

Letter replying to Larry Fink's *Annual Letter to CEOs*



June 2018

Dear Larry,

Thank you for your annual CEO letter. The letter provides an inspirational and motivating perspective on how to enhance a business culture based on sustainability and social responsibility.

I believe that Generali and BlackRock have developed a long-standing, strong and fruitful relationship over the years. Because of your long-term investment approach and the valuable guidance you and your team provide, I am honored to have your firm as one of our main shareholders and I welcome your commitment to a more effective engagement going forward.

I could not agree more with you on the importance of purpose in running a business. Generali is aware of its impact on society, being one of the world's sixty largest companies and a leading international insurance and asset management player. Insurers contribute not only to provide individuals and businesses with protection against losses and financial security for their future, but they also support economies by investing policyholders' premiums with a long-term proposition. Our commitment to sustainability and social responsibility is incorporated in our Group vision: to actively protect and enhance people's lives.

Such vision is reflected in measurable actions. Last year, our Board of Directors approved our [Charter of Sustainability Commitments](#) that defines eight priorities for Generali, such as ‘build a work environment that inspires our people to give their best,’ ‘foster change within the insurance and financial industry’ and ‘reach a tangible impact in the communities where we operate.’ As part of our priorities, in February 2018, we announced that we will exit our investments in the coal sector, amounting to approximately €2 billion, allocate €3.5 billion in sustainable investments by 2020 and engage with our stakeholders to promote their transition to more sustainable practices.

Within Generali, we are streamlining processes and policies, promoting a culture based on performance, dialogue, transparency and meritocracy, empowering our people and providing them with more agile and productive tools and environments. In 2017, we launched a Diversity & Inclusion plan that directly involves our top managers as ambassadors throughout the whole organization.

Last October, we unveiled to the public Generali’s first-ever global community outreach initiative: [The Human Safety Net](#). It aims to inspire people to help others in developing their full potential. The Human Safety Net is already active in over a dozen countries, and I am confident that many of our other markets will soon join the program.

This is also a good opportunity for me to inform you that Generali is on track to execute its current strategic plan; at the same time, we are also focused on the definition of our 2019-2021 strategy to be announced on November 21. We are envisaging a plan centered on financial optimization, profitable growth, innovation and transformation. We will liberate our full potential in those areas where we see opportunities for growth and improvement, reinforce those capabilities that already constitute our competitive advantages and invest in selected innovative and transformational initiatives. These objectives will be reached thanks also to our strong, consistent and distinctive brand that ultimately symbolizes our core beliefs and values.

Furthermore, we will strive to enhance our people – our most crucial asset – by developing skills relevant to tomorrow's challenges and contributing, to the best of our ability, to their happiness inside and outside the workplace.

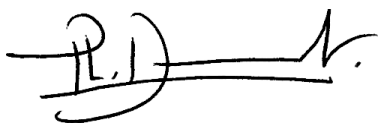
I would like to underline the role of Generali's Board of Directors in designing our next strategy. Our top executives and I seek and value the Board members' contributions within the framework of an on-going dialogue. Our Board also promotes and encourages gender and cultural diversity throughout the Group.

Against this backdrop, I am convinced that the next strategy will position Generali further ahead among the leading international insurance players through actions that will produce a positive impact on all stakeholders, as part of our long-term purpose of proactively protecting and enhancing people's lives.

Thank you again for your motivating letter and your genuine interest in supporting businesses with a sustainable purpose. As the Group CEO of Generali, I aim to pursue similar goals.

I look forward to continuing our interesting dialogue in the months to come.

With my kind regards,

A handwritten signature in black ink, appearing to read 'P. Donnet', with a long horizontal line extending to the right.

Philippe Donnet
Group CEO, Generali