

Report of the Board of Directors to the Shareholders' Meeting

1. FINANCIAL STATEMENTS OF 2019

- b.** Allocation of the 2019 profit and distribution of dividends. Relevant and ensuing resolutions. Delegation of Powers.

Shareholders,

the annual net profit is EUR 1,514,627,501.54.

In this regard, note that the Board of Directors resolved as follows in its 12 March 2020 meeting:

- 1) that EUR 1,290,230.40 of the annual net profit should be allocated to the legal reserve, in compliance with the provisions of section 2430 of the civil code, EUR 1,513,009,965.12 distributed in dividends and EUR 327,306.02 allocated to the extraordinary reserve, as specified below:

(in EUR)

| | |
|--------------------------|---------------|
| from annual profit | 1,514,627,502 |
| to legal reserve | 1,290,230 |
| to dividends | 1,513,009,965 |
| to extraordinary reserve | 327,306 |

- 2) that, of the annual profit allocated to the legal reserve, EUR 903,161.28 should be allocated to the Life section and EUR 387,069.12 to the Non-life section, while all of the net profit allocated to the extraordinary reserve should be attributed to the Non-life section. The proposed dividend attributable to each of the shares entitled to dividends amounts to EUR 0.96, for a maximum total of EUR 1,513,009,965.12;
- 3) that the proposals for allocation of the annual profit and distribution of dividend take into account the 12 March 2020 Board resolution approving assignment of Generali shares to the "2017 Long Term Incentive Plan" ("2017 LTI Plan"). To permit assignment of shares to Group management, a share capital increase of EUR 6,278,644.00 is planned;
- 4) that the total amount to be assigned to shares in circulation amounts to EUR 1,506,879,501.12, with the addition of EUR 6,027,498.24 for shares to be issued, with IVASS authorisation under art. 5 of ISVAP Regulation no. 14 of 18 February 2008, to implement the above-mentioned 12 March 2020 Board of Directors resolution;
- 5) that the dividend will be paid, withholding the applicable withholding tax, starting on 20 May through appointed intermediaries via the Monte Titoli S.p.A. centralised management system. Ordinary shares in the Company will be traded, without rights to dividends or to assignment of profits in kind, starting on 18 May 2020.

All this having been stated, please note the following.

Following this decision, in a letter dated 30 March 2020, consequently with an EIOPA communication of 17 March 2020, IVASS requested that, when examining the 2019 financial statements and in light of the situation created by COVID-19, insurance companies and Italian ultimate controlling institutional units “adopt individually and at group level extreme caution in the distribution of dividends and other assets and in the payment of the variable remuneration component to corporate managers.”

Moreover, following its 17 March 2020 statement, on 2 April 2020 EIOPA issued a new statement, asking insurance companies to temporarily suspend discretionary distribution of dividends in view of the current climate of uncertainty, specifying that this suspension may be reviewed once the financial and economic impact of COVID-19 becomes clearer. EIOPA moreover asked insurance companies to adopt a similar prudent approach to variable remuneration policy for corporate managers. Lastly, EIOPA specified that companies believing they are required to pay large dividends or variable remuneration components must explain the underlying reasons to the competent national surveillance authorities.

While confirming the hypotheses employed in determining the company’s position of solvency as of 31 December 2019, contained in this document, the Board of Directors discussed the surveillance authorities’ recommendations in depth in its 23 March 2020 and 10 April 2020 meetings and decided to review the proposed distribution of the annual profit described above.

In light of the above, Shareholders are being asked to examine and approve the following new

Draft resolution of the shareholders’ meeting

“The Ordinary General Meeting of Assicurazioni Generali S.p.A., held at Generali Italia S.p.A.’s offices in Turin at Via Giuseppe Mazzini 53, being validly constituted and empowered to pass resolutions pursuant to section 2369 of the Italian Civil Code and art. 21 of the Company’s Articles of Association,

- having viewed the draft financial statements for the year ending on 31 December 2019, prepared by the Board of Directors, as a whole and in its individual items, with the limitations on reservations permitted by tax legislation, the appropriations and allocations proposed;
- having noted that at today’s date, the fully paid-up share capital of € [specify the amount of the share capital at the date of the Shareholders’ Meeting], is divided into [specify the number of shares at the date of the Shareholders’ Meeting] shares with a face value of € 1.00 each;
- having viewed the Report of the Board of Directors on management, the Report of the Board of Statutory Auditors and other documents containing complementary information to the proposed financial statements;
- taking into account the considerations raised in the 23 March 2020 and 10 April 2020 meetings in response to the issuing of IVASS recommendations on 30 March 2020 and EIOPA recommendations on 2 April 2020;

resolves

1. to assign to Shareholders a dividend for the year 2019, after withholding the applicable tax, consisting of a cash payment of EUR 0.96 per share: the maximum total payment will be EUR 1,513,009,965.12, with the entire amount resulting from the annual profit. Payment shall be made according to the following terms, methods and conditions:
 - a) the first instalment of dividend, amounting to EUR 0.50 per share, shall be payable as of 20 May 2020;
 - b) a second instalment of dividend amounting to EUR 0.46 per share shall be payable, subject to verification, to be conducted by the Board of Directors in its 11 November 2020 meeting, of the existence of the conditions identified in point c) below, on a date to be established by the Board of Directors at that meeting, and in no case beyond 31 December 2020;
 - c) payment of the second instalment of the above-mentioned dividend shall be subject to verification by the Board of Directors of compliance, as of 30 September 2020, with the limits set, among other aspects, by the Group’s Risk Appetite Framework approved by the Board and therefore confirmation of compliance with the requirements

and recommendations of surveillance authorities for the payment of dividends in effect at that time, with consequent payment to the entitled parties or re-allocation of the corresponding amounts to reserves, if the conditions are not met;

d) in all cases, the Board of Directors may put the decision regarding payment of the second instalment of dividend to a General Meeting of Shareholders to be called for the purpose;

2. to allocate EUR 1,290,230.40 to the legal reserve (of which EUR 903,161.28 will

be allocated to the Life section and EUR 387,069.12 to the Non-life section) and EUR 327,306.02 to the extraordinary reserve (entirely attributed to the Non-life section);

3. to grant the Chairman of the Board of Directors and the Managing Director - also severally, and through special attorneys and/or through legal representatives of the Company, under Articles 38 and 39 of the Articles of Association - a broad mandate to perform all acts consequent upon the passing and involved in the implementation of this resolution.”

Turin, 10 April 2020

THE BOARD
OF DIRECTORS

