
Items that may not be reclassified to profit and loss in future periods												
Revenue reserve from valuation of equity	0	-0					0	-0	-2	-2	0	0
Result of discontinued operations	0	0					0	0	0	0	0	0
Reserve for revaluation model on intangible assets												
Reserve for revaluation model on tangible assets												
Actuarial gains or losses arising from defined benefit plans	613	366					613	366	-257	-134	-487	-1,100
TOTAL OTHER COMPREHENSIVE INCOME	**-15,437**	**-1,310**	**810**	**144**	**0**	**0**	**-14,627**	**-1,167**	**4,872**	**476**	**-8,778**	**5,850**

Assets and liabilities measured at fair value on recurring and non-recurring basis: fair value hierarchy

Appendix 14

(€ million)	Level 1		Level 2		Level 3		Total	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Financial assets and liabilities at fair value through profit or loss on recurring basis								
Available for sale financial assets	224,336	288,332	29,031	46,684	27,055	13,557	280,422	348,572
Financial assets at fair value through profit or loss	99,293	111,116	10,063	13,552	6,719	2,338	116,075	127,006
Financial assets held for trading	74	64	1,335	1,506	601	5	2,010	1,576
Financial assets designated at fair value through profit or loss	99,219	111,052	8,728	12,046	6,118	2,333	114,065	125,431
Investment properties								
Tangible assets								
Intangible assets								
Total financial assets at fair value	**323,629**	**399,448**	**39,094**	**60,235**	**33,774**	**15,895**	**396,498**	**475,578**
Financial liabilities at fair value through profit or loss	4,551	5,459	5,228	3,658	428	200	10,207	9,317
Financial liabilities held for trading	0	14	1,771	1,060	-0	0	1,771	1,074
Financial liabilities designated at fair value through profit or loss	4,551	5,445	3,457	2,598	428	200	8,436	8,244
Total financial liabilities on recurring basis	**4,551**	**5,459**	**5,228**	**3,658**	**428**	**200**	**10,207**	**9,317**
Total financial assets and liabilities at fair value on non recurring basis								
Non-current assets or of discontinued operations	2,669	0	916	0	93	0	3,678	0
Non-current liabilities or of discontinued operations	0	0	7	0	0	0	8	0

Details of the variations of assets and liabilities measured at fair value on a recurring basis classified in Level 3

Appendix 15

(€ million)	Available for sale financial assets	Financial assets at fair value through profit or loss		Investment properties	Tangible assets	Intangible assets	Financial liabilities at fair value through profit or loss	
		Financial assets held for trading	Financial assets designated as at fair value through profit or loss				Financial liabilities held for trading	Financial liabilities designated as at fair value through profit or loss
Opening balance	**13,557**	**5**	**2,333**				**0**	**200**
Purchases and issues	2,631	112	520				0	175
Disposals through sales and settlements	-1,256	0	-73				0	0
Pay-backs	-185	0	-3				0	0
Net gains and losses recognized in P&L	0	66	21				0	-7
of which net unrealised gains and losses		66	21				0	-7
Net unrealised gains and losses recognized in OCI	-469	0	0				0	0
Net transfers in Level 3	13,711	378	3,496				0	0
Net transfers out of Level 3	-564	0	-19				0	0
Other changes	-369	39	-157				0	60
Closing balance	**27,055**	**601**	**6,118**				**0**	**428**

Assets and liabilities not measured at fair value: fair value hierarchy

Appendix 16

(€ million)	Book value		Fair Value							
			Level 1		Level 2		Level 3		Total	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021	31/12/2022	31/12/2021	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Assets										
Held to maturity investments	2,041	1,687	1,388	1,277	574	544	0	0	1,962	1,821
Loans and receivables	25,949	26,271	741	1,135	15,766	19,442	8,370	7,936	24,878	28,514
Investments in subsidiaries, associated companies and joint ventures	2,363	2,353	0	0	0	0	2,363	2,353	2,363	2,353
Land and buildings (investment properties)	17,495	16,867	0	0	0	0	28,129	27,103	28,129	27,103
Other assets	3,049	2,965	0	0	0	0	4,006	3,901	4,006	3,901
Totale assets	**50,897**	**50,143**	**2,129**	**2,412**	**16,340**	**19,986**	**42,868**	**41,292**	**61,338**	**63,690**
Liabilities										
Other liabilities	33,981	34,008	9,085	10,456	17,437	18,210	6,895	6,600	33,417	35,266

Consolidation area: interests in entities with significant minority interests

Appendix 17

Entity Name	% Minority interests	% Availability to Minority Interests of voting rights in the General Shareholders' meeting	Consolidated Profit (loss) attributable to minority interests	Shareholders' equity attributable to minority interests	Summarised financial information							
					Total Assets	Investments	Technical provisions	Financial Liabilities	Total liabilities and shareholders' equity	Net profit (loss) of the period	Dividends distributed to minority interests	Gross Premiums
Banca Generali Group	48.73%	48.73%	105	403	17,257	15,112	-	15,311	853	216	104	-
Generali China Life Insurance Co. Ltd	50.00%	50.00%	70	607	15,652	14,987	11,530	2,088	1,133	152	30	2,800

Change in the consolidation area*

Newly consolidated:	
1.	Aperture Investors France SAS, Paris
2.	Generali Insurance Malaysia Berhad (ex AXA Affin General Insurance), Kuala Lumpur
3.	Generali Life Insurance Malaysia Berhad (ex AXA Affin Life Insurance Berhad), Kuala Lumpur
4.	Berlin Franzosische 53-55 S.à r.l., Luxembourg
5.	Cofilserv', La Teste De Buch
6.	Corbas SCI, Paris
7.	Dc De Burght B.V., Bergschenhoek
8.	Elics Services 06700 Sarl, Saint Laurent Du Var
9.	Elics Services 13100 Sarl, Aix En Provence
10.	Elics Services 33170 Sarl, Gradignan
11.	Elics Services 44100 Sarl, Bouchemaine
12.	Elics Services 69000 S.a.r.l., Lyon
13.	Elics Services 74600 Sarl, Annecy
14.	Elics Services 75015 Sarl, Paris
15.	Elics Services 78600 Sarl, Maisons Laffitte
16.	Elics Services 83000 S.a.r.l., Toulon
17.	Elics Services 92330 Sarl, Sceaux
18.	Europ Assistance Australia Pty Ltd, Sidney
19.	Europ Assistance Servisno Podjetje d.o.o., Maribor
20.	Future Generali India Insurance Company Ltd, Mumbai (Bombay)
21.	Future Generali India Life Insurance Company Ltd, Mumbai (Bombay)
22.	GDE Construcciones, S.L, Madrid
23.	GEDL-FI1 GmbH & Co. offene Investment KG, Koln
24.	Genagricola 1851 S.p.A., Trieste
25.	Generali CEE Fund, Dublin
26.	Generali EM Fund, Dublin
27.	Generali Real Estate Debt Investment Fund II, Luxembourg
28.	Generali Retraite, Paris
29.	Generali US Fund, Dublin
30.	Generali WE Fund, Dublin
31.	GRE Barcelona Retail 1 SL, Madrid
32.	GRE PAN-EU Barcelona, S.L., Madrid
33.	GRE PAN-EU FRANKFURT 3 Sarl, Luxembourg
34.	GRE SICAF Comparto 1, Trieste
35.	GRELIF DUTCH S.à r.l., Luxembourg
36.	Humadom S.a.r.l., Saujon
37.	Jeam S.A.S., Lesparre-Médoc
38.	Krakow Logistics 2, Warsaw
39.	La Médicale SA, Paris
40.	Le Tenute del Leone Alato S.p.A., Trieste
41.	Leone Alato S.p.A., Trieste
42.	MPI Generali Insurans Berhad, Kuala Lumpur
43.	PAN EU K26 S.à r.l., Luxembourg
44.	Pflegix GmbH, Bochum

Newly consolidated:	
45.	Salobrena, Warsaw
46.	SCI Saint Germain, Paris
47.	SCI SDM, Langon
48.	SCI Taitbout, Paris
49.	SCIC Aide@Venir, Langon
50.	SEGMAN Servicios y Gestión del Mantenimiento, S.L., Madrid
51.	SISAL SRO, Prague
52.	Synergies @Venir S.A.S., Villenave D'Ornon
53.	UrbeRetail, Trieste
54.	VITADOM, Agen

Company disposed of/wound up/merged in:	
1.	CENTRAL Erste Immobilien AG & Co. KG, Colonia - Merged in CENTRAL Zweite Immobilien AG & Co. KG
2.	Europ Assistance CEI OOO, Moscow
3.	FFDTV Immobilien Verwaltung SW 13 GmbH, Grünwald
4.	FLI Immobilien Verwaltungs SW 13 GmbH, Grünwald
5.	Fondo Immobiliare Segantini, Trieste
6.	FPS Immobilien Verwaltung SW 13 GmbH, Grünwald
7.	Genagricola - Generali Agricoltura S.p.A., Trieste - Merged in Leone Alato S.p.A.
8.	Genamerica Management Corporation, New York
9.	Generali Consulting Solutions LLC, Wilmington
10.	Generali Leasing GmbH, Vienna - Merged in Generali Versicherung AG
11.	Generali Poisťovňa, a. s., Bratislava - Merged in Generali Slovenská distribúcia, a.s.
12.	GID Fonds GDPRET, Frankfurt
13.	GID-Fonds CLTGP, Koln
14.	Nextam Partners Ltd, London
15.	Nextam Partners SIM S.p.A., Milan
16.	Ovocný Trh 2 s.r.o., Prague
17.	Sonnwendgasse 13 Errichtungsgesellschaft m.b.H., Vienna
18.	Vofü Fonds I Hamburgische Grundbesitz und Anlage GmbH & Co.KG, Hamburg

* Consolidation area consists of companies consolidated “line by line”.

Subsidiaries Consolidated line by line

Company	Country	Currency	Share capital in original currency	Method[1]	Activity[2]	Shareholding % Direct	Indirect	Through	Total	Group Equity Ratio[3]
Assicurazioni Generali S.p.A.	086	EUR	1,586,833,696	G	1	2.72			2.72	100.00
Genertel S.p.A.	086	EUR	23,000,000	G	1		100.00	Genertellife S.p.A.	100.00	100.00
UMS - Immobiliare Genova S.p.A.	086	EUR	15,993,180	G	10		99.90	Generali Italia S.p.A.	99.90	99.90
UrbeRetail	086	EUR	165,331,894	G	10		55.87	Fondo Immobiliare Toscanini	55.87	55.86
Europ Assistance Italia S.p.A.	086	EUR	12,000,000	G	1	26.05			100.00	100.00
							53.96	Europ Assistance Holding S.A.S.		
							19.99	Europ Assistance S.A.		
Europ Assistance Trade S.p.A.	086	EUR	540,000	G	11		91.56	Europ Assistance Italia S.p.A.	100.00	100.00
							8.44	Europ Assistance VAI S.p.A.		
Europ Assistance VAI S.p.A.	086	EUR	4,325,000	G	11		100.00	Europ Assistance Italia S.p.A.	100.00	100.00
Generali Investments Partners S.p.A. Società di Gestione Risparmio	086	EUR	1,000,000	G	8		68.54	Alleanza Assicurazioni S.p.A.	100.00	99.85
							31.46	Generali Investments Holding S.p.A.		
Generali Welion S.c.a.r.l.	086	EUR	10,000	G	11		1.00	Genertel S.p.A.	100.00	100.00
							1.00	Generali Business Solutions S.c.p.A.		
							2.00	Alleanza Assicurazioni S.p.A.		
							2.00	Genertellife S.p.A.		
							94.00	Generali Italia S.p.A.		
Alleanza Assicurazioni S.p.A.	086	EUR	210,000,000	G	1		100.00	Generali Italia S.p.A.	100.00	100.00
Cattolica Assicurazioni S.p.A.	086	EUR	685,043,940	G	1		100.00	Generali Italia S.p.A.	100.00	100.00
BCC Assicurazioni S.p.A.	086	EUR	14,448,000	G	1		70.00	Cattolica Assicurazioni S.p.A.	70.00	70.00
BCC Vita S.p.A Compagnia di Assicurazioni Vita	086	EUR	62,000,000	G	1		70.00	Cattolica Assicurazioni S.p.A.	70.00	70.00
Agricola San Giorgio S.p.A.	086	EUR	22,160,000	G	11		100.00	Genagricola 1851 S.p.A.	100.00	100.00
GenerFid S.p.A.	086	EUR	240,000	G	11		100.00	Banca Generali S.p.A.	100.00	51.27
Banca Generali S.p.A.	086	EUR	116,851,637	G	7		9.74	Generali Vie S.A.	51.41	51.27
							0.45	Genertel S.p.A.		
							2.46	Alleanza Assicurazioni S.p.A.		
							4.94	Genertellife S.p.A.		
							33.82	Generali Italia S.p.A.		
Fondo Scarlatti - Fondo Immobiliare chiuso	086	EUR	528,779,228	G	10		2.73	Generali Retraite	87.83	87.79
							2.14	Genertel S.p.A.		
							8.50	Alleanza Assicurazioni S.p.A.		
							8.26	Genertellife S.p.A.		
							66.19	Generali Italia S.p.A.		
Generali Real Estate S.p.A.	086	EUR	780,000	G	10	100.00			100.00	100.00
Fondo Immobiliare Mascagni	086	EUR	2,215,542,221	G	10		1.17	Genertel S.p.A.	99.99	99.99
							30.18	Alleanza Assicurazioni S.p.A.		
							18.03	Genertellife S.p.A.		
							50.61	Generali Italia S.p.A.		
Fondo Immobiliare Toscanini	086	EUR	901,020,466	G	10		1.45	Generali Retraite	100.00	99.98
							0.28	Genertel S.p.A.		
							33.23	Alleanza Assicurazioni S.p.A.		

Subsidiaries Consolidated line by line

Company	Country	Currency	Share capital in original currency	Method[1]	Activity[2]	Shareholding % Direct	Indirect	Through	Total	Group Equity Ratio[3]
							22.10	Genertellife S.p.A.		
							42.94	Generali Italia S.p.A.		
Generali Business Solutions S.c.p.A.	086	EUR	7,853,626	G	11	1.22			100.00	99.72
							0.25	Genertel S.p.A.		
							0.01	Europ Assistance Italia S.p.A.		
							0.01	Generali Welion S.c.a.r.l.		
							0.01	Alfuturo Servizi Assicurativi s.r.l.		
							0.01	Generali Real Estate S.p.A. SGR		
							0.01	Generali Jeniot S.p.A.		
							1.29	Alleanza Assicurazioni S.p.A.		
							0.57	Banca Generali S.p.A.		
							0.27	Genertellife S.p.A.		
							0.27	Generali Insurance Asset Management S.p.A. Società di Gestione del Risparmio		
							0.05	Generali Operations Service Platform S.r.l.		
							96.04	Generali Italia S.p.A.		
Axis Retail Partners S.p.A.	086	EUR	120,000	G	10		59.50	Generali Investments Holding S.p.A.	59.50	59.22
Fondo Living Fund Italia	086	EUR	157,069,569	G	11		99.97	Generali Real Estate Living Investment Fund	99.97	99.97
Cattolica Agricola Società Agricola a Responsabilità Limitata	086	EUR	35,500,000	G	11		100.00	Cattolica Assicurazioni S.p.A.	100.00	100.00
Cattolica Beni Immobili S.r.l.	086	EUR	7,000,000	G	11		100.00	Cattolica Assicurazioni S.p.A.	100.00	100.00
Cattolica Services Società Consortile per Azioni	086	EUR	20,954,083	G	11		100.00	Cattolica Assicurazioni S.p.A.	100.00	100.00
Fondo Andromaca	086	EUR	39,146,437	G	10		100.00	Cattolica Assicurazioni S.p.A.	100.00	100.00
Fondo Euripide	086	EUR	497,551,022	G	10		66.58	Cattolica Assicurazioni S.p.A.	84.22	82.42
							0.18	BCC Assicurazioni S.p.A.		
							3.74	BCC Vita S.p.A Compagnia di Assicurazioni Vita		
							2.34	Tua Assicurazioni S.p.A.		
							0.49	Vera Assicurazioni S.p.A.		
							1.28	Vera Protezione S.p.A.		
							9.62	Generali Italia S.p.A.		
Fondo Girolamo	086	EUR	127,851,356	G	10		74.51	Cattolica Assicurazioni S.p.A.	100.00	95.09
							0.61	BCC Assicurazioni S.p.A.		
							15.75	BCC Vita S.p.A Compagnia di Assicurazioni Vita		
							9.13	Tua Assicurazioni S.p.A.		
Fondo Innovazione Salute	086	EUR	75,342,995	G	10		74.91	Cattolica Assicurazioni S.p.A.	82.14	81.94
							0.67	BCC Assicurazioni S.p.A.		
							6.56	Tua Assicurazioni S.p.A.		
CityLife S.p.A.	086	EUR	351,941	G	10		100.00	Generali Italia S.p.A.	100.00	100.00
Residenze CYL S.p.A.	086	EUR	39,921,667	G	10		0.30	CityLife S.p.A.	66.67	66.67
							66.37	Generali Italia S.p.A.		
CityLife Sviluppo 2 S.r.l.	086	EUR	10,000	G	10		100.00	Fondo Immobiliare Mantegna	100.00	99.59
Leone Alato S.p.A.	086	EUR	219,900,000	G	11		100.00	Generali Italia S.p.A.	100.00	100.00

Subsidiaries Consolidated line by line

Company	Country	Currency	Share capital in original currency	Method[(1)]	Activity[(2)]	Shareholding % Direct	Indirect	Through	Total	Group Equity Ratio[(3)]
D.A.S. Difesa Automobilistica Sinistri - S.p.A. di Assicurazione	086	EUR	2,750,000	G	1		50.01	Generali Italia S.p.A.	50.01	50.01
D.A.S. Legal Services S.r.l.	086	EUR	100,000	G	11		100.00	D.A.S. Difesa Automobilistica Sinistri - S.p.A. di Assicurazione	100.00	50.01
Generali Real Estate Debt Investment Fund Italy (GREDIF ITA)	086	EUR	424,296,205	G	10		99.98	Generali Real Estate Debt Investment Fund S.C.Sp RAIF	99.98	87.15
Alfuturo Servizi Assicurativi s.r.l.	086	EUR	70,000	G	11		100.00	Alleanza Assicurazioni S.p.A.	100.00	100.00
Fondo Canaletto	086	EUR	270,394,219	G	10		100.00	Generali Europe Income Holding S.A.	100.00	95.84
Generali Real Estate S.p.A. SGR	086	EUR	6,732,889	G	8		100.00	Generali Real Estate S.p.A.	100.00	100.00
Generali Investments Holding S.p.A.	086	EUR	41,360,000	G	9	37.72			100.00	99.52
							28.29	Generali Deutschland AG		
							33.99	Generali France S.A.		
Fondo Donizetti	086	EUR	2,834,923,576	G	10		0.41	Genertel S.p.A.	100.00	100.00
							0.37	Europ Assistance Italia S.p.A.		
							27.04	Alleanza Assicurazioni S.p.A.		
							16.79	Genertellife S.p.A.		
							55.40	Generali Italia S.p.A.		
Fondo Immobiliare Mantegna	086	EUR	342,414,014	G	10		100.00	Generali Core High Street Retail Fund	100.00	99.59
Fondo Immobiliare Tiepolo	086	EUR	265,385,905	G	10		100.00	Generali Real Estate Asset Repositioning S.A.	100.00	99.47
Fondo Immobiliare Schubert - comparto 1	086	EUR	111,166,743	G	10		100.00	Generali Core+ Fund GP	100.00	96.45
Genertellife S.p.A.	086	EUR	168,200,000	G	1		100.00	Generali Italia S.p.A.	100.00	100.00
Generali Operations Service Platform S.r.l.	086	EUR	494,030	G	11	95.00			95.00	95.00
Fondo Perseide	086	EUR	131,550,153	G	10		79.42	Cattolica Assicurazioni S.p.A.	89.14	87.75
							4.63	BCC Vita S.p.A Compagnia di Assicurazioni Vita		
							5.09	Tua Assicurazioni S.p.A.		
Fondo San Zeno	086	EUR	206,723,178	G	10		67.89	Cattolica Assicurazioni S.p.A.	87.50	81.62
							19.61	BCC Vita S.p.A Compagnia di Assicurazioni Vita		
Generali Jeniot S.p.A.	086	EUR	3,100,000	G	11		100.00	Generali Italia S.p.A.	100.00	100.00
Genagricola 1851 S.p.A.	086	EUR	180,000,000	G	11		100.00	Leone Alato S.p.A.	100.00	100.00
Le Tenute del Leone Alato S.p.A.	086	EUR	30,000,000	G	11		100.00	Leone Alato S.p.A.	100.00	100.00
Tua Assicurazioni S.p.A.	086	EUR	23,160,630	G	1	100.00			100.00	100.00
Vera Assicurazioni S.p.A.	086	EUR	63,500,000	G	1		65.00	Cattolica Assicurazioni S.p.A.	65.00	65.00
Vera Protezione S.p.A.	086	EUR	47,500,000	G	1		100.00	Vera Assicurazioni S.p.A.	100.00	65.00
Vera Vita S.p.A.	086	EUR	219,600,005	G	1		65.00	Cattolica Assicurazioni S.p.A.	65.00	65.00
Generali Italia S.p.A.	086	EUR	1,618,628,450	G	1	100.00			100.00	100.00
Generali Insurance Asset Management S.p.A. Società di Gestione del Risparmio	086	EUR	60,085,000	G	8		100.00	Generali Investments Holding S.p.A.	100.00	99.52
Plenisfer Investments S.p.A. SGR	086	EUR	5,000,000	G	8		70.00	Generali Investments Holding S.p.A.	70.00	69.67
Andron RE	086	EUR	35,000,000	G	11		50.00	Generali Italia S.p.A.	100.00	100.00
							30.00	Genertellife S.p.A.		
							20.00	Alleanza Assicurazioni S.p.A.		
GRE SICAF Comparto 1	086	EUR	1,175,000	G	10		100.00	Generali Real Estate Logistics Fund S.C.S. SICAV-RAIF	100.00	95.94
Dialog Lebensversicherungs-Aktiengesellschaft	094	EUR	2,045,200	G	2		100.00	Generali Deutschland AG	100.00	100.00

Subsidiaries Consolidated line by line

Company	Country	Currency	Share capital in original currency	Method(1)	Activity(2)	Shareholding %				Group Equity Ratio(3)
						Direct	Indirect	Through	Total	
GDPK-FI1 GmbH & Co. offene Investment KG	094	EUR	10,000	G	9		100.00	Generali Deutschland Pensionskasse AG	100.00	100.00
Generali Health Solutions GmbH	094	EUR	25,000	G	11		100.00	Generali Deutschland AG	100.00	100.00
Generali Deutschland AG	094	EUR	137,560,202	G	5	4.04			100.00	100.00
							94.10	Generali Beteiligungs-GmbH		
							1.86	Alleanza Assicurazioni S.p.A.		
Generali Deutschland Lebensversicherung AG	094	EUR	71,269,998	G	2		100.00	Generali Deutschland AG	100.00	100.00
Generali Deutschland Versicherung AG	094	EUR	136,463,896	G	2		100.00	Generali Deutschland AG	100.00	100.00
Generali Deutschland Krankenversicherung AG	094	EUR	34,017,984	G	2		100.00	Generali Deutschland AG	100.00	100.00
Europ Assistance Services GmbH	094	EUR	250,000	G	11		100.00	Europ Assistance S.A.	100.00	99.99
Cosmos Lebensversicherungs Aktiengesellschaft	094	EUR	11,762,200	G	2		100.00	Generali Deutschland AG	100.00	100.00
Cosmos Versicherung Aktiengesellschaft	094	EUR	9,205,200	G	2		100.00	Generali Deutschland AG	100.00	100.00
ENVIVAS Krankenversicherung Aktiengesellschaft	094	EUR	1,022,800	G	2		100.00	Generali Deutschland AG	100.00	100.00
Pflegix GmbH	094	EUR	6,158,924	G	11		83.28	Europ Assistance S.A.	83.28	83.28
ADVOCARD Rechtsschutzversicherung AG	094	EUR	12,920,265	G	2		100.00	Generali Deutschland AG	100.00	100.00
Generali Deutschland Pensionskasse AG	094	EUR	7,500,000	G	2		100.00	Generali Deutschland AG	100.00	100.00
Generali Beteiligungs-GmbH	094	EUR	1,005,000	G	4	100.00			100.00	100.00
Generali Deutschland Finanzierungs-GmbH	094	EUR	17,895,500	G	10		100.00	Generali Deutschland Versicherung AG	100.00	100.00
VVS Vertriebsservice für Vermögensberatung GmbH	094	EUR	250,000	G	11		100.00	ATLAS Dienstleistungen für Vermögensberatung GmbH	100.00	74.00
Generali Pensionsfonds AG	094	EUR	5,100,000	G	2		100.00	Generali Deutschland AG	100.00	100.00
Generali European Real Estate Income Investments GmbH & Co. KG	094	EUR	510,663,042	G	10		2.60	Dialog Lebensversicherungs-Aktiengesellschaft	100.00	100.00
							29.10	Generali Deutschland Lebensversicherung AG		
							7.85	Generali Deutschland Versicherung AG		
							29.53	Generali Deutschland Krankenversicherung AG		
							22.49	Cosmos Lebensversicherungs Aktiengesellschaft		
							1.19	Cosmos Versicherung Aktiengesellschaft		
							1.02	ADVOCARD Rechtsschutzversicherung AG		
							6.23	Dialog Versicherung Aktiengesellschaft		
Generali Northern America Real Estate Investments GmbH & Co. KG	094	EUR	17,387,755	G	10		45.42	Generali Deutschland Lebensversicherung AG	99.89	99.89
							27.24	Generali Deutschland Krankenversicherung AG		
							27.24	Cosmos Lebensversicherungs Aktiengesellschaft		
							0.00	Generali Real Estate S.p.A.		
AM Erste Immobilien AG & Co. KG	094	EUR	297,696,686	G	10		100.00	Generali Deutschland Lebensversicherung AG	100.00	100.00
CENTRAL Zweite Immobilien AG & Co. KG	094	EUR	53,321,327	G	10		100.00	Generali Deutschland Krankenversicherung AG	100.00	100.00
Deutsche Bausparkasse Badenia Aktiengesellschaft	094	EUR	40,560,000	G	7		100.00	Generali Deutschland AG	100.00	100.00
AM Vers Erste Immobilien AG & Co. KG	094	EUR	16,775,749	G	10		100.00	Generali Deutschland Versicherung AG	100.00	100.00
Generali Finanz Service GmbH	094	EUR	26,000	G	11		100.00	Generali Deutschland AG	100.00	100.00
AM Sechste Immobilien AG & Co. KG	094	EUR	85,025,000	G	10		100.00	Generali Deutschland Lebensversicherung AG	100.00	100.00
DBB Vermögensverwaltung GmbH & Co. KG	094	EUR	21,214,579	G	10		100.00	Deutsche Bausparkasse Badenia Aktiengesellschaft	100.00	100.00
Generali Deutschland Services GmbH	094	EUR	100,000	G	11		100.00	Generali Deutschland AG	100.00	100.00

Subsidiaries Consolidated line by line

Company	Country	Currency	Share capital in original currency	Method[1]	Activity[2]	Shareholding % Direct	Indirect	Through	Total	Group Equity Ratio[3]
ATLAS Dienstleistungen für Vermögensberatung GmbH	094	EUR	4,100,000	G	11		74.00	Generali Deutschland Lebensversicherung AG	74.00	74.00
Generali Deutschland Gesellschaft für bAV mbH	094	EUR	60,000	G	11		100.00	Generali Deutschland Lebensversicherung AG	100.00	100.00
Cosmos Finanzservice GmbH	094	EUR	25,565	G	11		100.00	Cosmos Versicherung Aktiengesellschaft	100.00	100.00
Generali Engagement Solutions GmbH	094	EUR	250,000	G	11	100.00			100.00	100.00
Generali Pensions- und SicherungsManagement GmbH	094	EUR	25,000	G	11		100.00	Generali Deutschland AG	100.00	100.00
Grundstücksgesellschaft Einkaufszentrum Louisen-Center Bad Homburg mbH & Co. KG	094	EUR	57,975,829	G	10		100.00	Generali Deutschland AG	100.00	100.00
GRE PAN-EU Berlin 2 Sarl	092	EUR	12,000	G	10		100.00	Generali Europe Income Holding S.A.	100.00	95.84
GID Fonds AAREC	094	EUR	1,570,464,888	G	11		0.74	Dialog Lebensversicherungs-Aktiengesellschaft	100.00	100.00
							41.53	Generali Deutschland Lebensversicherung AG		
							46.68	Generali Deutschland Krankenversicherung AG		
							11.05	Cosmos Lebensversicherungs Aktiengesellschaft		
GID Fonds ALAOT	094	EUR	824,541,656	G	11		100.00	Generali Deutschland Lebensversicherung AG	100.00	100.00
GID Fonds CLAOT	094	EUR	279,481,452	G	11		100.00	Cosmos Lebensversicherungs Aktiengesellschaft	100.00	100.00
GID Fonds AVAOT	094	EUR	97,419,151	G	11		100.00	Generali Deutschland Versicherung AG	100.00	100.00
GID Fonds CEAOT	094	EUR	773,972,491	G	11		100.00	Generali Deutschland Krankenversicherung AG	100.00	100.00
GID Fonds GDRET	094	EUR	175,807,521	G	11		21.38	Generali Deutschland AG	100.00	100.00
							2.95	Cosmos Versicherung Aktiengesellschaft		
							28.51	ADVOCARD Rechtsschutzversicherung AG		
							47.16	Dialog Versicherung Aktiengesellschaft		
GID Fonds AMLRET	094	EUR	632,721,002	G	11		100.00	Generali Deutschland Lebensversicherung AG	100.00	100.00
GID Fonds GVMET	094	EUR	339,405,338	G	11		100.00	Generali Deutschland Versicherung AG	100.00	100.00
GID-Fonds GPRET	094	EUR	44,295,016	G	11		94.25	Generali Pensionsfonds AG	94.25	94.25
GID Fonds AVAOT II	094	EUR	44,931,508	G	11		74.93	Generali Deutschland Versicherung AG	100.00	100.00
							20.89	Cosmos Versicherung Aktiengesellschaft		
							4.18	Dialog Versicherung Aktiengesellschaft		
GID Fonds ALRET	094	EUR	2,374,522,987	G	11		100.00	Generali Deutschland Lebensversicherung AG	100.00	100.00
GID Fonds CERET	094	EUR	2,700,047,317	G	11		100.00	Generali Deutschland Krankenversicherung AG	100.00	100.00
GID-Fonds CLRET	094	EUR	755,618,795	G	11		100.00	GID-Fonds CLRET 2	100.00	100.00
GID Fonds DLRET	094	EUR	79,010,376	G	11		100.00	Dialog Lebensversicherungs-Aktiengesellschaft	100.00	100.00
GID Fonds GVRET	094	EUR	325,717,484	G	11		58.16	Generali Deutschland Versicherung AG	100.00	100.00
							41.84	Dialog Versicherung Aktiengesellschaft		
Gentum Nr. 1	094	EUR	786,776,418	G	11		1.01	Dialog Lebensversicherungs-Aktiengesellschaft	100.00	100.00
							31.09	Generali Deutschland Lebensversicherung AG		
							23.46	Generali Deutschland Versicherung AG		
							24.38	Generali Deutschland Krankenversicherung AG		
							9.60	Cosmos Lebensversicherungs Aktiengesellschaft		
							1.12	Cosmos Versicherung Aktiengesellschaft		
							2.39	ADVOCARD Rechtsschutzversicherung AG		
							6.93	Dialog Versicherung Aktiengesellschaft		
GID Fonds AVRET	094	EUR	143,018,851	G	11		100.00	Generali Deutschland Versicherung AG	100.00	100.00

Subsidiaries Consolidated line by line

Company	Country	Currency	Share capital in original currency	Method(1)	Activity(2)	Shareholding % Direct	Indirect	Through	Total	Group Equity Ratio(3)
GID Fonds DLAET	094	EUR	52,853,888	G	11		100.00	Dialog Lebensversicherungs-Aktiengesellschaft	100.00	100.00
GID-Fonds AAINF	094	EUR	190,681,676	G	11		45.90	Generali Deutschland Lebensversicherung AG	100.00	100.00
							29.10	Generali Deutschland Krankenversicherung AG		
							25.00	Cosmos Lebensversicherungs Aktiengesellschaft		
GID-Fonds CLRET 2	094	EUR	2,055,492,433	G	11		100.00	Cosmos Lebensversicherungs Aktiengesellschaft	100.00	100.00
GID-Fonds ALAET	094	EUR	299,164,245	G	11		100.00	Generali Deutschland Lebensversicherung AG	100.00	100.00
GID-Fonds ALAET II	094	EUR	278,494,315	G	11		100.00	Generali Deutschland Lebensversicherung AG	100.00	100.00
Dialog Versicherung Aktiengesellschaft	094	EUR	5,000,000	G	2		100.00	Generali Deutschland AG	100.00	100.00
GIE-Fonds AADMSE	094	EUR	962,173,707	G	11		0.89	Dialog Lebensversicherungs-Aktiengesellschaft	100.00	100.00
							49.21	Generali Deutschland Lebensversicherung AG		
							18.72	Generali Deutschland Krankenversicherung AG		
							19.77	Cosmos Lebensversicherungs Aktiengesellschaft		
							1.59	ENVIVAS Krankenversicherung Aktiengesellschaft		
							9.82	Generali Deutschland Pensionskasse AG		
GIE-Fonds AASBWA	094	EUR	354,858,114	G	11		1.58	Dialog Lebensversicherungs-Aktiengesellschaft	100.00	100.00
							51.70	Generali Deutschland Lebensversicherung AG		
							26.70	Generali Deutschland Krankenversicherung AG		
							20.02	Cosmos Lebensversicherungs Aktiengesellschaft		
Main Square S.a.r.l.	092	EUR	25,000	G	11		5.04	Gentum Nr. 1	100.00	99.34
							47.48	SC GF Pierre		
							47.48	Generali Real Estate Living Investment Fund		
GEDL-FI1 GmbH & Co. offene Investment KG	094	EUR	10,000	G	11		100.00	Generali Deutschland Lebensversicherung AG	100.00	100.00
Generali IARD S.A.	029	EUR	94,630,300	G	2		100.00	Generali France S.A.	100.00	98.60
							0.00	Generali Participations Netherlands N.V.		
Generali Vie S.A.	029	EUR	336,872,976	G	2		0.00	Generali IARD S.A.	100.00	98.60
							100.00	Generali France S.A.		
L'Equité S.A. Cie d'Assurances et Réass.contre les risques de toute nature	029	EUR	26,469,320	G	2		99.99	Generali IARD S.A.	99.99	98.60
							0.01	Generali Vie S.A.		
GFA Caraïbes	029	EUR	6,839,360	G	2		100.00	Generali IARD S.A.	100.00	98.60
							0.00	Generali France S.A.		
Prudence Creole	029	EUR	7,026,960	G	2		95.94	Generali IARD S.A.	95.96	94.62
							0.01	Generali France S.A.		
SAS Lonthènes	029	EUR	529,070	G	10		100.00	Generali Vie S.A.	100.00	98.60
Europ Assistance Océanie S.A.S.	029	XPF	24,000,000	G	11		100.00	Europ Assistance Holding S.A.S.	100.00	99.99
Generali France S.A.	029	EUR	114,623,013	G	4	66.92			98.65	98.60
							31.73	Generali Participations Netherlands N.V.		
Europ Assistance Holding S.A.S.	029	EUR	23,937,936	G	4	96.35			100.00	99.99
							3.65	Generali Participations Netherlands N.V.		
Cofifo S.A.S.	029	EUR	66,231,390	G	9		100.00	Generali France S.A.	100.00	98.60
Suresnes Immobilier S.A.S.	029	EUR	43,040,000	G	10		100.00	Generali Vie S.A.	100.00	98.60
GEII Rivoli Holding SAS	029	EUR	12,000,000	G	10		100.00	Generali Europe Income Holding S.A.	100.00	95.84

Subsidiaries Consolidated line by line

Company	Country	Currency	Share capital in original currency	Method[1]	Activity[2]	Shareholding % Direct	Indirect	Through	Total	Group Equity Ratio[3]
Immobiliere Commerciale des Indes Orientales IMMOCIO	029	EUR	134,543,500	G	10		0.00	Generali IARD S.A.	100.00	98.60
							95.28	Generali Vie S.A.		
							4.72	Generali Retraite		
SAS IMMOCIO CBI	029	EUR	61,058,016	G	10		0.00	Generali Retraite	100.00	98.60
							100.00	Immobiliere Commerciale des Indes Orientales IMMOCIO		
Europ Assistance S.A.	029	EUR	48,123,637	G	2		100.00	Europ Assistance Holding S.A.S.	100.00	99.99
Europ Assistance Brokerage Solutions S.a.r.l.	029	EUR	500,000	G	11		100.00	Europ Assistance Holding S.A.S.	100.00	99.99
Generali Reaumur S.C.	029	EUR	3,582,993	G	10		92.09	Generali Vie S.A.	92.09	90.80
Gconcierges S.A.S.	029	EUR	50,000	G	11		100.00	Europ Assistance Holding S.A.S.	100.00	99.99
Infranity S.A.S.	029	EUR	1,000,000	G	8		51.00	Generali Investments Holding S.p.A.	51.00	50.76
Sycomore Factory SAS	029	EUR	38,676,517	G	9		61.89	Generali Investments Holding S.p.A.	61.89	61.59
Sycomore Asset Management S.A.	029	EUR	3,600,000	G	8		100.00	Sycomore Factory SAS	100.00	61.59
Sycomore Market Solutions SA	029	EUR	1,000,000	G	8		100.00	Sycomore Factory SAS	100.00	61.59
Elics Services Holding SAS	029	EUR	108,450	G	11		80.00	Europ Assistance Holding S.A.S.	80.00	80.00
Generali Retraite	029	EUR	213,541,820	G	2		0.00	Generali IARD S.A.	100.00	98.60
							100.00	Generali France S.A.		
NEC Initiative SAS	029	EUR	1,500,000	G	11		100.00	Sycomore Factory SAS	100.00	61.59
La Médicale SA	029	EUR	14,091,576	G	2		99.99	Generali IARD S.A.	99.99	98.59
SCI Taitbout	029	EUR	49,000,250	G	10		100.00	Generali Vie S.A.	100.00	98.60
GEIH France OPCI	029	EUR	149,271,500	G	11		100.00	Generali Europe Income Holding S.A.	100.00	95.84
SCI GRE PAN-EU 74 Rivoli	029	EUR	1,000	G	10		0.10	Generali Europe Income Holding S.A.	100.00	95.84
							99.90	GEIH France OPCI		
SCI GRE PAN-EU 146 Haussmann	029	EUR	1,000	G	10		0.10	Generali Europe Income Holding S.A.	100.00	95.84
							99.90	GEIH France OPCI		
PARCOLOG France	029	EUR	82,329,809	G	10		100.00	Generali Real Estate Logistics Fund S.C.S. SICAV-RAIF	100.00	95.94
SCI du 68 rue Pierre Charron	029	EUR	1,000	G	10		0.10	Generali Europe Income Holding S.A.	100.00	95.84
							99.90	GEIH France OPCI		
OPPCI K Archives	029	EUR	16,500	G	10		100.00	Generali Europe Income Holding S.A.	100.00	95.84
OPPCI K Charlot	029	EUR	15,300	G	10		100.00	Generali Europe Income Holding S.A.	100.00	95.84
GRE PANEU Cœur Marais SCI	029	EUR	10,000	G	10		0.01	Generali Europe Income Holding S.A.	100.00	95.84
							99.99	OPPCI K Archives		
GRE PANEU Fhive SCI	029	EUR	10,000	G	10		0.01	Generali Europe Income Holding S.A.	100.00	95.84
							99.99	OPPCI K Charlot		
SAS Retail One	029	EUR	1,700,000	G	11		100.00	Retail One Fund SCSp RAIF	100.00	95.84
Retail One Fund OPPCI	029	EUR	120,999,890	G	11		35.29	Generali Vie S.A.	100.00	97.25
							15.80	SC GF Pierre		
							48.91	Retail One Fund SCSp RAIF		
SCI Retail One	029	EUR	103,814,722	G	10		0.10	Generali Vie S.A.	100.00	97.25
							99.90	Retail One Fund OPPCI		
SCI PARCOLOG ISLE D'ABEAU 4	029	EUR	1,000	G	10		0.10	Sarl Parcolog Lyon Isle d'Abeau Gestion	100.00	95.94

Subsidiaries Consolidated line by line

Company	Country	Currency	Share capital in original currency	Method[1]	Activity[2]	Shareholding % Direct	Indirect	Through	Total	Group Equity Ratio[3]
							99.90	SC Generali Logistique		
SCI Issy Bords de Seine 2	029	EUR	7,122,890	G	10		50.00	SC GF Pierre	100.00	97.22
							50.00	Generali Europe Income Holding S.A.		
Elics Services 75015 Sarl	029	EUR	322,086	G	11		100.00	Elics Services Holding SAS	100.00	80.00
Elics Services 69000 S.a.r.l.	029	EUR	60,000	G	11		100.00	Elics Services Holding SAS	100.00	80.00
Elics Services 13100 Sarl	029	EUR	361,000	G	11		100.00	Elics Services Holding SAS	100.00	80.00
Elics Services 78600 Sarl	029	EUR	60,000	G	11		100.00	Elics Services Holding SAS	100.00	80.00
Elics Services 92330 Sarl	029	EUR	60,000	G	11		100.00	Elics Services Holding SAS	100.00	80.00
Elics Services 74600 Sarl	029	EUR	60,000	G	11		100.00	Elics Services Holding SAS	100.00	80.00
Elics Services 44100 Sarl	029	EUR	60,000	G	11		100.00	Elics Services Holding SAS	100.00	80.00
Elics Services 06700 Sarl	029	EUR	899,000	G	11		100.00	Elics Services Holding SAS	100.00	80.00
Elics Services 33170 Sarl	029	EUR	363,000	G	11		100.00	Elics Services Holding SAS	100.00	80.00
Elics Services 83000 S.a.r.l.	029	EUR	100	G	11		100.00	Elics Services Holding SAS	100.00	80.00
Cofilserv'	029	EUR	5,900	G	11		100.00	Elics Services Holding SAS	100.00	80.00
Jeam S.A.S.	029	EUR	40,000	G	11		100.00	Elics Services Holding SAS	100.00	80.00
Synergies @Venir S.A.S.	029	EUR	35,750	G	11		100.00	Elics Services Holding SAS	100.00	80.00
Humadom S.a.r.l.	029	EUR	2,200	G	11		100.00	Elics Services Holding SAS	100.00	80.00
SCI SDM	029	EUR	1,000	G	11		100.00	Synergies @Venir S.A.S.	100.00	80.00
SCIC Aide@Venir	029	EUR	10,000	G	11		94.43	Synergies @Venir S.A.S.	94.43	75.54
VITADOM	029	EUR	10,000	G	11		100.00	Elics Services Holding SAS	100.00	80.00
Aperture Investors France SAS	029	EUR	5,000	G	8		100.00	Aperture Investors UK, Ltd	100.00	69.67
SCI du 54 Avenue Hoche	029	EUR	152,400	G	10		0.00	Generali IARD S.A.	100.00	98.60
							100.00	Generali Vie S.A.		
SCI 42 Notre Dame Des Victoires	029	EUR	12,663,630	G	10		100.00	Generali Vie S.A.	100.00	98.60
SCI Generali Wagram	029	EUR	284,147	G	10		100.00	Generali IARD S.A.	100.00	98.60
							0.00	Generali Vie S.A.		
SCI du Coq	029	EUR	12,877,678	G	10		0.81	Generali IARD S.A.	100.00	98.60
							99.19	Generali Vie S.A.		
SCI Espace Seine-Generali	029	EUR	1,000	G	10		0.10	Generali IARD S.A.	100.00	98.60
							99.90	Generali Vie S.A.		
SC GF Pierre	029	EUR	194,089,512	G	10		97.46	Generali Vie S.A.	100.00	98.60
							2.50	Generali Retraite		
							0.04	Generali Luxembourg S.A.		
SCI Landy-Novatis	029	EUR	672,000	G	10		0.10	Generali Vie S.A.	100.00	98.60
							99.90	SC Novatis		
SCI Cogipar	029	EUR	10,000	G	10		0.01	Generali IARD S.A.	100.00	98.60
							99.99	Generali Vie S.A.		
SC Commerce Paris	029	EUR	1,746,570	G	10		17.04	Generali Vie S.A.	100.00	98.60
							82.96	SC GF Pierre		
SCI Landy-Wilo	029	EUR	1,000,000	G	10		0.10	Generali IARD S.A.	100.00	98.60
							99.90	Generali Vie S.A.		

Subsidiaries Consolidated line by line

Company	Country	Currency	Share capital in original currency	Method[1]	Activity[2]	Shareholding % Direct	Indirect	Through	Total	Group Equity Ratio[3]
Europ Assistance Clearing Center GIE	029	EUR	(vuoto)	G	11		100.00	Europ Assistance Holding S.A.S.	100.00	99.99
SCI Generali Carnot	029	EUR	10,525,000	G	10		100.00	Generali Vie S.A.	100.00	98.60
SCI Generali Commerce 1	029	EUR	100,000	G	10		53.90	SC GF Pierre	100.00	98.60
							46.10	SC Commerce Paris		
SCI Generali Commerce 2	029	EUR	100,000	G	10		0.06	Generali IARD S.A.	100.00	98.60
							99.94	Generali Vie S.A.		
SCI Generali le Moncey	029	EUR	1,923,007	G	10		0.00	Generali IARD S.A.	100.00	98.60
							100.00	Generali Vie S.A.		
SC Generali Logistique	029	EUR	112,480,703	G	10		0.00	Sarl Parcolog Lyon Isle d'Abeau Gestion	100.00	95.94
							100.00	PARCOLOG France		
SCI Parcolog Lille Hénin Beaumont 2	029	EUR	744,977	G	10		100.00	SC Generali Logistique	100.00	95.94
OPCI Parcolog Invest	029	EUR	225,848,750	G	10		0.00	Generali IARD S.A.	100.00	98.38
							88.77	Generali Vie S.A.		
							2.76	Generali Retraite		
							8.47	Generali Real Estate Logistics Fund S.C.S. SICAV-RAIF		
Sarl Parcolog Lyon Isle d'Abeau Gestion	029	EUR	(vuoto)	G	10		100.00	PARCOLOG France	100.00	95.94
SCI Parc Logistique Maisonneuve 1	029	EUR	1,070,000	G	10		100.00	SC Generali Logistique	100.00	95.94
SCI Parc Logistique Maisonneuve 2	029	EUR	8,000	G	10		0.01	Generali Vie S.A.	100.00	95.94
							99.99	SC Generali Logistique		
SCI Parc Logistique Maisonneuve 3	029	EUR	6,065,560	G	10		100.00	SC Generali Logistique	100.00	95.94
SCI Parc Logistique Maisonneuve 4	029	EUR	5,471,190	G	10		100.00	SC Generali Logistique	100.00	95.94
SCI Parcolog Isle D'Abeau 1	029	EUR	5,008,000	G	10		100.00	SC Generali Logistique	100.00	95.94
SCI Parcolog Isle D'Abeau 2	029	EUR	2,008,000	G	10		100.00	SC Generali Logistique	100.00	95.94
SCI Parcolog Isle D'Abeau 3	029	EUR	4,008,000	G	10		100.00	SC Generali Logistique	100.00	95.94
SCI Parcolog Combs La Ville 1	029	EUR	7,001,000	G	10		100.00	SC Generali Logistique	100.00	95.94
SCI Parcolog Bordeaux Cestas	029	EUR	9,508,000	G	10		100.00	SC Generali Logistique	100.00	95.94
SCI Parcolog Marly	029	EUR	7,001,000	G	10		100.00	SC Generali Logistique	100.00	95.94
SCI Parcolog Messageries	029	EUR	1,000	G	10		1.00	Generali Vie S.A.	100.00	95.94
							99.00	SC Generali Logistique		
SCI Commerces Regions	029	EUR	1,000	G	10		100.00	Generali Vie S.A.	100.00	98.60
SCI Thiers Lyon	029	EUR	1,000	G	10		1.00	Generali Vie S.A.	100.00	98.60
							99.00	SC GF Pierre		
SAS Parcolog Lille Henin Beaumont 1	029	EUR	302,845	G	10		100.00	OPCI Parcolog Invest	100.00	98.38
OPCI Generali Bureaux	029	EUR	103,996,539	G	10		0.00	Generali IARD S.A.	100.00	98.60
							95.00	Generali Vie S.A.		
							5.00	Generali Retraite		
OPCI Generali Residentiel	029	EUR	149,607,800	G	10		0.00	Generali IARD S.A.	100.00	98.60
							96.99	Generali Vie S.A.		
							3.01	Generali Retraite		
OFI GB1	029	EUR	153,698,740	G	10		75.73	Generali Vie S.A.	100.00	98.60
							24.27	Generali Retraite		

Subsidiaries Consolidated line by line

Company	Country	Currency	Share capital in original currency	Method[1]	Activity[2]	Shareholding %				Group Equity Ratio[3]
						Direct	Indirect	Through	Total	
OFI GR1	029	EUR	200,481,793	G	10		19.13	Generali IARD S.A.	100.00	98.60
							72.23	Generali Vie S.A.		
							7.18	L'Equité S.A. Cie d'Assurances et Réass.contre les risques de toute nature		
							1.46	Generali Retraite		
SCI 18-20 Paix	029	EUR	20,207,750	G	10		100.00	Generali Vie S.A.	100.00	98.60
SCI Berges de Seine	029	EUR	6,975,233	G	10		100.00	Generali Vie S.A.	100.00	98.60
SCI 6 Messine	029	EUR	9,631,000	G	10		100.00	OFI GR1	100.00	98.60
SCI 204 Pereire	029	EUR	4,480,800	G	10		100.00	OFI GR1	100.00	98.60
SCI du 33 avenue Montaigne	029	EUR	174,496	G	10		100.00	OFI GR1	100.00	98.60
SCI 5/7 Moncey	029	EUR	13,263,396	G	10		100.00	OFI GR1	100.00	98.60
SCI 28 Cours Albert 1er	029	EUR	10,565,945	G	10		100.00	OFI GR1	100.00	98.60
SC Novatis	029	EUR	17,081,141	G	10		0.00	Generali IARD S.A.	100.00	98.60
							100.00	Generali Vie S.A.		
SCI Saint Michel	029	EUR	3,713,657	G	10		100.00	Generali Vie S.A.	100.00	98.60
Sarl Breton	029	EUR	38,687,973	G	10		100.00	Generali Vie S.A.	100.00	98.60
SCI Luxuary Real Estate	029	EUR	1,000	G	10		100.00	Generali Vie S.A.	100.00	98.60
SCI Galilée	029	EUR	2,825,875	G	10		0.00	Generali Vie S.A.	99.01	97.63
							99.01	SC GF Pierre		
SCI 40 Notre Dame Des Victoires	029	EUR	3,121,939	G	10		100.00	SC GF Pierre	100.00	98.60
SCI Living Clichy	029	EUR	250	G	10		100.00	Generali Real Estate Living Investment Fund	100.00	100.00
Corbas SCI	029	EUR	12,000	G	11		100.00	SC Generali Logistique	100.00	95.94
SCI Saint Germain	029	EUR	12,000	G	10		100.00	Generali Real Estate Living Investment Fund	100.00	100.00
Europäische Reiseversicherung Aktiengesellschaft	008	EUR	730,000	G	2		74.99	Europ Assistance Austria Holding GmbH	74.99	74.97
HSR Verpachtung GmbH	008	EUR	100,000	G	10		40.00	Generali Versicherung AG	100.00	84.96
							60.00	BAWAG P.S.K. Versicherung AG		
Generali Versicherung AG	008	EUR	70,000,000	G	2		25.00	Generali Beteiligungs- und Vermögensverwaltung GmbH	100.00	99.95
							75.00	Generali Beteiligungsverwaltung GmbH		
BAWAG P.S.K. Versicherung AG	008	EUR	12,000,000	G	2		75.00	Generali Versicherung AG	75.00	74.96
Europ Assistance Gesellschaft mbH	008	EUR	70,000	G	11		100.00	Europ Assistance Austria Holding GmbH	100.00	99.97
Europ Assistance Austria Holding GmbH	008	EUR	100,000	G	4		49.99	Generali Versicherung AG	100.00	99.97
							50.01	Europ Assistance S.A.		
Car Care Consult Versicherungsvermittlung GmbH	008	EUR	60,000	G	11		100.00	Generali Versicherung AG	100.00	99.95
Generali Beteiligungs- und Vermögensverwaltung GmbH	008	EUR	35,000	G	4		100.00	Generali Beteiligungsverwaltung GmbH	100.00	99.95
Allgemeine Immobilien-Verwaltungs GmbH & Co. KG	008	EUR	17,441,553	G	10		100.00	Generali Versicherung AG	100.00	99.95
Generali Immobilien GmbH	008	EUR	4,900,000	G	10		100.00	Generali Versicherung AG	100.00	99.95
Generali Beteiligungsverwaltung GmbH	008	EUR	3,370,297	G	4	67.53			100.00	99.95
							32.47	Generali Participations Netherlands N.V.		
Generali Bank AG	008	EUR	26,000,000	G	7		100.00	Generali Versicherung AG	100.00	99.95
TTC - Training Center Unternehmensberatung GmbH	008	EUR	35,000	G	11		100.00	Europäische Reiseversicherung Aktiengesellschaft	100.00	74.97

Subsidiaries Consolidated line by line

Company	Country	Currency	Share capital in original currency	Method[1]	Activity[2]	Shareholding % Direct	Indirect	Through	Total	Group Equity Ratio[3]
3 Banken-Generali-GLStock	008	EUR	4,680	G	11		100.00	Generali Versicherung AG	100.00	99.95
3 Banken Generali GLBond Spezialfonds	008	EUR	(vuoto)	G	11		100.00	Generali Versicherung AG	100.00	99.95
3 Banken-Generali-GSBond	008	EUR	3,650	G	11		100.00	Generali Versicherung AG	100.00	99.95
3 Banken-Generali - GEN4A Spezialfonds	008	EUR	21,935	G	11		100.00	Generali Versicherung AG	100.00	99.95
BAWAG PSK Spezial 6	008	EUR	15,130	G	11		100.00	BAWAG P.S.K. Versicherung AG	100.00	74.96
3 Banken-Generali - GNLStock	008	EUR	1,248,500	G	11		100.00	Generali Versicherung AG	100.00	99.95
3 Banken-Generali-GHStock	008	EUR	313,061	G	11		100.00	Generali Versicherung AG	100.00	99.95
Generali European Retail Investments Holdings S.A.	092	EUR	1,006,050	G	8		100.00	Generali European Real Estate Investments S.A.	100.00	99.40
Generali Luxembourg S.A.	092	EUR	45,000,000	G	2		100.00	Generali Vie S.A.	100.00	98.60
Living Fund Master HoldCo S.à r.l.	092	EUR	12,000	G	11		100.00	Generali Real Estate Living Investment Fund	100.00	100.00
Living Fund PropCo I S.à r.l.	092	EUR	20,712,000	G	11		100.00	SC GF Pierre	100.00	98.60
CattRe S.A.	092	EUR	63,600,000	G	5	100.00			100.00	100.00
Generali Investments Luxembourg S.A.	092	EUR	1,921,900	G	8		100.00	Generali Investments Holding S.p.A.	100.00	99.52
Generali Real Asset Multi-Manager	092	EUR	250,000	G	10		100.00	Generali Real Estate S.p.A.	100.00	100.00
Generali North American Holding 1 S.A.	092	USD	13,246,799	G	11		63.40	Generali Vie S.A.	100.00	98.60
							36.60	Generali Retraite		
Generali North American Holding 2 S.A.	092	USD	7,312,384	G	11		100.00	Generali Northern America Real Estate Investments GmbH & Co. KG	100.00	99.89
Generali North American Holding S.A.	092	USD	16,200,800	G	8		22.22	Alleanza Assicurazioni S.p.A.	100.00	100.00
							10.56	Genertellife S.p.A.		
							67.22	Generali Italia S.p.A.		
Generali Europe Income Holding S.A.	092	EUR	2,183,173,880	G	8		3.34	Generali Versicherung AG	96.69	95.84
							1.90	BAWAG P.S.K. Versicherung AG		
							0.13	Generali Immobilien GmbH		
							1.32	GP Reinsurance EAD		
							14.86	Generali European Real Estate Income Investments GmbH & Co. KG		
							3.85	Generali España, S.A. de Seguros y Reaseguros		
							18.60	Generali Vie S.A.		
							0.19	GFA Caraïbes		
							0.19	Prudence Creole		
							0.32	Europ Assistance S.A.		
							6.36	Generali Retraite		
							44.69	Fondo Donizetti		
							0.32	Generali Luxembourg S.A.		
							0.62	Generali Seguros, S.A.		
GRE PAN-EU Munich 1 S.à r.l.	092	EUR	12,500	G	9		100.00	Generali Europe Income Holding S.A.	100.00	95.84
GRE PAN-EU Hamburg 1 S.à r.l.	092	EUR	12,500	G	9		100.00	Generali Europe Income Holding S.A.	100.00	95.84
GRE PAN-EU Hamburg 2 S.à r.l.	092	EUR	12,500	G	9		100.00	Generali Europe Income Holding S.A.	100.00	95.84
GRE PAN-EU Frankfurt 1 S.à r.l.	092	EUR	12,000	G	10		100.00	Generali Europe Income Holding S.A.	100.00	95.84
Cologne 1 S.à.r.l.	092	EUR	64,271,000	G	11		89.00	Generali Europe Income Holding S.A.	100.00	96.24
							11.00	Generali Real Estate Asset Repositioning S.A.		

Subsidiaries Consolidated line by line

Company	Country	Currency	Share capital in original currency	Method[(1)]	Activity[(2)]	Shareholding % Direct	Indirect	Through	Total	Group Equity Ratio[(3)]
Retail One Fund SCSp RAIF	092	EUR	220,000,000	G	11		100.00	Generali Europe Income Holding S.A.	100.00	95.84
Generali Real Estate Logistics Fund S.C.S. SICAV-RAIF	092	EUR	686,911,138	G	10		12.12	Generali Deutschland Lebensversicherung AG	96.58	95.94
							7.43	Generali Deutschland Krankenversicherung AG		
							6.24	Cosmos Lebensversicherungs Aktiengesellschaft		
							42.88	Generali Vie S.A.		
							3.12	Generali Retraite		
							22.21	Fondo Donizetti		
							2.58	Generali Seguros, S.A.		
Generali Core High Street Retail Fund	092	EUR	645,087,726	G	10		11.14	Generali Deutschland Lebensversicherung AG	100.00	99.59
							7.43	Generali Deutschland Krankenversicherung AG		
							6.19	Cosmos Lebensversicherungs Aktiengesellschaft		
							6.19	L'Equité S.A. Cie d'Assurances et Réass.contre les risques de toute nature		
							13.83	Generali Vie S.A.		
							9.58	Generali Retraite		
							45.66	Fondo Donizetti		
							0.00	Generali Real Asset Multi-Manager		
Generali Real Estate Debt Investment Fund S.C.Sp RAIF	092	EUR	1,246,468,192	G	11		10.42	Generali Deutschland Lebensversicherung AG	87.52	87.17
							5.55	Generali Deutschland Krankenversicherung AG		
							6.25	Cosmos Lebensversicherungs Aktiengesellschaft		
							1.25	Generali España, S.A. de Seguros y Reaseguros		
							0.00	Generali Real Asset Multi-Manager		
							7.52	Generali IARD S.A.		
							12.71	Generali Vie S.A.		
							2.08	L'Equité S.A. Cie d'Assurances et Réass.contre les risques de toute nature		
							0.35	GFA Caraïbes		
							0.35	Prudence Creole		
							1.49	Generali Retraite		
							10.97	Alleanza Assicurazioni S.p.A.		
							7.50	Genertellife S.p.A.		
							21.10	Generali Italia S.p.A.		
Generali Core+ Fund GP	092	EUR	316,200,100	G	11		16.00	Generali Deutschland Lebensversicherung AG	96.87	96.45
							9.60	Generali Deutschland Krankenversicherung AG		
							6.40	Cosmos Lebensversicherungs Aktiengesellschaft		
							19.87	Generali Vie S.A.		
							1.81	GFA Caraïbes		
							1.79	Prudence Creole		
							1.53	Generali Retraite		
							39.87	Fondo Donizetti		
							0.00	Core+ Fund GP		

Subsidiaries Consolidated line by line

Company	Country	Currency	Share capital in original currency	Method[1]	Activity[2]	Shareholding % Direct	Indirect	Through	Total	Group Equity Ratio[3]
Generali SCF Sàrl	092	EUR	12,000	G	11		100.00	Generali Shopping Centre Fund S.C.S. SICAV-SIF	100.00	99.60
Generali High Street Retail Sàrl	092	EUR	12,000	G	11		100.00	Generali Core High Street Retail Fund	100.00	99.59
Generali Real Estate Living Investment Fund	092	EUR	265,120,100	G	11		5.50	Generali Deutschland Lebensversicherung AG	100.00	100.00
							4.48	Generali Deutschland Krankenversicherung AG		
							3.77	Cosmos Lebensversicherungs Aktiengesellschaft		
							86.26	Fondo Donizetti		
							0.00	Generali Real Asset Multi-Manager		
Core+ Fund GP	092	EUR	12,000	G	11		100.00	Generali Real Estate S.p.A.	100.00	100.00
Generali Core+ Soparfi S.à r.l.	092	EUR	12,000	G	11		100.00	Generali Core+ Fund GP	100.00	96.45
GRE PAN-EU LUXEMBOURG 1 Sàrl	092	EUR	12,000	G	10		100.00	Generali Core High Street Retail Fund	100.00	99.59
GRELIF SPV1 S.à r.l.	092	EUR	12,000	G	11		100.00	Generali Real Estate Logistics Fund S.C.S. SICAV-RAIF	100.00	95.94
Alto 1 S.à r.l.	092	EUR	12,500	G	11		100.00	Generali Europe Income Holding S.A.	100.00	95.84
Generali European Real Estate Investments S.A.	092	EUR	154,972,858	G	8		7.98	Generali Versicherung AG	100.00	99.40
							19.95	Generali Deutschland Lebensversicherung AG		
							3.99	Generali España, S.A. de Seguros y Reaseguros		
							38.84	Generali Vie S.A.		
							3.38	Generali Retraite		
							23.95	Generali Italia S.p.A.		
							1.91	Generali Seguros, S.A.		
Frescobaldi S.à.r.l.	092	EUR	1,000,000	G	9		100.00	Generali European Real Estate Investments S.A.	100.00	99.40
GLL AMB Generali Cross-Border Property Fund FCP	092	EUR	53,888,215	G	9		53.85	Generali Deutschland Lebensversicherung AG	100.00	100.00
							30.77	Generali Deutschland Krankenversicherung AG		
							15.38	Cosmos Lebensversicherungs Aktiengesellschaft		
BG Fund Management Luxembourg S.A.	092	EUR	2,000,000	G	11		100.00	Banca Generali S.p.A.	100.00	51.27
Corelli S.à.r.l.	092	EUR	1,000,000	G	9		100.00	Generali European Real Estate Investments S.A.	100.00	99.40
Torelli S.à.r.l.	092	EUR	712,500	G	9		100.00	Generali European Real Estate Investments S.A.	100.00	99.40
GLL AMB Generali Bankcenter S.à.r.l.	092	EUR	41,393,476	G	11		100.00	GLL AMB Generali Cross-Border Property Fund FCP	100.00	100.00
Generali Real Estate Asset Repositioning S.A.	092	EUR	384,793,762	G	11		10.29	Generali Deutschland Lebensversicherung AG	100.00	99.47
							6.17	Generali Deutschland Krankenversicherung AG		
							4.12	Cosmos Lebensversicherungs Aktiengesellschaft		
							3.19	Generali España, S.A. de Seguros y Reaseguros		
							35.50	Generali Vie S.A.		
							2.33	Generali Retraite		
							38.39	Fondo Donizetti		
Generali Shopping Centre Fund GP S.à r.l.	092	EUR	12,000	G	11		100.00	Generali Real Estate S.p.A.	100.00	100.00
Generali Shopping Centre Fund S.C.S. SICAV-SIF	092	EUR	157,756,185	G	11		11.99	Generali Deutschland Lebensversicherung AG	100.00	99.60
							4.50	Generali Deutschland Versicherung AG		
							7.49	Generali Deutschland Krankenversicherung AG		
							6.00	Cosmos Lebensversicherungs Aktiengesellschaft		
							5.00	Generali España, S.A. de Seguros y Reaseguros		
							25.73	Generali Vie S.A.		

Subsidiaries Consolidated line by line

Company	Country	Currency	Share capital in original currency	Method[1]	Activity[2]	Shareholding % Direct	Indirect	Through	Total	Group Equity Ratio[3]
							2.25	Generali Retraite		
							36.98	Fondo Donizetti		
							0.06	Generali Shopping Centre Fund GP S.à r.l.		
GREDIF Finance Sarl	092	EUR	12,000	G	10		100.00	Generali Real Estate Debt Investment Fund S.C.Sp RAIF	100.00	87.17
GRE PAN EU London 1 S.à r.l.	092	GBP	67,012,000	G	10		50.00	SC GF Pierre	100.00	97.22
							50.00	Generali Europe Income Holding S.A.		
GRE PAN-EU FRANKFURT 3 Sarl	092	EUR	12,000	G	10		100.00	Generali Europe Income Holding S.A.	100.00	95.84
PAN EU K26 S.à r.l.	092	EUR	12,000	G	11		100.00	Generali Europe Income Holding S.A.	100.00	95.84
GRELIF DUTCH S.à r.l.	092	EUR	12,000	G	11		100.00	Generali Real Estate Logistics Fund S.C.S. SICAV-RAIF	100.00	95.94
Berlin Franzosische 53-55 S.à r.l.	092	EUR	71,112,000	G	10		100.00	SC GF Pierre	100.00	98.60
Generali Real Estate Debt Investment Fund II	092	EUR	42,000,100	G	11		17.77	Generali Deutschland Lebensversicherung AG	100.00	99.83
							9.48	Generali Deutschland Krankenversicherung AG		
							8.29	Cosmos Lebensversicherungs Aktiengesellschaft		
							1.18	Generali España, S.A. de Seguros y Reaseguros		
							9.48	Generali IARD S.A.		
							9.48	Genertellife S.p.A.		
							2.37	L'Equité S.A. Cie d'Assurances et Réass.contre les risques de toute nature		
							0.47	Generali Hellas Insurance Company S.A.		
							14.22	Alleanza Assicurazioni S.p.A.		
							23.70	Generali Italia S.p.A.		
							0.00	Generali Real Asset Multi-Manager		
							3.55	Generali Seguros, S.A.		
Generali Financial Holding FCP-FIS - Sub-Fund 2	092	EUR	10,387,883	G	11		5.38	Generali Deutschland AG	100.00	99.81
							11.46	Generali Vie S.A.		
							5.41	Alleanza Assicurazioni S.p.A.		
							8.24	Genertellife S.p.A.		
							51.06	Generali Italia S.p.A.		
							18.45	Generali Participations Netherlands N.V.		
Generali España, S.A. de Seguros y Reaseguros	067	EUR	60,925,401	G	2		95.24	Generali España Holding de Entidades de Seguros S.A.	99.91	99.90
							4.67	Hermes Sociedad Limitada de Servicios Inmobiliarios y Generales		
Cajamar Vida S.A. de Seguros y Reaseguros	067	EUR	9,015,200	G	2		50.00	Generali España Holding de Entidades de Seguros S.A.	50.00	50.00
Cajamar Seguros Generales, S.A. de Seguros y Reaseguros	067	EUR	9,015,200	G	2		50.00	Generali España Holding de Entidades de Seguros S.A.	50.00	50.00
Europ Assistance Servicios Integrales de Gestion, S.A.	067	EUR	400,000	G	11		100.00	Europ Assistance S.A.	100.00	99.99
SEGMAN Servicios y Gestión del Mantenimiento, S.L.	067	EUR	120,200	G	11		100.00	Europ Assistance Servicios Integrales de Gestion, S.A.	100.00	99.99
Generali España Holding de Entidades de Seguros S.A.	067	EUR	563,490,658	G	4	100.00			100.00	100.00
Hermes Sociedad Limitada de Servicios Inmobiliarios y Generales	067	EUR	24,933,093	G	10		100.00	Generali España, S.A. de Seguros y Reaseguros	100.00	99.90

Subsidiaries Consolidated line by line

Company	Country	Currency	Share capital in original currency	Method[1]	Activity[2]	Shareholding % Direct	Indirect	Through	Total	Group Equity Ratio[3]
Vitalicio Torre Cerdà S.l.	067	EUR	1,112,880	G	10		90.66	Generali España, S.A. de Seguros y Reaseguros	100.00	99.90
							9.34	Grupo Generali España, A.I.E.		
Grupo Generali España, A.I.E.	067	EUR	35,599,000	G	11		99.97	Generali España, S.A. de Seguros y Reaseguros	100.00	99.90
							0.00	Cajamar Vida S.A. de Seguros y Reaseguros		
							0.00	Cajamar Seguros Generales, S.A. de Seguros y Reaseguros		
							0.01	Generali España Holding de Entidades de Seguros S.A.		
							0.01	Generali Seguros, S.A.		
Preciados 9 Desarrollos Urbanos SL	067	EUR	3,032	G	10		100.00	Generali Europe Income Holding S.A.	100.00	95.84
GRE PAN-EU Madrid 2 SL	067	EUR	3,000	G	11		100.00	Generali Europe Income Holding S.A.	100.00	95.84
GRE PAN-EU Barcelona, S.L.	067	EUR	12,000	G	11		100.00	Generali Europe Income Holding S.A.	100.00	95.84
GRE Barcelona Retail 1 SL	067	EUR	12,000	G	10		100.00	Generali Core High Street Retail Fund	100.00	99.59
GDE Construcciones, S.L	067	EUR	594,990	G	11		100.00	Europ Assistance Servicios Integrales de Gestion, S.A.	100.00	99.99
Generali Seguros, S.A.	055	EUR	117,597,097	G	2	100.00			100.00	100.00
Advancecare – Gestão de Serviços de Saúde, S.A.	055	EUR	4,500,000	G	11		100.00	Europ Assistance Holding S.A.S.	100.00	99.99
Esumédica - Prestação de Cuidados Médicos, S.A.	055	EUR	50,000	G	11		100.00	Advancecare – Gestão de Serviços de Saúde, S.A.	100.00	99.99
Advance Mediação de Seguros, Unipessoal Lda	055	EUR	5,000	G	11		100.00	Advancecare – Gestão de Serviços de Saúde, S.A.	100.00	99.99
Europ Assistance - Serviços de Assistencia Personalizados S.A.	055	EUR	250,000	G	11		99.98	Europ Assistance S.A.	99.98	99.97
GRE PAN-EU Lisbon 1, S.A.	055	EUR	50,000	G	11		100.00	Generali Europe Income Holding S.A.	100.00	95.84
GRE PAN-EU Lisbon Office Oriente, S.A.	055	EUR	12,250,000	G	11		100.00	GRE PAN-EU Lisbon 1, S.A.	100.00	95.84
Ponte Alta, SGPS, Unipessoal, Lda.	055	EUR	400,000	G	11		100.00	Europ Assistance S.A.	100.00	99.99
Europ Assistance Services S.A.	009	EUR	186,000	G	11		100.00	Europ Assistance S.A.	100.00	99.99
GRE PAN-EU Brussels 1 s.p.r.l.	009	EUR	18,550	G	11		100.00	Generali Europe Income Holding S.A.	100.00	95.84
Project Montoyer S.A.	009	EUR	3,671,500	G	11		100.00	Generali Europe Income Holding S.A.	100.00	95.84
Generali Participations Netherlands N.V.	050	EUR	3,000,000,000	G	4	60.77			100.00	99.84
							11.21	Generali Beteiligungs-GmbH		
							5.32	Generali IARD S.A.		
							5.88	Generali Vie S.A.		
							2.80	Genertellife S.p.A.		
							14.01	Generali Italia S.p.A.		
Redoze Holding N.V.	050	EUR	22,690,000	G	9	49.99			100.00	99.92
							50.01	Generali Participations Netherlands N.V.		
Generali Asia N.V.	050	EUR	250,000	G	4		100.00	Generali Participations Netherlands N.V.	100.00	99.84
Generali Turkey Holding B.V.	050	EUR	100,000	G	4		100.00	Generali Participations Netherlands N.V.	100.00	99.84
Saxon Land B.V.	050	EUR	15,576	G	10		30.00	Generali Deutschland AG	100.00	99.58
							24.00	Generali Vie S.A.		
							6.00	Generali Retraite		
							10.00	Alleanza Assicurazioni S.p.A.		
							10.00	Genertellife S.p.A.		
							20.00	Generali Italia S.p.A.		
Lion River I N.V.	050	EUR	648,850	G	9	26.69			100.00	99.57

Subsidiaries Consolidated line by line

Company	Country	Currency	Share capital in original currency	Method[1]	Activity[2]	Shareholding % Direct	Indirect	Through	Total	Group Equity Ratio[3]
							0.29	Generali Versicherung AG		
							0.03	BAWAG P.S.K. Versicherung AG		
							0.00	Generali Insurance AD		
							0.00	Generali Towarzystwo Ubezpieczeń Spółka Akcyjna		
							0.00	Generali Życie Towarzystwo Ubezpieczeń Spółka Akcyjna		
							0.00	Generali Romania Asigurare Reasigurare S.A.		
							0.03	GP Reinsurance EAD		
							0.31	Generali Assurances Générales SA		
							0.08	Generali Česká Pojišťovna a.s.		
							27.66	Generali Deutschland AG		
							0.62	Generali Deutschland Lebensversicherung AG		
							0.10	Generali Deutschland Versicherung AG		
							0.38	Generali Deutschland Krankenversicherung AG		
							0.22	Cosmos Lebensversicherungs Aktiengesellschaft		
							0.25	Generali España, S.A. de Seguros y Reaseguros		
							0.12	Generali IARD S.A.		
							27.68	Generali Vie S.A.		
							1.01	Generali Retraite		
							0.00	Generali Osiguranje d.d.		
							0.01	Generali Biztosító Zrt.		
							0.01	Genertel S.p.A.		
							0.89	Alleanza Assicurazioni S.p.A.		
							0.00	D.A.S. Difesa Automobilistica Sinistri - S.p.A. di Assicurazione		
							0.00	Generali Investments Holding S.p.A.		
							0.13	Genertellife S.p.A.		
							0.00	Tua Assicurazioni S.p.A.		
							1.81	Generali Italia S.p.A.		
							11.56	Lion River II N.V.		
							0.11	Generali CEE Holding B.V.		
							0.00	Generali zavarovalnica d.d. Ljubljana		
Generali Horizon B.V.	050	EUR	90,760	G	9		100.00	Generali Participations Netherlands N.V.	100.00	99.84
Lion River II N.V.	050	EUR	48,500	G	9		2.06	Generali Beteiligungs-GmbH	100.00	99.82
							2.06	Generali Vie S.A.		
							2.06	Generali Italia S.p.A.		
							93.81	Generali Participations Netherlands N.V.		
Dc De Burght B.V.	050	EUR	12,000	G	11		100.00	GRELIF DUTCH S.à r.l.	100.00	95.94
Generali CEE Holding B.V.	275	EUR	2,621,820	G	4	100.00			100.00	100.00
GW Beta B.V.	050	EUR	400,001,626	G	4		51.00	Generali Financial Holding FCP-FIS - Sub-Fund 2	100.00	99.90
							49.00	Generali CEE Holding B.V.		
Lumyna Investments Limited	031	USD	5,000,000	G	8		100.00	Generali Investments Holding S.p.A.	100.00	99.52
Aperture Investors UK, Ltd	031	USD	5,957,152	G	8		100.00	Aperture Investors, LLC	100.00	69.67

Subsidiaries Consolidated line by line

Company	Country	Currency	Share capital in original currency	Method[1]	Activity[2]	Shareholding % Direct	Indirect	Through	Total	Group Equity Ratio[3]
Generali Saxon Land Development Company Ltd	031	GBP	250,000	G	11		30.00	Generali Deutschland AG	100.00	99.58
							24.00	Generali Vie S.A.		
							6.00	Generali Retraite		
							10.00	Alleanza Assicurazioni S.p.A.		
							10.00	Genertellife S.p.A.		
							20.00	Generali Italia S.p.A.		
Vera Financial Designated Activity Company	040	EUR	802,885	G	2		100.00	Vera Vita S.p.A.	100.00	65.00
Genirland Limited	040	EUR	113,660,000	G	4		100.00	Generali Participations Netherlands N.V.	100.00	99.84
Generali US Fund	040	USD	85,739,012	G	11		2.51	Generali Insurance AD	100.00	99.94
							21.78	GP Reinsurance EAD		
							58.88	Generali Česká Pojišťovna a.s.		
							0.20	Európai Utazási Biztosító Zrt.		
							6.56	Generali Towarzystwo Ubezpieczeń Spółka Akcyjna		
							2.25	Generali Życie Towarzystwo Ubezpieczeń Spółka Akcyjna		
							2.57	Generali Romania Asigurare Reasigurare S.A.		
							5.25	Generali zavarovalnica d.d. Ljubljana		
Generali WE Fund	040	EUR	59,838,586	G	11		2.53	Generali Insurance AD	100.00	99.93
							22.07	GP Reinsurance EAD		
							59.07	Generali Česká Pojišťovna a.s.		
							0.24	Európai Utazási Biztosító Zrt.		
							6.47	Generali Towarzystwo Ubezpieczeń Spółka Akcyjna		
							2.28	Generali Życie Towarzystwo Ubezpieczeń Spółka Akcyjna		
							2.46	Generali Romania Asigurare Reasigurare S.A.		
							4.88	Generali zavarovalnica d.d. Ljubljana		
Generali EM Fund	040	USD	30,405,777	G	11		2.53	Generali Życie Towarzystwo Ubezpieczeń Spółka Akcyjna	100.00	99.88
							3.05	Generali Insurance AD		
							26.43	GP Reinsurance EAD		
							51.44	Generali Česká Pojišťovna a.s.		
							0.40	Európai Utazási Biztosító Zrt.		
							7.44	Generali Towarzystwo Ubezpieczeń Spółka Akcyjna		
							2.85	Generali Romania Asigurare Reasigurare S.A.		
							5.86	Generali zavarovalnica d.d. Ljubljana		
Generali CEE Fund	040	EUR	43,329,620	G	11		3.49	Generali Insurance AD	100.00	99.90
							16.25	GP Reinsurance EAD		
							61.18	Generali Česká Pojišťovna a.s.		
							0.34	Európai Utazási Biztosító Zrt.		
							9.30	Generali Towarzystwo Ubezpieczeń Spółka Akcyjna		
							3.27	Generali Życie Towarzystwo Ubezpieczeń Spółka Akcyjna		
							3.50	Generali Romania Asigurare Reasigurare S.A.		
							2.67	Generali zavarovalnica d.d. Ljubljana		

Subsidiaries Consolidated line by line

Company	Country	Currency	Share capital in original currency	Method[1]	Activity[2]	Shareholding %				Group Equity Ratio[3]
						Direct	Indirect	Through	Total	
Købmagergade 39 ApS	021	EUR	50,000	G	11		100.00	Generali Europe Income Holding S.A.	100.00	95.84
Generali Hellas Insurance Company S.A.	032	EUR	59,576,760	G	2	99.99			99.99	99.99
Europ Assistance Service Greece Single Member Private Company	032	EUR	940,000	G	11		100.00	Europ Assistance Holding S.A.S.	100.00	99.99
Generali Biztosító Zrt.	077	HUF	4,500,000,000	G	2		100.00	Generali CEE Holding B.V.	100.00	100.00
Európai Utazási Biztosító Zrt.	077	HUF	400,000,000	G	2		13.00	Europäische Reiseversicherung Aktiengesellschaft	74.00	70.75
							61.00	Generali Biztosító Zrt.		
Europ Assistance Magyarorszag Kft	077	HUF	632,107,000	G	11		74.00	Europ Assistance Holding S.A.S.	100.00	100.00
							26.00	Generali Biztosító Zrt.		
Vàci utca Center Üzletközpont Kft	077	HUF	4,497,122	G	10		100.00	Generali Immobilien GmbH	100.00	99.95
Generali-Ingatlan Vagyonkezelő és Szolgáltató Kft.	077	HUF	5,296,788,320	G	10		100.00	Generali Biztosító Zrt.	100.00	100.00
Generali Alapkezelő Zártkörűen Működő Részvénytársaság	077	HUF	500,000,000	G	8		74.00	Generali Biztosító Zrt.	100.00	100.00
							26.00	Generali CEE Holding B.V.		
Genertel Biztosító Zrt.	077	HUF	1,190,000,000	G	2		100.00	Generali Biztosító Zrt.	100.00	100.00
Europ Assistance s.r.o.	275	CZK	3,866,666	G	11		25.00	Generali Česká Pojišťovna a.s.	100.00	100.00
							75.00	Europ Assistance Holding S.A.S.		
Generali Česká distribuce, a.s.	275	CZK	2,000,000	G	11		100.00	Generali Česká Pojišťovna a.s.	100.00	100.00
GRE PAN-EU Prague 1 s.r.o.	275	EUR	1,000	G	11		100.00	Generali Europe Income Holding S.A.	100.00	95.84
PCS Praha Center Spol.s.r.o.	275	CZK	396,206,000	G	10		100.00	Generali Versicherung AG	100.00	99.95
Pařížská 26, s.r.o.	275	CZK	200,000	G	10		100.00	Generali Česká Pojišťovna a.s.	100.00	100.00
Palac Krizik a.s.	275	CZK	2,020,000	G	10		50.00	Generali Česká Pojišťovna a.s.	100.00	100.00
							50.00	Generali Real Estate Fund CEE a.s., investiční fond		
IDEE s.r.o.	275	CZK	200,000	G	10		100.00	Generali Real Estate Fund CEE a.s., investiční fond	100.00	100.00
Small GREF a.s.	275	CZK	227,000,000	G	10		7.05	Generali Insurance AD	100.00	100.00
							29.52	Generali Česká Pojišťovna a.s.		
							15.86	Generali Biztosító Zrt.		
							23.35	Generali Towarzystwo Ubezpieczeń Spółka Akcyjna		
							24.23	Generali Życie Towarzystwo Ubezpieczeń Spółka Akcyjna		
Náměstí Republiky 3a, s.r.o.	275	CZK	1,000,000	G	10		100.00	Generali Real Estate Fund CEE a.s., investiční fond	100.00	100.00
Mustek Properties, s.r.o.	275	CZK	200,000	G	10		100.00	Generali Real Estate Fund CEE a.s., investiční fond	100.00	100.00
Office Center Purkyňova, a.s.	275	CZK	2,000,000	G	10		100.00	Generali Real Estate Fund CEE a.s., investiční fond	100.00	100.00
Palác Špork, a.s.	275	CZK	2,000,000	G	10		100.00	Generali Real Estate Fund CEE a.s., investiční fond	100.00	100.00
Pankrác West a.s.	275	CZK	2,000,000	G	10		100.00	Generali Real Estate Fund CEE a.s., investiční fond	100.00	100.00
Pankrác East a.s.	275	CZK	4,000,000	G	10		100.00	Generali Real Estate Fund CEE a.s., investiční fond	100.00	100.00
GRE PAN-EU Jeruzalemská s.r.o.	275	CZK	1,000	G	11		100.00	Generali Real Estate Asset Repositioning S.A.	100.00	99.47
PAN EU Kotva Prague a.s.	275	CZK	2,000,000	G	11		100.00	Generali Real Estate Asset Repositioning S.A.	100.00	99.47
PAN EU IBC Prague s.r.o.	275	CZK	1,000	G	11		100.00	Generali Core+ Soparfi S.à r.l.	100.00	96.45
SISAL SRO	275	CZK	12,000	G	11		100.00	Generali Real Estate Living Investment Fund	100.00	100.00
Generali Česká Pojišťovna a.s.	275	CZK	4,000,000,000	G	2		100.00	Generali CEE Holding B.V.	100.00	100.00
Generali penzijní společnost, a.s.	275	CZK	50,000,000	G	11		100.00	Generali Česká Pojišťovna a.s.	100.00	100.00
Generali Investments CEE, Investiční Společnost, a.s.	275	CZK	91,000,000	G	8		100.00	Generali CEE Holding B.V.	100.00	100.00

Subsidiaries Consolidated line by line

Company	Country	Currency	Share capital in original currency	Method[1]	Activity[2]	Shareholding % Direct	Indirect	Through	Total	Group Equity Ratio[3]
Acredité s.r.o.	275	CZK	100,000	G	11		100.00	Generali Česká Pojišťovna a.s.	100.00	100.00
Generali Real Estate Fund CEE a.s., investiční fond	275	CZK	552,000,000	G	9		25.18	GP Reinsurance EAD	100.00	100.00
							24.64	Small GREF a.s.		
							50.18	Generali Česká Pojišťovna a.s.		
Solitaire Real Estate, a.s.	275	CZK	128,296,000	G	10		100.00	Generali Real Estate Fund CEE a.s., investiční fond	100.00	100.00
Green Point Offices s.r.o.	276	EUR	25,000	G	10		100.00	Generali Česká Pojišťovna a.s.	100.00	100.00
Generali Slovenská distribúcia, a.s.	276	EUR	25,000	G	11		100.00	Generali Česká Pojišťovna a.s.	100.00	100.00
Generali Towarzystwo Ubezpieczeń Spółka Akcyjna	054	PLN	236,509,000	G	2		100.00	Generali CEE Holding B.V.	100.00	100.00
Generali Życie Towarzystwo Ubezpieczeń Spółka Akcyjna	054	PLN	63,500,000	G	2		100.00	Generali CEE Holding B.V.	100.00	100.00
Generali Investments Towarzystwo Funduszy Inwestycyjnych S.A.	054	PLN	21,687,900	G	8		100.00	Generali CEE Holding B.V.	100.00	100.00
Europ Assistance Polska Sp.zo.o.	054	PLN	5,000,000	G	11		100.00	Europ Assistance Holding S.A.S.	100.00	99.99
Plac M LP Spółka Z Ograniczoną Odpowiedzialnością	054	EUR	3,493,490	G	11		100.00	Generali Europe Income Holding S.A.	100.00	95.84
SO SPV 57 Sp. Z o.o.	054	EUR	16,724,050	G	11		100.00	Generali Europe Income Holding S.A.	100.00	95.84
Generali Finance spólka z ograniczoną odpowiedzialnością	054	PLN	15,230,000	G	11		100.00	Generali Towarzystwo Ubezpieczeń Spółka Akcyjna	100.00	100.00
Generali Powszechne Towarzystwo Emerytalne S.A.	054	PLN	78,000,000	G	11		100.00	Generali Towarzystwo Ubezpieczeń Spółka Akcyjna	100.00	100.00
Savatiano s.p. z.o.o.	054	PLN	651,674	G	10		100.00	GRELIF SPV1 S.à r.l.	100.00	95.94
PL Investment Jerozolimskie I Spòlka Ograniczona Odpowiedzialnościa	054	PLN	9,050	G	11		100.00	Generali Real Estate Fund CEE a.s., investiční fond	100.00	100.00
Cleha Invest Sp. z o.o.	054	PLN	1,314,300	G	10		100.00	Generali Real Estate Fund CEE a.s., investiční fond	100.00	100.00
SIBSEN Invest sp. z o.o.	054	PLN	16,974,000	G	11		100.00	Generali Real Estate Fund CEE a.s., investiční fond	100.00	100.00
Loranze sp. z o.o.	054	PLN	5,000	G	11		100.00	Generali Europe Income Holding S.A.	100.00	95.84
Gdansk Logistics 1	054	PLN	89,617,250	G	11		100.00	GRELIF SPV1 S.à r.l.	100.00	95.94
Krakow Logistics 2	054	PLN	12,000	G	11		100.00	GRELIF SPV1 S.à r.l.	100.00	95.94
Salobrena	054	PLN	50	G	11		100.00	GRELIF SPV1 S.à r.l.	100.00	95.94
Generali zavarovalnica d.d. Ljubljana	260	EUR	39,520,347	G	2		100.00	Generali CEE Holding B.V.	100.00	100.00
Generali Investments, družba za upravljanje, d.o.o.	260	EUR	1,767,668	G	8		100.00	Generali zavarovalnica d.d. Ljubljana	100.00	100.00
Europ Assistance Servisno Podjetje d.o.o.	260	EUR	857,500	G	11		100.00	Europ Assistance Holding S.A.S.	100.00	99.99
Generali Societate de Administrare a Fondurilor de Pensii Private S.A.	061	RON	67,000,000	G	11		0.01	Generali Romania Asigurare Reasigurare S.A.	100.00	100.00
							99.99	Generali CEE Holding B.V.		
S.C. Genagricola Romania S.r.l.	061	RON	130,570,520	G	11		100.00	Genagricola 1851 S.p.A.	100.00	100.00
Generali Romania Asigurare Reasigurare S.A.	061	RON	178,999,222	G	2		99.97	Generali CEE Holding B.V.	99.97	99.97
Generali Insurance AD	012	BGN	47,307,180	G	2		99.96	Generali CEE Holding B.V.	99.96	99.96
Generali Zakrila Medical and Dental Centre EOOD	012	BGN	4,114,100	G	11		100.00	Generali Insurance AD	100.00	99.96
GP Reinsurance EAD	012	BGN	53,400,000	G	5		100.00	Generali CEE Holding B.V.	100.00	100.00
Generali Osiguranje d.d.	261	HRK	81,000,000	G	3		100.00	Generali CEE Holding B.V.	100.00	100.00
Generali Assurances Générales SA	071	CHF	27,342,400	G	3		99.98	Generali (Schweiz) Holding AG	99.98	99.95
Generali Personenversicherungen AG	071	CHF	106,886,890	G	3		100.00	Generali (Schweiz) Holding AG	100.00	99.97
Fortuna Rechtsschutz-Versicherung-Gesellschaft AG	071	CHF	3,000,000	G	3		100.00	Generali (Schweiz) Holding AG	100.00	99.97

Subsidiaries Consolidated line by line

Company	Country	Currency	Share capital in original currency	Method[1]	Activity[2]	Shareholding % Direct	Indirect	Through	Total	Group Equity Ratio[3]
Europ Assistance (Suisse) S.A.	071	CHF	200,000	G	11		100.00	Europ Assistance (Suisse) Holding S.A.	100.00	70.00
Europ Assistance (Suisse) Assurances S.A.	071	CHF	4,900,000	G	3		100.00	Europ Assistance (Suisse) Holding S.A.	100.00	70.00
Europ Assistance (Suisse) Holding S.A.	071	CHF	1,400,000	G	4		70.00	Europ Assistance Holding S.A.S.	70.00	70.00
Generali (Schweiz) Holding AG	071	CHF	4,332,000	G	4	51.05			100.00	99.97
							20.01	Generali Versicherung AG		
							28.94	Redoze Holding N.V.		
BG (Suisse) SA	071	CHF	20,000,000	G	9		100.00	Banca Generali S.p.A.	100.00	51.27
Generali Investments Schweiz AG	071	CHF	1,000,000	G	8		100.00	Generali (Schweiz) Holding AG	100.00	99.97
BG Valeur S.A.	071	CHF	3,000,000	G	11		90.10	Banca Generali S.p.A.	90.10	46.20
Fortuna Lebens-Versicherungs AG	090	CHF	11,000,000	G	3		100.00	Generali (Schweiz) Holding AG	100.00	99.97
Generali Sigorta A.S.	076	TRY	659,985,822	G	3		100.00	Generali Turkey Holding B.V.	100.00	99.84
Europ Assistance Yardım ve Destek Hizmetleri Ticaret Anonim śirketi	076	TRY	213,304,000	G	11		100.00	Europ Assistance Holding S.A.S.	100.00	99.99
Akcionarsko društvo za osiguranje Generali Osiguranje Montenegro	290	EUR	4,399,000	G	3		26.82	Akcionarsko društvo za osiguranje Generali Osiguranje Srbija, Beograd	100.00	100.00
							7.93	Akcionarsko društvo za reosiguranje Generali Reosiguranje Srbija, Beograd		
							65.24	Generali CEE Holding B.V.		
IRC Investments LLC	262	RUB	50,000	G	4		100.00	GW Beta B.V.	100.00	99.90
Akcionarsko društvo za osiguranje Generali Osiguranje Srbija, Beograd	289	RSD	2,131,997,310	G	3		0.05	GP Reinsurance EAD	100.00	100.00
							99.95	Generali CEE Holding B.V.		
Akcionarsko društvo za reosiguranje Generali Reosiguranje Srbija, Beograd	289	RSD	616,704,819	G	6		0.01	GP Reinsurance EAD	100.00	100.00
							99.99	Akcionarsko društvo za osiguranje Generali Osiguranje Srbija, Beograd		
śkcińsńśrskś društvś zś upravljanje dobrovoljnim penzijskim fondom Generali	289	RSD	135,000,000	G	11		100.00	Akcionarsko društvo za osiguranje Generali Osiguranje Srbija, Beograd	100.00	100.00
Generali Global Assistance Inc.	069	USD	5,000,000	G	11		100.00	Europ Assistance North America, Inc.	100.00	99.99
Europ Assistance North America, Inc.	069	USD	122,061,342	G	4		100.00	Europ Assistance Holding S.A.S.	100.00	99.99
Customized Services Administrators Inc.	069	USD	2,389,162	G	11		100.00	Europ Assistance North America, Inc.	100.00	99.99
GMMI, Inc.	069	USD	2,501,333	G	11		100.00	Europ Assistance North America, Inc.	100.00	99.99
Trip Mate, Inc.	069	USD	26,244,773	G	11		100.00	Europ Assistance North America, Inc.	100.00	99.99
General Securities Corporation of North America	069	USD	364,597	G	9		1.00	Generali North American Holding 1 S.A.	100.00	99.48
							1.00	Generali North American Holding 2 S.A.		
							1.00	Generali North American Holding S.A.		
							97.00	GNAREH 1 Farragut LLC		
Generali Alpha Corp.	069	USD	28,572,000	G	9		100.00	Generali Investments Holding S.p.A.	100.00	99.52
Aperture Investors, LLC	069	USD	40,000,000	G	8		70.00	Generali Alpha Corp.	70.00	69.67
GNAREH 1 Farragut LLC	069	USD	34,421,491	G	10		1.00	General Securities Corporation of North America	100.00	99.48
							35.73	Generali North American Holding 1 S.A.		
							21.09	Generali North American Holding 2 S.A.		
							42.18	Generali North American Holding S.A.		
GNAREI 1 Farragut LLC	069	USD	34,037,500	G	10		100.00	GNAREH 1 Farragut LLC	100.00	99.48

Subsidiaries Consolidated line by line

Company	Country	Currency	Share capital in original currency	Method[1]	Activity[2]	Shareholding % Direct	Indirect	Through	Total	Group Equity Ratio[3]
CMN Global Inc.	013	CAD	1	G	11	100.00			100.00	100.00
Caja de Seguros S.A.	006	ARS	228,327,701	G	3		99.01	Caja de Ahorro y Seguro S.A.	100.00	90.05
							0.99	Generali Participations Netherlands N.V.		
Europ Assistance Argentina S.A.	006	ARS	177,905,310	G	11		43.91	Caja de Seguros S.A.	100.00	95.63
							56.09	Ponte Alta, SGPS, Unipessoal, Lda.		
Caja de Ahorro y Seguro S.A.	006	ARS	269,000,000	G	4	62.50			90.00	89.96
							27.50	Genirland Limited		
Ritenere S.A.	006	ARS	530,000	G	11		2.85	Caja de Seguros S.A.	100.00	89.96
							97.15	Caja de Ahorro y Seguro S.A.		
Generali Brasil Seguros S.A.	011	BRL	1,677,818,725	G	3	99.41			100.00	100.00
							0.59	Generali Participations Netherlands N.V.		
Asesoria e Inversiones Los Olmos SA	015	CLP	4,769,708,625	G	11		47.62	Generali Participations Netherlands N.V.	47.62	47.55
AFP Planvital S.A.	015	CLP	36,243,962,493	G	11		86.11	Asesoria e Inversiones Los Olmos SA	86.11	40.95
Europ Servicios S.p.A.	015	CLP	1,037,476	G	11		100.00	Europ Assistance SA	100.00	50.96
Europ Assistance SA	015	CLP	740,895,029	G	11		25.48	Europ Assistance Holding S.A.S.	50.96	50.96
							25.48	Ponte Alta, SGPS, Unipessoal, Lda.		
Generali Ecuador Compañía de Seguros S.A.	024	USD	12,677,741	G	3	52.82			52.82	52.82
Europ Assistance Pacifique	253	XPF	10,000,000	G	11		100.00	Europ Assistance Holding S.A.S.	100.00	99.99
PT Asuransi Jiwa Generali Indonesia	129	IDR	1,103,000,000,000	G	3		98.00	Generali Asia N.V.	98.00	97.84
PT Generali Services Indonesia	129	IDR	11,376,454	G	10		1.00	Generali IARD S.A.	100.00	98.60
							99.00	Generali Vie S.A.		
Generali Life Assurance Philippines, Inc.	027	PHP	2,321,260,600	G	3		100.00	Generali Asia N.V.	100.00	99.84
Generali Life Assurance (Thailand) Public Co. Ltd	072	THB	3,777,000,000	G	3		49.00	Generali Asia N.V.	93.38	91.01
							44.38	KAG Holding Company Ltd		
Generali Insurance (Thailand) Public Co. Ltd	072	THB	1,642,000,000	G	3		48.96	Generali Asia N.V.	90.86	88.62
							41.90	KAG Holding Company Ltd		
Europ Assistance (Thailand) Company Limited	072	THB	65,200,000	G	11		0.00	Europ Assistance Holding S.A.S.	100.00	99.99
							0.00	Europ Assistance Brokerage Solutions S.a.r.l.		
							100.00	Europ Assistance Singapore Pte. Ltd		
IWF Holding Company Ltd	072	THB	2,300,000	G	4		43.48	Generali Participations Netherlands N.V.	100.00	94.52
							56.52	DWP Partnership		
KAG Holding Company Ltd	072	THB	2,423,373,000	G	4		5.77	Generali Asia N.V.	100.00	94.82
							94.22	IWF Holding Company Ltd		
FTW Company Limited	072	THB	500,000	G	4		90.57	Generali Asia N.V.	90.57	90.43
MGD Company Limited	072	THB	1,800,000	G	4		90.57	Generali Asia N.V.	90.57	90.43
DWP Partnership	072	THB	200,000	G	4		50.00	FTW Company Limited	100.00	90.43
							50.00	MGD Company Limited		
Generali Vietnam Life Insurance Limited Liability Company	062	VND	7,202,600,000,000	G	3	100.00			100.00	100.00
MPI Generali Insurans Berhad	106	MYR	100,200,000	G	3		100.00	Generali Asia N.V.	100.00	99.84
Generali Life Insurance Malaysia Berhad (ex AXA Affin Life Insurance Berhad)	106	MYR	499,000,100	G	3		70.00	Generali Asia N.V.	70.00	69.89

Subsidiaries Consolidated line by line

Company	Country	Currency	Share capital in original currency	Method(1)	Activity(2)	Shareholding %				Group Equity Ratio(3)
						Direct	Indirect	Through	Total	
Generali Insurance Malaysia Berhad (ex AXA Affin General Insurance)	106	MYR	190,645,041	G	3		53.00	Generali Asia N.V.	53.00	52.92
Europ Assistance Malaysia SDN. BHD.	106	MYR	500,000	G	11		100.00	Europ Assistance Singapore Pte. Ltd	100.00	99.99
Future Generali India Life Insurance Company Ltd	114	INR	23,958,210,090	G	3		71.79	Generali Participations Netherlands N.V.	71.79	71.68
Future Generali India Insurance Company Ltd	114	INR	9,048,037,050	G	3		48.99	Shendra Advisory Services Private Limited	99.49	73.88
							50.51	Generali Participations Netherlands N.V.		
Europ Assistance India Private Ltd	114	INR	296,540,000	G	11		100.00	Europ Assistance Holding S.A.S.	100.00	99.99
Generali China Life Insurance Co. Ltd	016	CNY	3,700,000,000	G	3	50.00			50.00	50.00
Europ Assistance Travel Assistance Services (Beijing) Co Ltd	016	CNY	172,372,941	G	11		100.00	Europ Assistance Holding S.A.S.	100.00	99.99
Generali China Assets Management Company Co. Ltd	016	CNY	500,000,000	G	8		80.00	Generali China Life Insurance Co. Ltd	80.00	40.00
Generali Insurance Agency Company Limited	016	CNY	317,810,753	G	11		100.00	NKFE Insurance Agency Company Limited	100.00	100.00
Europ Assistance Singapore Pte. Ltd	147	SGD	5,357,241	G	11		100.00	Europ Assistance Holding S.A.S.	100.00	99.99
Generali Services Pte. Ltd.	147	SGD	560,006	G	11		100.00	Generali Asia N.V.	100.00	99.84
Generali Financial Asia Limited	103	HKD	430,160,125	G	9	100.00			100.00	100.00
Generali Life (Hong Kong) Limited	103	HKD	1,210,000,000	G	3		100.00	Generali Asia N.V.	100.00	99.84
NKFE Insurance Agency Company Limited	103	HKD	372,733,225	G	11		100.00	Generali Financial Asia Limited	100.00	100.00
Europ Assistance Worldwide Services (South Africa) (Pty) Ltd	078	ZAR	881,386	G	11		87.50	Europ Assistance Holding S.A.S.	87.50	87.50
EASA Training Academy (Pty) Ltd	078	ZAR	100	G	11		100.00	Europ Assistance Worldwide Services (South Africa) (Pty) Ltd	100.00	87.50
TS PropCo Ltd	202	GBP	12,000	G	10		100.00	GRE PAN EU London 1 S.à r.l.	100.00	97.22
Europ Assistance Australia Pty Ltd	007	AUD	10,582,000	G	11		100.00	Europ Assistance Holding S.A.S.	100.00	99.99

The percentage of consolidation in each subsidiaries consolidated line by line is 100%

(1) Consolidation Method: Line-by-line consolidation method =G, Proportionate consolidation method = P, Line-by-line consolidation method arising from joint management = U

(2) 1=Italian Insurance companies; 2=EU Insurance companies; 3=non EU Insurance companies; 4=Insurance holding companies; 5=EU Reinsurance companies; 6=non EU Reinsurance companies; 7=Banks; 8=Asset Management companies; 9=other Holding companies; 10=Real Estate companies; 11=other

(3) Net Group participation percentage

The total percentage of votes exercitable at shereholders'general meeting, which differs from that of direct on indirect shareholding, is a follows:

Generali France S.A. 100.00%

Europ Assistance SA 66.66%

Non-Consolidated Subsidiaries and Associated Companies

Company	Country	Currency	Share capital in original currency	Method[1]	Activity[2]	Shareholding %				Group Equity Ratio[3]	Book Value (€ thousand)
						Direct	Indirect	Through	Total		
Generali CyberSecurTech S.r.l.	086	EUR	10,000	a	11	100.00			100.00	100.00	1,410
EpiCura S.r.l.	086	EUR	1,500,000	b	11		32.13	Europ Assistance VAI S.p.A.	32.13	32.13	2,159
Initium S.r.l. in liquidazione (*)	086	EUR	250,000	b	10		49.00	Generali Italia S.p.A.	49.00	49.00	0
Aladdin S.r.l.	086	EUR	10,000	b	11		45.00	Satec Holding S.r.l.	45.00	45.00	0
All Risks Solutions S.r.l.	086	EUR	10,000	a	11		100.00	Satec Holding S.r.l.	100.00	100.00	0
Sementi Dom Dotto S.p.A.	086	EUR	3,420,000	a	11		100.00	Leone Alato S.p.A.	100.00	100.00	0
Finagen S.p.A. Società in liquidazione	086	EUR	6,700,000	a	8		0.10	Generali Italia S.p.A.	100.00	100.00	3,034
							99.90	Alleanza Assicurazioni S.p.A.			
Investimenti Marittimi S.p.A.	086	EUR	39,655,000	b	9		30.00	Generali Italia S.p.A.	30.00	30.00	
Servizi Tecnologici Avanzati S.p.A.	086	EUR	102,000	b	11	25.00			25.00	25.00	0
Urbe Retail Real Estate S.r.l.	086	EUR	100,000	b	11		100.00	UrbeRetail	100.00	55.86	15,910
Nextam Partners SIM S.p.A. (*)	086	EUR	1,100,000	b	8		19.90	Banca Generali S.p.A.	19.90	10.20	627
BG Saxo SIM S.p.A. (*)	086	EUR	9,837,167	c	8		19.90	Banca Generali S.p.A.	19.90	10.20	2,280
Campo dei Fiori S.r.l.	086	EUR	10,000	a	11		100.00	Fondo San Zeno	100.00	81.62	3,750
Fondo Rubens (*)	086	EUR	162,840,000	c	11		50.00	Generali Europe Income Holding S.A.	50.00	47.92	88,313
Convivit S.r.l.	086	EUR	50,000	c	11		50.00	Generali Welion S.c.a.r.l.	50.00	50.00	3,625
Cattolica Immobiliare S.p.A.	086	EUR	400,000	a	11		100.00	Cattolica Assicurazioni S.p.A.	100.00	100.00	5,410
Satec Holding S.r.l.	086	EUR	80,798	a	11		100.00	CattRe S.A.	100.00	100.00	6,909
Fondo Ca' Tron Hcampus (*)	086	EUR	45,445,478	b	10		59.76	Cattolica Assicurazioni S.p.A.	59.76	59.76	26,484
Telco S.p.A.	086	EUR	129,329	b	8	9.07			16.98	16.98	49
							3.57	Alleanza Assicurazioni S.p.A.			
							3.76	Generali Italia S.p.A.			
							0.28	Generali Deutschland Lebensversicherung AG			
							0.11	Generali Deutschland Krankenversicherung AG			
							0.08	Cosmos Lebensversicherungs Aktiengesellschaft			
							0.12	Generali Deutschland Versicherung AG			
Fondo Mercury Adriatico (*)	086	EUR	52,497,917	c	10		17.08	BCC Vita S.p.A Compagnia di Assicurazioni Vita	51.05	45.93	19,162
							33.97	Cattolica Assicurazioni S.p.A.			
Fondo Mercury Centro-Nord (*)	086	EUR	55,865,434	c	10		52.55	Cattolica Assicurazioni S.p.A.	52.55	52.55	31,455
Smart Citylife S.r.l.	086	EUR	100,000	a	10		45.00	CityLife S.p.A.	71.00	64.18	914
							13.00	Fondo Rubens			
							13.00	Fondo Immobiliare Mantegna			
CityLife Square Garden - Gestioni S.r.l.	086	EUR	210,000	a	10		100.00	CityLife S.p.A.	100.00	100.00	117
CityLife Sviluppo 5 S.r.l.	086	EUR	10,000	a	10		100.00	Generali Real Estate S.p.A. SGR	100.00	100.00	478
Fondo Yielding (*)	086	EUR	211,325,834	b	10		45.00	Generali Europe Income Holding S.A.	45.00	43.13	103,585
Solaris S.r.l. in liquidazione	086	EUR	20,000	b	10		50.00	Generali Italia S.p.A.	50.00	50.00	
D.L.S. & Parners Società tra avvocati a.r.l.	086	EUR	15,000	b	11		33.33	D.A.S. Legal Services S.r.l.	33.33	16.67	5
Fondo Mercury Nuovo Tirreno (*)	086	EUR	76,328,987	c	10		8.34	Tua Assicurazioni S.p.A.	90.04	85.88	61,510
							13.27	BCC Vita S.p.A Compagnia di Assicurazioni Vita			

Non-Consolidated Subsidiaries and Associated Companies

Company	Country	Currency	Share capital in original currency	Method[1]	Activity[2]	Shareholding % Direct	Indirect	Through	Total	Group Equity Ratio[3]	Book Value (€ thousand)
							67.83	Cattolica Assicurazioni S.p.A.			
							0.60	BCC Assicurazioni S.p.A.			
Fondo Mercury Tirreno (*)	086	EUR	60,010,791	c	10		51.01	Cattolica Assicurazioni S.p.A.	51.01	51.01	33,096
H-Farm S.p.A.	086	EUR	12,867,231	b	11		3.67	Cattolica Assicurazioni S.p.A.	3.67	3.67	
Mediterranea Underwriting S.r.l.	086	EUR	10,000	a	11		100.00	Satec Holding S.r.l.	100.00	100.00	0
Qubo Insurance Solutions S.r.l.	086	EUR	10,000	a	11		51.00	Satec Holding S.r.l.	51.00	51.00	0
Satec S.r.l.	086	EUR	135,416	a	11		100.00	Satec Holding S.r.l.	100.00	100.00	0
Tua Retail S.r.l.	086	EUR	50,000	a	11		100.00	Tua Assicurazioni S.p.A.	100.00	100.00	50
Le Tenute Biometano S.r.l.	086	EUR	10,000	b	11		30.00	Cattolica Agricola Società Agricola a Responsabilità Limitata	30.00	30.00	3
Gexta S.r.l.	086	EUR	59,060	a	11		100.00	Generali Italia S.p.A.	100.00	100.00	2,173
GRE SICAF Società di Investimento per Azioni a Capitale Fisso	086	EUR	50,000	a	11		100.00	Generali Real Estate S.p.A. SGR	100.00	100.00	150
Fondo Sericon (*)	086	EUR	68,440,046	c	10		50.00	Generali Europe Income Holding S.A.	50.00	47.92	176,960
Fondo Fleurs RE (*)	086	EUR	83,560,500	b	10		35.90	Fondo Immobiliare Toscanini	35.90	35.89	30,913
Arte Generali GmbH	094	EUR	25,000	a	11		100.00	Generali Deutschland AG	100.00	100.00	15,125
Generali Deutschland Alternative Investments Verwaltungs GmbH	094	EUR	25,000	a	9		100.00	Generali Deutschland AG	100.00	100.00	25
Generali Deutschland Rechtsschutz Service GmbH	094	EUR	25,000	a	11		100.00	Generali Deutschland AG	100.00	100.00	29
BBG Beteiligungsgesellschaft m.b.H.	094	EUR	25,600	a	9		100.00	Deutsche Bausparkasse Badenia Aktiengesellschaft	100.00	100.00	32
Generali Partner GmbH	094	EUR	250,000	a	11		100.00	Generali Deutschland AG	100.00	100.00	945
Generali Deutschland Immobilien Verwaltungs GmbH	094	EUR	35,000	a	10		100.00	Generali Real Estate S.p.A.	100.00	100.00	36
Zweite AM RE Verwaltungs GmbH	094	EUR	25,000	a	9		100.00	Generali Deutschland Versicherung AG	100.00	100.00	25
Deutsche Vermögensberatung Aktiengesellschaft DVAG (*)	094	EUR	150,000,000	b	11		40.00	Generali Deutschland AG	40.00	40.00	291,659
Generali SicherungsTreuhand GmbH	094	EUR	52,000	a	11		100.00	Generali Deutschland AG	100.00	100.00	112
Central Fixed Assets GmbH	094	EUR	25,000	a	9		100.00	Generali Deutschland Krankenversicherung AG	100.00	100.00	25
AVW Versicherungsmakler GmbH	094	EUR	1,550,000	b	11		26.00	Dialog Versicherung Aktiengesellschaft	26.00	26.00	2,232
AM RE Verwaltungs GmbH	094	EUR	25,000	a	9		100.00	Generali Deutschland Lebensversicherung AG	100.00	100.00	25
Generali Deutschland Versicherungsvermittlung GmbH	094	EUR	25,000	a	11		100.00	Generali Deutschland Versicherung AG	100.00	100.00	25
VOV GmbH	094	EUR	154,000	b	11		43.00	Generali Deutschland Versicherung AG	43.00	43.00	1,735
Louisen-Center Bad Homburg Verwaltungsgesellschaft mbH	094	EUR	25,000	a	10		100.00	Generali Deutschland AG	100.00	100.00	25
Vofü Fonds I Hamburgische Grundbesitz und Anlage GmbH & Co.KG	094	EUR	14,800,000	a	10		54.19	Generali Deutschland AG	54.19	54.19	0
GLL AMB Generali Properties Fund II GmbH & Co. KG	094	EUR	250,000	a	11		99.91	GLL AMB Generali Cross-Border Property Fund FCP	99.91	99.91	250
GLL AMB Generali 200 State Street	094	EUR	7,294,506	a	11		99.50	GLL AMB Generali Cross-Border Property Fund FCP	99.50	99.50	2,200
Association pour La Location du Moncey	029	EUR	3,070,809	a	11		100.00	Generali Vie S.A.	100.00	98.60	
Generali#Sports S.A.S.	029	EUR	5,207,224	a	9		99.86	Helmett S.A.S.	99.86	98.46	0
Europ Assistance France S.A.S. (*)	029	EUR	5,316,384	c	11		50.00	Europ Assistance Holding S.A.S.	50.00	50.00	13,410

Non-Consolidated Subsidiaries and Associated Companies

Company	Country	Currency	Share capital in original currency	Method[1]	Activity[2]	Shareholding % Direct	Indirect	Through	Total	Group Equity Ratio[3]	Book Value (€ thousand)
Ocealis S.A.S. (*)	029	EUR	414,350	c	11		100.00	Europ Assistance France S.A.S.	100.00	50.00	0
Helmett S.A.S.	029	EUR	15,608,000	a	11		99.95	Cofifo S.A.S.	99.95	98.55	18,718
ASSERCAR SAS	029	EUR	37,000	b	11		14.87	L'Equité S.A. Cie d'Assurances et Réass. contre les risques de toute nature	29.73	29.31	660
							14.87	Generali IARD S.A.			
Altaprofits Société par actions simplifiée	029	EUR	4,759,035	a	11		40.88	Generali France S.A.	100.00	98.60	41,116
							59.12	Cofifo S.A.S.			
Trieste Courtage S.A.	029	EUR	39,000	a	11		99.89	Generali France S.A.	99.96	98.56	39
							0.02	L'Equité S.A. Cie d'Assurances et Réass. contre les risques de toute nature			
							0.02	Generali Vie S.A.			
							0.04	Generali IARD S.A.			
PMC Treize Montluçon S.A.S.	029	EUR	3,371,730	a	9		79.21	Generali France S.A.	100.00	98.60	5,991
							20.79	Cofifo S.A.S.			
Kareo Horizon S.A.S.	029	EUR	555,000	a	11		60.00	Cofifo S.A.S.	60.00	59.16	685
Risque et Sérénité S.A.	029	EUR	6,135,300	a	11		10.00	Generali France S.A.	51.52	50.80	1,501
							41.52	Generali Vie S.A.			
Europ Téléassistance S.A.S. (*)	029	EUR	100,000	c	11		100.00	Europ Assistance France S.A.S.	100.00	50.00	97
MAPREG	029	EUR	181,374	b	11		35.81	Generali France S.A.	35.81	35.31	5,508
ABT SAS	029	EUR	125,000	c	11		25.00	Generali France S.A.	25.00	24.65	16
Reunion Aerienne & Spatiale SAS	029	EUR	1,000,000	a	11		50.00	Generali IARD S.A.	50.00	49.30	0
Infranity GP S.A.S.	029	EUR	12,500	a	8		100.00	Infranity S.A.S.	100.00	50.76	30
Generali Global Pension S.A.S.	029	EUR	6,015,000	a	11		40.00	Generali Investments Holding S.p.A.	100.00	98.97	6,015
							40.00	Cofifo S.A.S.			
							20.00	Generali Luxembourg S.A.			
Agence Generali Béthune S.A.S.	029	EUR	39,720	a	11		100.00	Cofifo S.A.S.	100.00	98.60	40
Agence Generali Vinay S.A.S.	029	EUR	15,000	a	11		100.00	Cofifo S.A.S.	100.00	98.60	53
Generali Wealth Solutions S.A.S.	029	EUR	20,051,520	a	11		100.00	Generali Vie S.A.	100.00	98.60	10,026
Generali Chatou S.A.S.	029	EUR	545,000	a	11		100.00	Helmett S.A.S.	100.00	98.60	0
Agence Generali Cognac S.A.S.	029	EUR	15,000	a	11		100.00	Cofifo S.A.S.	100.00	98.60	48
Generali Collectives S.A.S.	029	EUR	37,000	a	11		0.10	Generali France S.A.	100.00	98.60	35
							99.90	Generali Vie S.A.			
Generali 19 S.A.	029	EUR	37,000	a	11		0.03	Generali Vie S.A.	100.00	98.60	20
							99.97	Generali France S.A.			
Aliance Klesia Generali (*)	029	EUR	368,000,250	b	4		44.00	Generali Vie S.A.	44.00	43.39	164,113
Advize Group	029	EUR	4,843,809	b	11		13.25	Generali Vie S.A.	13.25	13.07	3,003
Klesia SA (*)	029	EUR	341,999,998	b	2		100.00	Aliance Klesia Generali	100.00	43.38	
Future4Care SAS	029	EUR	4,510,000	b	11		49.95	Generali Vie S.A.	49.95	49.25	3,878
GENIAP.COM	029	EUR	2,258,900	a	11		70.02	Cofifo S.A.S.	70.02	69.04	2,259
La Médicale Courtage S.A.S.	029	EUR	32,000	a	11		100.00	La Médicale SA	100.00	98.59	12
SAS 100 CE (*)	029	EUR	64,967,080	c	10		50.00	Generali Europe Income Holding S.A.	50.00	47.92	19,457
Viavita (*)	029	EUR	1,840,000	c	11		100.00	Europ Assistance France S.A.S.	100.00	50.00	1,267

Non-Consolidated Subsidiaries and Associated Companies

Company	Country	Currency	Share capital in original currency	Method(1)	Activity(2)	Shareholding % Direct	Indirect	Through	Total	Group Equity Ratio(3)	Book Value (€ thousand)
SCI Les 3 Collines Le Ferandou	029	EUR	304,000	b	10		15.00	Generali Vie S.A.	48.30	47.62	142
							33.30	Generali IARD S.A.			
SCI Iris La Défense (*)	029	EUR	1,716	c	10		31.12	Generali IARD S.A.	50.00	49.30	115,710
							12.94	Generali Vie S.A.			
							5.94	Generali Retraite			
SCE Château La Pointe	029	EUR	2,068,903	a	11		100.00	Generali Vie S.A.	100.00	98.60	35,646
Bois Colombes Europe Avenue SCI (*)	029	EUR	1,000	c	10		50.00	Generali Retraite	50.00	49.30	7,813
SCI 11/15 Pasquier (*)	029	EUR	6,437,750	c	10		50.00	Generali IARD S.A.	50.00	49.30	10,159
SCI 9 Messine (*)	029	EUR	2,420,250	c	10		50.00	Generali Vie S.A.	50.00	49.30	4,812
SCI Daumesnil (*)	029	EUR	16,753,270	c	10		50.00	Generali IARD S.A.	50.00	49.30	20,038
SCI Malesherbes (*)	029	EUR	32,930,674	c	10		50.00	Generali Vie S.A.	50.00	49.30	22,429
SCI 15 Scribe (*)	029	EUR	14,738,000	c	10		50.00	Generali IARD S.A.	50.00	49.30	24,608
SAS Proma Services	029	EUR	10,015,000	b	10		0.15	Generali Real Estate S.p.A.	0.15	0.15	4,907
Core+ France OPPCI (*)	029	EUR	72,000,000	c	10		50.00	Generali Core+ Fund GP	50.00	48.22	36,198
SCI New Station (*)	029	EUR	250	c	10		99.60	Generali Core+ Soparfi S.à r.l.	99.60	96.06	0
OPG Avenue De France (*)	029	EUR	28,371,127	c	10		50.00	Generali Europe Income Holding S.A.	50.00	47.92	69,282
Bonus Pensionskassen AG (*)	008	EUR	5,087,098	c	11		50.00	Generali Versicherung AG	50.00	49.97	23,921
Apleona RE JV	008	EUR	40,000	c	11		40.00	Generali Real Estate S.p.A.	40.00	40.00	27
Generali 3 Banken Holding AG (*)	008	EUR	70,000	b	9		49.90	Generali Versicherung AG	49.90	49.87	132,069
3 Banken-Generali Investment-Gesellschaft m.b.H. (*)	008	EUR	3,600,000	b	8		48.57	Generali Versicherung AG	48.57	48.55	2,931
Risk-Aktiv Versicherungsservice GmbH	008	EUR	35,000	a	11		100.00	Generali Versicherung AG	100.00	99.95	35
BONUS Vorsorgekasse AG (*)	008	EUR	1,500,000	c	11		50.00	Generali Versicherung AG	50.00	49.97	
Generali Betriebsrestaurants-GmbH	008	EUR	36,336	a	11		100.00	Generali Versicherung AG	100.00	99.95	484
Point Partners GP Holdco S.à r.l. (*)	092	EUR	25,000	b	11		25.00	Generali European Retail Investments Holdings S.A.	25.00	24.85	0
Point Partners Special Limited Partnership (*)	092	GBP	55,102,630	b	11		25.00	Generali European Retail Investments Holdings S.A.	25.00	24.85	0
Generali Employee Benefits Network S.A.	092	EUR	1,000,000	a	11	100.00			100.00	100.00	1,000
GRE PAN-EU Frankfurt 2 S.à r.l. (*)	092	EUR	37,920,558	c	10		50.00	Generali Europe Income Holding S.A.	50.00	47.92	13,486
GRE PAN-EU Berlin 1 S.à r.l. (*)	092	EUR	58,174,135	c	10		50.00	Generali Europe Income Holding S.A.	50.00	47.92	32,738
Infranity Senior Infrastructure Debt GP S.à r.l.	092	EUR	12,000	a	8		100.00	Infranity S.A.S.	100.00	50.76	12
Infranity Lux Investments GP S.à r.l.	092	EUR	12,000	a	8		100.00	Infranity S.A.S.	100.00	50.76	12
Generali K-Europe Investment GP	092	EUR	12,000	a	9		100.00	Generali Real Estate S.p.A.	100.00	100.00	12
GLL AMB Generali City22 S.à.r.l.	092	EUR	200,000	a	11		100.00	GLL AMB Generali Cross-Border Property Fund FCP	100.00	100.00	200
Holding Klege S.à.r.l. (*)	092	EUR	12,500	c	9		50.00	Torelli S.à.r.l.	50.00	49.70	0
Generali Real Estate Logistics GP SARL	092	EUR	12,000	a	9		100.00	Generali Real Estate S.p.A.	100.00	100.00	12
SOSTENEO GP S.à.r.l.	092	EUR	25,000	a	11		100.00	Generali Real Estate S.p.A.	100.00	100.00	25
Europ Assistance Travel S.A.	067	EUR	60,101	a	11		100.00	Europ Assistance Servicios Integrales de Gestion, S.A.	100.00	99.99	219
Zaragoza Properties, S.A.U. (*)	067	EUR	155,092,124	c	10		50.00	Generali Shopping Centre Fund S.C.S. SICAV-SIF	50.00	49.80	82,193
Puerto Venecia Investments, S.A.U. (*)	067	EUR	4,007,000	c	11		100.00	Zaragoza Properties, S.A.U.	100.00	49.80	

Non-Consolidated Subsidiaries and Associated Companies

Company	Country	Currency	Share capital in original currency	Method[1]	Activity[2]	Shareholding % Direct	Indirect	Through	Total	Group Equity Ratio[3]	Book Value (€ thousand)
Keviana – Empreendimentos Imobiliários, S.A.	055	EUR	50,000	a	10		100.00	Generali Vie S.A.	100.00	98.60	0
Amulio Governance N.V.	050	EUR	18,000	c	9		50.00	Lion River II N.V.	50.00	49.91	9
Sigma Real Estate B.V. (*)	050	EUR	18,000	c	9		22.34	Corelli S.à.r.l.	22.34	22.21	0
La Réunion Aérienne London Limited	031	GBP	51,258	b	11		33.33	Generali IARD S.A.	33.33	32.87	0
Ioca Entertainment Limited (*)	031	GBP	10,000	b	11		35.00	Banca Generali S.p.A.	35.00	17.94	0
Nextam Partners Ltd	031	GBP	407,000	a	8		100.00	Banca Generali S.p.A.	100.00	51.27	9
Generali Invest CEE Global Exposure ICAV	040	EUR	2	a	11		100.00	Generali CEE Holding B.V.	100.00	100.00	
Citadel Insurance plc	105	EUR	5,000,400	b	3		20.16	Generali Italia S.p.A.	20.16	20.16	978
Roar Biztosítási És Pénzügyi Közvetítő Korlátolt Felelősségü Társaság	077	HUF	12,000,000	a	11		100.00	Generali Biztosító Zrt.	100.00	100.00	846
Generali Befektetési Zrt	077	HUF	5,000,000	a	10		100.00	Generali CEE Holding B.V.	100.00	100.00	50
GP Consulting Pénzügyi Tanácsadó Kft.	077	HUF	22,000,000	a	11		100.00	Generali Biztosító Zrt.	100.00	100.00	835
Atotal Insurtech Korlátolt Felelősségű Társaság	077	HUF	104,000,000	a	11		100.00	Generali Biztosító Zrt.	100.00	100.00	799
Top Torony Zrt. (*)	077	HUF	92,539,352	c	11		50.00	GLL AMB Generali Bankcenter S.à.r.l.	50.00	50.00	61,795
Nadace GCP	275	CZK	1,000,000	a	11		100.00	Generali Česká Pojišťovna a.s.	100.00	100.00	144
VUB Generali dôchodková správcovská spoločnosť, a.s. (*)	276	EUR	10,090,976	c	11		44.74	Generali Česká Pojišťovna a.s.	44.74	44.74	10,206
Generali IT S.r.o.	276	EUR	165,970	a	11		100.00	Generali Versicherung AG	100.00	99.95	132
BODiE Sp. Z o.o.	054	PLN	1,156,000	b	11		25.95	Generali Towarzystwo Ubezpieczeń Spółka Akcyjna	25.95	25.95	64
Saneo Spółka Akcyjna (*)	054	PLN	133,333	b	11		25.00	Generali Życie Towarzystwo Ubezpieczeń Spółka Akcyjna	25.00	25.00	
Bezpieczny.pl Sp z.o.o.	054	PLN	125,500	a	11		100.00	Generali Finance spółka z ograniczoną odpowiedzialnością	100.00	100.00	3,914
LEV Registracija, registracija vozil, d.o.o.	260	EUR	18,000	a	11		100.00	Generali zavarovalnica d.d. Ljubljana	100.00	100.00	115
Generali Investments CP d.o.o. k.d.	260	EUR	83,655	a	11		54.79	Generali Investments, družba za upravljanje, d.o.o.	54.79	54.79	165
Ambulanta ZDRAVJE, zdravstvene storitve, d.o.o.	260	EUR	260,666	a	11		100.00	Generali zavarovalnica d.d. Ljubljana	100.00	100.00	159
Nama Trgovsko Podjetje d.d. Ljubljana (*)	260	EUR	3,977,325	b	11		48.51	Generali zavarovalnica d.d. Ljubljana	48.51	48.51	5,447
IDORU Inteligentni Analiticni Sistemi d.o.o.	260	EUR	7,500	b	11		25.00	Generali zavarovalnica d.d. Ljubljana	25.00	25.00	0
Medifit d.o.o.	260	EUR	45,000	b	11		24.99	Generali zavarovalnica d.d. Ljubljana	24.99	24.99	32
Generali Investments GP 1 d.o.o.	260	EUR	7,500	a	11		100.00	Generali Investments, družba za upravljanje, d.o.o.	100.00	100.00	8
Generali Investments GP 2 d.o.o.	260	EUR	7,500	a	11		100.00	Generali Investments, družba za upravljanje, d.o.o.	100.00	100.00	8
S.C. Vignadoro S.r.l.	061	RON	40,835,190	a	11		67.75	Agricola San Giorgio S.p.A.	100.00	100.00	10,746
							32.26	Genagricola 1851 S.p.A.			
Genagricola Foreste S.r.l.	061	RON	56,500,000	a	11		100.00	S.C. Genagricola Romania S.r.l.	100.00	100.00	11,925
Generali Investments, d.o.o. za upravljanje investicijskim fondovima	261	HRK	4,148,000	a	8		100.00	Generali Investments, družba za upravljanje, d.o.o.	100.00	100.00	1,156
Generali Investments Distribution Switzerland GmbH	071	CHF	20,000	a	11		100.00	Generali Investments Holding S.p.A.	100.00	99.52	613
House of InsurTech Switzerland AG	071	CHF	6,600,000	a	11		100.00	Generali (Schweiz) Holding AG	100.00	99.97	5,669
Generali Investments AD Skopje	278	MKD	995,612	a	8		98.34	Generali Investments, družba za upravljanje, d.o.o.	98.34	98.34	2,084
Generali Development d.o.o. Beograd	289	RSD	23,864,000	a	11		100.00	Generali CEE Holding B.V.	100.00	100.00	213

Non-Consolidated Subsidiaries and Associated Companies

Company	Country	Currency	Share capital in original currency	Method[1]	Activity[2]	Shareholding % Direct	Indirect	Through	Total	Group Equity Ratio[3]	Book Value (€ thousand)
Generali Realties Ltd	182	ILS	2	a	10	100.00			100.00	100.00	0
Montcalm Wine Importers Ltd	069	USD	7,277,483	a	11		100.00	Leone Alato S.p.A.	100.00	100.00	0
N2G Worldwide Insurance Services, LLC (*)	069	USD	19,000,000	c	11		50.00	Generali Italia S.p.A.	50.00	50.00	5,971
Genamerica Management Corporation	069	USD	100,000	a	11	50.00			50.00	50.00	0
Generali Consulting Solutions LLC	069	USD	1,000,000	a	11	100.00			100.00	100.00	0
Ineba S.A.	006	ARS	4,000,000	b	11		48.00	Caja de Ahorro y Seguro S.A.	48.00	43.18	1,843
BMG Seguros S.A. (*)	011	BRL	43,750,000	b	3	30.00			30.00	30.00	3,193
Europ Assistance Brasil Serviços de Assistência S.A. (*)	011	BRL	89,388,209	c	11		100.00	EABS Serviços de Assistencia e Partecipaçoes S.A.	100.00	50.00	8,756
EABS Serviços de Assistencia e Partecipaçoes S.A. (*)	011	BRL	106,279,812	c	9		50.00	Ponte Alta, SGPS, Unipessoal, Lda.	50.00	50.00	7,194
Generali Pacifique NC	253	XPF	1,000,000	a	11		100.00	Generali France S.A.	100.00	98.60	2,095
PT ONB Technologies Indo (*)	129	IDR	2,500,000,000	c	11		100.00	ONB Technologies Pte. Ltd.	100.00	47.28	
ONB Technologies Malaysia SDN. BHD. (*)	106	MYR	500,000	b	11		100.00	ONB Technologies Pte. Ltd.	100.00	47.28	0
Sprint Advisory Services Private Limited (*)	114	INR	6,112,123,950	c	11		47.96	Generali Participations Netherlands N.V.	47.96	47.88	0
Shendra Advisory Services Private Limited (*)	114	INR	2,710,323,220	c	11		47.96	Generali Participations Netherlands N.V.	47.96	47.88	0
FG&G Distribution Private Limited (*)	114	INR	283,100,000	c	11		48.83	Generali Participations Netherlands N.V.	48.83	48.75	371
ONB Technologies India Pvt Ltd (*)	114	INR	500,000	c	11		100.00	ONB Technologies Pte. Ltd.	100.00	47.28	
Generali China Insurance Co. Ltd (*)	016	CNY	1,300,000,000	b	3	49.00			49.00	49.00	63,394
Guotai Asset Management Company (*)	016	CNY	110,000,000	b	8	30.00			30.00	30.00	274,304
Zhonghe Sihai Insurance Agency Company Limited	016	CNY	50,000,000	b	11		25.00	Generali Financial Asia Limited	25.00	25.00	1,734
Shanghai Sinodrink Trading Company, Ltd	016	CNY	5,000,000	b	11		45.00	Leone Alato S.p.A.	45.00	45.00	0
ONB Technologies Pte. Ltd. (*)	147	EUR	1,874	c	11		47.29	Europ Assistance Holding S.A.S.	47.29	47.28	0
ONB Technologies Singapore Pte Ltd (*)	147	SGD	3,000	c	11		100.00	ONB Technologies Pte. Ltd.	100.00	47.28	
Tranquilidade - Corporação Angolana de Seguros, S.A.	133	AOA	14,934,484	b	3		49.00	Generali Seguros, S.A.	49.00	49.00	0
Tranquilidade Moçambique Companhia de Seguros, S.A.	134	MZN	1,361,260	a	3		100.00	Generali Seguros, S.A.	100.00	100.00	
Tranquilidade Moçambique Companhia de Seguros Vida, S.A.	134	MZN	1,810,332	a	3		100.00	Generali Seguros, S.A.	100.00	100.00	
Gulf Assist Co WLL	169	EUR	118,876	a	11		74.62	Europ Assistance Holding S.A.S.	74.62	74.62	1,863
Arab Assist for Logistic Services Company	122	EUR	741,250	a	11		100.00	Gulf Assist Co WLL	100.00	74.62	

(1) a=non consolidated subsidiaries (IFRS 10); b=associated companies (IAS 28); c=joint ventures (IFRS 11)

(2) 1=Italian Insurance companies; 2=EU Insurance companies; 3=non EU Insurance companies; 4=Insurance holding companies; 5=EU Reinsurance companies; 6=non EU Reinsurance companies; 7=Banks; 8=Asset Management companies; 9=other Holding companies; 10=Real Estate companies; 11=other

(3) Net Group participation percentage

(*) Participations valued at equity

List of Countries

Country	Country Code
ANGOLA	133
ARGENTINA	006
AUSTRALIA	007
AUSTRIA	008
BAHRAIN	169
BELGIUM	009
BRAZIL	011
BULGARIA	012
CANADA	013
CHILE	015
CHINA	016
CROATIA	261
CZECH REPUBLIC	275
DENMARK	021
ECUADOR	024
FRANCE	029
GERMANY	094
GREECE	032
HONG KONG	103
HUNGARY	077
INDIA	114
INDONESIA	129
IRELAND	040
ISRAEL	182
ITALY	086
JERSEY (ISLE)	202
JORDAN	122

Country	Country Code
LIECHTENSTEIN	090
LUXEMBOURG	092
MACEDONIA	278
MALAYSIA	106
MALTA	105
MONTENEGRO, REPUBLIC	290
MOZAMBIQUE	134
NETHERLANDS	050
NEW CALEDONIA	253
PHILIPPINES	027
POLAND	054
PORTUGAL	055
ROMANIA	061
RUSSIAN FEDERATION	262
SERBIA	289
SINGAPORE	147
SLOVAKIA	276
SLOVENIA	260
SOUTH AFRICA, REPUBLIC	078
SPAIN	067
SWITZERLAND	071
THAILAND	072
TURKEY	076
UNITED KINGDOM	031
UNITED STATES	069
VIETNAM	062

List of Currencies

Currency	Currency Code
Kwanza Angola	AOA
Argentine Peso	ARS
Australian Dollar	AUD
Bulgarian Lev	BGN
Brasilian Real (new)	BRL
Canadian Dollar	CAD
Swiss Franc	CHF
Chilean Peso	CLP
Chinese Renminbi	CNY
Czech Korona	CZK
Euro	EUR
British Pound	GBP
Hong Kong Dollar	HKD
Croatian Kuna	HRK
Hungarian Forint	HUF
Indonesian Rupiah	IDR
Israeli Shekel	ILS

Currency	Currency Code
Indian Rupee	INR
Macedonian Dinar	MKD
Malaysian Ringi	MYR
Metical Mozambique	MZN
Philippine Peso	PHP
Polish Zloty	PLN
Romanian Leu	RON
Serbian Dinar	RSD
Russian Ruble	RUB
Singapore Dollar	SGD
Thai Bhat	THB
Turkish Lira (new)	TRY
US Dollar	USD
Vietnamese Dong	VND
French Polinesian Franc	XPF
South African Rand	ZAR

ATTESTATION

Attestation to the Consolidated Financial Statements

pursuant to art. 154-bis, paragraph 5, of legislative decree of 24 February 1998, no. 58 and art. 81-ter of Consob regulation of 14 May 1999, no. 11971 as amended

Attestation of the Consolidated Financial Statements pursuant to art. 154-bis, paragraph 5, of legislative decree of 24 February 1998, no. 58 and art. 81-ter of Consob regulation of 14 May 1999, no. 11971 as amended

1. The undersigned, Philippe Donnet, in his capacity as Managing Director and Group CEO, and Cristiano Borean, in his capacity as Manager in charge of preparing the financial reports of Assicurazioni Generali S.p.A. and Group CFO, having also taken into account the provisions of Art 154-*bis*, paragraphs 3 and 4, of the Italian Legislative Decree No. 58 dated 24 February 1998, hereby certify:
   - the adequacy in relation to the characteristics of the Company and
   - the effective implementation

   of the administrative and accounting procedures for the preparation of the consolidated financial statements over the course of the period from 1 January to 31 December 2022.

2. The adequacy of the administrative and accounting procedures in place for preparing the consolidated financial statements as at 31 December 2022 has been assessed through a process established by Assicurazioni Generali S.p.A. on the basis of the guidelines set out in the *Internal Control – Integrated Framework* issued by the *Committee of Sponsoring Organizations of the Treadway Commission*, an internationally-accepted reference framework.

3. The undersigned further confirm that:
   3.1 the consolidated financial statements as at 31 December 2022:
      a) are prepared in compliance with applicable international accounting standards recognized by the European Community pursuant to Regulation (EC) No. 1606/2002 of the European Parliament and of the Council of 19 July 2002, and with the applicable provisions and regulations;
      b) correspond to the related books and accounting records;
      c) provide a true and fair representation of the financial position of the issuer and the group of companies included in the scope of consolidation;

   3.2 the management report contains a reliable analysis of the business outlook and management result, the financial position of the issuer and group companies included in the scope of consolidation and a description of the main risks and uncertain situations to which they are exposed.

Milan, 13 March 2023

Philippe Donnet
Managing Director and Group CEO

ASSICURAZIONI GENERALI S.p.A.

Cristiano Borean
Manager in charge of preparing the Company's financial reports and Group CFO

ASSICURAZIONI GENERALI S.p.A.

GLOSSARY

% of multi-holding customers: it measures the percentage of customers with two or more needs covered by Generali. The needs might be covered by more than one policy / riders or by one policy covering two or more insurance needs.

Absolute emissions: greenhouse gas emissions associated to an investment portfolio, expressed as ton of CO_2 equivalent.

$$Absolute\ emissions\ (t) = \sum_{i=1}^{N} Emissions\ company_i * \frac{Exposure\ AG_{\ vs\ company\ i}}{EVIC\ company_i}$$

Definitions:
(t): reference date (e.g. year-end 2021).
Emissions of company $_i$: ton of CO_2 equivalent emitted by the company - Scope 1 and Scope 2.
Exposure of AG $_{in\ company\ i}$: total investment in € million in the company *i* via the investment portfolio in scope (direct investments of the Group general account in corporate listed equity and bond).
EVIC of company $_i$: Enterprise Value Including Cash of the company, in € million, measured as: market capitalization + preferred shares + minority shares + total debt.

Accessibility gap to variable remuneration between males and females: difference in percentage between males' and females' accessibility rate to variable remuneration across the entire organization.

Adjusted net result: it is the result of the period adjusted for the impact of gains and losses from acquisitions and disposals.

Ageing and new welfare: ESG factor material to the Group's strategy and considering stakeholders' expectations; it refers to trend of increasing life expectation and reducing birth rates that will make sizeable impacts on the financial sustainability of the social protection systems and might lead to reduced public welfare services. The aging of the population will also influence the job market and consumption, with effects on productivity and the intergenerational relations, with increased welfare costs borne by the working population.

Agent: sales force within traditional distribution networks (exclusive agents, non-exclusive agents and employed sales force permanently involved in the activities of promoting and distributing Generali products).

Asset owner: who owns investments and bears the related risks.

Average duration: it is defined as the average residual economic maturity (considering the first call option date) of the financial debt outstanding as at the reporting date, weighted for the nominal amount.

Average training hours per capita: it is the ratio between the total learning hours and the Group workforce.

Biodiversity degradation: ESG factor of high relevance to the Group's strategy and considering stakeholders' expectations; it refers to the rapid extinction of many animal and plant species, with an impoverishment of biological diversity and the gene pool, due to the land conversion, to the increase in pollution levels and to the climate change. The progressive collapse of the natural ecosystems represents a growing risk also for human health as it impairs the food chain, reduces resistance to pathogens and threatens the development of communities and economic sectors that strongly depend on biodiversity, such as farming, fishing, silviculture and tourism. In the face of this threat, the activism of civil society, regulatory pressure and the supervision of the authorities are growing, which broaden the responsibility of companies not only as regards their own operations, but also regarding their supply chain.

Business for Societal Impact (B4SI): it is an international standard for companies to report their activities in the community. The framework is internationally recognized and follows an Inputs-Outputs-Impact (IOI) logic, assessing community initiatives in terms of the resources committed (inputs) and the results achieved (outputs) and impacts.

Capitals: stocks of value as inputs to the business model. They are increased, decreased or transformed through the organization's business activities and outputs. The capitals are categorized in the International <IR> Framework as:
- financial capital: the pool of funds that is available to an organization for use in the production of goods or the provision of services, obtained through financing, such as debt, equity or grants, or generated through operations or investments;
- manufactured capital: manufactured physical objects (as distinct from natural physical objects) that are available to an organization for use in the production of goods or the provision of services;
- intellectual capital: organizational, knowledge-based intangibles;
- human capital: people's competencies, capabilities and experience, and their motivations to innovate;
- social and relationship capital: the institutions and the relationships within and between communities, groups of stakeholders and other networks, and the ability to share information to enhance individual and collective well-being;
- natural capital: all renewable and non-renewable environmental resources and processes that provide goods or services that support the past, current or future prosperity of an organization.

Carbon intensity (EVIC): this metric measures the greenhouse gases associated to the investment portfolio, expressed as ton of CO_2 equivalent per € million invested, by using Enterprise Value Including Cash (EVIC) as normalization factor for the emissions.

$$\text{Carbon intensity (EVIC) (t)} = \sum_{i=1}^{N} \frac{\text{Emissions company}_i}{\text{EVIC company}_i} * \frac{\text{Exposure AG}_{\text{vs company } i}}{\text{Total portfolio AG}}$$

Definitions:
(t): reference date (e.g. year-end 2021).
Emissions of company $_i$: ton of CO_2 equivalent emitted by the company - Scope 1 and Scope 2.
Exposure of AG $_{\text{in company } i}$: total investment in € million in the company *i* via the investment portfolio in scope (direct investments of the Group general account in corporate listed equity and bond).
EVIC of company $_i$: Enterprise Value Including Cash of the company, in € million, measured as: market capitalization + preferred shares + minority shares + total debt.
Total AG portfolio: total direct investment of the Group general accounts in corporate listed equities and bond, expressed in € million.

Carbon intensity (sales): this metric measures the greenhouse gases associated to the investment portfolio, expressed as ton of CO_2 equivalent per € million invested, by using sales as normalization factor for the emissions.

$$\text{Carbon intensity (sales) (t)} = \sum_{i=1}^{N} \frac{\text{Emissions company}_i}{\text{Sales company}_i} * \frac{\text{Exposure AG}_{\text{vs company } i}}{\text{Total portfolio AG}}$$

Definitions:
(t): reference date (e.g. year-end 2021).
Emissions of company $_i$: ton of CO_2 equivalent emitted by the company - Scope 1 and Scope 2.
Exposure of AG $_{\text{in company } i}$: total investment in € million in the company *i* via the investment portfolio in scope (direct investments of the Group general account in corporate listed equity and bond).
Sales of company $_i$: sales of the company i for the year t
Total AG portfolio: total direct investment of the Group general accounts in corporate listed equities and bond, expressed in € million.

Cash and cash equivalents: it includes cash and highly-liquid short-term financial investments (readily convertible in specific amounts of cash which are subject to an irrelevant risk of change in value). Furthermore, this asset class includes also short-term deposits and money-market investment funds, which are included in the Group liquidity management.

Cash remittance: dividends and dividend-equivalent permanent or long-term transactions from subsidiaries towards the Parent Company (e.g. capital reduction or permanent debt reimbursement) measured on a cash basis.

Change in healthcare: ESG factor of high relevance to the Group's strategy and considering stakeholders' expectations; it refers to the transformation of the healthcare systems due to demographic, technological and public policy evolution, leading to a higher demand for increasingly advanced patient-centric healthcare services, with growing healing and quality treatment expectations. That means that the level of sophistication and of healthcare service cost is growing, with an increasing integration of the public offer with private sector initiative.

Changing nature of work: ESG factor of high relevance to the Group's strategy and considering stakeholders' expectations; it refers to the transformation in the labour market due to new technologies, the globalisation and the growth of the service industry which are a leading to the spread of a flatter and more fluid organisation of work, as the diffusion of agile and flexible working arrangements, the job rotation and smart working solutions show. Self-employed workers and freelance collaborations are also on the rise versus a stagnation of employment, which make the labour market less rigid but also more precarious, irregular and discontinuous. In terms of changes in the real economy, the number of SMEs is increasing in Europe and we are witnessing a restructuring of the traditional industrial sectors and the globalization of the production processes with an increased complexity of the supply chains.

Climate change: ESG factor material to the Group's strategy and considering stakeholders' expectations; it refers to global warming due to the emissions rise of greenhouse gases coming from human activities, which is intensifying extreme natural events such as floods, storms, rise in sea level, drought, wildfire and heat waves, with repercussions on the natural ecosystems, human health and the availability of water resources. The policies and efforts required to limit global warming to below 1.5°C through the decarbonisation of the economy will lead to radical changes in the production and energy systems, transforming especially carbon-intensive activities, sectors and countries and encouraging the development of clean technologies. As effective as these efforts may be, some changes will be inevitable, therefore making strategies to adapt and to reduce the vulnerability to the changing climate conditions necessary.

Climate change adaptation: the process of adjustment to actual or expected climate and its effects (IPCC AR5). Economic activities contributing to climate change adaptation are described in Annex II of the Commission Delegated Regulation EU 2021/2139 of 4 June 2021 (known as Taxonomy Climate Delegated Regulation).

Climate change mitigation: a human intervention to reduce the sources or enhance the sinks of greenhouse gases (GHGs) (IPCC AR5). Economic activities contributing to climate change mitigation are described in Annex I of the Commission Delegated Regulation EU 2021/2139 of 4 June 2021 (known as Taxonomy Climate Delegated Regulation).

Climate-related perils: chronic and acute events related to temperature, wind, water and solid mass that are projected to increase in frequency and severity due to climate change (EEA, 2017&2020).

Companies operating in the thermal coal sector (identified as both customers and issuers):
- companies for which over 20% of revenues derive from coal;
- companies for which over 20% of electricity's production derive from coal;
- companies for which the installed coal electricity generation capacity is greater than 5 GW;
- companies that extract more than 10 million tons of coal per year;
- companies actively involved in building new coal capacity (new mines and/or new coal power generation plants).

Companies operating in the unconventional oil and gas sector:
- tar sands fossil fuels: companies generating more than 5% of their revenues from tar sands extraction or companies operating in controversial oil sands pipelines;
- Arctic oil and gas: companies generating more than 10% of their revenues from upstream activities related to oil/gas exploration and production in the Arctic region;
- oil and gas extracted through fracking: companies generating more than 10% of their revenues from upstream activities related to the production of shale oil and gas.

Companies operating in the unconventional weapons sector: companies that are directly involved in armaments and weapons that violate basic humanitarian principles through their normal use. Direct involvement includes the use, development, production, acquisition, stockpiling, or trade of controversial weapons or their key components/services.

CoR, combined ratio: it is a technical performance indicator of Property & Casualty segment, calculated as the ratio of net insurance benefits and claims as well as administration and acquisition costs to net earned premiums. In other words, it is the sum of loss ratio and expense ratio.

Current year loss ratio: it is a further detail of combined ratio calculated as the ratio of:
- current year incurred claims + related claims management costs net of recoveries and reinsurance; to
- net earned premiums.

Customer: either a physical person or a legal entity that holds at least one active insurance policy and pays a premium to Generali accordingly, a banking product or a pension fund product (the policy/the product is either with Generali, or other non-Generali local brand, or white labelled).

Digital revolution and cybersecurity: ESG factor of high relevance to the Group's strategy and considering stakeholders' expectations; it refers to the technological innovations introduced by the fourth industrial revolution, including big data, artificial intelligence, the Internet of Things, automation and block chain which are transforming the real economy and the social habits with the spread of services featuring a high level of customization and accessibility. The digital transformation requires new know-how and skills, resulting in a radical change of traditional jobs and in the appearance of new players on the market. The growth in complexity, interdependence and speed of innovation of the new digital technologies are posing challenges associated with the security of IT systems and infrastructures.

Earnings per share: it is equal to the ratio of Group net result and to weighted average number of ordinary shares outstanding.

Employees: all the Group direct people at the end of the period, including managers, employees, sales attendants on payroll and auxiliary staff.

Engagement rate: it is a measure that summarizes people's belief in company goals and objectives (rational connection), their sense of pride (emotional connection) and their willingness to go the extra mile to support success (behavioural connection). It is an index composed by the average result of six specific questions included in the Group Engagement Surveys.

Entities working hybrid: the organizational entities that are implementing hybrid work models in line with the Group Next Normal Principles.

Equal pay gap: difference between males' and females' base salary for the same work or work of equal value, calculated applying a specific statistical model based on multiple regression. If the result is positive, the gap shows that the gender male is the most compensated; vice-versa, if the result is negative, the gap shows that the gender female is the most compensated.

Equity investments: direct investments in quoted and unquoted equity instruments, as well as investment funds that are mainly exposed to equity investments, including private equity and hedge funds.

Equivalent consolidation area: constant consolidation scope.

Equivalent terms: constant exchange rates and consolidation scope.

ESG: acronym which qualifies aspects related to the environment, social and corporate governance.

Financial asset: any asset that is:
- cash;
- an equity instrument of another entity;
- a contractual right:
  - to receive cash or another financial asset from another entity; or
  - to exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity; or
- a contract that will or may be settled in the entity's own equity instruments and is:
  - a non-derivative for which the entity is or may be obliged to receive a variable number of the entity's own equity instruments; or
  - a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments. For this purpose, the entity's own equity instruments do not include puttable financial instruments that are classified as equity instruments.

Financial liability: any liability that is:
- a contractual obligation:
  - to deliver cash or another financial asset to another entity; or
  - to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the entity; or
- contract that will or may be settled in the entity's own equity instruments and is:
  - a non-derivative for which the entity is or may be obliged to deliver a variable number of the entity's own equity instruments; or
  - a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments. For this purpose, the entity's own equity instruments do not include puttable financial instruments that are classified as equity instruments.

Fixed income instruments: direct investments in government and corporate bonds, loans, term deposits other than those presented as cash and cash equivalents, and reinsurance deposits. This asset class also includes investment funds that are mainly exposed to investments or risks similar to direct investments presented within this asset class.

Gender pay gap: difference between males' and females' median base salary across the entire organization regardless of the roles. It is calculated as a percentage of the difference between males' salary minus females' salary, divided by the males' salary. If the result is positive, the gap shows that the gender male is the most compensated; vice-versa, if the result is negative, the gap shows that the gender female is the most compensated.

General account: investments reported in the financial statements (excluding financial assets categorized as unit- and index-linked or deriving from pension funds management) and cash and cash equivalents. They also include some liabilities, with features similar to investments, among which derivative liabilities referred to investment portfolio and REPOs.

Geopolitical and financial instability: ESG factor of high relevance to the Group's strategy and considering stakeholders' expectations; it refers to the weakening of multilateralism and of the traditional global governance mechanism that are leading to increased tension between countries and to the resurgence of trade protectionism and populism. Associated with the changing geopolitical balance - with complex cause and effect relationships - is the worsening of macroeconomic conditions and a scenario of a continuing lowering of interest rates. The weakening of the initiative of the traditional political institutions is compensated by the emergence of coalitions and global coordination mechanisms promoted by the private sector and civilian society.

Gross direct written premiums: gross written premiums of direct business.

Gross written premiums (GWP): gross written premiums of direct business and accepted by third parties.

Increasing inequalities: ESG factor of high relevance to the Group's strategy and considering stakeholders' expectations; it refers to the growing gap in the distribution of wealth between social groups and - more in general - the polarisation in accessing self-determination opportunities. These trends are accompanied with a decline in social mobility, leading to a protracted permanence in the state of poverty and exclusion, mainly related to the socio-economic conditions of the household of origin.

Insurance exposure to fossil fuel sector: it refers to direct premiums from property and engineering (including marine) coverage of coal assets related to companies of the coal sector and/or from underwriting risks related to oil and gas exploration/extraction (conventional and unconventional) and midstream supply chain of oil and gas extracted through fracking and/or from tar sands, if not marginal to the client's core business (less than 10% of the value of covered assets).

Insurance solutions with ESG components - environmental sphere:
- products designed to promote sustainable mobility with reduced environmental impact, including products for electric and hybrid vehicles, or products rewarding low

annual mileage and responsible driving behaviour;
- products specifically designed to cover catastrophe risks or specific environmental damage;
- products covering risks connected with the production of renewable energies. These kinds of products are designed to cover equipment for the production of renewable energy, to guarantee reimbursement of damage caused by atmospheric events to solar and photovoltaic panels, or similar systems, which can be integrated with guarantees to protect against loss of profit deriving from the interruption or decrease of the production of electricity;
- anti-pollution products, such as third party liability policies for pollution, which provide reimbursement of expenses for urgent and temporary interventions aimed at preventing or limiting the recoverable damage;
- products that support the energy efficiency of buildings, for which we also provide consultancy to customers, to identify possible solutions for optimizing energy consumption in homes;
- products to support companies dealing with materials recovery/recycling, products for start-ups that manage shared services platforms, etc..

Insurance solutions with ESG components - social sphere:
- products aimed at targeted clients/events, including products dedicated to the young, the elderly, the disabled, the immigrants, the unemployed, aimed at covering professional disabilities, or supporting and fostering social inclusion; products that promote a more prosperous and stable society, with particular attention to small and medium-sized enterprises and people involved in voluntary work; products with high social security or microinsurance content;
- products that supplement the public health service, designed to help manage the costs of treatment and assistance, as well as the reduction in earnings of customers in the event of serious illnesses or the loss of self-sufficiency;
- products that promote responsible and healthy lifestyles, leveraging on the opportunities provided by new technologies, the importance of preventive healthcare or other virtuous behaviours of policyholders, and Life investment products allowing to invest insurance premiums into financial assets also with ESG components.

Integrated report: concise communication that illustrates how the strategy, governance, performance and future prospects of an organization, in the external environment in which it operates, are used to create value in the short, medium and long term.

Investment contracts: contracts that have the legal form of insurance contracts but, as they do not substantially expose the insurer to significant insurance risk (e.g. the mortality risk or similar insurance risks), cannot be classified as insurance contracts. In accordance with the definitions of IFRS 4 and IAS 39 these contracts are recognized as financial liabilities.

Investment properties: direct investments in properties held in order to receive rent or to achieve targets for capital appreciation, or for both reasons. This asset class also includes investment funds that are mainly exposed to real estate investments.

Investments back to unit- and index-linked policies: various types of investments backing insurance liabilities related to unit and index-linked policies.

Investments in digital & technology: investments for the initiatives in the Technology, Data & Digital (TDD) program, among which initiatives for Smart Automation, security, digital tools and Data, Analytics & AI.

Lockup clause: it imposes the unavailability of the shares assigned with respect to some incentive plans (or a specific share) for a specific time horizon as defined by any individual plan. The clause provides for the commitment of the issuing Company and potentially of some shareholders not to pursue selected actions on the equity of the company itself in the period subsequent to a public offering.

Managed reports related to the Code of Conduct: they are the allegations of potential breaches of the Group's Code of Conduct that are managed in accordance with the Group's Process on managing reported concerns. They do not include customer complaints.

Mathematical provisions: it is the amount that shall be set aside by the insurance company to meet its future obligations to policyholders.

Migrations and new households: ESG factor monitored by the Group; it refers to the migration phenomena and increased international mobility that are broadening the cultural diversity of the modern globalised societies and are transforming the preferences and market of the consumers, the workplace and the political debate. Also the profile of modern family is profoundly changing with a significant increase in households made up of only one person and in single-parent families due to greater women emancipation, growth in separations, longer life expectation and urbanisation. As a result, consumption habits, the distribution of resources and the social risk mitigation mechanisms are changing, and the vulnerability of the single-person households to situations of hardship - such as loss of employment or disease - is growing.

NBM, new business margin: it is a performance indicator of the new business of the Life segment, equal to the ratio of NBV to PVNBP. The margin on PVNBP is intended as a prospective ratio between profits and premiums.

NBV, new business value: it is an indicator of value created by the new business of the Life segment. It is obtained by discounting at the date of new contracts the corresponding expected profits net of the cost of capital (net of the portion attributable to minority interests).

Net inflows: it is an indicator of cash flows generation of the Life segment. It is equal to the amount of premiums collected net of benefits paid.

Operating result: it is the result of the period before taxes, before interest expense on liabilities linked to financing activities, certain net financial income as well as non-recurring income and expenses. Please refer to the chapter *Methodological notes on alternative performance measures* for further information.

Operating return on investments: it is an alternative performance measure of both the Life and Property & Casualty segments, calculated as the ratio of the operating result to the average investments at IAS/IFRS book value, as described in the chapter *Methodological notes on alternative performance measures*.

Other investments: it includes participations in non-consolidated companies, associated companies and joint ventures, derivative investments and receivables from banks and customers, the latter mainly related to banking activities by some Group companies.

Outcomes: the internal and external consequences (positive and negative) for the capitals as a result of an organization's business activities and outputs.

Pandemics and extreme events: ESG factor material to the Group's strategy and considering stakeholders' expectations; it refers to the fact that the population concentration and the deficiencies in population protection and emergency management mechanisms are increasing the risks associated with extreme events, such as earthquakes and tsunamis, pandemics and health emergencies as well as other man-made catastrophes such as technological, radiological incidents, and terrorism. A strengthening of the system to prevent, prepare for and respond to these events is required in order to increase the resilience of the affected territories and communities.

P&L return on investments: it is the sum of the current return on investments and the harvesting rate net of investment management expenses. Please refer to the chapter *Methodological notes on alternative performance measures* for further information.

Polarization of lifestyle: ESG factor of high relevance to the Group's strategy and considering stakeholders' expectations; it refers to the enhanced awareness of the connection between health, living habits and the environmental, which is favouring the spread of healthier lifestyles, based on the prevention and proactive promotion of well-being, especially in the higher income and higher education social groups. Examples of this are the growing attention to healthy eating and to physical activity. However, amongst the more vulnerable social brackets, unhealthy lifestyles and behaviours at risk are continuing, if not actually increasing, with the spread of different forms of addiction (drugs, alcohol, tobacco, compulsive gambling, Internet and smartphone addiction), mental discomfort, sleep disorders, incorrect eating habits and sedentariness, with high human and social costs related to healthcare expenditure, loss of production and early mortality.

Prior year loss ratio: it is a further detail of combined ratio calculated as the ratio of:

- previous year incurred claims + related claims management costs net of recoveries and reinsurance; to
- net earned premiums.

Provision for outstanding claims: it comprises the estimated overall amounts which, from a prudent valuation based on objective elements, are required to meet the payment of the claims incurred during the current year or the previous ones, and not yet settled, as well as the related settlement expenses. The outstanding claims provisions shall be estimated as the total ultimate cost taking into account all future foreseeable charges, based on reliable historical and forecast data, as well as the specific features of the company.

Provision for unearned premiums: it comprises the unearned premium component, defined as the part of gross premiums written which is to be allocated to the following financial periods, and the provisions for unexpired risk on insurance contracts in force in excess of the related unearned premiums.

Provisions arising from policies where the investment risk is borne by the policyholders and from pension funds: they comprise the amounts to be allocated to the policyholders or to the beneficiaries relating to Life segment products where the risk arising from the underlying financial investments backing the technical liabilities is borne by the policyholders.

Provisions for sums to be paid: they are technical reserves constituted at the end of each financial year by companies operating in the Life segment in order to cover the overall amounts required to meet the payment of the capitals and annuities accrued, surrenders and claims outstanding.

PVNBP, present value of new business premiums: it is the present value of the expected future new business premiums, allowing for lapses and other exits, discounted to point of sale using reference rates.

Regulatory complexity: ESG factor of high relevance to the Group's strategy and considering stakeholders' expectations; it refers to the increase in the production of laws and regulatory mechanisms especially for the financial sector, in order to regulate its complexity and to share the fight against illegal economic activities with the sector's participants. Therefore, the costs for guaranteeing regulatory compliance and the need for greater integration and simplification of the governance systems are increasing.

Relationship Net Promoter Score, Relationship NPS: it is an indicator calculated from customer research data. A pre-defined market representative sample is surveyed on a quarterly base. Specifically, customers are asked to assess their likelihood to recommend Generali to their friends, colleagues and family members, using a scale from 0 to 10. Thanks to this feedback, the company is able to identify detractors (rating from 0 to 6), passives (rating of 7 or 8) and promoters (rating of 9 or 10). In order to calculate the RNPS, the percentage of detractors is deducted from the percentage of promoters. The RNPS is not expressed as a percentage but as an absolute number.
At each wave, at least 200 Generali customers and as many customers of our European international peers (AXA, Allianz and Zurich) are surveyed per market to guarantee the robustness of the data surveyed.

Relevant personnel: it refers to general managers with strategic tasks, the Heads and the highest-level personnel of the Key Functions and the other categories of personnel whose activity can have a significant impact on the company risk profile in accordance to IVASS Regulation no. 38/2018, art. 2, paragraph 1, letter m).

Resource scarcity and sharing economy: ESG factor of high relevance to the Group's strategy and considering stakeholders' expectations; it refers to the increase in world population and the excessive exploitation of natural resources such as soil, land water, raw materials and food resources that make the transition to circular and responsible consumption models necessary as they reduce the resources use and the waste production. Technological innovation and the spread of more sustainable lifestyles encourage the spread of new consumption and production patterns based on reuse and sharing, such as car sharing, co-housing, co-working and crowdfunding.

RoE, Return on Equity: it is an indicator of return on capital in terms of the Group net result. It is calculated as the ratio of:
- Group net result; to
- average Group shareholders' equity at the beginning and end of the period, adjusted to exclude other gains and losses directly booked to equity, included in Other Comprehensive Income, such as gains and losses on available for sale financial assets, gains and losses on foreign currency translation differences, unrealized gains and losses on hedging derivatives and unrealized gains and losses on defined benefit plans.

Solvency Ratio: it is the ratio of the Eligible Own Funds to the Group Solvency Capital requirement, both calculated according to the definitions of the SII regime. Own funds are determined net of proposed dividend. The ratio has to be intended as preliminary since the definitive Regulatory Solvency Ratio will be submitted to the supervisory authority in accordance with the timing provided by the Solvency II regulations for the official reporting.

Stock granting: free shares assignment.

Stock option: it represents the right of the holder to buy shares of the Company at a predefined price (so-called strike). These options are assigned free of charge.

Stranded asset: invested assets that may lose their economic value in advance of the expected duration, due to regulatory changes, market forces, technological innovation, environmental and social problems associated with the transition to a low-carbon economy. They are typically associated with the coal and fossil fuel sector, with an indirect impact on the utilities and transport sectors.

Sustainable Development Goals (SDGs): 17 objectives contained in the 2030 Agenda for sustainable development, launched by the United Nations.

Taxonomy-aligned economic activity: an economic activity that is described in Annexes I and II of the Commission Delegated Regulation EU 2021/2139 of 4 June 2021 (known as Taxonomy Climate Delegated Regulation) adopted pursuant to Regulation EU 2020/852 and that meets all of the technical screening criteria laid down in those Annexes.

Taxonomy-eligible economic activity: an economic activity that is described in Annexes I and II of the Commission Delegated Regulation EU 2021/2139 of 4 June 2021 (known as Taxonomy Climate Delegated Regulation) adopted pursuant to Regulation EU 2020/852 irrespective of whether that economic activity meets any or all of the technical screening criteria laid down in those Annexes.

Third-Party Assets Under Management, TP AUM: assets managed by the Group on behalf of its institutional and retail clients, insurance companies and pension funds.

Training investment: it includes all direct costs for formal learning (e.g. salaries and travel costs of teaching and non-teaching training staff, non-salary development and delivery costs of training initiative, etc.), with the exception of participants' attendance, travel and accommodation costs, participants' and internal subject matter experts cost of lost work time while engaged in learning, etc..

Transparency and purpose-driven businesses: ESG factor of high relevance to the Group's strategy and considering stakeholders' expectations; it refers to the fact that key stakeholders of companies - such as investors, consumers and employees, especially in Europe and with particular reference to the Millennials - are ever more attentive and demanding on the purpose and the sustainability practices of companies. Also, the regulatory requirements for companies in terms of reporting and transparency are increasing, making it increasingly essential that a company demonstrate its ability to create value for all of its stakeholders, going beyond the shareholders. The growing number of benefit companies, cooperatives and social enterprises stands as proof of this trend.

Undertakings not obliged to publish non-financial information: undertakings that are not obliged to publish non-financial information in line with the directive EU 2014/95, which are not subject to disclosure obligations relating to EU Taxonomy-aligned activities.

Unmediated access to information: ESG factor monitored by the Group; it refers to the increasing speed, ease and amount of information shared between people, governments and companies thanks to the diffusion of new communication technologies, social media and web platforms. In this way, knowledge is increasingly accessible, multi-directional, intergenerational and on a global scale, and is transforming how people form opinions and mutually influence each other. The traditional sources of information, such as newspapers, schools, parties and religious institutions, are undergoing a resizing of their role in mediating knowledge, with consequences for control of the reliability of the information circulated and for manipulating public opinion, as evidenced by the fake news phenomenon.

Upskilled employees: employees of the Group who have been successfully reskilled on sustainability, Next Normal, new business/digital and behavioral skills.

Urbanization: ESG factor monitored by the Group; it refers to the trend of human population concentrating in urban areas. Today over 70% of Europeans live in cities, and the amount should rise to above 80% by the year 2050. At the same time, over the years land consumption to convert natural land into urbanised areas has accelerated. Together with their expansion, the cities find themselves having to take up increasingly urgent challenges, such as social inclusion in the outskirts and the lack of adequate housing, congestion and air pollution. Considerable investments will therefore be necessary for urban regeneration and to modernise infrastructure and mobility systems based on a more sustainable planning.

Weighted average cost of debt: it is the annualized cost of financial debt considering the nominal amounts at the reporting date and the related transactions of currency and interest rate hedging.

Women and minorities inclusion: ESG factor of high relevance to the Group's strategy and considering stakeholders' expectations; it refers to the growing demands for greater inclusion and empowerment of the diversities related to gender, ethnic group, age, religious belief, sexual orientation and disability conditions in the various areas of social life, from the workplace to that of political representation and public communication. The topic of women empowerment and reducing the gender pay and employment gaps has taken on particular emphasis. However, in the face of these trends an increase in forms of intolerance, social exclusion and violence is noted, particularly against women, ethnic and religious minorities, immigrants and LGBTQI+ people and those with mental-physical disabilities, especially in the lower income and lower education social brackets.

Women in strategic positions: women in Group Management Committee positions, Generali Leadership Group positions and their first reporting line.

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Photos
**Salvatore Aquilani and drone pilot Antonio Mazza,
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