

188th year

Corporate Governance and Share Ownership Report 2019



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Corporate Governance and Share Ownership Report 2019*

The information in this Report reflects the situation as at 31 December 2019,
save as otherwise specified



Contacts: see end of the Report

* This Report is required pursuant to s. 123-*bis* of the Consolidated Law on Financial Intermediation and s. 144-*decies* of the CONSOB Issuers' Regulation

Corporate bodies

as at 12 March 2020

Chair

Gabriele Galateri di Genola

Vice-Chairs

Francesco Gaetano Caltagirone

Clemente Rebecchini

Managing Director and Group CEO

Philippe Donnet

Board members

Romolo Bardin

Paolo Di Benedetto

Alberta Figari

Ines Mazzilli

Antonella Mei-Pochtler

Diva Moriani

Lorenzo Pelliccioli

Roberto Perotti

Sabrina Pucci

Board of Statutory Auditors

Carolyn Dittmeier (chair)

Antonia Di Bella

Lorenzo Pozza

Francesco Di Carlo (alternate auditor)

Silvia Olivotto (alternate auditor)

Board Secretary

Giuseppe Catalano

Assicurazioni Generali S.p.A.

A company established in Trieste in 1831.

Registered office in Trieste (Italy), piazza Duca degli Abruzzi 2.

Fully paid-on share capital € 1,569,773,403.00.

Fiscal code and Venezia Giulia Companies' Register no. 00079760328.

VAT number 01333550323

Company entered in the Register of Italian Insurance and Reinsurance Companies under no. 1.00003.

Parent Company of Generali Group, entered in the Register of Italian Insurance groups under n° 026.

Certified email address: assicurazionigenerali@pec.generaligroup.com

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

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Letter of the Chairman of the Corporate Governance and Social & Environmental Sustainability Committee



Gabriele Galateri di Genola
Chairman

Dear Shareholder,

The 2019 financial year marks the close of the first year of the current strategic plan, “Generali 2021”, and I can say with satisfaction that the process of achieving the targets we have set ourselves is on track. 2019 was a particularly challenging year, with significant uncertainty on the financial, business, political and social fronts as well as – without even touching on the issues related to “Coronavirus” – difficulties arising from the changing global climate: this is an area where tangible responses and contributions need to come from the business world too, and where Generali is taking effective action.

Indeed, our serious commitment to long-term sustainability is one of the enabling factors for achieving the objectives of our strategic plan. It is implemented on a daily basis in our approach to business in order to create sustainable value and provide positive support for the real economy through our insurance underwriting and investment of the assets covering our commitments to our policyholders. We firmly believe that insurance has a fundamental role in growing the resilience of the economy and society as a whole. Equally, we are convinced that achieving results coherent with this approach requires appropriate corporate governance, with the structuring, implementation and regular updating of the organisational and control system, at company and Group level, to make sure the purpose we are working for: to generate profits for all our shareholders, while taking account of the interests of all our stakeholders (clients, employees, suppliers, etc.).

This approach now also has the formal support of lawmakers at European level and in many countries, who believe it is essential that the business world be guided toward a correct transition. From this perspective, an important role is attributed to financial players such as banks, insurers, asset managers, institutional investors and financial brokers: their engagement is essential to support the economy and individuals, and to allocate financial resources to sustainable solutions, at global level and for local communities. In this context, Generali supports an “equitable transition” for workers and local communities, to help promote the creation of a healthy and resilient society, where no one is “left behind”.

In our business processes we have introduced permanent initiatives to engage our clients and the issuers we invest in, most notably in countries whose economy and employment depend heavily on the coal industry. On this point, in 2019 we took a series of important and by no means inevitable decisions, ranging from total termination of insurance relations with some clients in the coal industry who offered no encouraging signals in the wake of our talks, to the cessation of exposure to all Polish mines, irrespective of the issuer.

In 2019 a development of legislation continued at national and European level, accompanying the growing attention not only of civil society but also of investors and industry. This was also the context for the update of the Italian corporate governance code, today one of the most advanced at international level in terms of social and environmental sustainability: in 2020 our Board of Directors will take action on these issues to keep our corporate governance aligned with best national and international practice.

The Generali approach to sustainability is strongly supported by our Board of Directors, which, after its appointment in May last year, wanted not only to confirm a corporate governance model that assigns a key role to the Governance and Sustainability Committee, but also to strengthen the committee by increasing the number of members and appointing two vice chairs. In 2019, this committee was particularly active and incisive, supporting the Board of Directors, in its role of guiding and monitoring the strategic sustainable development of the Group's business.

Last year, the Generali view was also reflected in the decisions taken by the Board of Directors in the strategic review of the materiality index, in the definition of a management incentives policy including sustainability targets, and in improving the corporate culture and protection against cyber security risks. Today, the qualitative level of our governance and our sustainable approach to business has won international recognition, with our company's inclusion in both the global "Dow Jones Sustainability Index" and the European index, whose standards are even higher; so that Generali is now regarded as one of the world's 100 most sustainable companies. 2019 was also the year when Generali launched its first "green bond", taking on a role of absolute leadership among European insurers: the Integrated Annual Report provides full details about all these questions.

As you know, last year's General Meeting elected the Board of Directors that will remain in office until approval of the 2021 financial statements; this will also be the last year of our current strategic plan. The meeting reached its decisions partly on the basis of the recommendations in the outgoing board's guidance opinion. In this context, a particularly important element was the invitation to consider the need to monitor increasingly significant ESG competences (Environment, Social, Governance) in order to oversee management of the risks associated with medium/long-term sustainability, consistently with the Group's strategic vision. In line with our business objectives and the goals of the new strategic plan, the meeting also embraced the recommendation to meet the challenges posed by technological innovation (including with regard to information technology, cybersecurity and operations) and by digitalisation in insurance and, more generally, in finance.

I am certain that as a result of the decisions taken by the General Meeting in 2019, today the Board of Directors is able to ensure an effective governance of our Company over the medium/long-term and has the expertise to oversee key strategic matters, by leveraging important diversity profiles (gender, age, length of service, professional and educational profile, experience, independence) consistently with the policy formally adopted by the Board of Directors.

Finally, a few words about this Report. It has been further simplified through the use, once again, of a compendium on a series of more technical questions. We have also improved integration with the the Company's other reports, in line with the "Core&More" approach, to provide details about a number of issues mentioned in the Integrated Annual Report, which constitutes the "Core" document.

Thank you for your attention. I hope you find the Report an interesting read.

Gabriele Galateri di Genola

Chair, Corporate Governance and Social & Environmental Sustainability Committee



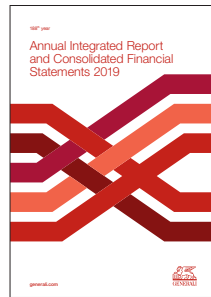
The integrated overview of our reports

Our sustainable value creation story is moving forward on the basis of the integrated thinking. It started in 2013, when the first integrated report was published, and then developed using the Core&More reporting approach. The **Annual Integrated Report** is the 'Core' report of the Group, centred on material financial and non-financial information. All other 'More' reports and channels of communication include further information, some of which targets a specialized audience.



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 254/2016 (leg. decree 254/2016).



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.



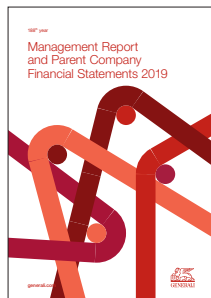
Corporate Governance and Share Ownership Report

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.



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for further information on the Group.



¹ The Core&More approach developed by Accountancy Europe provides for a core report, including a summary of all key information required to evaluate and understand a company, and more reports, presenting more detailed information. www.accountancyeurope.eu/ for further information. The Generali Group's reporting aims to provide the best possible response to stakeholder information requirements. Comments, opinions, questions and requests for hard copies of the Report may be sent to: governance@generali.com

Information on this Report

Our corporate governance and share ownership report complies with the disclosure provisions of s. 123-*bis* of the **Consolidated Law on Financial Intermediation (CLFI)**, which requires issuers to provide accurate information to the market, on an annual basis, on share ownership, implementation of corporate governance conduct codes, as well as on the organisation and operation of the corporate bodies and on governance practices.

Since 1999, the Company has implemented the principles of the **Corporate Governance Code for Listed Companies**, as amended in time. The corporate governance system of the Company described in this Report is compliant with the principles and criteria set out in the edition approved in July 2018, and is also based on the recommendations of the 7th Report on Corporate Governance Code implementation, adopted on 9 December 2019 by the Italian Corporate Governance Committee. For the convenience of readers, the separate Information Compendium (available on the website) includes a check-list providing, for each principle/criterion of the Code, the reference to the relevant page of the Report. In 2020 the Board of Directors will examine the new developments relating to the review of the Corporate Governance Code, for the purpose of their implementation in financial year 2021 in line with current recommendations.



The Report references the check-list envisaged by the **Borsa Italiana Format** for the corporate governance and share ownership report (VIII Edition - January 2019).

The **Report layout** includes an introductory section (**Executive Summary**) with significant information and macro-data providing a meaningful summary of the financial and governance events concerning the Group in 2019.

The introductory section is followed by the main body of the Report, subdivided into **4 chapters**, on, respectively, our corporate governance model, shareholders and investors and our relations with them, the various corporate governance players, and the internal control and risk management system. The Report closes with a section consisting of **Tables**.

The separate **Information Compendium** mentioned above (available on the website) details the responsibilities the Board of Directors reserves for itself and those it has assigned to other corporate bodies, and provides a Code compliance check-list with cross-references to the Report and an examination of the operating terms and procedures of the General Meeting.

The definitions of abbreviations and acronyms are included in the **Glossary** at the end of the Report, which also includes a list of **Contacts**.



Executive summary

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Group highlights

(Amounts in millions €)	31/12/2019	31/12/2018	% change
Gross written premiums *	69,785	66,691	+4.3%
ROE *	5,192	4,857	+6.9%
TSR **	32.95%	1.39%	+31.56 p.p.
Capitalisation	28,884	22,851	+26.4%
Group net profit	2,670	2,309	+1.57%
Proposed per share dividend (in €)	0.96	0.90	+6.7%
Overall Asset Under Management (in billion €) *	630	488	+29.0%
of which SRI (in billion €)	35,5	33,2	+6.9%
Regulatory Solvency Ratio	224%	217%	+8 p.p.
Our people	71,936	70,734	+1.7%
Our clients (in millions unit)	61	61	n.s.
Our distributors (in thousands unit)	156	155	+0.9%
Total emissions (t CO ₂ e)	96,784	107,394	-20.1% (vs/ base year 2013)

The amounts shown in the table are rounded, unless where differently specified. The 2019/18 percentage changes (last column) are calculated before rounding.

* The variation in premiums is calculated on a comparable basis, that is with equal exchange rates and scope of consolidation. The Operating Result and the Asset Under Management exclude units in disposal or sold during the period.

** The Total Shareholders' Return 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.

Total Shareholder Return 2019 performance

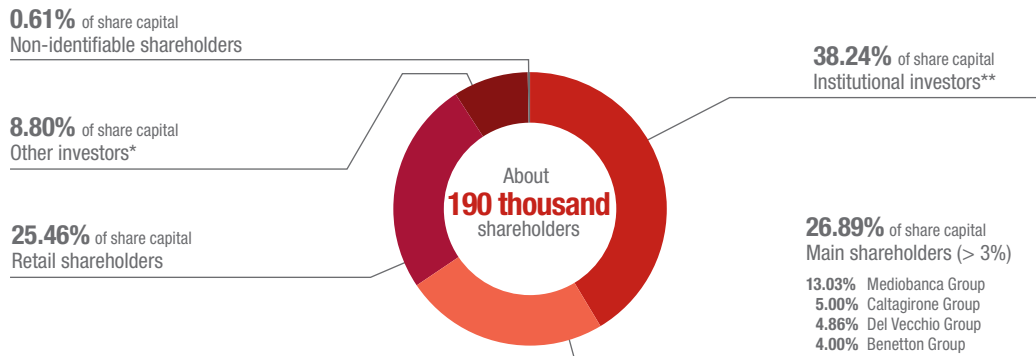


Total Shareholder Return (TSR) is the performance of the share price in the period in question, including the hypothesis of reinvestment of the dividend.

Share ownership

At the closing of the registration procedure of shareholders entitled to dividend paid in May 2019 in the Shareholders Register, the number of shareholders was about 190,000. The following chart on our shareholders is updated as at 2 March 2020¹.

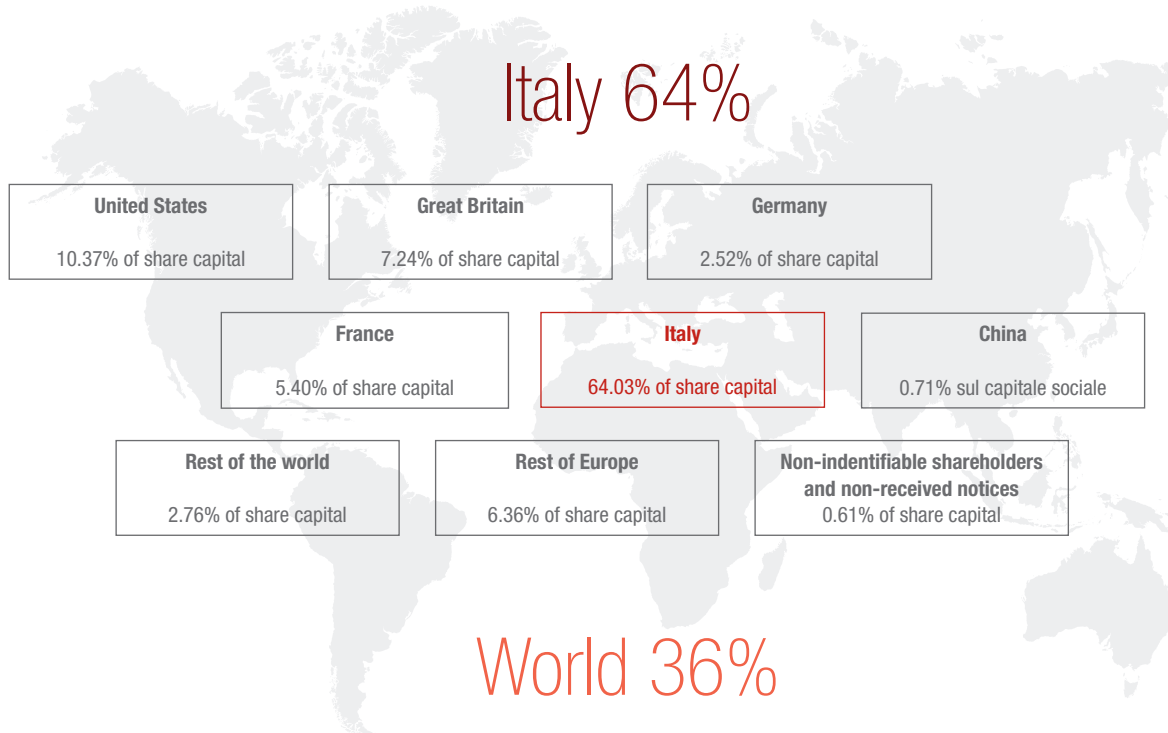
Our shareholders



* The category includes corporate entities such as foundations, trust companies, religious and charitable institutes.

** The category includes asset managers, sovereign funds, pension funds, life insurance companies.

Breakdown of shareholders by geographical area



¹ As per the Shareholders Register, mainly from the records on the payment of the dividend of 22 May 2019, as well as from the notices received pursuant to s. 120 CLFI and other available data.



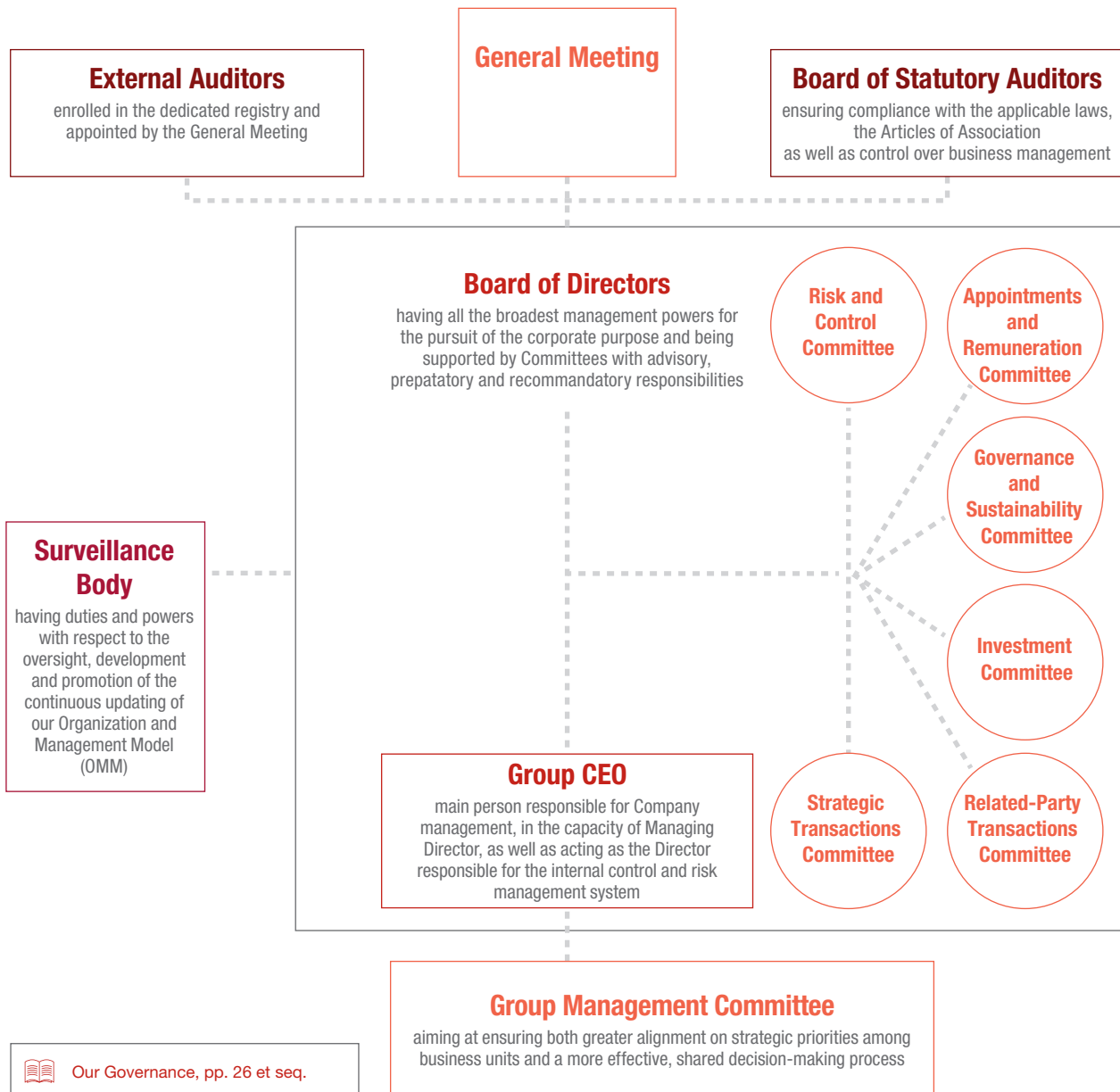
For continuous updates on share ownership www.generali.com/investors/share-information-analysts/ownership-structure

Our corporate governance model

The Generali corporate governance model is based on the **traditional Italian administration and governance system**. It consists of two bodies appointed by the General Meeting: a Board of Directors (currently 13 members), holding full powers for ordinary and extraordinary management of the Company and the Group, and a Board of Statutory Auditors, which oversees management and compliance with the law and the Articles of Association.

The statutory audits are performed by an external firm of auditors (“EY S.p.A.”), a member of the relevant register, appointed by the General Meeting upon the proposal of the Board of Statutory Auditors. The General Meeting held on 7 May 2019 assigned the statutory audit engagement for the period 2021-2029 to KPMG S.p.A., after a selection process coordinated by the Board of Statutory Auditors.

Also in line with the recommendations of the Corporate Governance Code, the new Board of Directors appointed on 7 May 2019 set up **6 Board Committees** performing recommendatory, advisory and preparatory functions for the Board of Directors. The Surveillance Body ex leg. decree no. 231/2001 is appointed by the Board of Directors.



Focus on the Board of Directors

The tables and charts on the membership of the Board of Directors are updated at 31 December 2019.



Competences and experience

69%
international experience

77%
managerial experience

15%
entrepreneurial skills

23%
academic experience

85%
knowledge of the legal context and regulatory requirements

85%
financial and accounting skills

85%
insurance experience

31%
experience in large cap companies

Tenure (non-executive directors)

17%
Up to 3 years

33%
3-6 years

25%
6-9 years

25%
More than 9 years

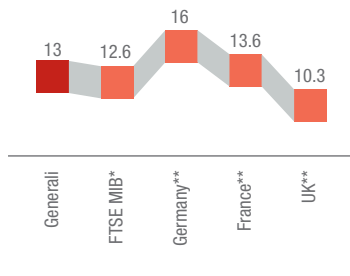
Other posts as directors or statutory auditors in other companies

The following table shows the number of posts as director and auditor that each director holds in other companies, of significance under Generali policy, that is, in listed companies operating on Italian or international regulated markets in banking, insurance or large companies (whose net equity exceeds EUR 10 billion). Posts held in companies in the same group qualify as a single post.

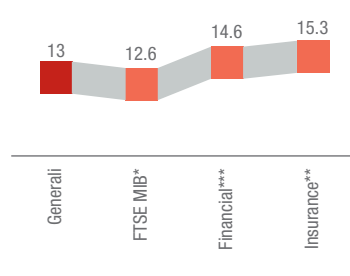
Director	Offices
Gabriele Galateri di Genola	2
Philippe Donnet	0
Francesco G. Caltagirone	1
Clemente Rebecchini	1
Romolo Bardin	3
Paolo Di Benedetto	2
Alberta Figari	0

Director	Offices
Ines Mazzilli	2
Antonella Mei-Pochtler	1
Diva Moriani	3
Lorenzo Pelliccioli	1
Roberto Perotti	0
Sabrina Pucci	1

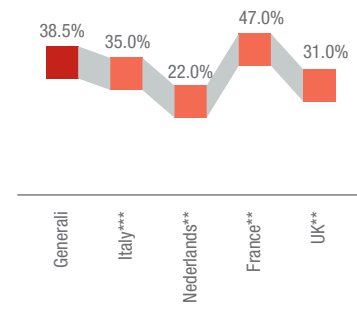
Size – European peers



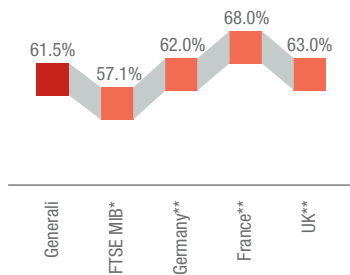
Size – National peers



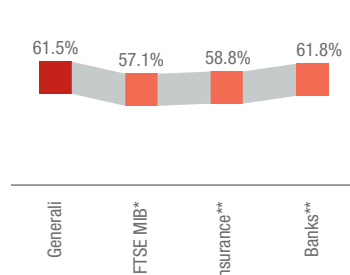
Gender diversity 2019



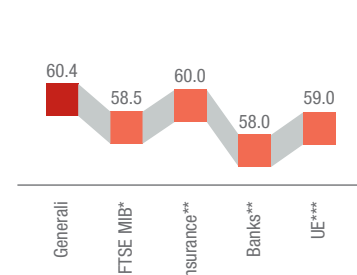
% Independence – European peers



% Independence – National peers



Average age 2019



* Assonime "La Corporate Governance in Italia: autodisciplina, remunerazioni e comply or explain (anno 2019)".

** Spencer Stuart "Italia Board Index 2019" and "Boards around the world".

*** Spencer Stuart "Boards around the world": average of the EU countries considered in the analysis.

The 2019 Board Review was conducted by the BoD with the support of the Governance and Sustainability Committee.

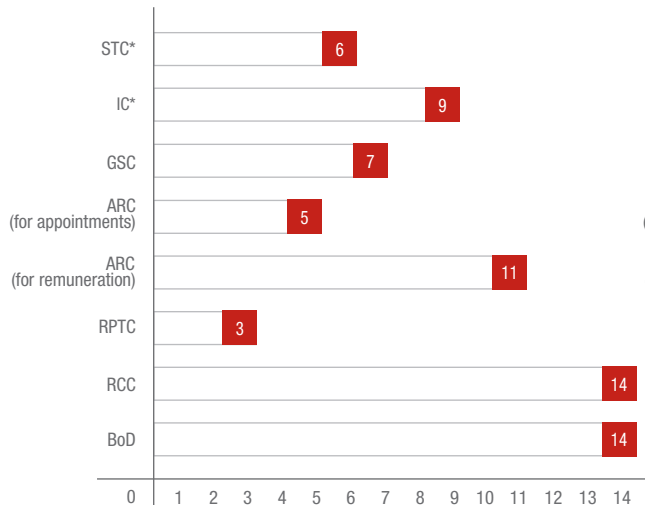


For further details on the offices of each director, see pp. 52 et seq.

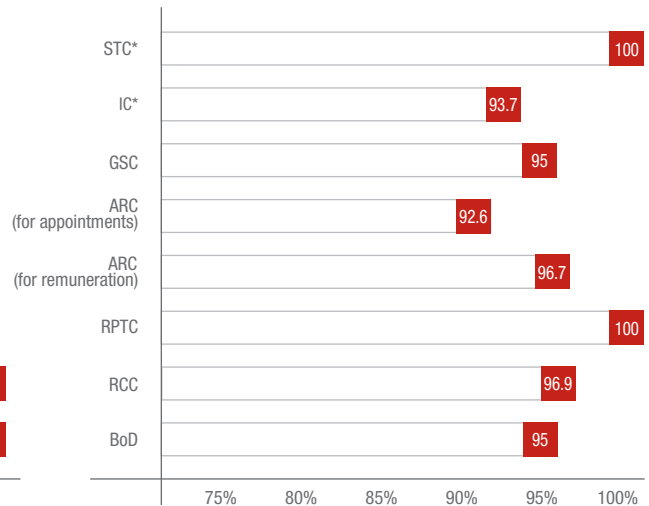
Trends in the Board of Directors – Term comparison

	Term 2019/2021	Previous term
Directors	13	13
Directors from the minority list	2	2
Quota less represented gender	38.4%	38.4%
Quota Independent Directors	61.5%	61.5%
Average age of directors	60.3	59.5
Status of Chair	non-executive	non-executive
Lead Independent Director	no	no

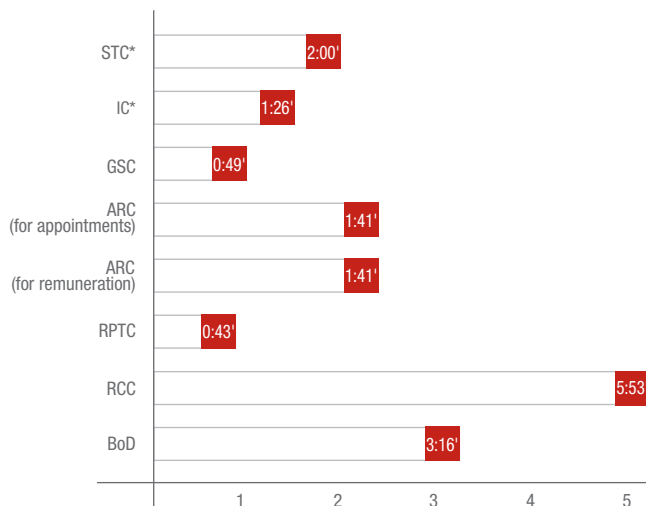
Number of meetings of BoD and Board Committees 2019



Average % attendance at meetings of BoD and Board Committees 2019



Average duration of meetings of BoD and Board Committees 2019

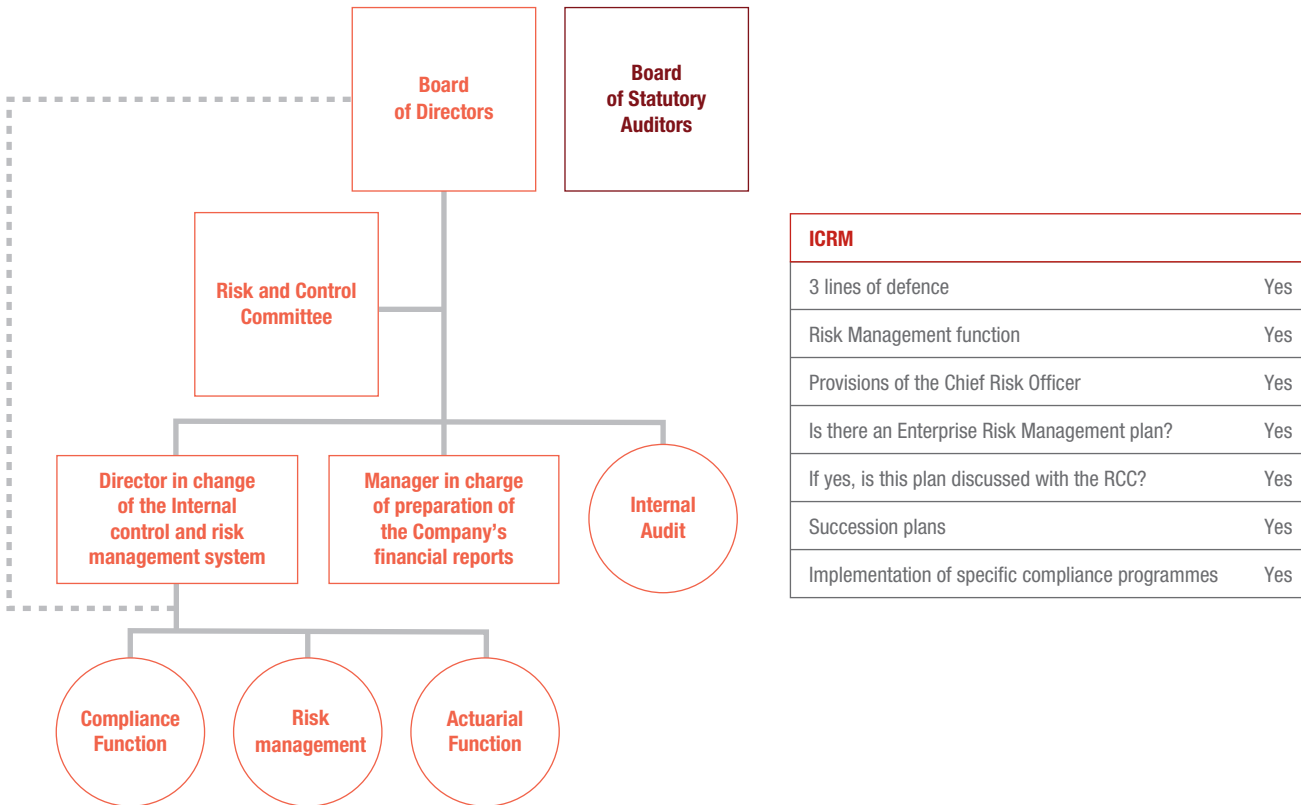


* Until 7 May 2019 the two committees (IC and STC) were part of the Investment and Strategic Transaction Committee (ISC), which held 4 meetings, with an average attendance of 79.17% and an average duration of 1:11'. The IC and STC data in the table also include ISC data prior to the split.

** The figure indicates the average length of whole meetings, with no distinction for subject matter.

Internal Control and Risk Management System

The **ICRM** System adopted by the Company is an integrated system that applies to the whole organisation. Each component of the organisation has specific tasks and responsibilities. The aim is to create and maintain an efficient system compliant with current legislation, in which roles and competences are well defined and procedures for coordination between players are clearly defined and easily identifiable. The System is illustrated in the chart:



Related-party transactions

In line with statutory provisions (s. 2391-*bis* of the Civil Code) and the RPT implementing regulation, since 2010 Generali has employed specific formal RPT internal procedures – reviewed on a regular basis – to ensure that transactions are performed in compliance with the principles of transparency and substantial and procedural correctness. It has also formed a specific Board Committee, composed entirely of non-executive independent Directors, which provides opinions on issues under its competence in line with RPT procedures. The Committee's opinions are binding for all key transactions and for minor transactions whose value exceeds specific thresholds.

Corporate administrative liability: OMM and Surveillance Body

The Company has adopted an “**Organisational and Management Model**” (OMM) – subject to continuous updating – for the prevention of offences committed in the interest or to the advantage of the Company (pursuant to legislative decree no. 231/2001) that may result in administrative liability in court. Furthermore, a **Surveillance Body** has been formed, whose membership meets the requirements of autonomy and independence, to ensure the effective implementation of the OMM and report periodically to the Board of Directors on its operations and systematic updating.

Remuneration policy

The General Meeting of 7 May 2019 established the remuneration for each member of the Board of Directors for the three-year term 2019-2021:

- a fixed annual fee of EUR 100,000 before taxes, with a 50% increase for members of the Executive Committee, if appointed;
- an attendance fee for each meeting of the Board of Directors and the Executive Committee, if appointed, of EUR 4,000 before taxes;
- reimbursement of attendance expenses.

There are no agreements with the non-executive Directors regarding severance provisions.

Members of the **Board Committees** and the **SB**, pursuant to s. 2389 of the Civil Code, receive the following fees:

Role	Annual fee before taxes (EUR)	Attendance fee per meeting (EUR)
Members of the Risk and Control Committee	40,000	2,000
Chair of the Risk and Control Committee	60,000	2,000
Members of the Governance and Sustainability Committee	20,000	2,000
Chair of the Governance and Sustainability Committee	30,000	2,000
Members of the Investment Committee	30,000	2,000
Chair of the Investment Committee*	no fee	no fee
Members of the Appointments and Remuneration Committee**	30/20,000	2,000
Chair of the Appointments and Remuneration Committee	40,000	2,000
Members of the Related-Party Transaction Committee	20,000	2,000
Chair of the Related-Party Transaction Committee	25,000	2,000
Members of the Strategic Transaction Committee	10,000	2,000
Chair of the Strategic Transaction Committee*	no fee	no fee
Members of the Surveillance Body***	25,000	--
Chair of the Surveillance Body	35,000	--

* The Investment Committee and the Strategic Transaction Committee are chaired by the Group CEO and no fee is due.

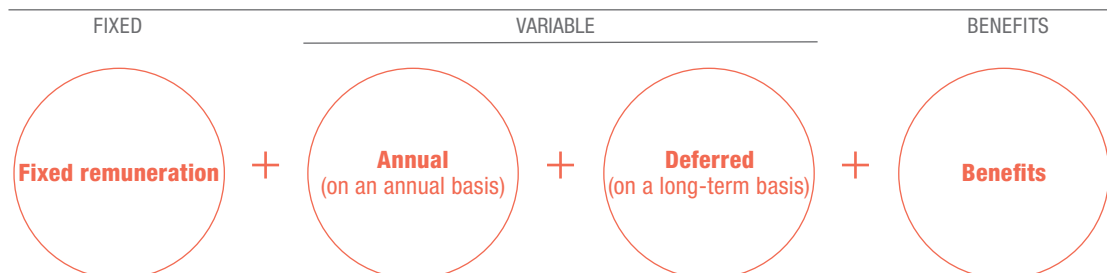
** The different fees refer respectively to members responsible for appointments and remuneration, and those responsible for appointments only.

*** The fee of members who are Generali managers is transferred to their employer.

The **Managing Director/Group CEO and the key managers different from Key Functions'** are entitled to a remuneration package consisting of a fixed component, a variable component (annual and deferred) and benefits, based on the following principles:

Equity and consistency with respect to responsibilities assigned and proven skills	Alignment with corporate strategies and targets	Competitiveness vs. market practices and trends	Focus on merit and performance in terms of results, conduct and implemented principles	Clear Governance and compliance with regulations
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Target total remuneration*



* Target remuneration package for the entire population described, except for control functions who are subject to a specific remuneration policy and rules as described in Section I of the Remuneration Report.

 **Details in the
Remuneration Report**

Generali strategy 2021

Being a Life-time Partner to customers, offering innovative, personalized solutions thanks to an unmatched distribution network

Profitable Growth

STRENGTHEN LEADERSHIP IN EUROPE:

reinforce #1 market position²

FOCUS ON HIGH POTENTIAL INSURANCE MARKETS:

15%-25% earnings CAGR 2018-2021 depending on country/segmentv

Capital Management and Financial Optimization

INCREASE CAPITAL GENERATION:

> **€ 10,5 billion** cumulative capital generation 2019-2021

ENHANCE CASH REMITTANCE:

+35% cumulative cash remitted to holding 2019-2021 compared to period 2016-2018

Innovation and Digital Transformation

BECOME LIFE-TIME PARTNER TO CUSTOMERS

ENABLE DIGITAL TRANSFORMATION OF DISTRIBUTION

about € 1 billion total investment in internal strategic initiatives 2019-2021

Three key enablers which will drive the execution of the strategy:



our people

a strong brand



For more details <https://www.generali.com/investors/investing-in-generali/strategy>

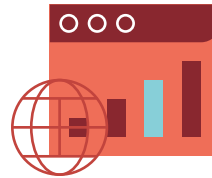
Leading the European insurance market for individuals, professionals and SMEs, while building a focused, global asset management platform and pursuing opportunities in high potential markets

**DEVELOP GLOBAL ASSET
MANAGEMENT PLATFORM:**
15%-20% earnings CAGR
2018-2021

**REDUCE DEBT LEVEL AND
COST:**
€ 1,5-2,0 billion debt reduction
by 2021;
€ 70-140 billion reduction in
annual gross interest expense
by 2021 vs 2017

**TRANSFORM AND
DIGITALIZE OPERATING
MODEL**

Generali 2021 – Financial Targets



**GROWING EARNINGS
PER SHARE:**
6%-8%
EPS CAGR range³
2018-2021



GROWING DIVIDEND:
55%-65%
dividend payout range⁴
2019-2021



**HIGHER RETURN
FOR SHAREHOLDERS:**
> 11,5%
average return on equity⁵
2019-2021



**a continuous commitment
to sustainability**

² Based on gross written premiums pursuant to IAS-IFRS in Europe at the end of financial year 2017.

³ CAGR over three years; normalised to take account of the effect of capital gains and losses arising on divestments.

⁴ Normalised to take account of the effect of capital gains and losses arising on divestments.

⁵ Based on IFRS Equity excluding OCI, and on overall net profit/loss.

Continued commitment to sustainability

At Generali, sustainability is an integral and necessary part of the strategic approach to business, arising from the purpose the Company has set itself: “enable people to shape a safer future by caring for their lives and dreams”.

Our commitment to sustainability is not new: over the years, consistently with our vision, we have publicly joined voluntary initiatives such as the Global Compact (2007), the Principles for Responsible Investment (2011), the Principles for Sustainable Insurance (2014) and the Paris Pledge for Action (2015).

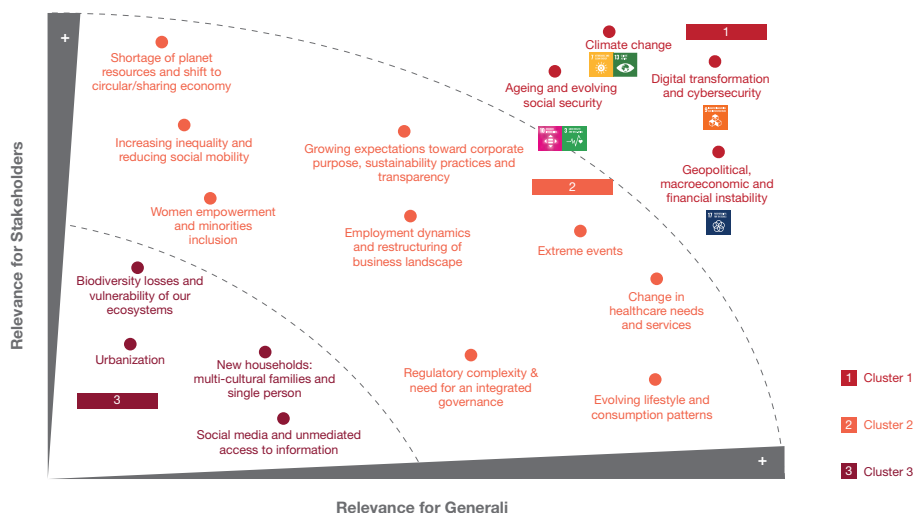
The Generali model is based on the Charter of Sustainability Commitments approved by the Board of Directors, which consists of three pillars:

- to do business in a sustainable manner by aiming at excellence in our corporate processes;
- to take an active role in the communities in which the Group operates, over and beyond daily operations;
- to adopt a system of governance and appropriate rules in order to operate correctly.

Sustainability is one of the enabling factors of the Generali 2021 strategy and refers to the long-term creation of value for our stakeholders: not just our shareholders, investors and clients, but also our employees, suppliers, the environment, local communities and society in general. Generali has undertaken, by 2021, to increase the portion of premiums arising from insurance products with a socio-environmental value by 7-9% and to allocate **€ 4.5 billion in green and sustainable investments**.

We have a set of Group policies and guidelines that support the Board of Directors and management in performing their tasks in a sustainable and responsible manner. In 2019, after the favourable opinion of the GSC, the Board of Directors approved the Group Sustainability Policy, which outlines the system to identify, assess and manage risks related to environmental, social and corporate governance factors (ESG factors).

As envisaged by the Policy, in November 2019, after the favourable opinion of the GSC, the Board of Directors approved the **new Materiality Matrix**, which identifies relevant ESG trends that need to be appropriately managed and reported by the Group so that it can be recognised as a sustainable player.



Materiality is evaluated from a dual perspective, considering significant the megatrends that can affect Generali’s performance (for example, with impacts on costs, revenues and risk profile) or that the Group can significantly influence, including through its value chain, generating risks and opportunities for the stakeholders.

The Group Materiality Matrix identifies **3 layers of significance**:

- Layer 1 priorities: this layer comprises megatrends considered of maximum significance by Generali management and the stakeholders, on which the Group common strategic initiatives and related reporting will focus;
- Layer 2 priorities: this layer comprises megatrends considered of notable significance either by Generali management or by the stakeholders, and targeted by projects developed by specific business units or functions;
- Layer 3 priorities: this layer comprises megatrends that, in the opinion of Generali management and stakeholders, are of lesser significance with respect to the other factors.

Our rules for correct operation

We conduct our business in compliance with laws, internal regulations and codes, and professional ethics. We continuously monitor developments in national and international regulations, and talk to legislators and institutions with a view to evaluating new business opportunities and our exposure to non-compliance risks, and take timely measures to manage such risks. Our governance, management and reporting system guarantees respect for sustainability principles and their effective integration in day-to-day decision making process, in order to promote the sustainable development of our business and generate lasting value.

Our sustainability model is based on the **Charter of Sustainability Commitments**, approved by the Board of Directors after receiving the favourable opinion of the GSC.

The Charter is based on three pillars:

1. doing business in a sustainable manner by aiming at excellence in the corporate processes;
2. taking an active role in the communities where the Group operates, over and beyond daily activities;
3. adopting appropriate governance and rules for correct operation.

A Sustainability Committee has been formed at the level of top management and working groups integrated with Group Head Office business functions and the Group business units.



We also have a set of **public Group policies and guidelines**, which help us work in a sustainable and responsible manner. These include:

- **Group Sustainability Policy**, approved by the Board of Directors in March 2019, after the favourable opinion of the GSC, which outlines the system to identify, assess and manage risks related to environmental, social and corporate governance factors (ESG factors). Specifically, the Policy establishes the rules for:
 - identifying, assessing and managing ESC factors that could present risks and opportunities for the achievement of the company's objectives;
 - identifying, assessing and managing the possible positive and negative impacts of company operations on the external environment and on legitimate stakeholder interests;
- **Code of Conduct**, which sets out the fundamental principles of conduct all Group personnel are required to follow, articulated in specific guidelines designed, for example, to promote diversity and inclusion, management of conflicts of interest, protection of personal data and prevention of corruption;
- **Group Policy for the Environment and Climate**, which sets out the guiding principles of reference for our environmental management strategies and objectives;
- **Responsible Investment Guideline**, which codifies responsible investment activities at Group level;
- **Responsible Underwriting Group Guideline**, which sets out the principles and rules for assessment of the environmental, social and governance characteristics of potential and current clients in the P&C underwriting process;
- **Ethical Code for suppliers**, which highlights the general principles for proper and profitable management of relations with contractual partners.





Our governance

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Our governance

Significant governance events in 2019

January

The Board of Directors approved amendments to the **Articles of Association** to align it with IVASS Regulation 38/2018 (entry into force: 6 March 2019).

February

The Board of Directors approved the **Recommendation to Shareholders** regarding the size and membership of the Board of Directors for the 2019-2021 three-year period; the recommendation was published on 21 February 2019.

The Board of Directors ascertained that the members of the governing and control bodies met the **professionalism, respectability and independence requirements** (as per the Corporate Governance Code, CLFI and PIC).

March

The Board of Directors approved the **2018 financial statements**, including the Non-Financial Statement, the other corporate disclosures for 2018 and called the General Meeting. The Board of Directors adopted a resolution to raise share capital to service the 2016 long-term incentive plan.

April

The **amended Articles of Association** arising from the execution of the share capital increase implementing the long-term incentive plan approved by the General Meeting in 2016 came into force. The Board of Directors approved the Assicurazioni Generali **Policy for Sustainability**.

9 aprile 2019
Inaugurazione

Citilife, Milano



May

The General Meeting approved the 2018 financial statements, the Remuneration Report, the 2019 long-term **incentive plan**, a number of amendments to the Articles of Association (relating to: age limits on acceptance of corporate offices, competence for the appointment of the chair of the Executive Committee, remote meetings of the Board of Statutory Auditors), the Generali Group Employee Stock Ownership Plan, and assigned the statutory audit engagement for the nine years 2021-2029, establishing the consideration. The General Meeting appointed the **Board of Directors for the three-year period 2019-2021** and established its remuneration. The Board of Directors appointed the corporate officers and formed **6 Board Committees**.

June

The Board of Directors adopted a resolution to raise share capital to service the special 2016-2019 share plan for the Group CEO: the amendments to the Articles of Association came into force on 31 July 2019.

The Board of Directors approved an **update to the Regulation of the Board of Directors and Board Committees**, to align it with the new corporate governance after the renewal of the Board of Directors. The Board of Directors ascertained that the members of the new Board of Directors met the **independence requirements** (as per the Corporate Governance Code and the CLFI).

July

The Board of Directors approved the **Half-year financial report**.

September

The Board of Directors approved execution of the Group **Employee Stock Ownership Plan**. The Board of Directors discussed the Board review for the three years 2019-21.

November

The Board of Directors approved the **new Group Materiality Index**.

Torre Generali



Generali's corporate governance system

The planning, management and control methods, models and systems required for the operation of a company's governing bodies constitute its corporate governance.

Generali has adopted a traditional corporate governance model, as described in the Italian legislation, with a tripartite structure:

- the **General Meeting**, which passes resolutions on the topics falling within its powers, thereby expressing the will of the shareholders;
- the **Board of Directors**, which is responsible for strategic supervision in the pursuit of the Company's objects and implementation of key operations, while the Managing Director is in charge of operational management on the basis of the corporate system of delegated powers and powers of attorney;
- the **Board of Statutory Auditors**, which performs supervisory functions to ensure compliance with the legislation, the Articles of Association and the implementation of appropriate administration standards, as well as the adequacy of the organisational, administrative and accounting model and its implementation. The statutory

audit is performed by a registered external auditing firm appointed by the General Meeting upon the proposal of the Board of Statutory Auditors.

In accordance with the traditional model, the Generali corporate governance system is based on the following key pillars:

- the central role of the Board of Directors;
- correct management of conflicts of interest;
- transparent disclosure of corporate management decisions;
- the efficacy and effectiveness of the ICRM system.

This system is compliant with the applicable legislation and the principles of the Corporate Governance Code and is based on national and international best practice.

The membership, powers and operating methods of the Company's governing bodies are governed by law, the Articles of Association, the Regulations of the Board of Directors and Board Committees, the resolutions passed by the competent bodies, and by the principles and criteria of the Corporate Governance Code adopted by the Company since its institution in 1999.

The **Articles of Association** are available in Italian at the corporate headquarters and in Italian, English, French, Spanish and German on the corporate website.

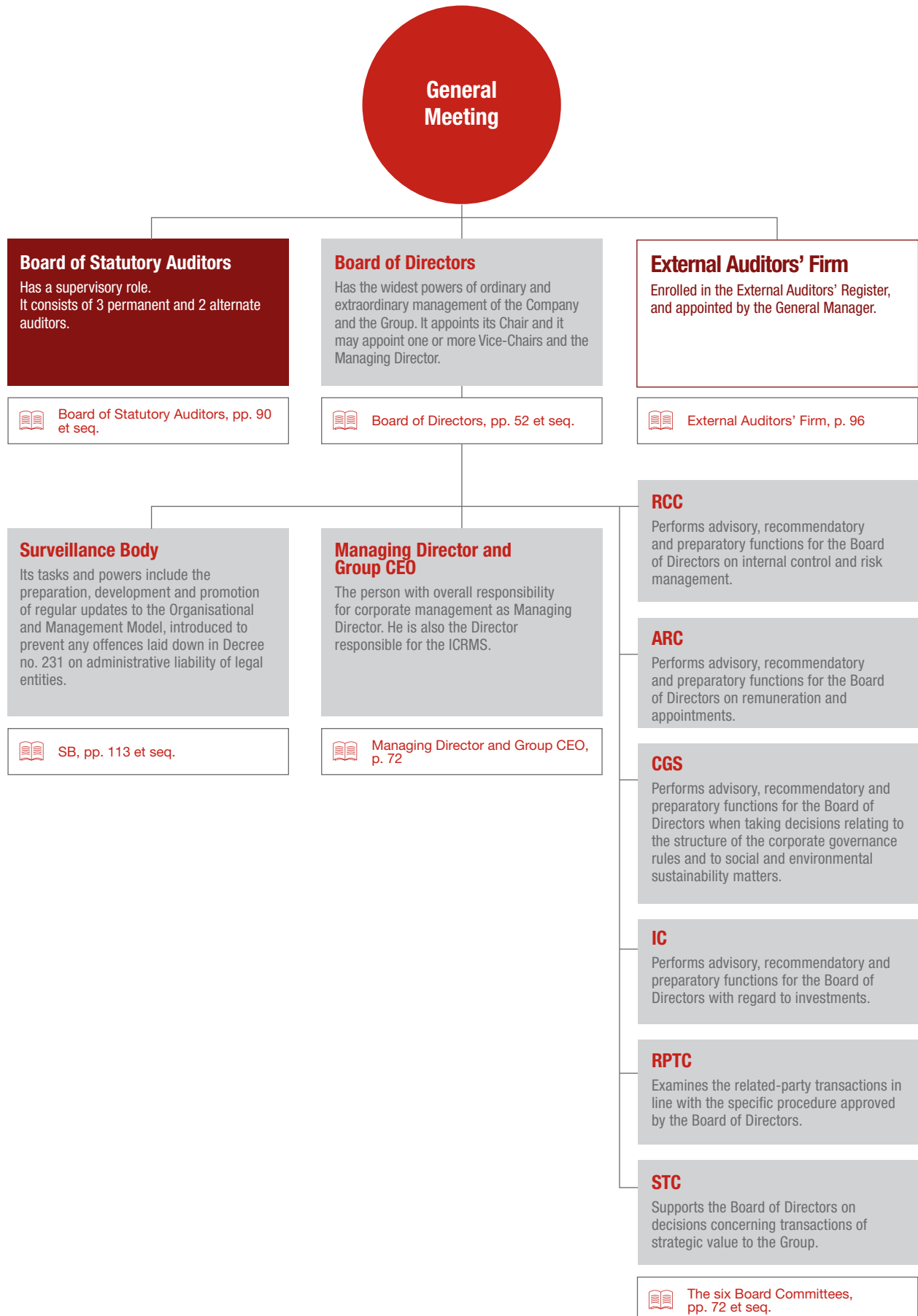
Corporate Governance Code

This year as in previous years, Generali, like all Italian listed issuers, received a letter from the chair of the Italian Corporate Governance Committee (formed by the main company and professional investor associations and by Borsa Italiana S.p.A.), addressed to chairs and managing directors to promote greater awareness and substance in the application of the Corporate Governance Code.

The letter was brought to the attention of the GSC and subsequently of the Board of Directors, both of which examined the recommendations of the Corporate Governance Committee to the market, in light of the contents of its annual report on application of the Corporate Governance Code, and concluded that the Company is aligned with the recommendations and also with the principles and criteria set forth in the Corporate Governance Code.



The chart below illustrates the Company's corporate governance system as at 31 December 2019:



The Company's organisation

The Board of Directors establishes the Company's governance system, including the powers and the tasks of the governing bodies it has appointed or set up, and draws up proposals for the General Meeting on governance amendments of importance with regard to the Articles of Association. Upon the Group CEO's proposal, it also approves the top-level corporate organisational structure, i.e., the set of corporate functions constituting

the Group Head Office (GHO). The Company's organisation structure comprises the tasks and responsibilities of the corporate functions, their hierarchical and functional relations, and coordination mechanisms.

As parent company, Generali manages and coordinates the other Group companies, and accordingly the GHO functions are responsible for strategic policies, control and coordination of the Business Units.

REGULATORY BOX

The meaning of words such as "business", "firm", "company" and "group" is not always clear, with the result that communications may be ambiguous. We will therefore endeavour to clarify the situation.

The Italian Civil Code defines *imprenditore* (entrepreneur), but not *impresa* (enterprise or company). However, the concept of *impresa* can be deduced from article 2082 of the Code, which states: "an entrepreneur is a person who professionally carries on a business organised for the purpose of manufacturing or trading in goods or services". An *impresa* is therefore a business carried on for the purpose of manufacturing or trading in goods and services which is carried on professionally by the *imprenditore* with a set of assets organised for the purpose of that business.

Article 2555 of the Italian Civil Code defines *azienda* (firm) as "the set of assets organised by the *imprenditore* for the purposes of the enterprise".

A **company** is a form of collective exercise of the *impresa*, pursued on the basis of an agreement whereby two or more shareholders provide goods or services in pursuit of a profit or mutual advantage (article 2247 of the Italian Civil Code).

A **group** is a specific form of organisation of the enterprise which exists when management and coordination is performed by a person or an entity, the parent company, as a result of which the business of several companies is combined and coordinated in the pursuit of a common business interest, which is wider than the interests of the individual companies belonging to the group.

The Group's organisational model

The Group's organisational system is based on two elements: the **Group Head Office** and the **Business Units**.

The Generali organisational model enhances the Group's ability to pursue the ambitious challenges of the 2019-2021 Strategic Plan, which is based on three pillars: profitable growth, financial optimisation, innovation and transformation of the business model. These objectives require implementation of Group-wide integrated projects and close engagement of the operating companies.

The model facilitates coordination of the transformation process among the various GHO functions and the Business Units, and improves sharing of business performance inside the Group Management Committee (GMC).

The Business Units promote entrepreneurship and independence, providing monitoring at international level based on:

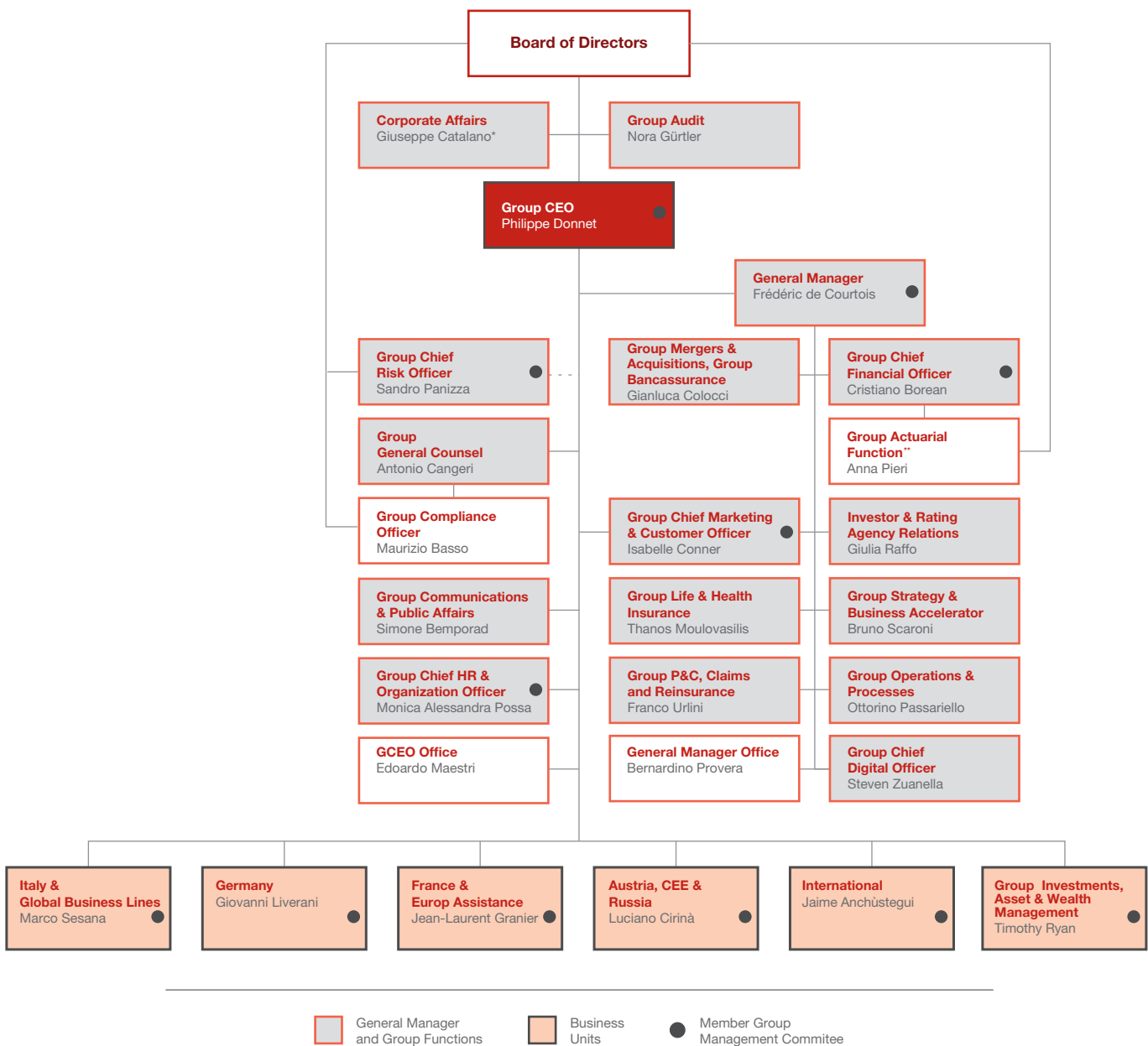
- geographical areas, which lead local strategies and establish a more targeted approach by customer segments in the creation of products, implementation of distribution channels and provision of services;
- global lines, which leverage business opportunities by developing insurance solutions at global level.

The 6 Business Units are:

- Country Italy & Global Business Lines;
- Country Germany;
- Country France & Europ Assistance;
- Austria, CEE & Russia;
- International;
- Group Investments, Asset & Wealth Management.

Structure of GHO and the Group

The chart below illustrates the structure of GHO and the Group, focusing on the functions, Business Units and GMC members, as at 4 February 2020.



* The Head of Corporate Affairs also reports to the Group CEO for the relevant aspects

** The Head of the Group Actuarial Function reports directly to the Board of Directors for the relevant aspects

Organisational governance is implemented by integration and coordination mechanisms between the Business Units and GHO organisational units. These mechanisms, which promote dialogue and correct interaction between the two components, are represented by:

- the Group Management Committee, which supports the Group CEO and top management in sharing the main strategic decisions;
- the 3 main cross-functional committees, which support the Group CEO in guiding the Group's strategic decisions:
 - the Balance Sheet Committee, which examines and identifies issues that may have a substantial impact on capital and the balance sheet and the results of risk assessment, at both Group and local level;
 - the Finance Committee, which examines and evaluates extraordinary transactions and investments;
 - the Group Product & Underwriting Committee, which examines the profitability and risk level of new insurance business and the profitability of the in-force portfolios, in the context of a centralised analysis and review process;
- the *Business Strategic Reviews*, the Clearance Meetings and the Capital & Cash Deep Dives, which ensure alignment between GHO and the Business Units with a focus on, respectively, strategic action and discussions, business-financial performance, remittance and capital optimisation;
- the Functional Guidelines and Functional Councils, through which functional coordination is provided at global level; they support the heads of the GHO functions in coordinating the equivalent functions in the Business Units;
- a matrix system of “solid” or “dotted” reporting lines, depending on the intensity of the level of guidance and coordination between the GHO functions and their counterparts in the Business Units. Specifically:
 - “solid functions”, characterised by hierarchical reporting to GHO, in compliance with local legislation, in a direct, systematic way to guide key decisions on functional and human resource issues, such as recruitment, dismissal, assignment of annual targets. These functions reinforce the control mechanisms of the main corporate risks, introducing greater separation of powers between control and business functions;

- “dotted functions”, characterised by functional reporting, which perform guidance and coordination activities by indicating functional and best practice guidelines and participating in some key decisions relating to human resources.

The solid functions are Group Chief Risk Officer, Group General Counsel, including Group Compliance, Group Audit; the other Group functions are dotted functions.

In 2019 a *Managerial Committee for Sustainability* was formed, to guarantee a consistent approach among all the GHO functions and the Business Units in integrating sustainability with the core business, identifying risks and opportunities and monitoring progress and results.

Focus on the Group Management Committee (GMC)

The GMC's aim is to improve consistency among the Business Units on strategic priorities and increase the efficiency of and consensus on the decision-making process, through a team approach that promotes exchange of opinions and an international perspective.

The composition of the GMC is as follows:

- Philippe Donnet - Group CEO
- Jaime Anchustegui - CEO International
- Cristiano Borean - Group Chief Financial Officer
- Luciano Cirinà - Austria, CEE & Russia Officer
- Isabelle Conner - Group Chief Marketing and Customer Officer
- Frédéric de Courtois - General Manager
- Jean-Laurent Granier - Country Manager France & Europe Assistance
- Giovanni Liverani - Country Manager Germany
- Sandro Panizza - Group Chief Risk Officer
- Monica Alessandra Possa - Group Chief HR & Organization Officer
- Timothy Ryan - Group Chief Investment Officer and CEO Asset & Wealth Management
- Marco Sesana - Country Manager Italy & Global Business Lines

The GMC supports the Group CEO's decisions by:

- validating proposals for submission to the Board of Directors;
- assessing decisions on risk and investments;
- assessing the Group 's financial and business performance;
- guiding the Group's main strategic programmes and/or programmes with an impact on several countries.



Sustainability development bodies

The GSC performs an advisory, recommendatory and preparatory role for the Board of Directors regarding not only corporate governance, but also the social and environmental sustainability decisions for which it is responsible. It consists of non-executive directors, most of whom are non-independent directors.

The Group CEO is responsible for implementation of the strategies and policies approved by the Board of Directors, including those concerning sustainability.

Specific committees, functions, and workgroups have been set up at GHO level to ensure systematic consideration of the social and environmental issues connected with the Company's business in addition to the economic aspects:

- the Sustainability Committee, whose sponsor is the Group CEO, is chaired by the Group CIO and consists of the heads of the GHO functions and of some Countries: its main objectives are to guide the Group to full integration of sustainability issues with the core business, to anticipate sustainability-related risks and opportunities, to guarantee a consistent approach among all the GHO functions and Business Units, and to monitor progress and results;
- the Group Sustainability and Social Responsibility function, which reports to the Group Communications & Public Affairs Director, and is responsible for establishing, implementing and reporting financially on the Group social responsibility model on the basis of dialogue with the GHO functions and involvement of the country sustainability managers;
- in order to achieve greater integration of sustainability with the core business, additional interfunctional committees and workgroups focus on specific issues:
 - the Responsible Investment Committee, an interfunctional body that assesses issuers on the basis of the Group's environmental, social and governance criteria, and supports the Group CIO's decisions regarding exclusions from the Group's investments;
 - the EMS Review Committee, a steering committee that reviews initiatives and results achieved to improve the Group's environmental performance, in com-

pliance with the ISO:14001 standard;

- the Responsible Business Lab, a workgroup involving the Group Sustainability and Social Responsibility function, the Group Investments, Assets & Wealth Management function, the Group Life & Health Insurance function and the Group P&C Claims & Reinsurance function, whose objective is to coordinate sustainability operations of significance for Group business;
- the Integrated Reporting Lab, a workgroup involving the Group Sustainability and Social Responsibility functions, the Group Chief Financial Officer and Corporate Affairs, which defines and implements a common corporate reporting approach;
- the Sustainability Community, the network of Country sustainability managers. Moreover, in some countries Sustainability Committees have been formed to operate at national level with a view to improving the organisation and coordination of activities in the social and environmental fields.

The Generali Internal Regulations System (GIRS)

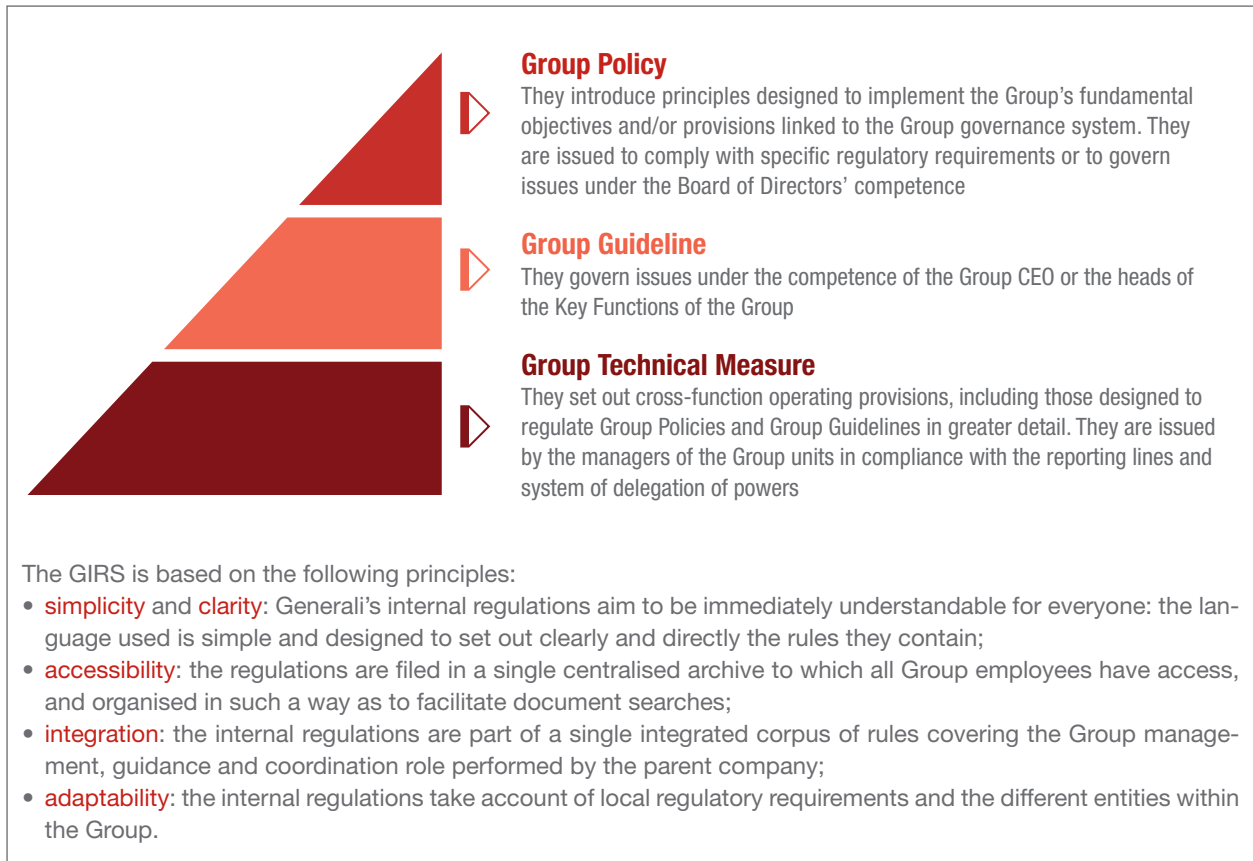
Generali believes that an effective governance system implemented across the Group is one of the mainstays of its business. To this end, as parent company, with resolution approved by the BoD on 3 May 2018, the Company has introduced the Generali Internal Regulations System (GIRS). A structured system of internal regulations applicable throughout the Group, designed to promote solid and effective governance and consistent implementation of the Group internal regulations among all units (see the chart below).

The GIRS defines and governs the hierarchy and characteristics of the internal regulations issued by the parent company in conducting its management, guidance and coordination activities: it identifies roles and responsibilities in the internal regulation life cycle (drafting, approval, dissemination, implementation, monitoring and reporting) and assists implementation at Group level, in compliance with any local requirements.

All Group internal regulations are issued consistently with the Group Values and Code of Conduct, and are reviewed and, if necessary, updated on a regular basis.

The hierarchy of the internal regulatory sources is based on 3 tiers, as illustrated below.

Regulatory framework



Code of Conduct and Whistleblowing

Generali's Code of Conduct ("the Code") is the Group's guide to "doing the right thing". The Code defines the ethical conduct expected of all those who work for or on behalf of Generali worldwide. The set of values and ethical expectations defined in the Code is designed to aid the process of making consistent decisions and to ensure

that principles such as frankness, openness and impartiality continue to hold sway in the workplace. Anyone dealing with an ethical matter can always rely on the Group's values and on our Code of Conduct.

In this context, the Group's executives are asked to act as role models for the Code and encourage their staff to ensure that conduct and business propositions comply with the Company's values and the principles laid down

in the Code. Online and classroom-based training programmes, combined with a global communication programme, are designed to raise full awareness among all employees of the importance of the Code and their responsibility to report any breaches that come to their notice. The Company encourages employees and also third parties working with the Group to report any problems associated with breaches of the Code or potentially critical situations. Confidentiality is guaranteed, and no forms of reprisal will be tolerated.

Comprehensive information is available on the Company Website, in the section entitled *Our responsibility - Responsible Business - Code of Conduct*, including a description of the Group's report management process. The Group Compliance Department has implemented the following reporting channels:

- by e-mail to: concerns.co@generali.com;
- by post to: Group Compliance – Business Integrity – V. Machiavelli 3, Trieste;
- by freephone telephone numbers or webforms in all countries in which Generali operates at: secure.ethicspoint.eu

This link takes the user to the landing page of the Generali Group Compliance Helpline platform, managed by a specialist external provider ("GCS Compliance Services Europe Ltd.", a company in the "Navex Global" group), which can be used to report alleged breaches of the Code, or request guidance as to whether certain types of conduct comply with the regulations.

Group employees only may also send their reports via a direct personal contact with their line manager.

In September and October 2019 the customary "Compliance Week" was held: during the new edition a voluntary survey was organised among Group employees on their inclination of reporting breaches of the Code against them or witnessed by them.

Lastly, during the year the Group held two e-learning courses on the Code: an introductory course intended for new employees and an update for people who had already completed the introductory course.

Legal representatives

Articles of Association

The system of legal representation, governed by articles

38 and 39 of the Articles of Association, is designed to guarantee the greatest operational flexibility and, at the same time, adequate control over the Company's formal documents.

The Company's Legal representatives for all its business are the Chair, the Vice-Chair, the Managing Director, the other members of the Board of Directors, the General Manager and, within the spheres of responsibility assigned to them, the other senior executives of the Company.

Representation takes the form of joint signature of documents under the Company's name by two of the said parties. The Chair, the Vice-Chair (when standing in for the Chair in the event of his absence or inability to act), the Managing Director and the General Manager may sign jointly with one another, with another member of the Board of Directors, or with one of the other senior executives of the Company. In such cases the latter may jointly represent the Company even in relation to business not falling within the area of responsibility assigned to them.

The Articles of Association also state that senior executives may sign jointly with one another, provided that at least one of them acts within the sphere of responsibility assigned to them. The other members of the Board of Directors may not sign jointly with one another, or with one of the other senior executives of the Company.

The Articles of Association also state that the competent administrative body may further limit the powers of representation of the Company's senior executives on the basis of subject-matter or value, and assign the Company's representation to other employees and third parties, by issuing general or special powers of attorney for individual documents or categories of documents.

System of delegated powers and representatives

Our system of authorised representation is consistent with the organisational responsibilities allocated, and constitutes an internal control tool and also a fundamental monitoring instrument to prevent the offences specified in Decree 231 governing the administrative liability of legal persons.

The system of delegated powers, consistently with the current corporate governance structure established by the Board of Directors, envisages the definition of the sphere of responsibility and powers of representation of the functions that make up the Company's organisational structure, in compliance with the applicable legislation, regulations and Articles of Association.

The system is based on the following principles:

- separation of functions and segregation of duties;
- clarity and transparency in assigning functions and powers, in the framework of a harmonised system;
- definition of limits on the exercise of delegated powers;
- possibility for the Group CEO to delegate to each of their direct reports the powers and responsibilities required to perform the tasks assigned to them, with power to sub-delegate part of such powers and responsibilities to their direct subordinates (and so on in a cascade pattern);
- possibility for managers who hold a sub-delegable power to exercise the right to sub-delegate, establishing the limits, within those granted to them, and the mechanisms for control and monitoring of their exercise; sub-delegates are in turn required to report in an adequate manner to the manager who sub-delegated powers to them;
- full alignment between organisational role, delegated powers and power of representation.

In the current system of delegated powers, the area of responsibility for each role is established by deeds of delegation, which constitute internal documents assigning powers and responsibilities. The deeds of delegation establish the responsibilities common to all roles and the specific responsibilities of each role. Differentiated independent spending powers relating to the purchase of goods, services and consultancy services are granted on the basis of the role assigned.

The system also envisages the assignment, through a power of attorney or through a formal document of the Group CEO, of power to represent the Company in dealings with third parties for the exercise of the powers and performance of the delegated responsibilities; the power of attorney only comprises powers granted on behalf of the Company and, in compliance with the principle of joint signature laid down in the Articles of Association and the terms of Decree 231, limits the power of representation to the powers and responsibilities specified in the deeds of delegation.

As the 4 Key Functions report directly to the Board of Directors, their delegated powers are organised in such a way as to guarantee and preserve the necessary level of independence.

Main organisational changes in 2019 and the first few months of 2020

On 1 April 2019, the position of Group Chief Digital Officer was created, reporting directly to the General Manager, Frédéric de Courtois: the position was assigned to Steven Zuanella, with responsibility for guiding, controlling and supporting Group digital and data analytics initiatives and orchestrating innovation at Group level.

On 1 May 2019, responsibility for Investor & Rating Agency Relations was assigned to Giulia Raffo.

Developments relating to the organisational structure of the **Business Units** were as follows:

- Country Italy & Global Business Lines was re-organised as follows:
 - in Country Italy, Francesco Bardelli, head of the Business Transformation function, took on the role of Chief Business Transformation Officer as from 1 February 2019; Maurizio Pescarini, previously CEO of Generali Sigorta, was appointed CEO and General Manager of Genertel and GenertelLife as from 1 September 2019;
 - in Global Business Lines, as from 1 September 2019, responsibility for Global Corporate & Commercial was assigned to Manlio Lostuzzi – formerly CEO of Genertel and GenertelLife – Generali Employee Benefits and Generali Global Health were merged with into Generali Employee Benefits & Generali Global Health, responsibility for which was assigned to Paolo Ribotta, formerly CEO of Global Corporate & Commercial;
- in Group Investments, Asset & Wealth Management, after the corporate re-organisation of Generali Investments Europe SGR in October (split into 2 asset managers, Generali Insurance Asset Management SGR and Generali Investments Partners SGR), the re-organisation was completed of the central team working on the development and coordination of operations supporting growth, third-party customers and assets under management through unconstrained investment strategies and specialised distribution capabilities, including boutiques.



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Shareholders and investors

Share Ownership

Share capital structure

The Company's subscribed and paid-up share capital amounts to EUR 1,569,773,403.00, divided into as many registered ordinary shares with a par value of EUR 1.00 each.

On 17 April 2019, the share capital was increased by EUR 4,435,531.00 to service a long-term incentive plan (2016 LTI Plan); on 31 July 2019, the share capital was again increased, by EUR 172,508.00, to service the special stock plan for the 2016-2018 mandate of the Group

CEO/Managing Director Philippe Donnet, approved by the General Meeting on 27 April 2017.

On 12 March 2020 the Board of Directors resolved, by way of implementation of a long-term incentive plan (LTI Plan 2017), and exercising the delegated power granted by the 2017 General Meeting pursuant to s. 2443 of the Civil Code, to increase the share capital by no. 6,278,644 shares; the increase is scheduled to take effect in mid-April 2020 on registration of the resolution in the Companies Registry, after authorisation by the Regulator.

	no. of shares (*)	% of share capital	Listed/Unlisted	Rights and obligations (**)
Ordinary shares	1,569,773,403	100.00	FTSE MIB	See note
Shares carrying multiple, limited or no voting rights and other (***)	-	-	-	-

(*) Shares corresponding to 99.99% of the share capital have been registered with the centralised management system at Monte Titoli S.p.A. in Milan on a dematerialised basis.

(**) Each ordinary shareholder has a set of financial and administrative rights and obligations. Financial rights include the right to the dividend, an option over paid shares issued on increase or reconstitution of share capital in proportion to the number of the shares already owned, the right to free allocation of new shares in the event of a free issue in proportion to the number of shares already owned, and the right to a proportion of the liquidated assets in the event of winding-up of the Company. Administrative rights include the right to speak and vote at General Meetings, the right to withdraw from the Company in the circumstances specified in the applicable legislation, and the right to information. Finally, as regards obligations, each shareholder is required to make the contributions necessary to attain the Company's objects.

(***) There are no shares carrying multiple, limited or no voting rights.

For details of Generali's shareholders, see the charts in the section "Share Ownership" in the previous chapter "Executive summary" (p. 13).

Shareholders holding over 3% of the Company's share capital – directly or indirectly through intermediaries, trustees or subsidiaries – are listed in **Table 1** (p. 117).

With regard to s.123-bis.1.e) of the CLFI, the 2019 General Meeting approved the "Generali Group employee stock ownership plan" ("*WeShare*"): the plan has been promoted as part of the Generali 2021 Plan and serves to support attainment of strategic goals, within a culture of ownership, empowerment and employee participation in the creation of Group sustainable value. The share assignment is planned for autumn 2022.

The plan offers employees the opportunity to purchase Generali shares on favourable terms, with the assignment, in the event of an appreciation in share value, of free shares in proportion to the number of shares purchased and the dividends distributed. The plan began in November 2019 and has a three-year term; its beneficiaries are Group employees, with the exception of the members of the Group Management Committee (GMC) and the Global Leadership Group (GLG). Implementing the plan, the Board of Directors identified employee beneficiary categories and the countries where the plan could be activated. To service the plan, the General Meeting also authorised the purchase and disposal of a maximum of 6 million own shares, over a period ending on 7 November 2020. The own-share purchase transactions shall be performed, pursuant to s. 144-bis, paragraph

1, sub-paragraphs b) and c), of the Issuers' Regulation and current laws, according to the operating procedures established, in the market organisation and management regulations, so as to ensure parity of treatment among shareholders.

The shares are not subject to shareholder agreements as per s. 122 of the CLFI.

The Company facilitates attendance at General Meetings for beneficiaries of the share-based long-term incentive plans (LTI) by providing them with the services of the designated representative pursuant to s.135-*undecies* of the CLFI, in accordance with the foresaid law.

Powers to increase the share capital and authorisations to purchase the Company's own shares

Capital increases and purchases of own shares, 2017-2019

Decision-making body	Name	Maximum number of shares that can be issued per Plan	Capital increases (ss. 2443 and 2349, paragraph 1, Civil Code)			Purchases of own shares (ss. 2357 and 2357-ter Civil Code)			
			Implementing period	Par value of shares	Maximum increase of share capital in EUR	Implementing period	Par value of shares	Maximum purchase price	Maximum number of ordinary shares
General Meeting 2017	2017 LTI Plan	12,500,000	by 27/04/2022	€ 1.00	12,500,000	expired on 19/04/2018	N.A.	N.A.	N.A.
General Meeting 2018	2018 LTI Plan	11,500,000	by 19/04/2023	€ 1.00	11,500,000	expired on 07/05/2019	N.A.	N.A.	N.A.
General Meeting 2019	2019 LTI Plan	12,000,000	by 07/05/2024	€ 1.00	12,000,000	by 30/04/2020	€ 1.00	Min. € 1.00 Max +5% of listed price on the day before the transaction	12,000,000
	WeShare Generali Group employee stock ownership plan	6,000,000	N.A.	N.A.	N.A.	by 07/11/2020	€ 1.00	Min. € 1.00 Max +5% of listed price on the day before the transaction	6,000,000
For the purpose of implementation of the LTI Plans, the shares forming the subject of free allocation to the beneficiaries will originate, wholly or partly, from own shares purchased by the Company by way of implementation of the corresponding authorisations of the General Meeting, pursuant to ss. 2357 and 2357-ter of the Civil Code, and/or from any free capital increases issued, using the profits and/or retained profits, pursuant to s. 2349.1 of the Civil Code.									

Article 8 of the Articles of Association allows, in accordance with the statutory requirements, the allocation of profits and/or retained profits to employees of the Company or its subsidiaries, through the issuance of shares pursuant to s. 2349.1 of the Civil Code.

Information about resolutions relating to the 2017 and 2018 LTI Plans is included in the 2017 and 2018 Corporate Governance and Share Ownership reports.

The **2019 General Meeting** resolved, pursuant to ss.

2357 and 2357-ter of the Civil Code, to authorise the purchase of a maximum of 12 million ordinary shares issued by the Company with a par value of EUR 1.00 each, for the purposes of the 2019 LTI Plan. Share transactions, including those relating to shares acquired on the basis of earlier plans, must take place under the following conditions:

- the authorisation is limited to purchases made to implement the incentive plan named "2019 LTI Plan"; and to the incentive plans previously approved by the General Meeting and still being executed, net of the shares

to be issued for the same purposes in the exercise of the delegated powers granted to the Board of Directors pursuant to s. 2443 of the Civil Code to make capital increases for the purpose of the said Plans;

- the minimum purchase price of the ordinary shares shall be not less than their par value, namely EUR 1.00; the maximum purchase price shall not be more than 5% higher than the reference price recorded by the shares on the last stock market trading day before the date of each purchase operation;
- the Company may purchase its own shares, on one or more occasions, until the next General Meeting called to approve the annual financial statements;
- purchases shall be made within the limits of the distributable profits and available reserves shown in the most recently approved financial statements;
- the own-share purchase transactions shall be performed, pursuant to s. 144-*bis*.1.b) and c) of the Issuers' Regulation, according to the operating procedures established, in the market organisation and management regulations, so as to ensure parity of treatment among shareholders. Purchases shall therefore be performed, if necessary on more than one occasion for each alternative method, solely:
 - on regulated markets organised and managed by Borsa Italiana S.p.A., according to operational procedures established by the latter which do not allow direct matching of purchase and sale offers;
 - by purchase and sale of derivative instruments traded on the corresponding regulated market organised and managed by Borsa Italiana S.p.A., the regulations of which involve procedures conforming to the terms of the said s. 144-*bis*.1.c) of the Issuers' Regulation;
- the own shares may be assigned to the beneficiaries of the Plans, free of charge, without any time limits, provided that the applicable legislative and regulatory provisions are complied with.

The **2019 General Meeting** also resolved to allocate to the Board of Directors, pursuant to ss. 2443 and 2349.1 of the Civil Code, for a period of five years from the resolution date, power to increase the share capital free of charge, in one or more tranches, pursuant to s. 2439.2 of the Civil Code, using the profits and/or retained profits, by a maximum par value of EUR 12,000,000.00, by issuing a maximum of 12 million ordinary shares cum dividend at the par value of EUR 1.00 each, net of the shares purchased in the ambit of the own-share purchase programme associated with the 2019 LTI Plan, to be allocat-

ed free of charge to beneficiaries of the Plan approved by the General Meeting who are employees of the Company or its subsidiaries and have acquired that right.

Furthermore, the **2019 General Meeting** resolved to authorise, pursuant to ss. 2357 and 2357-*ter* of the Civil Code and ss. 132 CLFI and 144-*bis* of the Issuers' Regulation and in compliance with the trading conditions established by s. 3 of the Delegated Regulation enacting the Market Abuse Regulation, the purchase of a maximum of 6 million ordinary Company shares, par value EUR 1.00, in connection with the WeShare Generali Group employee stock ownership plan. Share transactions, including those relating to shares acquired on the basis of earlier plans, must take place under the following conditions:

- the authorisation is limited to buy-backs to be made by 7 November 2020 in order to execute the Generali Group employee stock ownership plan;
- the minimum purchase price of the ordinary shares shall be not less than their par value, namely EUR 1.00; the maximum purchase price shall not be more than 5% higher than the reference price recorded by the shares on the last stock market trading day before the date of each purchase operation;
- purchases shall be made within the limits of the distributable profits and available reserves shown in the most recently approved financial statements;
- the own-share purchase transactions shall be performed, pursuant to s. 144-*bis*.1.b) and c) of the Issuers' Regulation, according to the operating procedures established, in the market organisation and management regulations, so as to ensure parity of treatment among shareholders. Purchases shall therefore be performed, if necessary on more than one occasion for each alternative method, solely:
 - on regulated markets organised and managed by Borsa Italiana S.p.A., according to operational procedures established by the latter which do not allow direct matching of purchase and sale offers;
 - by purchase and sale of derivative instruments traded on the corresponding regulated market organised and managed by Borsa Italiana S.p.A., the regulations of which involve procedures conforming to the terms of the said s. 144-*bis*.1.c) of the Issuers' Regulation;
- the own shares may be allotted to the beneficiaries of the Plan, free of charge, without any time limits, provided that the applicable legislative and regulatory provisions are complied with.

Significant agreements to which the Company or its subsidiaries are parties, and which take effect, are amended or terminate in the event of a change of control of the Company

Pursuant to s. 123-*bis*.1.h of the CLFI, the Company and its subsidiaries, in the pursuit of their own strategic lines, have entered into some contractual agreements containing clauses that refer to change of control of the Company. However, these clauses are not applicable at present, as no legal or natural person directly and/or indirectly, individually or jointly, currently holds a controlling interest in Generali.

Finally, neither the Company nor any of its strategic subsidiaries are subject to non-Italian statutory provisions that affect their corporate governance structure.

Agreements between the Company and its directors which provide for compensation in the event of resignation or dismissal without good cause, or termination of employment following a takeover bid

Pursuant to s. 123-*bis*.1.i of the CLFI, the following terms (severance provisions) apply to the sums payable to directors who are not also employees in the event of cessation of office:

- in the event of natural expiry of the term of office, no sum shall be payable;
- in the event of early termination of a directorship without good cause, compensation may be paid to the director concerned if the statutory pre-requisites apply, provided that it shall not exceed the maximum fee payable for the remainder of the said director's term of office;
- no amount shall be payable in the event of resignation from office (save for good cause), revocation of the appointment for good cause, if the agreement ceases in the event of a takeover bid or debarment (on any ground, including loss of the requirements of professionalism, respectability and independence, or super-

vening disqualifying situations or incompatibility), and in any event for any other reason and/or cause not attributable to the Company;

- in the event of agreed cessation of the office before its expiry, the amount payable to the party concerned is established on the basis of the circumstances and reasons for cessation of the agreement (with special reference to the performance achieved, the risks taken and the actual operating results of the Company so that, in particular, no amount may be paid in the event of fraudulent conduct or gross negligence).

The following terms (severance provisions) apply to the sums payable to the Managing Director/Group CEO and other executives with strategic responsibilities, in the event of cessation of office:

- in the event of dismissal, the mandatory statutory and contractual provisions necessarily apply, subject to future legislative changes;
- in the event of termination by consent, the amount payable to the party concerned is established on the basis of the circumstances and reasons for the cessation of office (with special reference to the performance achieved, the risks taken and the actual operating results of the Company, so that, in particular, no amount is payable in the event of fraudulent conduct or gross negligence). The amount thus determined shall not in any event exceed 24 months' recurring remuneration in addition to the amount due under statutory and contractual provisions in lieu of notice¹.

"Recurring remuneration" means the gross annual remuneration incremented by the average amount actually received by the party concerned by way of variable annual component of the remuneration paid in the last three-year period.

By accepting the said amount, the director waives, in general, all rights connected in any way, directly and/or indirectly, with his/her contract of employment with Generali or one of its subsidiaries and the termination thereof, and all rights, claims and/or actions against the other companies belonging to the Group on any grounds directly or indirectly connected with the contract of employment and with the final accepted cessation thereof. The waiver shall extend to the right to damages pursuant to ss. 2043, 2059, 2087 and 2116 of the Civil Code, and to the economic rights connected with the contract of employment and the cessation thereof.

¹ That is, in addition to other terms of a comparable kind and/or for comparable purposes envisaged by the applicable local laws. In the event of fixed-term agreements, severance limits usually refer to amounts due until natural expiry of the term.

Any amount paid out is subject to clawback should the performance considered prove to be non-lasting or non-effective as a result of misconduct or gross negligence.

The said provisions shall also apply to executive directors who are also senior executives, in which case the amount received by them by way of fixed and variable short-term remuneration (again on the basis of the average for the last three-year period) for the exercise of the office shall be included for the purpose of calculating the amount that may be payable to the director. Agreements may also be entered into with directors and key management personnel which establish (within the said maximum limits) the severance pay payable in the event of future cessation of the agreement and (either at the hiring stage, during or at the end of agreement) non-competition or confidentiality agreements covering a period after the cessation of the agreement. The consideration for these agreements, which always have a limited duration, is established on the basis of the time and territory covered by the agreement and the prejudice that may derive to the Company and/or the Group if the person concerned were to carry on a business competing with that of the Company and/or Group or disclose information that could harm the Company and/or Group, also having regard to his/her previous role and responsibilities.

As regards the effects of cessation of the agreement on any rights assigned in the ambit of incentive plans based on financial instruments, see the Assicurazioni Generali Remuneration Report with regard to the Long-Term Incentive (LTI).

With regard to cessation of agreements with key management personnel, see the section *Financial treatment in the event of termination of office* (severance provisions) of said Remuneration Report.

Management and coordination

According to the applicable legislation, Generali is not subject to management and coordination by Italian or foreign organisations or companies. Vice versa, the Company manages and coordinates all the companies belonging to the Group: the 2019 Integrated Annual Report provides detailed information about relations between Generali and the said companies.

In the event of significant changes to the market capitalisation of the issuer's shares or to the composition of the Group, the CG Code recommends that the Board of Directors should consider proposing to the General Meeting amendments to the Articles of Association regarding the percentages established for the exercise of the shares and privileges introduced to protect minority shareholders. This was not done in 2019, as the conditions laid down in the CG Code did not arise.



www.generali.com/investors/reports-and-presentations/report-archive

As regards the further information required by s. 123-bis of the CLFI to be given in this Report, it is hereby declared that there are no:

- restrictions on the transfer of shares;
- securities carrying special controlling rights;
- restrictions on the voting rights carried by the shares.

General Meeting

The Annual General Meeting is one of the main opportunities for discussion between shareholders and the Company's top management. During the proceedings, the report on business performance presented by the top management is traditionally followed by a debate between shareholders and management in question and answer form. The resolutions passed by the General Meeting on the subjects falling within its powers express the will of the shareholders; resolutions passed in compliance with law and the Articles of Association are binding on all shareholders, including absent and dissenting shareholders. The next General Meeting is expected to be held on Tuesday 30 April 2020; all the related information will be found in the notice of call published on our website.

For this event, the Company offers all those interested the live streaming broadcast of the General Meeting opening speeches of its top management, also with live translation in English, French, German and Italian Sign Language, while the following part of the meeting is private and reserved for shareholders only.

Since 2011, Generali appoints for each General Meeting a designated representative, under s. 135-*undecies* of the

CLFI, in order to allow all shareholders, also if unable to be present in person, to participate in the Meeting through the conferral of a proxy, free of charge and also via electronic means, complete with voting instruction, with the procedures set out in the notice of call.

Additional information about the Company's General Meeting is provided in the "Information compendium" to the Report (available on the website).

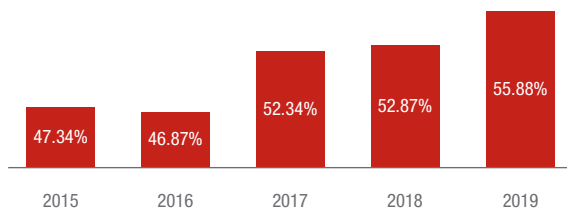


<https://www.generali.com/governance/annual-general-meeting/AGM-2020>

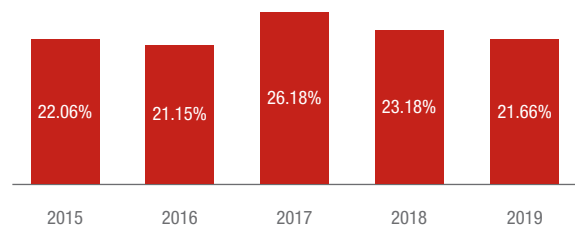


<https://www.generali.com/governance/annual-general-meeting>

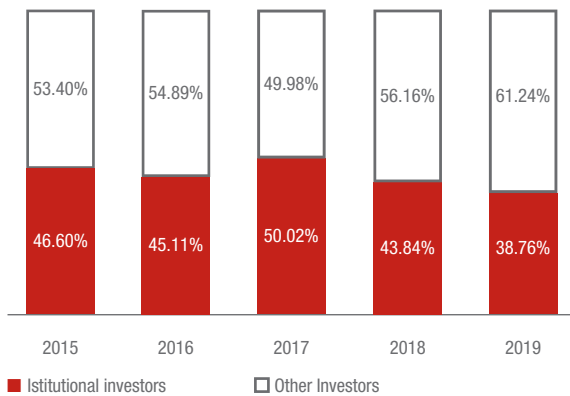
Percentage of share capital present at the General Meeting in the last five years



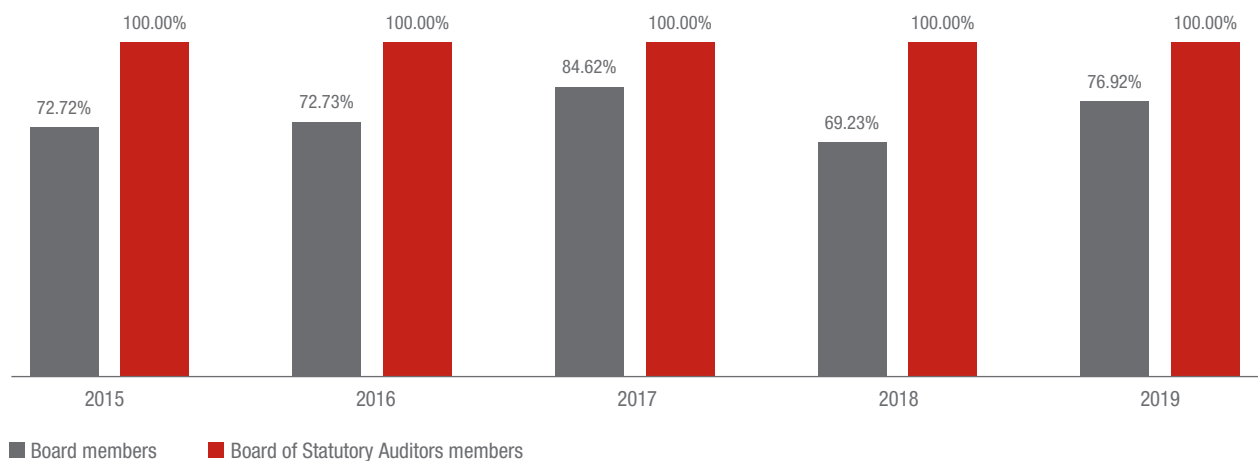
Percentage of share capital represented by institutional investors



Ratio of institutional investors to shareholders present at the General Meeting in the last five years



General Meeting: attendance of directors and statutory auditors



Relations with institutional investors and other shareholders – Contacts

The Investor & Rating Agency Relations (IR) is the GHO unit responsible for dealings with institutional investors. The Corporate Affairs function, through the Shareholders & Governance (S&G) unit, works with IR on investor engagement activities relating to corporate governance subjects, with responsibility for establishing structured guidelines for continuous management of relations with external stakeholders (shareholders, investors and proxy advisors) and internal stakeholders (the Company's governing bodies and other Company functions involved).

During the whole year, intensive relational activities with institutional investors and proxy advisors were conducted, in liaison with IR and with the active involvement of the Group HR & Organisation functions (Group Reward & Inst. HR Processes) as part of a special roadshow. These activities focused on issues relevant to the financial community, regarding corporate governance and remuneration.



www.generali.com/investors/reports-and-presentations/Presentations

They are designed to convey the Group's corporate governance decisions and receive feedback, which provides useful input for the continuous internal evaluation and review process.

In July, the proactive communication process begun in 2018 with institutional investors sensitive to Environmental, Social and Governance issues (ESG) continued, through participation at an ESG conference with the S&G, IR and Sustainability & Social Responsibility functions. During 2019, Corporate Affairs conducted specific engagement activities with key investors and shareholders, with a particular focus on intensifying management of relations with small shareholders.

Meetings with institutional investors and management were held regularly through the year, notably with key investors in the main European and American financial communities (use the link below on the left for further details). Activities were stepped up during the launch of the first Green Bond, which made the Generali Group the first such issuer among European insurers (October 2019): meetings were held with the main investors who analyse their investments in terms of sustainability (use the link below on the right for further details).



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

S&G's tasks include continuous management of relations with the large number of retail shareholders, who currently account for just over a quarter of the share capital; this peaks in the run-up to General Meetings.

The table below provides an overview of the initiatives implemented in the ambit of the engagement activities.

The contact details of the Company functions referred to in this Report are available in the Investors, Governance, Our Responsibility and Media sections of the website.



www.generali.com/investors.html



www.generali.com/governance.html



www.generali.com/our-responsibilities.html



www.generali.com/media.html

Engagement with institutional investors and proxy agencies 2019

Outreach with proxy agency	March, April and December
Governance & Remuneration Roadshow Engagement before General Meeting	January, February, March and April
Borsa Italiana Sustainability Day	July

Engagement with retail shareholders 2019

Meetings with retail shareholders	2019 saw the continuation of the dialogue initiative promoted by the Chair through a number of cultural events sponsored by the Company to facilitate a better understanding of the Company's activities and greater participation in its institutional life.
General Meeting	S&G is the corporate unit supporting General Meeting activities for retail and institutional shareholders.
Investor info	Newsletter sent twice a year, one before the 2019 General Meeting (in early April) and the second after publication of the third-quarter results.
General Meeting brochure: Kit for the General Meeting	Sent to shareholders in early April. It contains the notice of call, and documents and information useful for attendance at the General Meeting. The brochure was also published on the institutional website.
Shareholder's Guide	The purpose of the Guide is to establish an active relationship with the shareholders in general, and with small shareholders in particular, in order to raise awareness of the rights associated with the shares they own. The Guide was distributed during the 2019 General Meeting and published on the institutional website.
Video: participation, dialogue, exchange of ideas	A video providing information on participation and related procedures for the General Meeting, posted on the website in March 2019.
Live streaming of the opening reports of the Chair, the Group CEO and the Group CFO at the General Meeting	At the 2019 General Meeting, Assicurazioni Generali offered the opportunity to follow the opening reports of the Chair, the Group CEO and the Group CFO in live streaming. This enabled an increasingly large number of shareholders and stakeholders to follow this key institutional communication event easily. The live streaming service was available in Italian, and also with simultaneous translation in English, French, German and Spanish and, for the first time, in Italian sign language.
General Meeting extended inclusion	Under the programme launched in 2016, additional services were organised for the General Meeting to mitigate the impact of physical, communication and sensorial barriers; in some cases, shareholders were asked to book services as indicated in the procedure published on the website in the section Governance / Annual General Meeting. Services included: simultaneous translation into a number of languages, sign language and captioning in Italian, reception and check-in, professional medical assistance.
Chair's statement	All shareholders who attended the last General Meeting received a letter from the Chair with his Christmas greetings.
Documents	Upon request, the S&G unit sends Company documents to individual shareholders, e.g., financial statements, minutes of General Meetings.

Shareholders & Governance contact details

+39 040 671621	Telephone number for shareholders.
+39 041 3362876	Fax number for shareholders.
azionisti@generali.com shareholders@generali.com	Email addresses for retail shareholders.

Investor & Rating Agency Relations contact details

+39 040 671402	Telephone number for institutional investors and proxy agencies.
+39 040 671338	Fax number for institutional investors and proxy agencies.
ir@generali.com	Email address for institutional investors and proxy agencies.

The corporate website www.generali.com

Compliance and transparency at the service of stakeholders

In the 2019/2020 “Webranking” by Comprend – for many years a leading analyst of the online institutional communication of the top 500 European companies – **generali.com** was ranked among the top five websites of the 111 listed issuers examined in Italy and the best European insurance website, consolidating its presence in the top tier of this prestigious ranking. Specifically, the analysis of the situation in Italy identified generali.com as an example of best practice in terms of financial transparency and governance: the finding is recognition of the Company’s commitment to the informative quality of content and transparency: the corporate website is the main channel used for **timely** and **global** circulation of key information about the Company, including price-sensitive information disclosed to the market as required by law. The website, in English and Italian, is regularly updated to provide all stakeholders with accurate, clear, comprehensive information.

Designed on the basis of a **responsive approach** (i.e., optimised so that it can be viewed effectively on desktop computers, tablets and smartphones using the iOS and

Android operating systems), the website adopts a modern, simple, clear graphic design, and navigation aligned with established international practices, as certified by external advisors Bowen Craggs of London. Particular care has been taken with the presentation not only of the Company and the Group, but also of the basic concepts of insurance (also in the context of financial education), commitment to responsible business management, corporate culture, and employer branding

In **institutional terms**, in line with the requirement for transparent information, a great deal of space is devoted to presentation of the share ownership structure and financial and accounting data; other documents promptly published include the latest approved financial statements and complete company reports for the last few financial years. Special coverage is devoted to the main corporate events, such as the General Meeting, Investor Day and market disclosure of financial results (quarterly, half-year and annual reports), which are illustrated with a variety of documentary and video materials and constitute the main topics of the homepage at the relevant time of year. At the 2019 General Meeting once again, it was possible to follow the opening reports of the Chair, the Group CEO and the Group CFO in **live streaming**. This enabled an increasingly large number of shareholders and stakeholders to follow this key institutional communica-

tion event easily. The service was available in Italian – also in **sign language** – and with a simultaneous translation service in English, French, German and Spanish.

Other specific sections are devoted to **corporate governance**, investor relations and media relations.

<p>Governance section</p>	<p>Comprehensive information is provided about the Governance System, the Board of Directors, the Board of Statutory Auditors and the Board Committees. The main corporate documents, such as the Articles of Association, the General Meeting Regulation and this Report, can also be consulted and downloaded. This section also includes all information about the General Meeting, together with information about internal dealing (including transactions performed by our internal dealers), remuneration policies, related-party transactions, our legal representation system and the organisational and management model.</p>
<p>Investors section</p>	<p>This section includes the main financial data, periodic financial statements, agency ratings and information about the Generali shares. The Investors section presents the share ownership (in the Share Information and Analysts subsection) and the financial calendar, which shows the dates of the meetings of the Company's governing bodies, such as the General Meeting and the Board of Directors, called to approve the draft and final annual financial statements, the consolidated financial statements, the half-year report and the interim financial reports. There is also a page devoted solely to retail shareholders, together with contact details for them and for institutional investors.</p>
<p>Media section</p>	<p>The latest press releases and news about the Group are published in this section. The Multimedia Gallery section presents the main videos produced by Generali. A large section is devoted to Macroeconomic and Insurance surveys. The Events Calendar subsection sets out all the main events for the current year of relevance to the Group.</p>
<p>Our Responsibilities section</p>	<p>This section is divided in specific sub-sections that offer our stakeholders information in addition to the annual reports of Generali. In particular we detail our engagement for responsible business towards employees, customers, suppliers and communities, and elaborate on the themes of our responsible investments and commitment for environment and climate. The Performance and reporting sub-section offers an overview on the annual sustainability data and displays Group sustainability indexes and ratings.</p>

Functionality and creativity for an excellent user experience

Following approval of the 2021 Generali Plan, during 2019 the editorial plan was enhanced with content designed to communicate the new Group strategy for the three years 2019-2021 and Generali's ambition to become a Lifetime Partner for its clients.

Committed creative efforts continued to develop an **editorial plan** with a direct, appealing **visual approach** that would respond fully to the interest of a public increasingly accustomed to using digital information. Content searches are assisted by the organisation of the site material into macro categories and through the use of tags.

Initiatives include *Insurance for Dummies*, a series of video cartoon tutorials using a humorous language to present the main insurance classes and engage young people with the issues of prevention and safety, frequently considered difficult and too technical. Another important initiative is the *Guess the finance* videos explaining the

main terms of financial jargon in an appealing way. Other high-impact videos include the *I'm Generali* series, where international colleagues are asked to describe the Group they work in, in 30 seconds.

To broaden the categories of users and stakeholders by using a more modern style of language, during 2019 the Company enhanced the quality of its input on the two institutional social network channels (Twitter and Instagram) and intensified use of the professional channel LinkedIn as a tool for both international recruitment and disclosure.

Special mention should be made of "The Human Safety Net", the Group programme focusing on 3 main themes (Families / Refugee start-ups / Newborns) and designed to help disadvantaged people to express their full potential and improve their lives and those of their families and communities.

A specific section of the generali.com website is devoted to the project and provides a link to the project website web www.thehumansafetynet.org.



Corporate governance players

52	Board of Directors
71	Chair
71	Vice-Chairs
72	Managing Director and Group CEO
72	The six Board Committees
90	Board of Statutory Auditors
96	External Auditors' Firm

Corporate governance players

Board of Directors

Appointment: 7 May 2019	Committees: 6
End of term: General Meeting 2022	Appointments and Remuneration Committee Corporate Governance and Social & Environmental Sustainability Committee Investment Committee
Members: 13	Related-Party Transactions Committee
Executive directors: 1	Risk and Control Committee
Independent directors: 8	Strategic Transactions Committee

Membership - Current directors

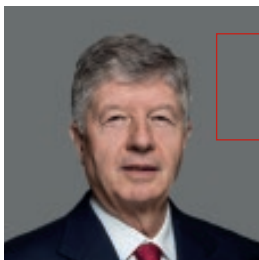
The current Board, consisting of 13 directors, was appointed by the 2019 General Meeting and will hold office until the approval of the financial statements for the 2021 financial year. The following 11 directors were appointed from the majority list submitted by Mediobanca S.p.A (13% of share capital): Gabriele Galateri di Genola, Francesco Gaetano Caltagirone, Clemente Rebecchini, Philippe Donnet, Romolo Bardin, Paolo Di Benedetto, Alberta Figari, Antonella Mei-Pochtler, Diva Moriani, Lorenzo Pelliccioli and Sabrina Pucci. Ines Mazzilli and Roberto Perotti were appointed from the minority list, submitted by a number of institutional investors (the complete list is available on the website), under the aegis of Assogestioni (1.768% of share capital).

The shareholders who presented the minority list also attested to the absence of direct and indirect links with the relative majority shareholder. The proposals submitted by the Board of Directors to the General Meeting did not include any opt-out from the non-competition clause laid down in s. 2390 of the Italian Civil Code.

As regards independence requirements, 8 directors (Bardin, Di Benedetto, Figari, Mazzilli, Mei-Pochtler, Moriani, Perotti and Pucci) declared compliance with the independence requirements laid down in ss. 147-ter.4, and 148.3 of the CLFI and in article 3 of the CG Code.

All the directors declared compliance with the requirements of professionalism, respectability and independence envisaged by law for the insurance sector.

Full information on the requirements and on the personal and professional characteristics of the directors is available on the website, in the *Governance* section.



Gabriele Galateri di Genola
Chair - Non-executive Director

Nationality: Italian
Professional background: Manager
Position held since 8 April 2011

Board Committees: Chair of the Corporate Governance and Social & Environmental Sustainability Committee - Investment Committee

Career

He was born in Rome on 11 January 1947. He graduated in Law and obtained an MBA at the Columbia University. His professional career began in 1971 at the headquarters of Banco di Roma, with the role of Head of the Financial Analysis Office and, later, Head of International Financing. In 1974 he joined Saint Gobain Group in Italy as Financial Director and later in Paris until 1976. In 1977 he joined FIAT S.p.A., where he held increasingly high-ranking positions: from Head of the North, Central, and South American Operations of the International Finance Department to Head of the International Finance Department and Finance Director. In 1986 he was appointed managing director of Ifil S.p.A. and, in 1993, he also held the position of managing director and general manager of IFI until 2002. In June 2002 he was appointed managing director of FIAT S.p.A. From April 2003 to June 2007, he was chairman of the board of directors of Mediobanca S.p.A. and, from 3 December 2007 until 12 April 2011, he was chairman of Telecom Italia S.p.A., of which he was a director until April 2014. From 26 April 2003 until 24 April 2010, he was a director and vice-chairman of Assicurazioni Generali S.p.A.

Relevant positions under the policy on directors' plurality of offices

Non-executive member of the board of directors of Moncler S.p.A. and Edenred S.A.

Other positions

Non-executive member of the board of directors of Fondazione Giorgio Cini and Lavazza S.p.A.. Chair of the board of directors of Fondazione Generali the Human Safety Net Onlus, chair of Istituto Italiano di Tecnologia, member of the board of overseers of Columbia Business School and of the European Advisory Board of Temasek. Member of the Global Advisory Council of Bank of America Merrill Lynch.



Francesco Gaetano Caltagirone

Deputy Vice-Chair - Non-executive Director

Nationality: Italian
Professional background: Entrepreneur
Position held since 28 April 2007
 Vice-Chair since 30 April 2010

Board Committees: Investment Committee -
 Strategic Transactions Committee - Appointments and
 Remuneration Committee (on appointments matters) -
 Corporate Governance and Social & Environmental
 Sustainability Committee

Career

He was born in Rome on 2 March 1943. After he graduated as an engineer, he revamped his family's construction firm, extending its business to the cement and media sectors to create one of the largest Italian business groups, which includes four listed companies, significant strategic holdings and has a growing international presence. He was appointed "Cavaliere del Lavoro" in 2006.

Relevant positions under the policy on directors' plurality of offices

Chairman of Caltagirone S.p.A.

Other positions

Chair of Il Messaggero S.p.A., non-executive member of the board of directors of Aalborg Portland Holding A/S and director of ICAL S.p.A. (Il Messaggero S.p.A., Aalborg Portland Holding A/S and ICAL S.p.A. are part of the FGC Group).



Clemente Rebecchini

Vice-Chair - Non-executive Director

Nationality: Italian
Professional background: Manager
Position held since 11 May 2012
 Vice-Chair since 06 November 2013

Board Committees: Risk and Control Committee
 – Investment Committee – Strategic Transactions
 Committee – Corporate Governance and Social &
 Environmental Sustainability Committee – Appointments
 and Remuneration Committee (on appointments matters)

Career

He was born in Rome on 8 March 1964 and, after graduating in Economics and Business from La Sapienza University in Rome, he became a certified public tax accountant in 1988. He joined Mediobanca in 1989, where he is currently Central Director, with responsibility for the Principal Investing Division. Formerly a member of the board of directors of Gemina S.p.A., Atlantia S.p.A., Aeroporti di Roma and Telco S.p.A., where, from 2012 to 2015, he also held the post of chairman.

Relevant positions under the policy on directors' plurality of offices

Non-executive member of the board of directors of Italmobiliare S.p.A.

Other positions

Central Director with responsibility for the Principal Investing Division of Mediobanca. Member of the board of directors of Istituto Europeo di Oncologia S.r.l.



Philippe Donnet

Managing Director (Group CEO) - Executive
 director in charge of the ICRMS

Nationality: French
Professional background: Manager
Position held since 17 March 2016

Board Committees: Chair of the Investment Committee
 – Chair of the Strategic Transactions Committee

Career

He was born in Suresnes (France) on 26 July 1960. He graduated at the École Polytechnique and the Institut des Actuaire Français in Paris. From 1985 to 2007 he held a number of positions in the AXA Group. In 2007 he became the Managing Director for Asia Pacific at Wendel Investissements, Singapore. In 2010, he was appointed Managing Partner of the HLD investment management company in Paris. On 7 October 2013, he joined Generali as Country Manager Italy and CEO of Generali Italia, a position he held until May 2016. In this role, he oversaw the project for the merger of the Group's five brands in Italy, one of the most complex integration and simplification projects in Europe.

From 2008 to 2016 he was a member of the general assembly of Vivendi, from 2013 to 2016 a member of the board of directors of Banca Generali S.p.A., and from 2016 to 2017 vice president of ANIA.

Chevalier de l'Ordre National du Mérite. Chevalier dans l'Ordre de la Légion d'honneur.

Relevant positions under the policy on directors' plurality of offices

He does not hold any relevant positions under the policy on the plurality of offices.

Other positions

Chair of Generali Italia S.p.A. and Generali Services Pte. Ltd. Member of the general council of Fondazione Giorgio Cini and member of the board of directors of Fondazione Generali The Human Safety Net Onlus.



Romolo Bardin
Non-executive independent Director*

Nationality: Italian
Professional background: Manager
Position held since 28 April 2016

Board Committees: Appointments and Remuneration Committee (on appointments matters) – Investment Committee – Strategic Transactions Committee – Related-Party Transactions Committee

Career

He was born in Belluno on 23 April 1978. He graduated in Business Administration from Ca' Foscari University in Venice. Since 2002, he has worked for the Del Vecchio Group, first at Luxottica S.p.A., later at Delfin S.a.r.l.. He is currently CEO at Delfin S.a.r.l. and at other companies of the Delfin S.a.r.l. group. He was a director of Molmed S.p.A., a company listed on the Milan stock exchange.

Relevant positions under the policy on directors' plurality of offices

Chief executive officer of Delfin S.a.r.l. Member of the board of directors, the audit committee and the strategic and investment committee of Covivio S.A. (formerly Fonciere des Regions), a company listed on the Paris stock exchange. Member of the board of directors, the audit committee and the appointments and remuneration committee of EssilorLuxottica S.A., a company listed on the Paris stock exchange.

Other positions

Member of the board of directors of Fondazione Leonardo Del Vecchio.



Paolo Di Benedetto
Non-executive independent Director*

Nationality: Italian
Professional background: Lawyer
Position held since 28 April 2016

Board Committees: Chair of the Related-Party Transactions Committee - Corporate Governance and Social & Environmental Sustainability Committee

Career

He was born in Rome on 21 October 1947. He graduated in Law with specialisation in Administrative Sciences from La Sapienza University, Rome. He started his career at Banco di Napoli. Subsequently, he was a senior manager in Consob. From 2003 to 2010 he was a Consob commissioner. Later, he was managing director of SIM Poste S.p.A., BancoPosta Fondi SGR and a member of the board of directors of Acea S.p.A., Banca Finnat S.p.A. and Istituto Poligrafico e Zecca dello Stato S.p.A. He has taught courses on securities law at the LUISS University in Rome and the Tor Vergata University.

Relevant positions under the policy on directors' plurality of offices

Member of the board of directors, chair of the remuneration committee and the related-party transactions committee, member of the risk and control committee and member of the surveillance body of Edison S.p.A.. Director, lead independent director, chair of the risk and control committee, the related-party transactions committee and the remuneration committee of Cementir Holding S.p.A..

Other positions

Chair of the Fondo Nazionale di Garanzia since 2010.



Alberta Figari
Non-executive independent Director*

Nationality: Italian
Professional background: Lawyer
Position held since 30 April 2013

Board Committees: Chair of the Risk and Control Committee – Appointments and Remuneration Committee

Career

She was born in Milan on 30 January 1964 and graduated in Law from the University of Milan in 1988. She received a Master of Laws at King's College, London, and joined the Bar Association of Milan in 1992.

Relevant positions under the policy on directors' plurality of offices

She does not hold any relevant positions under the policy on the plurality of offices.

Other positions

She is a partner of the Clifford Chance law firm, where she has gained significant experience in company, banking/insurance, and financial law.

* Independence under the CG Code



Ines Mazzilli
Non-executive independent Director*

Nationality: Italian
Professional background: Manager
Position held since 7 May 2019

Board Committees: Risk and Control Committee -
Related-Party Transactions Committee

Career

She was born in Milan on 5 May 1962 and graduated in business administration, with a specialisation in finance, from the Bocconi University in Milan. She attended a management course at the INSEAD University in France. From 1987 to 1993 she held senior roles in the finance function at Elizabeth Arden, part of the Eli Lilly pharmaceuticals group, later acquired by Unilever. From 1993 to 2016, she worked at Heineken, first as planning & control director for the Italian subsidiary, where she was chief financial officer from 2001 to 2005. From 2006 to 2010 she was senior financial manager for the Western Europe region. From 2011 to 2015 she was senior financial manager for the Global Business Services and from 2015 to 2016 senior director for administrative services centres and processes at the finance and internal control functions.

Relevant positions under the policy on directors' plurality of offices

Independent non-executive member of the board of directors and chair of the risk and control committee of Saipem S.p.A.
Independent non-executive member of the board of directors, member of the surveillance body and chair of the control, risks and sustainability committee and the related-party transactions committee of Safilo Group S.p.A. and member of the surveillance body of its subsidiaries Safilo S.p.A. and Safilo Industrial S.r.l..

Other positions

Member of the advisory board of the BA degree course in economics and corporate law at the University of Pavia and member of the advisory council and senior advisor (external) for Genpact.



Antonella Mei-Pochtler
Non-executive independent Director*

Nationality: Italian
Professional background: Manager
Position held since 7 May 2019

Board Committees: Corporate Governance and
Social and Environmental Sustainability Committee –
Related-Party Transactions Committee

Career

She is an Italian Citizen based in Austria. She was born in Rome on 17 May 1958 and attended the German School where she graduated with honors, winning a DAAD-scholarship to study business administration at the Ludwig Maximilian University of Munich and at the University La Sapienza in Rome. In 1983 she earned an MBA with distinction at INSEAD, Fontainebleau, and then started her career as management consultant at the Boston Consulting Group (BCG) in Munich, where she focussed on consumer strategies, media and digital transformation. In 1990 she became one of the youngest Partners and first female Managing Director in Germany. In 1997 she opened BCG's Vienna Office and led it till 2003. She became the Global Branding Topic Leader in 1999, member of the European Management Team from 2002 to 2006 and member of the global executive committee from 2006 to 2011.

She has extensive board experience both in the profit and not-for-profit area, having served on the board of directors of J.A. Benckiser SE, of PPCapital and of Wolford AG, from 2015-2017 as chairwoman, and of Business@School, an educational project, Phorms S.E., a school network, and DKMS, the German Bone Marrow Donor Association. She is currently serving as Special Advisor to the Austrian Chancellor and as senior advisor of The Boston Consulting Group.

Relevant positions under the policy on directors' plurality of offices

Member of the supervisory board and the remuneration committee of Publicis Groupe SA.

Other positions

Member of the supervisory board of Westwing AG. Member of the supervisory board of Teach For All, a global network aimed at fostering educational opportunities – a pro bono activity.



Diva Moriani
Non-executive independent Director*

Nationality: Italian
Professional background: Manager
Position held since 28 April 2016

Board Committees: Chair of the Appointments
and Remuneration Committee - Related-Party
Transactions Committee

Career

She was born in Arezzo on 18 October 1968 and graduated in Business and Economics at the University of Florence. She has been working for Intek Group S.p.A. since 1994, where she became a member of the board of directors in 2002 and executive vice-chair in 2007. She is also vice-chair of KME SE and holds executive roles in other companies of the Intek Group.

Relevant positions under the policy on directors' plurality of offices

In addition to her position in Intek Group S.p.A., she is a non-executive member of the board of directors, chair of the appointments and remuneration committee and member of the related parties committee of Moncler S.p.A.; non-executive member of the board of directors, member of the appointments committee, the risk and control committee and the remuneration committee of ENI S.p.A.

Other positions

Member of the board of directors of Dynamo Academy, Dynamo Foundation and Dynamo Association.

* Independence under the CG Code



Lorenzo Pellicoli
Non-executive Director

Nationality: Italian
Professional background: Manager
Position held since 28 April 2007

Board Committees: Investment Committee -
Strategic Transactions Committee - Appointments
and Remuneration Committee

Career

He was born in Alzano Lombardo (Bergamo) on 29 July 1951. After starting his career in the fields of journalism and television, in 1984 he joined the Mondadori Espresso Group, where he soon held top positions. He moved to the Costa Crociere Group, where, between 1990 and 1997 he was first chair and managing director of Costa Cruise Lines and of Compagnie Française de Croisières, then worldwide general manager of Costa Crociere S.p.A.

In 2017 he was made a Knight of the Légion d'honneur.

He was managing director of SEAT Pagine Gialle S.p.A., a director of ENEL, INA, Toro Assicurazioni and a member of the advisory board of Lehman Brothers Merchant Banking.

Relevant positions under the policy on directors' plurality of offices

Managing director of De Agostini S.p.A., chair of IGT PLC and chair of the board of directors of DeA Capital S.p.A. (IGT PLC and DeA Capital S.p.A. belong to the De Agostini S.p.A. group).

Other positions

At the De Agostini Group he is also a member of the board of directors of B&D Holding S.p.A. and a member of the board of directors and executive committee of De Agostini Editore S.p.A. He is a member of the surveillance board of Banijay Group S.a.s. and the advisory board of Palamon Capital Partners.



Roberto Perotti
Non-executive independent Director*

Nationality: Italian
Professional background: University professor
Position held since 28 April 2016
2016 elected from the minority list

Board Committees: Risk and Control Committee -
Investment Committee

Career

He was born in Milan on 7 April 1961. He graduated in Economics from the Bocconi University in Milan and obtained a Ph.D. at the Department of Economics at MIT. From 1991 to 2001 he was professor of Economics at Columbia University in New York; since 2005 he has been full professor of Economics at the Bocconi University. He was the editor of the Journal of the European Economic Association. He is the author of essays and many scientific papers published in national and international magazines.

Relevant positions under the policy on directors' plurality of offices

He does not hold any relevant positions under the policy on the plurality of offices.

Other positions

Director of REF Recherche. Member of the National Bureau of Economic Research, Cambridge, Massachusetts. Member of the Centre for Economic Policy Research, London, and member of the scientific committee of CREI, Universitat Pompeu Fabra.



Sabrina Pucci
Non-executive independent Director*

Nationality: Italian
Professional background: University professor
Position held since 30 April 2013

Board Committees: Risk and Control Committee
- Appointments and Remuneration Committee (on appointments matters)

Career

She was born in Rome on 30 August 1967. After graduating in Economics and Business at La Sapienza University in Rome and many years of experience at the regulatory authority, she began an academic career. Her main research areas include international accounting principles, risk, insurance, banks, financial instruments, non-tangible assets, and pension funds. She has written numerous scientific papers on these topics.

Relevant positions under the policy on directors' plurality of offices

Independent member of the board of directors of EssilorLuxottica S.A., a company listed on the Paris stock exchange.

Other positions

She has been Full Professor of Business Administration at the Economics Faculty of Roma Tre University since 2005. She is a member of the Insurance Accounting Working Group at EFRAG (European Financial Reporting Advisory Group) and Chair of the Insurance Commission set up by the Italian Accounting Body (OIC).

* Independence under the CG Code

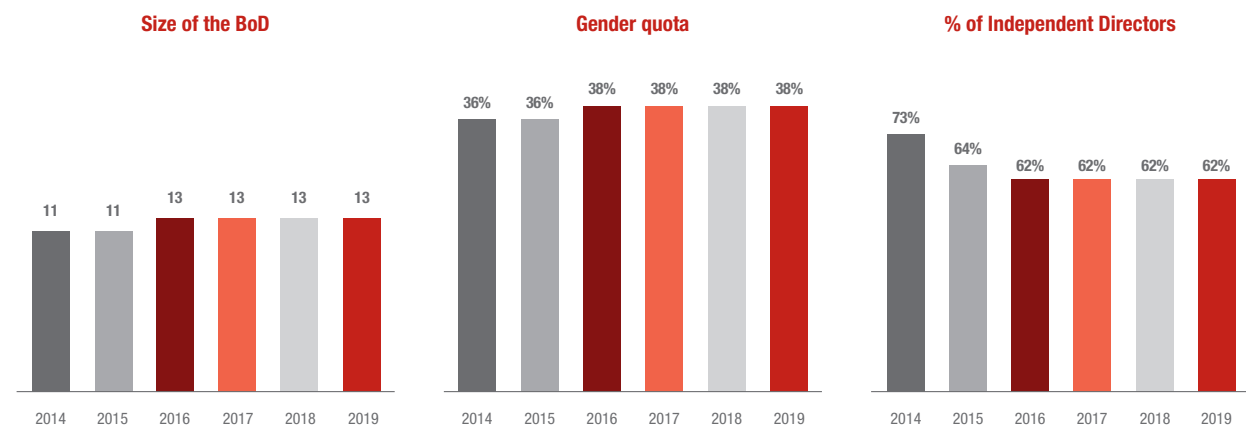


Giuseppe Catalano
Board Secretary

Nationality: Italian
Professional background: Manager
Position held since 15 January 2015

Career

He was born in Bari on 21 April 1967. From 2005 to January 2015 he was Legal and Corporate Affairs Executive Director of Indesit Company S.p.A., with responsibility for coordinating the Group's legal and corporate advisory activities. From 2000 to 2005 he was head of the Legal and Corporate Division of Natuzzi S.p.A., a company listed on the NYSE, and, previously, he was in-house counsel at various banks in Italy and Luxembourg. He has practised law and obtained a post-graduate diploma from the Sant'Anna School of Advanced Studies in Pisa. He was the public prosecutor's consultant in a criminal proceeding on the organisational and control models, pursuant to Legislative Decree 231/2001, of the companies under investigation. He has written numerous scientific papers in various areas of civil and commercial law. He is currently a contract professor on international trade law and chair of the general council of AIGI (Associazione Italiana Giuristi d'Impresa).



Also in light of lgs. decree no. 254/2016, and after consulting the GSC, the Board of Directors has approved a specific **Diversity Policy** for the members of our governing bodies: the Policy brings together in a single text the provisions already drawn up by regulatory sources inside and outside the Company and simultaneously formalises the goals pursued by the Company and its commitment to promoting generally recognised principles of non-discrimination. The Company recognises and upholds the value of generally accepted diversity and inclusion laws and principles (on matters such as ethnic origin, race, disability, sexual orientation), in line with the European Commission's Guidelines on non-financial reporting. Diversity on the Board of Directors has long been guaranteed also by the Articles of Association, the Regulation of the Board of Directors and Board Committees, and the Fit&Proper Policy, which establish compliance with gender quotas, and respectability, professionalism and independence requirements for directors, in view of the size and complexity of the Company, its strategic vision, its business objectives and the markets on which it operates. With regard to internationality, the Diversity Policy recommends that shareholders consider the international profile of candidates, whatever their nationality, in addition to their educational and cultural background.

Generali recognises the benefits that may result from diversity of gender, age group, seniority, education and professional background on the Board of Directors, with a view to promoting robust, constructive debate and avoiding group-thinking.

The Policy has the following **objectives**:

- to guarantee better understanding of stakeholder needs and requests;
- to reduce the risk of group-thinking among members of the various bodies;
- to achieve a more effective and thought-through decision-making process;
- to enrich discussion at meetings through the inclusion of general strategic or specific technical competences developed outside Generali;
- to fuel debate, the *sine qua non* of a considered and informed decision;
- to enable the members of the governing bodies to examine management decisions in a constructive manner;
- to facilitate change inside the governing bodies.

With regard to **implementation** of the Policy, as recommended by the CG Code, the Board of Directors conducts an annual self-assessment of its own and its committees'

operation, size and composition. Among other things, the self-assessment verifies that Italian and international professional and managerial competences are adequately represented, taking into account the benefits that may result from diversity of gender, age group and seniority on the Board. As recommended by the CG Code, before the presentation of lists by the shareholders and the subsequent appointment of the Directors, the outgoing Board of Directors, with the support of the Appointments and Remuneration Committee and considering the findings of the self-assessment, issues advice for shareholders on the ideal qualitative and quantitative membership for the activities of the incoming Board. The CG Code recommends that the shareholders take this advice into account when choosing the characteristics of the candidates in terms of profession, experience, including managerial experience, and gender. The Board of Directors appointed by the General Meeting in 2019 reflects the recommendations of the advice to the shareholders, in terms both of the qualitative and quantitative composition of the board and of the required balanced combination of personal and professional profiles, competences and experience. The shareholders also accepted the recommendation to consider the candidates' international profile and their openness to the challenges of technological innovation.

In terms of the **results of implementation** of the Diversity Policy, the following should be noted:

- as regards **gender diversity**, women account for 38% of the Board of Directors;
- as at 31 December 2019 the average **age** of the members of the Board of Directors was approximately 60 (59 in 2018);
- in terms of **seniority**, the current composition of the Board of Directors is balanced: with average seniority of 6.3 years (6 in 2018) over the past 16 years, 46% (38% in 2018) of members exceeded the average seniority, 38% (23% in 2018) were between the average and 3 years, and the remaining 16% (38% in 2018) under 3 years;
- in terms of **professional skills, education and professional experience**, the Board, either directly or indirectly, includes leading Group shareholders, business people from a wide variety of industries, executives from major Italian and foreign companies, university professors of economic and financial subjects, and independent professionals. Specifically: 85% of the directors have experience in the insurance sector, financial and accounting skills and expertise in the legislative and regulatory fields; 77% have a managerial profile; 69%

have international experience, given the positions held by the large majority of board members in non-Italian corporate, professional or academic fields; 31% have directorship experience in large-cap issuers; 23% have academic skills; 15% offer consolidated experience in the entrepreneurial field;

- regarding **independence**, detailed information is provided in the specific section of the Report (see p. 61).

Appointment and replacement

The Articles of Association provide that the Board of Directors shall consist of not fewer than 10 and not more than 21 directors, appointed by the General Meeting after the number of members to be elected has been established.

With the introduction of the list voting system into our corporate governance system, the majority list is entitled to appoint the entire Board of Directors, apart from one, two or three directors (selected from the list that obtained the second-highest number of votes), depending on whether the number of Board members to be appointed, pre-determined by the General Meeting, is under 12, between 12 and 15, or more than 15. Members of the Board of Directors must meet the statutory requirements of professionalism, respectability and independence, and at least one-third of directors must also meet the statutory independence requirements for Statutory Auditors¹. If the number of members of the Board of Directors established by the General Meeting is not a multiple of 3, the number of Independent Directors is rounded down to the nearest unit.

Lists may be submitted by shareholders who, either individually or jointly, represent at least **0.5% of Generali's share capital**. All those entitled to vote, companies directly or indirectly controlled by them, and companies directly or indirectly subject to joint control, may submit only one list. The Articles of Association do not entitle the Board of Directors to submit lists.

The composition of the Board of Directors must comply with the gender balance required by current legislation. In this connection, law no. 160 of 27 December 2019 (published in the Official Gazette, no. 304 of 30 December 2019) raised the quota of the less represented gender on the governance and control bodies of listed companies from 1/3 to 2/5 and also extended from 3 to 6 the mandates in which the new law is applied. The law applies as

¹ The positions of director meeting such independence requirements and minority director may be held by the same person.

from the first renewal of the governance and control bodies after the law comes into effect, on 1 January 2020.

As a result of the amendments to the Articles of Association approved by the 2019 General Meeting, age limits no longer apply to the offices of director, chair and managing director.

The election of the Board of Directors is conducted as provided by s. 28 of the Articles of Association. All the Directors to be elected are drawn from the list that obtained the highest number of votes cast by shareholders on the basis of the sequential number with which the candidates are listed, with the exception of those to be drawn from the second list. If the number of Directors of the less represented gender drawn from that list is less than the statutory number, the elected candidate who has the highest sequential number and belongs to the more represented gender is excluded; the excluded candidate is replaced by the next candidate belonging to the less represented gender, drawn from the same list as the excluded candidate. If it is not possible to draw the necessary number of directors of the less represented gender from the list that obtained the highest number of votes, the missing directors are appointed by the General Meeting by majority vote.

Lists must be filed at the Company's registered office not later than the 25th day before the date of the first or only call of the General Meeting. The following documents shall be submitted together with the lists:

- the curriculum vitae of each candidate, containing detailed information about the candidate's personal and professional characteristics and the skills acquired by him/her in the insurance, financial and/or banking field;
- the statements in which each candidate accepts the nomination, undertakes to accept the office if appointed, and further declares, under their own responsibility, that they meet the statutory requirements of respectability, professionalism and independence and that no grounds for incompatibility or disqualification exist.

Members of the Board of Directors hold office for three financial years; their appointment expires on the date of the General Meeting that approves the financial statements for the last financial year of their mandate, and they may be re-elected. If directors are appointed during the three-year period, the appointments of the newly-elected members expire at the same time as those of the directors already holding office.

If a director drawn from the minority list **ceases to hold office**, that director is replaced by the Board of Directors – with a resolution approved by the Board of Statutory Auditors – by appointing, until the following General Meeting, the first of the unelected candidates in the list to which the replaced director belonged, provided that the said candidate is still eligible and willing to accept the office; at the end of the term, the General Meeting replaces the lapsed director, if possible by appointing the replacement from among the candidates on the same list who have already accepted the replacement. In all other cases in which a director ceases to hold office during the three-year term, he/she is replaced in accordance with the applicable statutory provisions. If an independent director ceases to hold office, his/her replacement, co-opted by the Board of Directors on the proposal of the ARC – with a resolution approved by the Board of Statutory Auditors – or appointed by the General Meeting, must meet the statutory independence requirements for the office of member of the Board of Statutory Auditors.

The Board of Directors appoints a Secretary, who needs not be a Director. According to an established practice, the Secretary holding office is not a Director of the Company.

Generali has a policy for the **Group CEO's Succession Plan**, approved by the Board of Directors on the proposal of the ARC after consulting the GSC about the scope of application of the succession plan and its drafting process. The ARC has the annual task of examining proposals for amendments to the Plan and submitting them to the Board of Directors for examination. The process of identifying the Group CEO's successor involves two separate procedures: the final procedure and the procedure used in urgent situations. In both procedures, the Board of Directors is supported by the ARC which, in turn, is assisted by the head of the Group HR and Organisation function. The Board of Directors is also supported by the GSC when passing resolutions on the Group CEO's replacement and the corresponding assignment of powers.

In the event of early termination of the Group CEO's term of office, the compensation payable and the other connected aspects are set out in the Remuneration Report.

On a proposal by the Group CEO and after consulting the ARC, the Board of Directors also draws up a succession plan for the members of the GMC – identifying, at least on an annual basis, the objectives, tools and timing for the execution of the plan – and development and manage-

ment policies for GLG resources, who are key executives of the Company and the Group. The plan is linked to an annual review of the performance and potential of senior managers, based on the Group competence model and designed to foster the professional growth of managers and ensure sustainability by identifying short- and medium-term successors to the roles held by executives with strategic responsibilities and for the other key managerial positions.

Requirements for the position of director

Directors must be chosen according to **criteria of professionalism and competence** from persons who have acquired a total of at least three years' experience in qualifying professional activities. They must also meet specif-

ic requirements of respectability and independence, namely those laid down in the CLFI, the CG Code and Ministerial Decree no. 220/2011 (see the REGULATORY BOX below). Loss of the respectability or independence requirements laid down in the Articles of Association does not determine disqualification from the office only if such requirements continue to be met by the minimum number of directors established by the Articles of Association, that is, one third of the members.

To ensure compliance with the terms of the Solvency II Directive and s. 5.2.1 of IVASS Regulation 38/2018, Generali has approved a Fit&Proper Policy, mentioned earlier, which sets out the standard minimum mandatory requirements of professionalism and respectability for holders of certain key offices or roles ("Key Personnel"²) and the minimum contents and time limits for evaluating whether those requirements are met.

REGULATORY BOX

The **Economic Development Ministry's Decree no. 220 of 11 November 2011** sets out the requirements of professionalism, respectability and independence for directors, statutory auditors and general managers of insurance and reinsurance companies whose registered offices are situated in Italy, which candidates must possess to be eligible. During their term of office, lack of those requirements and the presence of disqualifying situations entail debarment from the appointment, which the board of directors must declare within 30 days of the date of the appointment or on learning of the supervening lack of the said requirements. If the board of directors fails to take action with regard to the requirements of professionalism, respectability and independence, the debarment is ordered by IVASS pursuant to s. 76.2 of the PIC.

S. 147-ter.4 of the CLFI states that at least one member of the board of directors, or two if the board of directors has more than seven members, shall meet the independence requirements established for statutory auditors by s. 148.3. However, the Articles of Association increases this minimum requirement, stating that it must be met by at least one-third of directors: if their number is not a multiple of three, the number of independent directors is rounded down to the nearest unit. In this case, loss of the requirement entails debarment from office of the director concerned, only if the minimum number of independent directors specified by the Articles of Association is not met. Finally, the independence requirements specified in s. 3 of the CG Code must be met by at least one-third of directors; however, as this is not required under the Articles of Association, loss of the requirements does not entail debarment from office.

The competence of the directors is evaluated by the Board of Directors from both the individual and the collective stand-point. Our Fit&Proper Policy establishes that members of the Board of Directors and the Board of Statutory Auditors must collectively possess suitable **experience and knowledge**, at least relating to:

- the markets on which the Company operates;
- the strategy and business model;
- the governance system;

- actuarial and financial analysis (for insurance companies);
- the legislative context and regulatory requirements.

As regards timing, the evaluation of professionalism must be conducted:

- upon appointment;
- at least once a year, after appointment;
- in the event of changes to the composition of the body.

² Key Personnel: members of the Board of Directors; members of the Board of Statutory Auditors; the Group CEO's first reporting line ("Key management personnel"); personnel of the Key Functions; personnel who exercise control over some outsourced activities (management of insurance portfolio, management of financial and real estate assets).

The Policy states that Key Personnel must also be respectable (i.e., reliable, financially sound and with a good reputation) in order to perform their responsibilities. It also states that unless otherwise specified by law, past infringements do not automatically entail loss of the respectability requirement. Evaluations regarding the respectability requirements for Key Personnel are conducted together with those relating to the requirements of professionalism. Acceptance of office implies that the director is ready to devote the necessary time to diligent performance of his/her tasks, taking account of the number of directorships or appointments as statutory auditor held in other companies (listed on Italian or foreign regulated markets, or finance, banking or insurance companies or other large companies), and of any other professional activities performed by the person concerned. To this end, large companies are defined as those with net equity exceeding EUR 10 billion.

A maximum of two offices held in other companies for executive directors and five for non-executive directors is usually deemed to be compatible with the effective performance of a directorship of the Company. Offices held in companies in the same Group will be considered as a single office.

The Group CEO does not hold any directorships in other issuers, that are not part of the Group, whose chief executive officer is a director of the Company.

As every year, the independence, professionalism and respectability requirements were reviewed in 2019, also according to the terms of the Fit&Proper Policy; no situations were found involving loss of the above requirements, incompatibility (also pursuant to s. 36 of law. 214/2011, see the REGULATORY BOX below), or exceeding the allowed number of offices.

REGULATORY BOX

S. 36 of Decree law no. 201 of 6 December 2011, converted to **law no. 214/2011**, regarding protection of competition and the independence of members of the top management of companies operating on the credit and financial markets, establishes that:

- persons holding offices in management, supervision and control bodies and top management executives of companies or groups of companies operating on the credit, insurance and financial markets are prohibited from accepting or exercising similar functions in competing companies or groups of companies;
- for the purpose of the prohibition contained in sub-section 1, “competing” shall mean companies or groups of companies between which there is no controlling relationship as defined in s. 7 of law no. 287 of 10 October 1990, and which operate on the same geographical and product markets;
- holders of incompatible offices as defined in the said Decree may, within 90 days of the date of appointment, choose which office, to which they were appointed by the competent company body, they will continue to perform. If no such option is exercised within that time, the holder shall be debarred from both offices and the debarment shall be declared by the competent governing bodies of the organisations concerned within 30 days after the said period expires or the breach of the prohibition comes to their knowledge. If no action is taken, the debarment shall be declared by the Regulator of the appropriate industry.

Non-executive and independent directors

As at 31 December 2019, 8 of the 12 non-executive directors met the independence requirements laid down in the CG Code, according to which the Chair and the Group CEO are “significant representatives”, and therefore not independent.

The number of non-executive and independent directors is sufficient to guarantee that their opinion has decisive importance when decisions are taken by the Board of Directors. Their professional background enables the Board of Directors and its Committees to enter into challenging, in-depth discussions of the subjects presented to them: the Board Committees envisaged by the CG

Code mainly consist of non-executive and independent directors and their support for the decisions of the Board of Directors has increased considerably in the last few years, as illustrated in the section dedicated to the Board Committees.

The independence requirement laid down in the insurance supervision legislation (Decree of the Ministry for Economic Development no. 220 of 11 November 2011) and the independence requirement laid down by the CLFI were reviewed at the Board meeting held on 20 February 2019 for the directors already in office during the previous mandate, and at the board meetings of 7 May and 20 June 2019 for the directors elected by the 2019 General Meeting. The May and June meetings as-

certained the existence of the independence requirement:

- established by the insurance supervision legislation: for all the directors;
- established by the CG Code for the directors Bardin, Di Benedetto, Figari, Mazzilli, Mei-Pochtler, Moriani, Perotti and Pucci. In ascertaining this, the Board of Directors, supported by the GSC, used the assessment parameters indicated in the CG Code, strengthened by additional specific considerations;
- established by the CLFI for the directors Bardin, Di Benedetto, Figari, Galateri, Mazzilli, Mei-Pochtler, Moriani, Pelliccioli, Perotti, Pucci and Rebecchini.

The ascertainment by the Board of Directors that the requirements under the CG Code and the CLFI were met was conducted on the basis of the information provided by the directors who had declared their independence in specific supplementary statements, focusing on the existence of the relations or dealings defined in the CG Code and the CLFI³; and also on the basis of information available to the Company, obtained also through a special written operating procedure. The latter is also applied for assessment of the independence of the members of the Board of Statutory Auditors.

Pre-defined quantitative criteria, set out in the Regulation of the Board of Directors and Board Committees, were also used to establish the relevance of the above relations and dealings. Subject to the existence of specific circumstances to be assessed on a case-by-case basis in accordance with the principle that substance prevails over form, relevant relations are usually deemed to exist when the consideration (invoiced on an annual basis in the current financial year and the preceding year) exceeds, for one or more of the applicable years, at least one of the following thresholds:

- 5% of the annual turnover of the parent group of the company or organisation in which the Director has a controlling interest or is a significant representative, or of the consultancy firm in which he/she is a partner or associate;
- 5% of the annual costs sustained by the Group in connection with business or financial relations of the same kind in the relevant financial years; this threshold is reduced to 2.5% in the case of professional dealings.

The independence requirement (pursuant to the insurance supervision regulation, the CG Code and the CLFI) was again ascertained – using the procedure described

above – at the board meeting of 19 February 2020 and the results confirmed the findings of 2019.

The Board of Statutory Auditors established that the criteria and procedures adopted by the Board of Directors to evaluate the independence of its members were correctly applied.

The figure of Lead Independent Director (LID), recommended in some cases by the CG Code, is unnecessary under the Company's governance structure, since the Chair is not an executive director and does not control the Company; also, the majority of the independent directors has not so far submitted a proposal to the Board of Directors to appoint a LID.

The independent directors met twice in 2019. The average attendance of the independent directors at board meetings was 97% in 2019, 95% in 2018 and 97% in 2017. For more detailed information, see **Table 2/a** annexed to this Report, containing information about each director's attendance.

Role

The Board of Directors is vested with the broadest management powers for the furtherance of the corporate objectives. It is also the body responsible for ensuring that the resolutions passed by the General Meeting are implemented promptly and correctly.

Its responsibilities primarily include those specified in the Articles of Association as being the sole responsibility of the Board of Directors, such as proposals for distribution of the annual profit, approval of strategic, industrial and financial plans, transactions of major economic, financial or capital importance, and transactions with related parties of greatest significance.

As part of its activity, the Board of Directors has instituted an approach based on the sustainability of business management; this objective is pursued by means of strategic planning over a 3-year time scale, subject to periodic supervision, which leverages the skills and work of GHO and the Business Units.

The Board of Directors' non-delegable responsibilities also include, again pursuant to the Articles of Association:

- distributing interim dividends to shareholders during the year;

³ These are trade, financial or professional relations or subordinate employment relations under the CG Code (implementing criterion 3.C.1.c) and independent or subordinate employment relations as well as other financial or professional relations under the CLFI (s. 148.3.c).

- formulating proposals for distribution of the profits;
- opening or closing head offices and permanent organisations abroad;
- resolutions relating to mergers, in the cases allowed by law, opening or closing of secondary premises, and amendments to the terms of the Articles of Association and General Meeting Regulation if they become incompatible with new mandatory legislative provisions;
- resolutions on the commencement or termination of operations in individual business sectors;
- appointing the General Manager, establishing his powers and duties and their revocation;
- taking decisions on the criteria for management and coordination of the group companies and implementation of instructions issued by IVASS;
- resolutions on the other matters which by law may not be delegated.

As regards accounting documents, the responsibilities of the Board of Directors under the law and the Articles of Association include preparation of:

- the annual financial report;
- the half-yearly financial report as at 30 June of each year and, if envisaged, quarterly financial disclosures.

REGULATORY BOX

S. 2381 of the Civil Code establishes that the subjects for which the Board of Directors has sole responsibility are those indicated in ss. 2420-*ter* (Delegation to directors), 2423 (Drafting of financial statements), 2443 (Delegation to directors), 2446 (Reduction of capital due to losses), 2447 (Reduction of share capital below statutory limit), 2501-*ter* (Merger plan) and 2506-*bis* (Demerger plan).

Following legislative changes introduced in 2016, the Board of Directors decided to approve and publish **financial disclosures as at 31 March and 30 September** of each year, containing a more concise overview of our business with a focus on significant data, including the following quantitative Key Performance Indicators (KPIs), in line with those supplied in the half-year and annual reports:

- premium trend (at Group and segment level), new business and life net premium income;
- combined ratio;
- operating profit/loss (at Group and segment level);
- profit/loss for the period;
- net equity;
- capital position.

If necessary, the press releases on the interim financial disclosures contain further qualitative and quantitative information to give a more comprehensive picture of business developments: this information is approved by the Board of Directors and published on the website on the dates shown in the Group's financial calendar; also, a conference call is held with the press and analysts. Consistently with the approach to releasing interim financial information, results and additional financial information are provided only on the publication of the half-year and annual results.

The further responsibilities reserved for the Board of Directors by Board resolution are listed in full in the Information Compendium to this Report (available on the website).

Pursuant to s. 150 of the CLFI and s. 32 of the Articles of Association, once again in 2019, the Board of Directors reported promptly, and at least quarterly, to the Board of Statutory Auditors on the activities performed, and in particular on transactions having a major economic, financial and capital impact and transactions in which Directors have an interest, on their own account or on behalf of third parties. The information was submitted periodically by the Group CFO at Board meetings by illustrating specific reports drawn up in accordance with a pre-defined process. The Board of Directors and the Board of Statutory Auditors were also informed about the general business trend, its likely developments and transactions with a major economic, financial and capital impact. The information in question related not only to executive activities and developments of operations already resolved on by the Board of Directors, but also to initiatives undertaken by executive bodies, including through the subsidiaries, in the exercise of the powers delegated to them, including decisions taken and projects commenced.

In 2019, after the preliminary activities performed by the internal functions and prior examination by the RCC, the Board of Directors favourably evaluated the **adequacy of the organisational, administrative and accounting systems of the Company and its subsidiaries**. Various aspects of the organisational structure were considered: organisational governance, the dynamics of the key positions, and succession planning. The administrative and accounting structure was also evaluated on the basis of the information supplied by the local CEOs and CFOs in

statements issued after the self-assessment conducted at local level, and on the basis of the additional qualitative aspects identified by them and by the relevant GHO functions.

When **evaluating the subsidiaries**, other qualitative criteria are also taken into consideration, such as those relating to companies that, although the size of their capital is not significant, make an essential contribution to the Group in view of the activities they perform.

REGULATORY BOX

S. 151 of the CONSOB Issuers' Regulation states that Italian or foreign subsidiaries do not have strategic importance, even if they are included in the consolidated financial statements, if their assets are below 2% of the assets shown in the consolidated financial statements and their revenue is less than 5% of the consolidated revenue, provided that the sum of the assets and revenue of the said companies does not exceed 10% or 15% of the consolidated assets and revenue respectively. The same article states that Italian or foreign subsidiaries do have strategic importance if, in relation to the type of activity performed or the type of agreements, guarantees, commitments and risks entered into and undertaken, they are able to significantly influence the economic, capital and financial situation of the Group to which they belong.

Operation

The Board of Directors meets regularly, at least on a quarterly basis and in practice on a monthly basis, in line with the statutory time limits and an annually approved schedule published on the website, at least for meetings of significance under law.

It is organised and operates in such a way as to guarantee the efficient, effective performance of its functions. The Board has adopted 2 specific regulations to govern and schedule its activities:

- the *Regulation of the Board of Directors and Board Committees*, which incorporates the system of Company regulations governing the activities of the said bodies and formally specifies (inter alia) the rights, duties, powers and responsibilities of the Company's directors in their activities for the governing bodies. The Regulation was amended in February 2018, to take account of the changes introduced by Igs. decree 254/2016 on non-financial information, with the formalisation, within the Regulation, of the respective tasks of the Board of Directors and the Board Committees; in December

2018, for alignment with IVASS Regulation 38/2018 and IVASS Regulation 42/2018; in June 2019 for alignment with the new corporate governance;

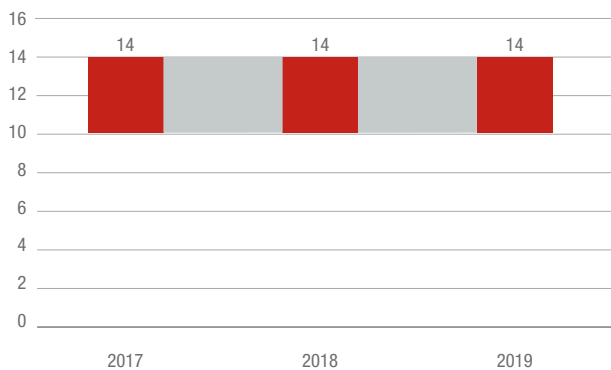
- the *Internal Regulation governing the preparation of the agenda of meetings of the Board of Directors and the Board Committees*, which ensures that the process for preparing the agenda for meetings of the BoD and the committees is efficient and effective and that directors receive adequate, timely information about the items on the agenda.

To ensure that directors are fully informed when passing resolutions, and that Board meetings operate efficiently, the Chair, when setting the agenda, must specify in detail the subjects to be discussed and clarify on which items directors are required to pass a resolution, and which merely require them to take note of a report. The Chair also ensures that documentation prepared for meetings is delivered to directors at least 4 working days before each meeting. During 2019, this term was normally observed except on sporadic occasions when, despite sufficient advance notice, some functions were late in producing

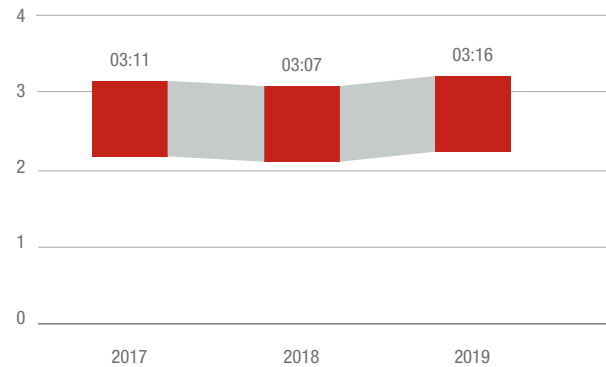
the documentation. Furthermore, the term of 4 working days was not applied to the documentation produced by the Key Functions which are required to express opinions based on the final documents. The findings of the 2019 Board review reflect satisfaction among directors with the adequacy of the pre-board information process.

To assist Directors in focusing effectively on the subjects under discussion, an executive summary is provided for each item for which the documentation exceeds about ten pages.

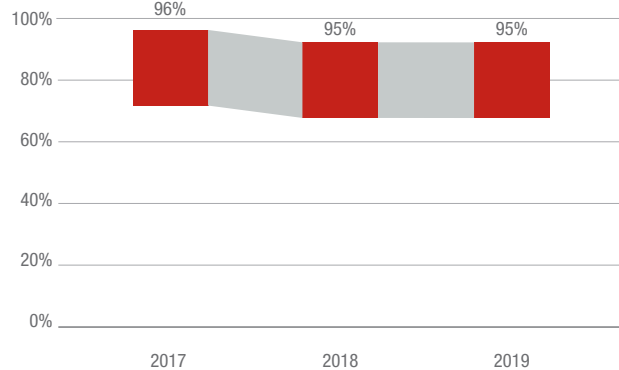
BoD: number of meetings



BoD: average length of meetings



BoD: average attendance at meetings *



* The attendance target for directors at meetings of the board and the board committees is 100%, in compliance with legal requirements: failure to attend meetings may be justified by specific reasons, which the Board of Directors examines case by case.

At each meeting the chair of the Board of Directors and the committee chairs, as required by s. 2391 of the Italian Civil Code, always ask the directors to declare any interest in any of the items on the agenda, either on their own account or on behalf of others; if such an interest is declared, the directors must specify, for the item in question, the nature, terms, origin and extent of the situation relevant for the purpose of the legislation in question.

When such situations occasionally arose in 2019, the directors duly provided information about them. Minutes of each meeting were drawn up, and approved at the next meeting, to the extent required.

Table 2/a annexed to this Report shows directors' individual attendance; in the event of absences, the directors in question always sent appropriate justification.

BOARD DIARY 2019 – Main goals			
Month	Strategy and finance	Internal control and risk management	Governance
January	<ul style="list-style-type: none"> Financial affairs and equity investments Asset management strategy 	<ul style="list-style-type: none"> Resolutions and disclosures concerning the ICRMS and remuneration of the heads of the Key Functions Update of Group policies and approval of parent company policy 	<ul style="list-style-type: none"> Group incentive systems Approval of proposed amendments to the Articles of Association Findings of the 2018 Board Review
February	<ul style="list-style-type: none"> Financial affairs and equity investments 	<ul style="list-style-type: none"> Approval of impairment testing procedures Approval of expenditure budget of Board Committees and the SB Examination of issues relating to the ICRMS Report of the head of the Internal Audit function on complaints management 	<ul style="list-style-type: none"> Approval of the guidance opinion for shareholders on the size and composition of the Board of Directors for the three-years 2019-21 Initial analysis of the NFIS Ascertainment of professionalism, respectability and independence requirements of the members of the Board of Directors and the Board of Statutory Auditors Ascertainment of the requirements laid out by the Fit&Proper Policy for key personnel for the purposes of the policy Report on communication of the Italian Corporate Governance Committee of 21 December 2018 Examination of the proposal of the Board of Statutory Auditors for the appointment of the new external auditor's firm
March	<ul style="list-style-type: none"> Approval of the Consolidated Financial Statements, the parent company draft financial statements, associated reports on operations and the proposed dividend payout Financial affairs and equity investments 	<ul style="list-style-type: none"> Assessment of the adequacy and efficacy of the ICRMS Approval of the MPFR's activity plan and expenditure budget Examination of the Compliance Function's report on activities Examination of actuarial report on the parent company's technical reserves Approval of Group policies 	<ul style="list-style-type: none"> Call of the 2019 General Meeting and approval of reports Remuneration Report Corporate governance and share ownership report 2018 Final statement of 2018 annual incentive plans and implementation of the 2016 LTI plan Designation and determination of remuneration of top managers of strategic subsidiaries Generali Group employee stock ownership plan Information on RPT Approval of Group Policy for Sustainability
April	<ul style="list-style-type: none"> Financial affairs and equity investments Asset management strategy 	<ul style="list-style-type: none"> Examination of the reports of the external auditors, ex s. 14 lgs. decree no. 39/2010, s. 10 EU Regulation no. 537/2014, s. 102 lgs. decree no. 209/2005 and s. 11 EU Regulation no. 537/2014 Approval of Parent Company's 2018 ORSA Report Approval of the 2018 RSR and 2018 SFCR Approval of Group and parent company policies 	<ul style="list-style-type: none"> Approval of Generali sustainability policy Update of climate strategy Approval of document ex s. 5.c.2.i IVASS Regulation 38/2018 Update of OMM

BOARD DIARY 2019 – Main goals (cont.)

Month	Strategy and finance	Internal control and risk management	Governance
May	<ul style="list-style-type: none"> Approval of interim financial information as at 31 March 2019 	<ul style="list-style-type: none"> Approval of Group 2018 ORSA Report Approval of the Group 2018 RSR and the 2018 SFCR 	<ul style="list-style-type: none"> Ascertainment of requirements for assumption of directorship Appointment of corporate officers Appointment of the Board Committees Appointment of the SB Issues relating to remuneration of corporate officers and members of the Board Committees
June	<ul style="list-style-type: none"> Strategy Day Financial affairs and equity investments Approval of parent company ICT plan, ex s. 16 IVASS Regulation 38/2018 	<ul style="list-style-type: none"> Issues relating to the ICRMS and update of Group and parent company policies Changes to the internal capital calculation model pursuant to Solvency II 	<ul style="list-style-type: none"> Capital increase for 2016-19 LTI plan for Group CEO Resolutions on remuneration Changes to the Regulation of the Board of Directors and Committees
July	<ul style="list-style-type: none"> Half-year reports as at 30 June 2019 Financial affairs and equity investments 	<ul style="list-style-type: none"> Examination of issues relating to the ICRMS Assessment of adequacy and efficacy of the ICRMS Half-year report on SB activities Report of the head of the Internal Audit function on complaints management Disclosure on activities of the Key Functions and the MPFR Approval and review of Group and parent company policies 	<ul style="list-style-type: none"> Periodic disclosure on RPT Resolutions on remuneration
September	<ul style="list-style-type: none"> Financial affairs and equity investments 		<ul style="list-style-type: none"> Disclosure of results of the 2019 Global Engagement Survey Execution of the Group Employee Stock Ownership Plan. Disclosure on the BoD self-assessment process for the three years 2019-21
October	<ul style="list-style-type: none"> Financial affairs and equity investments 		<ul style="list-style-type: none"> Periodic review of Group CEO succession plan policy Group CEO succession plan Succession plan for GMC members Proposals concerning top managers of strategic subsidiaries
November	<ul style="list-style-type: none"> Strategy Day Approval of interim financial information as at 30 September 2019 Financial affairs and equity investments Renewal of EMTN program 	<ul style="list-style-type: none"> Review of Liquidity Risk Management Plan, Recovery Plan and Systemic Risk Management Plan 	<ul style="list-style-type: none"> Engagement of consultant for Board review activities for the three years 2019-21 Approval of Group Materiality Index
December	<ul style="list-style-type: none"> Examination of 2019 forecast and budget, RAF and 2020 SAA Financial affairs and equity investments Approval of new materiality index⁴ 	<ul style="list-style-type: none"> Update of Group policies 	<ul style="list-style-type: none"> Designation and determination of remuneration of top managers of strategic subsidiaries

⁴ In compliance with the Sustainability Policy, the Board of Directors approved the new 'Materiality Index' which identifies material ESG trends of relevance to the Group, since they could have a significant impact on performance (in terms of revenues, costs, risk profile) in the next 10 years (risks and opportunities brought to Generali by material trends), and trends on which Generali could have a material impact, directly or through its value chain (risks and opportunities generated by Generali, with an impact on external stakeholders). The approval of the Board, carried after the prior favourable opinion of the GSC, followed the proposal presented by the Sustainability and Social Responsibility function, reviewed by the Managerial Sustainability Committee. The material trends were identified by combining the assessments of internal stakeholders (Company and Group managers, employees) and external stakeholders (opinion leaders, clients, suppliers, investors, rating agencies, industry associations, institutions and authorities, universities and research centres, NGOs). Information about the Materiality Index is provided in the 2019 Integrated Annual Report.

2020 calendar for approval of financial statements, half-year financial statements and interim financial information

Date	Event	Focus
12 March 2020	Board of Directors	Approval of consolidated financial statements and draft annual financial statements as at 31 December 2019
30 April 2020	General Meeting	Approval of 2019 annual financial statements
20 May 2020	Board of Directors	Approval of interim financial information as at 31 March 2020
29 July 2020	Board of Directors	Approval of half-year financial report as at 30 June 2020
11 November 2020	Board of Directors	Approval of interim financial information as at 30 September 2020

As recommended by the CG Code, our governance provides that members of the Board of Directors must be independent and possess full knowledge of the facts when acting and passing resolutions on the subjects for which they are responsible, and pursue the objective of creating value for all shareholders. In this context, the aim of increasing directors' knowledge of the situation and dynamics of the Company and the Group is promoted by arranging for executives of the Company and the Group to attend meetings of the governing bodies regularly, in order to provide information about the items on the agenda. In 2019, with the exception of the meeting of 7 May, the Group CFO and the General Manager attended every meeting of the Board of Directors, and a number of heads of GHO functions, including the heads of the four Key Functions and the Group CIO, attended in relation to subjects falling within their sphere of responsibility.

The Chair and the Group CEO, with the support of the Secretary, ensured that the Board of Directors was kept informed about the main legislative and regulatory innovations relating to the Company and its governing bodies. The Board of Directors is also systematically updated about international economic events and the insurance industry that are liable to have significant repercussions on our business.

Meetings were held during 2019 to provide updates on and details about the impact of the future application of

the IFRS 9 and IFRS 17 financial reporting standards, the IT impacts in the insurance sector (*Insurtech*), governance, financial, risk issues, on the organisation and activities of the Group.

Directors and Statutory Auditors are kept up to date on Generali share trends through monthly reports drawn up by the Investor & Rating Agency Relations unit. The reports provide comparisons with the performance of the Group's main European peers, together with analyses (usually quarterly) supplied by the Insurance Research Group on the general trends of the major listed insurance groups and the three-year market forecasts.

Strategy Day

The Company held 2 meetings (Strategy Days) for directors and statutory auditors in 2019. GMC members and other Group executives also attended. These meetings provide opportunities for discussion between the governing bodies and the Group's top management about the progress of strategic plans approved by the Board of Directors and drafting of future plans, in relation to the definition of annual budgets and monitoring of three-year rolling targets. The 2019 Strategy Days focused in particular on various aspects of the implementation of the strategic plan for 2019–21.

Board Review and Advice for Shareholders

The CG Code requires the Board of Directors to evaluate its own operation and that of the Board Committees at least once a year. In accordance with a practice followed by most of the large-cap Italian issuers, Generali has long outsourced the task of supporting the relevant Board Committee, and, consequently, the Board of Directors, to a firm of external consultants. For the three years 2019-2021, subject to the opinion of the GSC, the firm has been identified as Egon Zehnder International S.p.A. In 2019, this company also provided consultancy services to an additional Group company, for considerations such as not to affect its independence of judgement.

The Board of Directors provided for the consultant to be actively involved in the Board Reviews for the financial years 2019 and 2021, with the preparation of a questionnaire for the members of the Board of Directors and the chair of the Board of Statutory Auditors, followed by interviews. The activity for financial year 2020 will be performed in-house, with the consultant merely providing support.

As always, the 2019 Board Review involved all the direc-

tors and the chair of the Board of Statutory Auditors, and consisted of responses to a questionnaire, followed by interviews conducted by the consultant, in order to better assess the individual contribution of each director. The assessment covered the operation and efficiency of the Board of Directors and its committees, as well as their size and composition, as envisaged by the CG Code. The replies were managed by the consultant, whose reference was the GSC and the Corporate Affairs unit: the information was treated confidentially and consolidated into the final self-assessment report.

The results of the Board Review were presented and discussed by the Board of Directors on 19 February 2020, after consulting the GSC, who also expressed an opinion on the possible remedial measures identified by management. The Board of Directors expressed valuations in terms of strengths (see table below) and areas requiring attention (see brief description below the table), which summarise the results as a whole. The Board examined the points requiring attention, raised by a minority of directors, in order to achieve additional improvements within a situation deemed nevertheless widely satisfactory by the directors. The process officially ended when the Board of Directors approved this Report in its meeting held on 12 March 2020.

Key strengths identified by the 2019 Board Review

Area	Focus
Size, composition and competences of the Board of Directors	Adequacy of size of Board of Directors
	Appropriate ratio between executive and non-executive directors (1:12) and between independent and non-independent directors (8:5)
	Appreciation of mix of skills and experience in the board
	Appreciation for the consistency of the Board composition with the guidance opinion for shareholders
	Adequacy of appointment processes and selection criteria for the Board, following the guidance opinion for shareholders
Organisational structure	Adequacy of governance structure of the governing bodies
	Adequacy of number and type of external positions held by directors, guaranteeing sufficient time for performance of role

Key strengths identified by the 2019 Board Review (cont)	
Area	Focus
Operation and training of directors	General satisfaction with training for the Board, and appreciation for the induction process for the new directors, even if with some improvement possibilities
	Adequacy of the number of Board meetings and of their length
	Appreciation of substantial independence and judgement of directors
	Efficiency and efficacy of decision-making process, given the substantial key role of the Board
	Adequacy of the information flow, both with regard to content and to the timing of transmission to the directors
	Satisfaction with the active attendance of directors to the Board meetings
	Efficacy of minute-taking at board meetings
	Satisfaction with the management of price sensitive information and non financial information in the Board of Directors
Role of Chair and Group CEO	Appreciation of Chair's role and leadership style at meetings
	Recognition of constructive and balanced relationship between Chair and Group CEO
	Adequacy of division of powers between Board of Directors and Group CEO, in balancing strategic and management functions
	Appreciation of top management as competitive element and key asset for the Company
	Growing satisfaction with proactive approach of Group CEO in providing overviews and analyses of insurance business
	Appreciation of quality and continuity of the relationship between Board and Group CEO
Board of Statutory Auditors	Satisfaction with Board's' control activities, for its relationship with the Board and appreciation of authoritativeness of chair.

Most of the board members interviewed for the 2019 Board Review expressed full satisfaction with the efficacy and operation of the Board of Directors: the areas of excellence that emerged in the analysis, summed up in the aforementioned table, significantly increased with respect to the previous year. The recommendation concerning the presence of social and environmental sustainability competencies, identified as improvement area in the 2018 Board Review, was highlighted in the General Meeting 2019 guidance opinion for shareholders; nevertheless also this year a minority of directors expressed the need for improvement of the quality profile of the Board under this aspect, together with the growth of international scope and competencies in the IT, digitization and cyber security fields. On this last aspect, the Board has already initiated a process for the acquisition of more detailed information from the management, also through dedicated induction sessions. A minority of directors believes there to be space for improvement in the information flow between some committees and the Board regarding human resources issues and the need to

intensify the benchmarking activity on relevant themes in the market trends.

Remuneration of directors and management personnel with strategic responsibilities

Pursuant to s. 123-ter of the CLFI, IVASS Regulation 38/2018, and the principles and application criteria laid down in s. 6 of the CG Code, the general policy for the remuneration of Directors and key management personnel is illustrated in a specific report approved by the Board of Directors after consulting the ARC, which will be submitted for examination and approval to the 2020 General Meeting. The report will be available on the website under the Governance heading, in the Remuneration and General Meeting sections.



Details in the Remuneration Report

Chair

The Board of Directors elects the Chair from among its members, if the General Meeting has not done so: the Chair is selected from candidates who meet specific professional requirements among those required of the other directors.

The Chair is a legal representative of the Company, and acts in that capacity by signing together with another legal representative under the Company's name⁵.

REGULATORY BOX

The **Ministry of Economic Development's Decree no. 220 of 2011** states that in order to be eligible for appointment, the chair, managing director and executive committee members of an insurance company must have performed at least one of the following activities for not less than five years:

- administration, management and control of companies and organisations in the insurance, financial or credit sector;
- administration, management and control of public and private companies of a similar size to the insurance or reinsurance companies in which the office will be held;
- professional activities in subjects associated with the insurance, credit or financial industry or university lectureships in economic, legal or actuarial subjects relevant to the insurance industry.

Candidates for the position of general manager (or an equivalent position) are required to possess specific professional skills acquired in the insurance, credit or financial fields by working in executive positions of suitable responsibility for a period of not less than 5 years.

In addition to his statutory powers, the Chair chairs the General Meeting in accordance with the rules set out in the General Meeting Regulation.

He also calls and chairs meetings of the Board of Directors, sets their agendas, ensures that directors are able to prepare for each meeting, directs, coordinates and moderates their proceedings, and announces the results of the various votes.

With support from the Secretary, he draws up the minutes of each meeting of the Board of Directors, which are made available to members within the deadline for distribution of documentation for the subsequent meeting.

Gabriele Galateri di Genola was confirmed as Chair for the three-year period 2019-2021 by a resolution of the Board of Directors of 7 May 2019, at a meeting held after the General Meeting on that date. He assumed the functions of Chair on 23 May 2019, the date of entry into effect of the new Articles of Association, which no longer set an age limit on the position. The Chair does not have an operational role, as no powers other than the statutory powers and those granted by the Articles of Association have been delegated to him.

IVASS Regulation 38/2018 lays down that the chair of the board of directors of insurance companies and

Italian ultimate parent companies subject to the so-called "strengthened regime" (of which Generali is one) must not have an executive role and may not perform any management function; additionally, they may not be a member of the executive committee, if formed, but may attend committee meetings, without the right to vote. Consequently, on 30 January 2019, the Board of Directors approved, pursuant to s. 2365 of the Civil Code and s. 32.2.g of the Articles of Association, the amendment to the text of articles 29.3, 29.4 and 35.3 of the Articles of Association. Subsequently, the 2019 General Meeting approved the amendment to s. 35.3 of the Articles of Association with regard to the procedure for appointment of the chair of the Executive Committee, given that in the past the chair of the Board of Directors automatically took the chair of the executive committee, if formed. The reader is reminded that the Company has not formed an executive committee for some time.

Vice-Chairs

The Board of Directors elects from among its members one or more Vice-Chairs, who replace the Chair in all respects in the event of his absence or inability to act. If there is more than one Vice-Chair, the one who is also

⁵ 5 For further details, see paragraph on "Legal representatives".

Managing Director acts as Deputy Chair; if none of the Vice-Chairs holds the position of Managing Director, the oldest Vice-Chair stands in for the Chair.

The appointments of Francesco Gaetano Caltagirone (Deputy Chair in accordance with s. 30.2 of the Articles of Association) and Clemente Rebecchini as Vice-Chairs were confirmed for the three-year period 2019-2021 at the meeting of the Board of Directors held on 7 May 2019. Under the Articles of Association, the Vice-Chairs are automatically members of the Executive Committee, if formed.

Managing Director and Group CEO

The Board of Directors may appoint one or more Managing Directors from among its members, and establish their powers.

Under the Articles of Association, the Managing Director exercises the power of leadership and operational management of the Company and the Group in Italy and abroad, with all powers of ordinary administration, in accordance with the general planning and strategic policies established by the Board of Directors and within the specified value limits, without prejudice to the powers granted by law or the Articles of Association exclusively to other executive bodies of the Company or otherwise delegated by the Board of Directors. The formal powers of the current Managing Director are set out in the Information Compendium to this Report (available on the website).

The Board of Directors elected by the 2019 General Meeting confirmed Philippe Donnet as Managing Director and Group CEO for the three-year period 2019-2021, conferring him the powers he held at the end of his previous term of office.

To monitor exercise of the delegated powers of the Group CEO, the Group guarantees a systematic information flow from all company and Group units. Assisted by one of his own functions, the Group CFO collects and examines the information in order to draw up quarterly reports for the Board of Directors and Board of Statutory

Auditors. These operational procedures were regularly applied in 2019, and in the year were extended to include information about implementation of board resolutions.

A structured report on the Group's general business trend, broken down by geographical area and Business Unit, its foreseeable development and operations of major economic, financial and capital impact, is also submitted, on average at monthly intervals.

The six Board Committees

At its meeting on 7 May 2019, the Board of Directors set up 6 Board Committees, assigning to them recommendatory, advisory and preparatory functions for the Board of Directors.

The Risk and Control Committee (RCC) and the Appointments and Remuneration Committee (ARC) were appointed in compliance with the recommendations of the CG Code. The Board also formed the Related-Party Transactions Committee (RPTC), in line with the provisions of the RPT Regulation, the Corporate Governance and Social & Environmental Sustainability Committee (GSC), the Investment Committee (IC) and the Strategic Transactions Committee (STC).

The Board decided to subdivide the competences of the previous Investment and Strategic Transactions Committee into two separate committees, to focus one on 'Investments', the other on 'Strategic Transactions'. The creation of these two committees was decided in order to improve the distribution of the workload and, consequently, achieve greater effectiveness, for the benefit of the quality of the decisions taken by the Board of Directors. The formation of the IC and the STC required a review of the Regulation of the Board of Directors and Board Committees, which was approved by the Board of Directors on 20 June 2019.

The basis for the institution of the Board Committees is s. 34 of the Articles of Association, which empowers the Board of Directors to set up general and special advisory committees at the Board itself, and to establish their powers and remuneration. The operation of the Committees is governed by the "Regulation of the Board of Directors and Board Committees".

The committee members (not fewer than 3 per committee) are appointed by the Board of Directors and, unless otherwise decided by the Board, are selected from among its members. The Board Committees lapse when the Board of Directors ceases: if, during the term of office, one or more members should be impeded for any reason, the Board of Directors replaces them, if it reckons fit, with its own members who meet the requirements for holding the office in question.

The chairs of the Board Committees, appointed by the Board of Directors from among its members, call meetings of their committees, drawing up the agendas, preparing the proceedings, coordinating and moderating the discussion. At the first possible Board of Directors meeting, they submit a report on the activities performed by their committees and the proposals, opinions and recommendations formulated. In the event of their absence or inability to act, the chairs are replaced in all their powers by the oldest committee member.

For the organisation of their proceedings, the Board Committees are assisted by a secretary, appointed by the Board of Directors or by the Committees themselves, and supported by the Corporate Affairs function. The Board of Directors has appointed the Board Secretary, Giuseppe Catalano, as secretary to all the Board Committees.

The Board Committees meet, on the invitation of their chair or the person standing in for him/her, at the place specified in the notice of call sent to all members at least 4 working days before the date of the meeting; in the event of an emergency, this period may be reduced to 2 days. Documentation relating to meetings is made available to Directors at the same time as the notice of call. On some occasions in 2019, the deadline was slightly delayed, although the documentation was made available ahead of the meetings and in time for members to make an assessment of the questions, which were also illustrated in depth during the actual meetings. These exceptional situations concerned a small number of documents (e.g., presentations for review after internal function opinions, a presentation on a transaction still under negotiation when the deadline expired). In any case, the findings of the 2019 Board Review reflect satisfaction among directors with the adequacy of the pre-committee information process.

The Board Committees meet on the basis of a calendar proposed by their chairs and approved by the Board of Directors, and updated whenever the respective chair deems fit and/or necessary on the basis of developments in the Company's business; their meetings are held in time to allow discussion of the subjects for which they are responsible, the results of which are then submitted for examination and evaluation by the Board of Directors.

Board Committee meetings may be attended by non-members, including other Directors, senior managers and officers of the Group, on the invitation of the Committee chair, in relation to individual items on the agenda. The chair always attends the meetings, in order to ensure coordination with the activities of the Board of Directors.

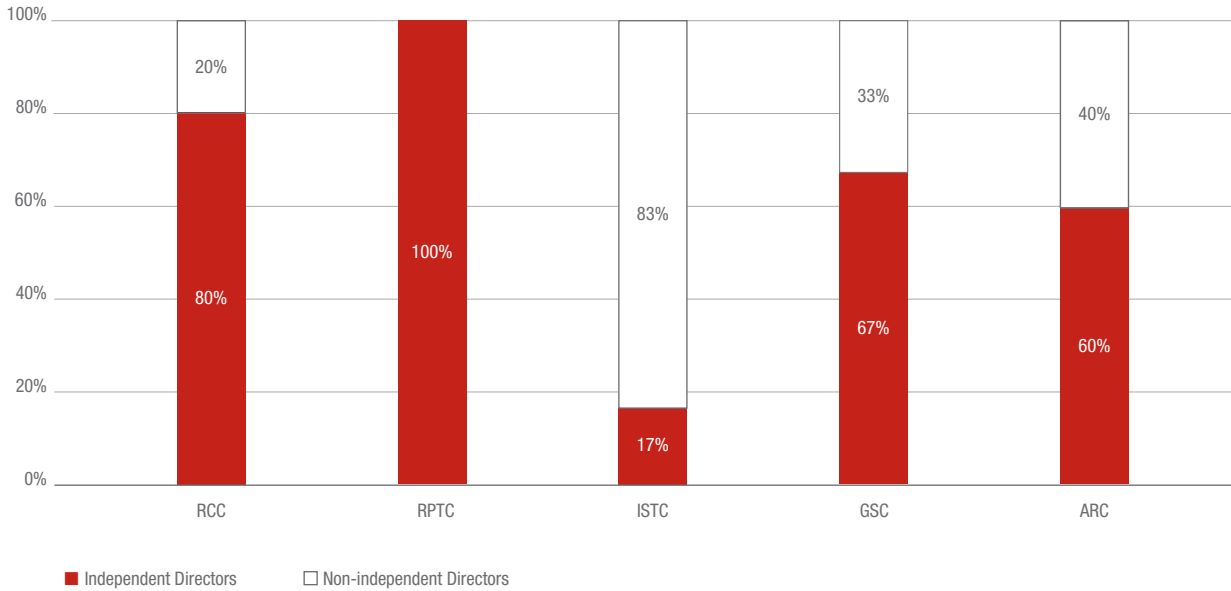
Resolutions are passed on an absolute majority of votes; in the event of a tie the Committee chair has the casting vote. Votes cannot be cast by proxy. Minutes are drawn up of each meeting, and signed by the Committee chair and the Secretary.

The Board Committees, in the performance of their functions, are entitled to access the information and corporate units deemed necessary for the performance of their duties, and to call on external consultants, on the terms established by the Board of Directors. In this context, attendance at meetings by the Company's executives with expertise in the items on the agenda was requested several times in 2019, and they provided members of the Board Committees with analyses and documentation useful for taking the related decisions.

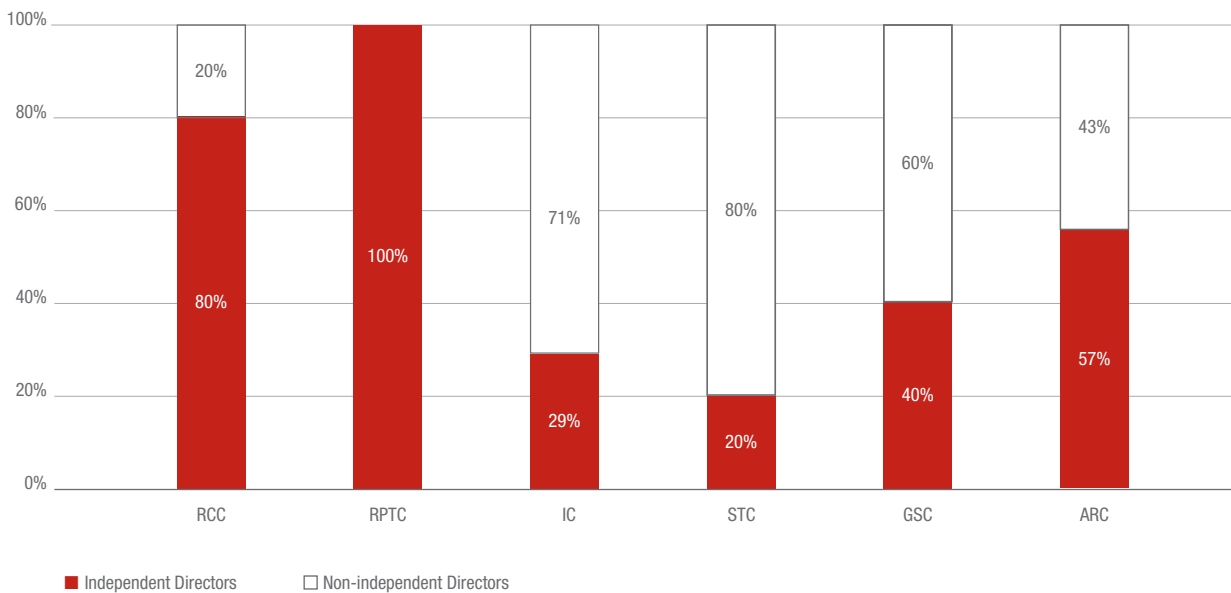
The committees recommended by the CG Code have an adequate annual expenditure budget granted by the Board of Directors (which has reserved the right to approve the budget at least annually, also for the committees whose institution is not expressly recommended by the CG Code). Board Committee members are entitled to reimbursement of expenses incurred for attending meetings, and to a fee (if any) established by the Board of Directors.

In line with best practices, the majority of members of the Board Committees recommended by the CG Code are independent directors, and one of them is appointed chair.

Compositions of lapsed Committees



Composition of existing Committees



The following pages contain a detailed description of each committee, indicating the duties assigned to them and the activities performed during the year. With regard

to the meetings held in the year, also for comparative purposes, the tables indicate the number, duration and average attendance in the last three years.

Risk and Control Committee*



At its meeting on 7 May 2019, the Board of Directors confirmed the composition of the RCC from the previous three-year mandate, with the sole substitution of Romolo Bardin with Ines Mazzilli; Alberta Figari was confirmed as chair and Giuseppe Catalano as Secretary.

The majority of members of the RCC possess specific skills and experience in accounting and financial matters. The independence requirement was ascertained for 4 of the 5 members; the non-independent director Clemente Rebecchini was appointed as a member in view of his extensive experience in financial matters and risk management.

The meetings are attended by the heads of the Key Functions, who have permanent invitations.

The RCC performs advisory, recommendatory and pre-

paratory functions on the subjects of internal controls and risk management. It assists the Board of Directors in determining the guidelines of the ICRMS, the periodic check on its adequacy and effective operation, and the identification, evaluation and management of the main business risks, including those deriving from prejudicial facts which come to the notice of the Board of Directors and those relating to questions of a non-financial nature. It issues opinions on proposals regarding the appointment, dismissal and remuneration of the heads of the Key Functions and their activity plans.

The competences of the RCC are described in full in the Information Compendium to this Report (available on the website).

* The RCC is not equivalent with the anglo-saxon system audit committee, in that it is not a control body on the Board's activity. It is, instead, a supporting body to the Board regarding internal control and risk management decisions (as per Corporate Governance Code, principle 7.P.3 lett. a.ii).

RCC DIARY 2019 – Main opinions and valuations			
Month	Solvency II	Internal controls, risk management	Financial and accounting documents, investments
January	<ul style="list-style-type: none"> Examination of minor changes to the internal capital calculation model pursuant to Solvency II and associated documents for presentation to IVASS 	<ul style="list-style-type: none"> Committee budget proposal for 2019 Examination of results of 2018 Risk Assessment relating to operating and compliance risks Opinion on the 2019 activity plans for the Company and the Group, and related expenditure budgets Opinion on the 2019 incentives system Market analysis and remuneration proposals for the heads of the Key Functions Information on monitoring of Group concentration risks 	
February			<ul style="list-style-type: none"> Information on correct uniform application of accounting standards Opinion on impairment test procedures, pursuant to joint Bank of Italy/ CONSOB/ ISVAP document no. 4 of 3 March 2010
March	<ul style="list-style-type: none"> Report on risk capital at Group level at 31/12/2018 pursuant to Solvency II 	<ul style="list-style-type: none"> Assessment of the adequacy and efficacy of the internal control and risk management system Examination of actuarial report on the Company's technical reserves Examination of the report of the Compliance function on activities performed to control compliance with the joint Bank of Italy/CONSOB Regulation of 29 October 2007 and examination of the report drawn up by the Compliance function, pursuant to CONSOB resolution no. 17297 of 28 April 2010, on complaints regarding distribution of insurance and financial products Examination of the reports of the head of Group Audit, the Group Compliance Officer and the Group Chief Risk Officer on remuneration policies (s. 58 IVASS Regulation 38/2018) Update report by the MPFR and opinion on 2019 activity plan and related budget Periodic monitoring of SAA limits 	<ul style="list-style-type: none"> Assessment of correct use of accounting standards and their uniformity among the Group companies for the purpose of the consolidated financial statements, and assessment of correct use of accounting standards for the parent company's financial statements Report on goodwill impairment testing Examination of reporting on investments
April	<ul style="list-style-type: none"> Report on Assicurazioni Generali S.p.A. technical provisions pursuant to Solvency II, Underwriting and Reinsurance Report on independent review and check of methods used to measure assets and liabilities other than the parent company's technical reserves 	<ul style="list-style-type: none"> Examination of the parent company 2018 ORSA Report Examination of the parent company Regulatory Supervisory Report and Solvency Financial Condition Report Examination of the reports of the external auditors pursuant to s. 14 lgs. decree no. 39, 27 January 2010, s. 10 of EU Regulation no. 537/2014, s. 102 of lgs. decree no. 209, 7 September 2005, and s. 11 of EU Regulation no. 537/2014 	

RCC DIARY 2019 – Main opinions and valuations (cont.)

Month	Solvency II	Internal controls, risk management	Financial and accounting documents, investments
May	<ul style="list-style-type: none"> · Report on Group technical provisions pursuant to Solvency II, Underwriting and Reinsurance · Report on Group risk capital pursuant to Solvency II at 31 March 2019 · Report on independent review and check of methods used to measure assets and liabilities other than the Generali Group's technical reserves 	<ul style="list-style-type: none"> · Examination of the Group's 2018 ORSA Report · Examination of the Group Regulatory Supervisory Report and Solvency Financial Condition Report 	
June	<ul style="list-style-type: none"> · Report on local solvency positions at 31 December 2018 · Examination of changes to the internal capital calculation model pursuant to Solvency II and associated documents for presentation to IVASS 	<ul style="list-style-type: none"> · Examination of the Group Audit Report and the Assicurazioni Generali S.p.A. Audit Report at 31 March 2019 · Information on monitoring of Group concentration risks 	<ul style="list-style-type: none"> · Examination of reporting on investments · Examination of the external auditors' report drawn up pursuant to s. 12 of IVASS Regulation 42/2018
July	<ul style="list-style-type: none"> · Report on Group risk capital pursuant to Solvency II at 30 June 2019 	<ul style="list-style-type: none"> · Update report on the state of the activities of the control Functions at 30 June 2019 · Assessment of the adequacy and efficacy of the internal control and risk management system · Report of the head of the Internal Audit function on complaints management · Report on private equity investments · Periodic monitoring of SAA limits 	<ul style="list-style-type: none"> · Report on the half-year reports as at 30 June 2019 and the partial audits thereof being conducted by the external auditors · Update by the MPFR · Examination of reporting on investments
October	<ul style="list-style-type: none"> · Report on Group risk capital pursuant to Solvency II at 30 September 2019 · Review of Liquidity Risk Management Plan, Recovery Plan and Systemic Risk Management Plan 	<ul style="list-style-type: none"> · Examination of the Group Audit Report and the Assicurazioni Generali S.p.A. Audit Report at 30 September 2019 · Report on monitoring of Group concentration limits 	<ul style="list-style-type: none"> · Examination of reporting on investments
November		<ul style="list-style-type: none"> · Report on private equity investments · Reporting on outsourcing · Periodic monitoring of SAA limits 	
December	<ul style="list-style-type: none"> · Review of Risk Appetite Framework 		<ul style="list-style-type: none"> · Examination of the framework resolution on the parent company's investments, pursuant to IVASS Regulation 24/2016

In 2019, on the invitation of the chair, RCC meetings were attended by the heads of the 4 Key Functions, the MPFR and some senior executives and officers of the Company with expertise in the subjects submitted for examination by the RCC on each occasion. Representatives of the External Auditors' Firm also attended meetings at regular intervals, their attendance being limited to specific items on the agenda.

The notice of call is also sent to the members of the Board of Statutory Auditors to enable them to attend the meetings. In 2019, the percentage attendance by Statutory Auditors was 84% (as against 83.3% in 2018).

During 2019, the RCC did not call on the assistance of external consultants.

At the meetings held in 2019, the heads of the 4 Key Functions reported on the work of their units to the RCC and the Board of Statutory Auditors. The heads of the Key Functions had direct access to all the information required to perform their duties.

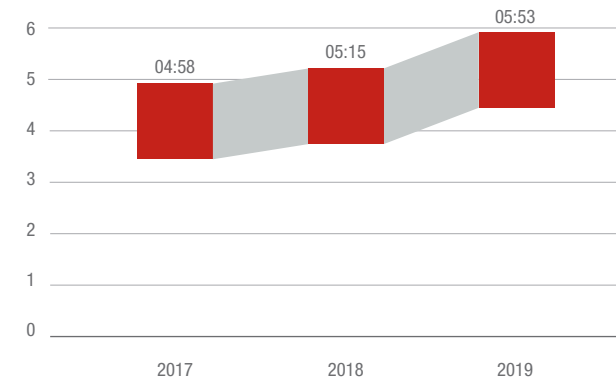
In 2019 the RCC issued various opinions and recommendations on specific aspects relating to identification of the main company risks; it monitored the independence, efficacy and efficiency of the resources assigned to the Key Functions, and requested (during RCC meetings attended by the Board of Statutory Auditors) that checks be conducted on specific operating areas.

RCC members receive a gross annual fee (EUR 60,000 for the chair and EUR 40,000 for the other members), and an attendance fee of EUR 2,000 per meeting, together with reimbursement of expenses incurred to attend meetings.

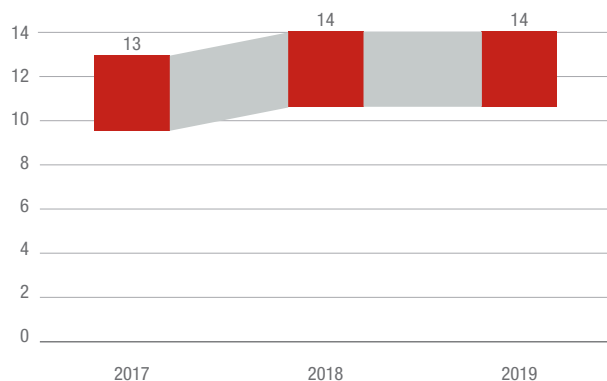
The meetings of the RCC are held in time to deliberate on matters involving interaction with the Board of Directors. A written report on the outcome of the meetings is systematically sent to the Board, usually in time for pre-board documentation to be made available.

The chair and the Secretary drew up the minutes of each meeting, which were approved at the next meeting.

RCC: average length of meetings



RCC : number of meetings



RCC: average attendance at meetings

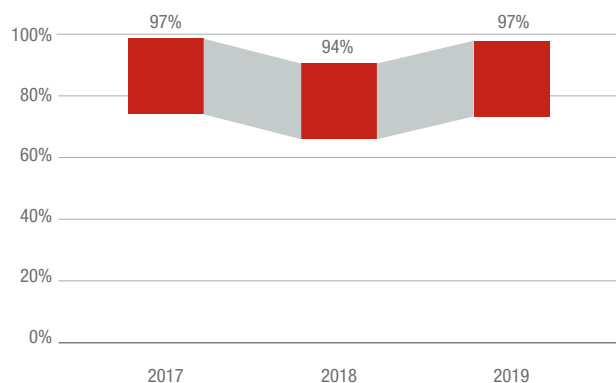


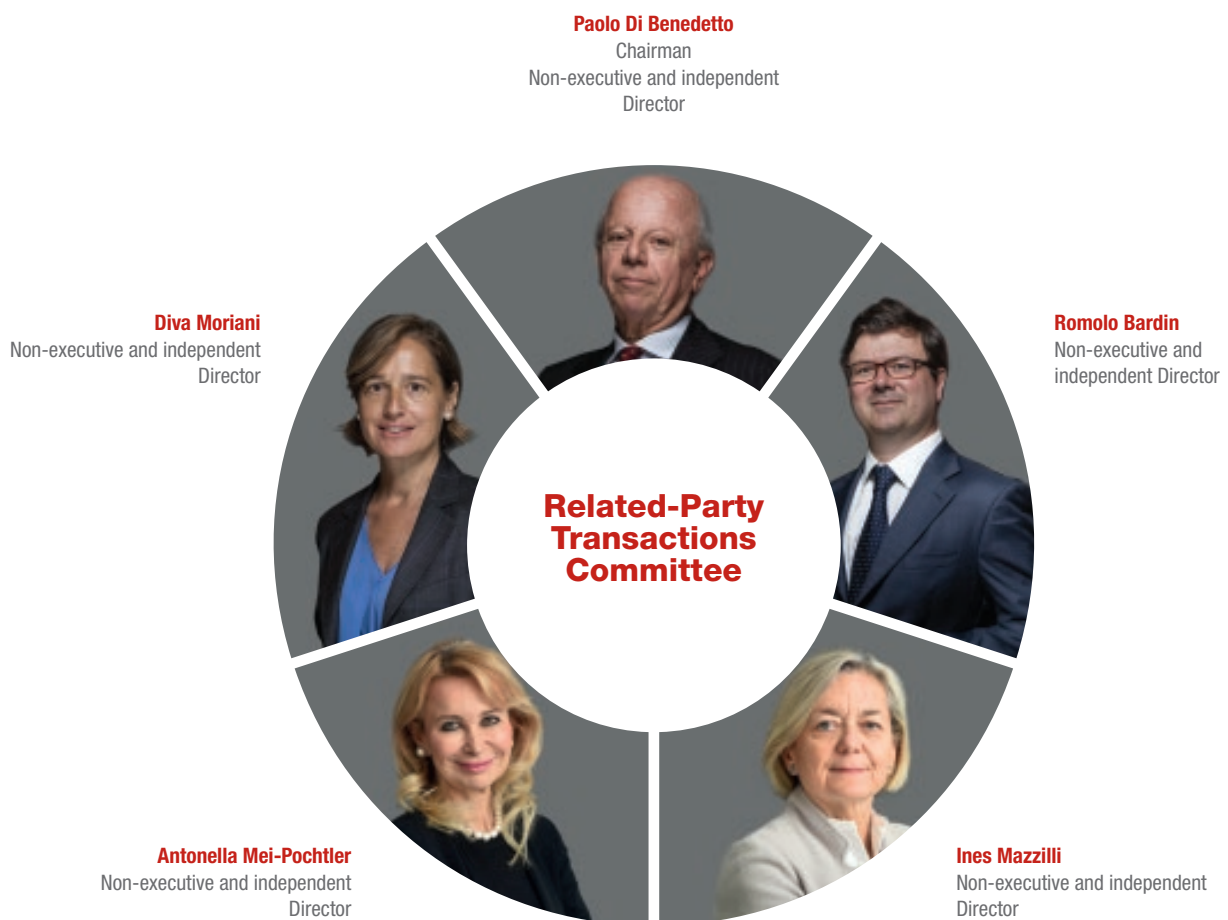
Table 2/b annexed to this Report shows the attendance figures for each member of the RCC. 13 meetings are currently scheduled for 2020.

In the 2019 financial year, the financial resources provided to the RCC for activities falling within its powers amount-

ed to EUR 250,000, in line with its expenditure budget.

At the meeting held on 23 January 2020, the RCC drew up its expenditure budget for the 2020 financial year at 250,000 EUR; this was approved by the Board of Directors at its meeting of 29 January 2020.

Related-Party Transactions Committee



At its meeting on 7 May 2019, the Board of Directors confirmed the composition of the RPTC from the previous three-year mandate, with the substitution of Roberto Perotti and Paola Sapienza with Ines Mazzilli and Antonella Mei-Pochtler. It confirmed the assignment of the chair to Paolo Di Benedetto and the role of secretary to Giuseppe Catalano.

In compliance with legislative and regulatory requirements, the Board of Directors has assigned to the RPTC the task of expressing opinions on related-party transac-

tions submitted for its attention in accordance with the RPT Procedures approved by the Board of Directors. The opinion considers the Company's interest in performing transactions with related parties, and the benefits and substantial fairness of their terms.

The RPTC is also entitled to express its opinion of amendments to the RPT Procedures; when issuing its opinions, it can call on the assistance of one or more independent experts.

Under our governance system, the issue of opinions on transactions relating to the fees of directors, permanent statutory auditors and members of the GMC, in view of the subject concerned, is the task of the ARC, the majority of whose members are independent directors.

The governance of the RPTC, which is also formalised in the RPT Procedures, was optimised during the previous three-year term, in order to achieve more effective coordination with the other committees that deal with matters of common interest.

The number of meetings does not follow a pre-defined annual calendar, but varies according to the number of transactions that need to be submitted for examination by the RPTC.

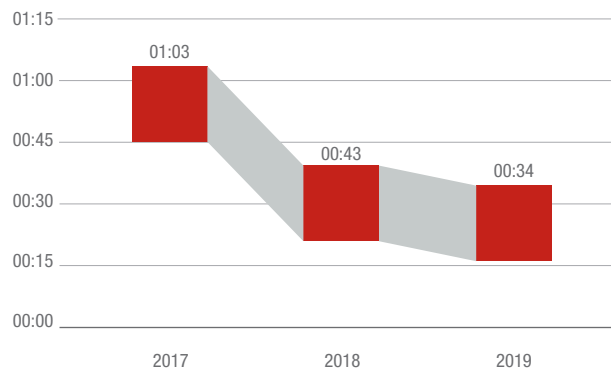
In 2019 the RPTC met 3 times: each year, it holds at least one meeting to receive a report on transactions executed in the previous year classified as exempt from application of the RPT Procedures.

The minutes of each meeting were prepared by the chair and the Secretary, and approved at the next meeting.

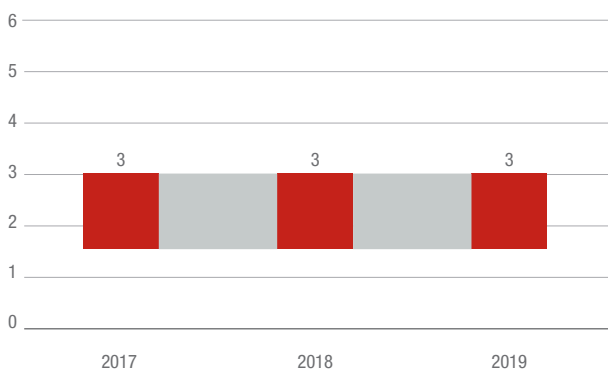
The notice of call is also sent to the Board of Statutory Auditors so that its members can attend the meetings. In 2019, the percentage attendance by statutory auditors was 42% (78% in 2018).

As resolved by the Board of Directors, RPTC members receive a gross annual fee (EUR 25,000 for the chair and EUR 20,000 for the other members), and an attendance fee of EUR 2,000 per meeting, together with reimbursement of expenses incurred to attend meetings.

RPTC: average length of meetings



RPTC: number of meetings



RPTC: average attendance at meetings

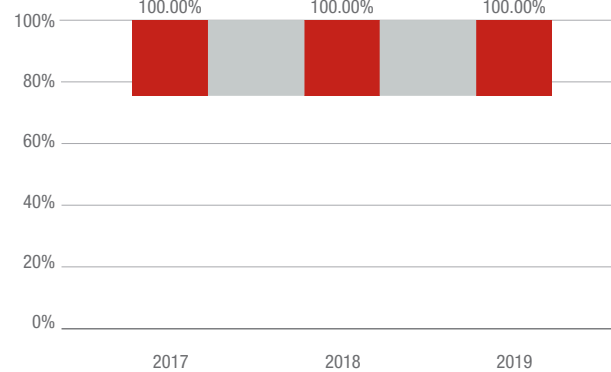


Table 2/b annexed to this Report shows the attendance figures for each member of the RPTC.

Appointments and Remuneration Committee



* Members of the committee for appointments only.

At its meeting on 7 May 2019, the Board of Directors increased the number of members of the ARC from 5 to 7, and confirmed the members of the previous three-year mandate, with the substitution of Ornella Barra and the appointment of Clemente Rebecchini, Alberta Figari and Romolo Bardin. The chair was assigned to Diva Moriani and Giuseppe Catalano was confirmed as Secretary. The Board of Directors confirmed the decision taken in the previous three-year mandate to have a single committee with responsibility for both appointments and remuneration (as these two topics are often combined in the resolutions of the Board of Directors).

The ARC is chaired by an independent director and consists of seven members, whose number is reduced to three, with a majority of independent directors, when remuneration issues are discussed.

If one or more members should declare that they are a related party with regard to a transaction submitted for examination by the ARC, the committee must be supplemented, solely for the examination of that transaction, by the other independent directors on the Board of Directors, starting with the oldest. If at least 2 independent directors are not available to form the ARC, the opinion or proposal is provided by an independent expert appointed by the Board of Directors. During 2019, no director or other interested party attended ARC meetings at which Board of Directors' proposals relating to their own remuneration were formulated.

The ARC performs advisory, recommendatory and preparatory functions for the Board of Directors, with the support of the GSC, when taking decisions falling within its responsibility relating to the size and composition of

the Board of Directors and the replacement of the independent Directors. It performs preparatory activities relating to the drafting of the succession plan for executive Directors and expresses an opinion on the proposals of the Group CEO on the succession plan for GMC members and on the development and management policies of GLG members.

It also expresses opinions and draft proposals to the Board of Directors regarding remuneration policies and determination of the remuneration of the Managing Director, the General Manager (if any), the Chair, the other Directors and Statutory Auditors and, after consulting the Group CEO, holders of internal positions in the Company and the Group that carry membership of

the GMC. As regards the remuneration of the executive directors and other directors who hold particular offices, the ARC submits proposals and drafts opinions to the Board on the setting of performance targets correlated with the variable component of the remuneration, and verifies whether those targets have been met. It also expresses an opinion on the Group CEO's proposals regarding the appointment and remuneration of the members of the GMC and the GLG and of the chairs, executive directors and general managers of the strategic subsidiaries.

The responsibilities reserved for the ARC by resolution of the Board of Directors are listed in full in the Information Compendium to this Report (available on the website).

ARC DIARY 2019 – Main opinions and assessments

Month	Appointments	Remuneration	Group subsidiaries
January		<ul style="list-style-type: none"> Opinion on the proposal on the Group 2019 incentives system for GMC and GLG members Examination of the proposed Group employee stock ownership plan 	
February	<ul style="list-style-type: none"> Examination of the guidance opinion for the Shareholders on the size and composition of the Board of Directors to be appointed 	<ul style="list-style-type: none"> Proposal on the committee budget proposal for 2019 Opinion on results of 2018 incentive plans for the Group CEO and GMC members Examination of the proposed Group employee stock ownership plan 	
March		<ul style="list-style-type: none"> Opinion on results of 2018 incentive plans for the Group CEO and GMC members Opinion on the annual Remuneration Report and information documents on the incentives plans Opinion on proportionality of remuneration between Group CEO and the Company's personnel Opinion on the Group employee stock ownership plan Opinion on definition of key targets and ranges relating to the 2019 STI targets for the GMC members and on the 2019 incentives system for the Group CEO Opinion on the proposed remuneration of the members of the Board of Directors to be appointed Opinion on capital increase to service the 2016 LTI Plan 	<ul style="list-style-type: none"> Opinion on appointment and remuneration of the Group's top managers
April		<ul style="list-style-type: none"> Examination of questions relating to remuneration 	
May	<ul style="list-style-type: none"> Report on the appointment of the Board of Directors of the Fondazione Generali Opinion on the appointment of the SB 	<ul style="list-style-type: none"> Opinion on the remuneration of the Board Committees and the SB 	

ARC DIARY 2019 – Main opinions and assessments (cont.)

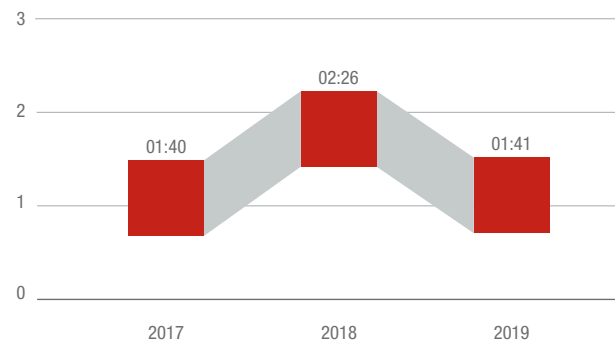
Month	Appointments	Remuneration	Group subsidiaries
June		<ul style="list-style-type: none"> · Assessment of results of the 2016-19 special stock plan for the Group CEO · Examination of the market benchmark on remuneration of the Chair, the Group CEO and the members of the GMC · Remuneration proposal for the Group CEO · Opinion on the remuneration review proposals for the members of the GMC · Opinions on the 2019 LTI Plan 	
October	<ul style="list-style-type: none"> · Opinion on the succession plan for the members of the GMC · Periodic assessment of the succession process for the Group CEO 	<ul style="list-style-type: none"> · Analysis of possible LTI Plan implementation mechanisms 	<ul style="list-style-type: none"> · Opinion on appointment and remuneration of the Group's top managers
December			<ul style="list-style-type: none"> · Opinion on appointment and remuneration of the Group's top managers

The 3 tables below illustrate the activities of the committee in the last three-year period.

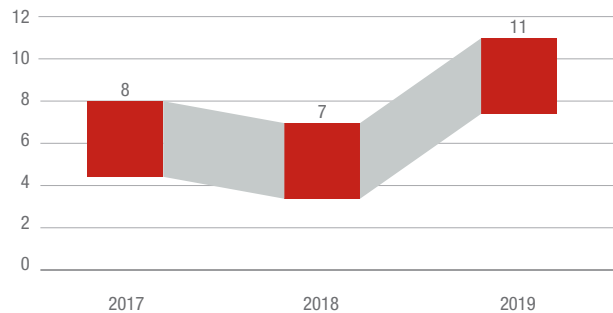
The chair and the secretary drew up the minutes of each meeting, which were approved at the next meeting.

Table 2/b annexed to this Report shows the attendance of each ARC member.

ARC: average length of meetings

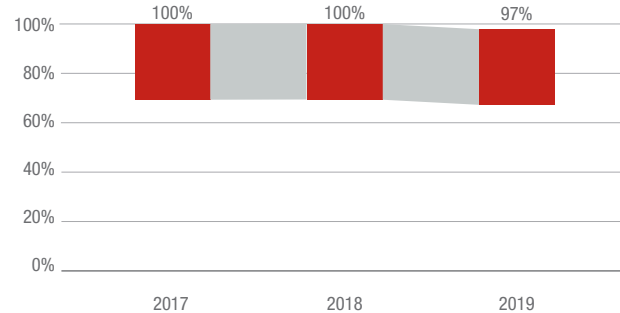


ARC: number of meetings



ARC: number of meetings - Only on 'appointments' questions
2017 = 7; 2018 = 5; 2019 = 5

ARC: average attendance at meetings



ARC: average attendance at meetings - Only on 'appointments' questions
2017 = 94.3%; 2018 = 96%; 2019 = 93%

Six meetings have so far been scheduled for 2020. As resolved by the Board of Directors at the meeting held on 07 May 2019, ARC members receive a gross annual fee (EUR 40,000 for the chair, EUR 30,000 for members and EUR 20,000 for members focusing on appointments) and an attendance fee of EUR 2,000 per meeting together with the reimbursement of attendance expenses.

At the meeting on 14 February 2020, the ARC set its own expenditure budget for the 2020 financial year at 100,000 EUR. The budget was approved by the Board of Directors at its meeting on 19 February 2020.

In 2019, the ARC called on the services of external independent experts, for some of its activities. The Board of Directors ascertained that the majority of the ARC's members are non-executive independent

Directors. All ARC members focusing on remuneration possess suitable knowledge of remuneration policies.

The ARC chair or another member may report to the General Meeting on the way in which the tasks delegated to the Committee are performed.

In 2019, on the invitation of the chair, the head of the Group HR & Organisation function and other members of top management regularly attended the committee's meetings.

The Board of Statutory Auditors is invited to attend the part of the meetings in which remuneration is discussed. In 2019, percentage attendance by Statutory Auditors was 61% (as against 67% in 2018).

Corporate Governance and Social & Environmental Sustainability Committee

Gabriele Galateri di Genola
Chairman
Non-executive Director

Clemente Rebecchini
Non-executive Director

Francesco G. Caltagirone
Non-executive Director

Antonella Mei-Pochtler
Non-executive and
independent Director

Paolo Di Benedetto
Non-executive and
independent Director



At its meeting on 7 May 2019, the Board of Directors increased the number of members of the GSC from 3 to 5 and confirmed the members of the previous three-year mandate, with the replacement of Alberta Figari and the appointment as new members of the two Vice-Chairs and Antonella Mei-Pochtler. The Board confirmed Gabriele Galateri as chair and Giuseppe Catalano as Secretary.

The Board of Directors has set up a Board Committee with responsibility for corporate governance matters and also for the increasingly important issues of social and environmental sustainability, thus effectively meeting the need for suitable support when establishing strategy (and monitoring its implementation) regarding sustainable development and promotion of social responsibility initiatives in the Group.

The GSC performs advisory, recommendatory and preparatory tasks for the Board of Directors when taking decisions about the corporate governance rules of the Company and the Group. It issues an opinion on the annual self-assessment process of the Board of Directors (Board Review), on the documents prepared for the General Meeting, and on the multiple directorships policy. It supports the Board of Directors in assessing whether directors meet the statutory independence requirements and those laid down in the CG Code; whether directors, executives of the Company and the Group who constitute the direct reports of the Managing Director or

General Manager, and GMC members, meet the statutory respectability and professionalism requirements and those laid down in the Fit&Proper Policy. It also assists the Board of Directors in assessing whether any of the statutory grounds for ineligibility, incompatibility or debarment exist for Directors, statutory auditors and the General Manager (if appointed).

As regards social sustainability, the GSC is required to express its opinion on the “Charter of Sustainability Commitments”, the “Group Environment and Climate Policy”, the other components of the “Environmental Management System”, and any other sustainability issues associated with the business of the Company and the Group.

As envisaged by lgs. decree no. 254 of 30 December 2016 on reporting of non-financial information, the GSC supported the Board of Directors with regard to decisions on matters in its area of competence, expressing an opinion on the reporting method, the definition of material indicators and the Diversity Policy for members of the Company’s governing bodies.

Compared with the previous three-year mandate, given the growing significance of the issues handled by the CGS, the number of members of the committee was increased by two members of the calibre of the two Vice-Chairs.

GSC DIARY 2019 – Main opinions and assessments

Month	Governance	Sustainability
February	<ul style="list-style-type: none"> · Examination of the draft Guidance Opinion for the Shareholders on the size and composition of the Board of Directors to be appointed · Report on communication of the Italian Corporate Governance Committee of 21 December 2018 · Evaluation on assessment of professionalism, respectability and independence requirements for directors and statutory auditors · Evaluation on assessment of the requirements of the Company Fit&Proper Policy for key personnel, as defined by the Policy 	<ul style="list-style-type: none"> · Update report on sustainability issues · Initial analysis of content of the non-financial disclosure
March	<ul style="list-style-type: none"> · Opinion on the 2018 corporate governance and share ownership report · Opinion on the notice of call of the General Meeting and related reports 	<ul style="list-style-type: none"> · Report on the non-financial disclosure · Examination of the Group Policy for Sustainability
April	<ul style="list-style-type: none"> · Examination of the document envisaged by ss. 5.c.2.1 and 71.c.2.m of IVASS Regulation 38/2018 	<ul style="list-style-type: none"> · Examination of the parent company Policy for Sustainability · Update on the Climate Strategy
May		<ul style="list-style-type: none"> · Update on sustainability issues · Report on the framework for the green bond issuance

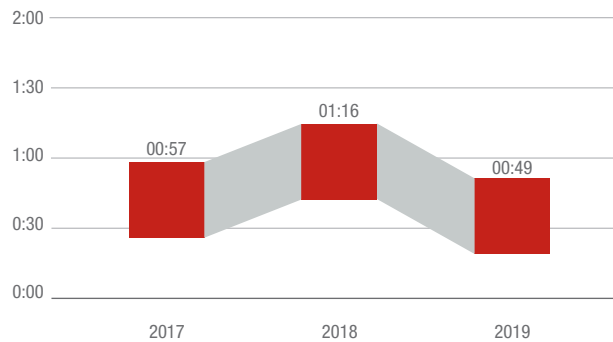
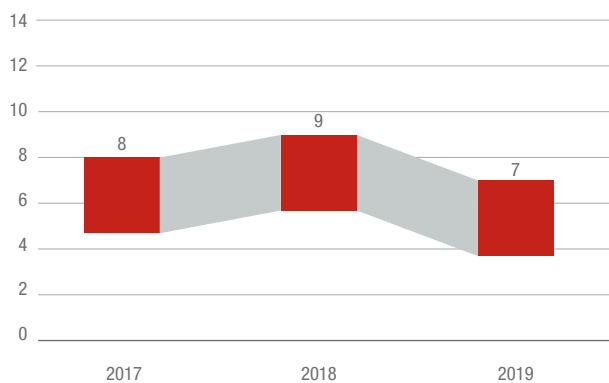
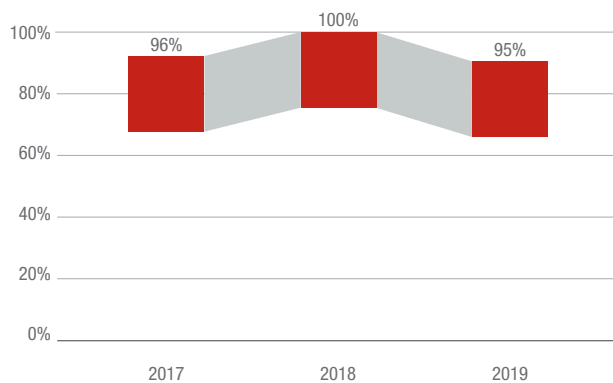
GSC DIARY 2019 – Main opinions and assessments (cont.)

Month	Governance	Sustainability
June	<ul style="list-style-type: none"> Opinion on the amendments to the text of the Regulation of the Board of Directors and Board Committees Evaluation on ascertainment of the requirements of members of the corporate bodies 	<ul style="list-style-type: none"> Financial information on risks linked climate change
September	<ul style="list-style-type: none"> Opinion on the Policy for Group CEO succession plan Report on the legislative developments ex lgs. decree no. 49 of 10 May 2019 Report on the Board self-assessment for the three-year period 2019-2021 	
November	<ul style="list-style-type: none"> Opinion on the engagement of an external consultant for Board Review activities for the three-year mandate 2019-21 	<ul style="list-style-type: none"> Opinion on the Group materiality index Update report on the NFIS

The 3 tables below illustrate the activities of the committee in the last three-year period.

The minutes of each meeting were prepared by the chair and the Secretary, and approved at the next meeting.

Table 2/b annexed to this Report shows the attendance of each GSC member.
Four meetings have so far been scheduled for 2020.

GSC: average length of meetings**GSC: number of meetings****GSC: average attendance at meetings**

As resolved by the Board of Directors at its meeting held on 15 May 2019, GSC members receive a gross annual fee (EUR 30,000 for the chair and EUR 20,000 for the other members), and an attendance fee of EUR 2,000 per meeting, together with reimbursement of attendance expenses.

The notice of call is also sent to the Board of Statutory Auditors, whose attendance at GSC meetings was 68% in 2019 (63% in 2018).

Investment Committee



At its meeting on 28 April 2016, the Board of Directors decided to retain a specific Investments Committee (IC), keeping its membership unchanged from the previous three-year term: the committee was chaired by the Group CEO and consisted of 3 non-executive Directors and 2 top managers of the Company.

At its meeting on 25 January 2017, the Board of Directors extended the competences of the committee to strate-

gic transactions, and changed its name to Investment and Strategic Transaction Committee (ISC). The Board also changed the membership. At its meeting on 7 May 2019, for the reasons described previously, the Board of Directors decided to subdivide the ISC into two separate committees, one responsible for Investments, the other for Strategic Transactions. The Group CFO, the Group CRO and the Group CIO regularly attend the meetings.

The IC performs advisory, recommendatory and preparatory tasks for the Board of Directors – consistently with the governance structure laid down by the applicable insurance supervision regulations – and the Group CEO, within the limits of their respective powers, on investments.

Specifically it examines issues relating to investments, including strategic asset allocation and the Group ALM, in order to support the Board of Directors in assessing and monitoring the consistency of management's investment activities with the objectives and capital constraints of the planning process.

It conducts prior examinations and expresses an opinion on investment and divestment transactions falling within the sphere of responsibility of the Board of Directors, after examining the opinions of the relevant control functions.

The IC is also tasked with conducting periodic analyses of the situation of the international financial markets and those of relevance to Group operations, political, economic and financial developments in areas of relevance to the Group, and the financial forecasts on which Group strategy is based, and may recommend reviews of the SAA to optimise the risk profile and economic capital yield. Additionally, it examines investment and divestment transactions of particular significance made in the previous period.

The notice of call is also sent to the Board of Statutory Auditors so that its members can attend the meetings. In

2019, the percentage attendance by Statutory Auditors was 81% (as against 85% in 2018, for the ISC).

IC members receive a gross annual fee (EUR 30,000 for all members apart from the chair) and an attendance fee of EUR 2,000 per meeting, together with reimbursement of expenses incurred for attending meetings.

The minutes of each meeting were prepared by the committee chair and the secretary, and approved at the next meeting.

In 2019 the IC conducted preparatory activities and expressed opinions on the Group strategic asset allocation, transactions relating to Group real estate asset management, and investment and divestment transactions on financial shareholdings, some in the private equity sector.

The Investment and Strategic Transactions Committee that operated until 7 May 2019 conducted similar activities on investments.

In its eight months of operation in 2019, the IC met nine times, with 94% average attendance by its members and an average meeting length of 1 hour and 26'. Given the lack of a like-for-like basis, the usual comparative chronological tables for the last three years are not provided.

Table 2/b annexed to this Report shows the attendance figures for each member of the IC.

Ten meetings are currently scheduled for 2020.

Strategic Transaction Committee



As described above, at its meeting on 7 May 2019, the Board of Directors decided to subdivide the ISC into two separate Committees, one focused on Investments, the other on strategic transactions. The Group CFO, the Group CRO and the Group CIO regularly attend the meetings.

The STC performs prior assessments of and expresses opinions on transactions, operations or other initiatives of strategic importance or with an impact on the Group's structure or business model, or with a value of more than 50 million euro. It also makes analyses and proposals regarding share buyback plans – aside from the plans servicing management remuneration policies – and bond loan issuance and redemptions for which the Board of Directors is responsible.

The STC members receive a gross annual fee (EUR 10,000

for all members apart from the chair) and an attendance fee of EUR 2,000 per meeting, together with reimbursement of expenses incurred for attending meetings.

In 2019 the STC conducted preparatory activities and expressed opinions on potential corporate initiatives and debt management. The Investment and Strategic Transactions Committee that operated until 7 May 2019 conducted similar activities on strategic transactions.

in its eight months of activity in 2019, the STC met six times, with 100% attendance by its members and an average meeting length of 2 hours. Given the lack of a like-for-like basis, the usual comparative chronological tables for the last three years are not provided.

Table 2/b annexed to this Report shows the attendance figures for each member of the STC.

Board of Statutory Auditors*

Composition

The current Board of Statutory Auditors was appointed by the 2017 General Meeting, which confirmed the composition of the previous board in its entirety.

The Board of Statutory Auditors holds office for three years; the term of office of the current Board of Statutory Auditors will therefore end on the approval of the 2019 financial statements.

From the majority list presented by the shareholder Mediobanca S.p.A. (approximately 13% of share capital), 2 permanent auditors (Lorenzo Pozza and Antonia Di Bella) and 1 alternate auditor (Francesco Di Carlo) were elected.

From the minority list presented by a number of institutional investors under the aegis of Assogestioni (1.63% of

share capital), the chair of the Board of Statutory Auditors (Carolyn Dittmeier) and 1 alternate auditor (Silvia Olivotto) were elected.

The minority list declared the absence of direct and/or indirect links with the relative majority shareholder.

All the statutory auditors declared that they met the professionalism, respectability and independence requirements laid down by law and the CG Code. Full information about these requirements and the personal and professional characteristics of the statutory auditors is available in the Governance section of the website.

The Board of Statutory Auditors met on 25 occasions in 2019; 34 meetings were held in 2018, and 24 in 2017.

Attendance was 100% in 2019, 97.1% in 2018 and 97.2% in 2017. Members unable to attend always justified their absence.



Carolyn Dittmeier
Chair of the Board of Statutory Auditors

Nationality: Italian and USA
Position held since 30 April 2014

Career

She was born on 6 November 1956 in Salem, Massachusetts (USA). She graduated in Business and Economics at the Wharton School of the University of Pennsylvania and she is a statutory auditor, certified public accountant, certified internal auditor and certified risk management assurance professional. She focused her career on the auditing sector, taking on the role of chief internal audit executive of Poste Italiane Group between 2002 and 2014.

Previously she gained professional experience at auditing firms (KPMG) and with Montedison Group. She has carried out various professional and academic activities, focusing on risk and control governance. She was Vice Chair of the Institute of Internal Auditors (IIA), a leading world professional association in the internal auditing sector, from 2013 to 2014 (director since 2007); Chair of the European Confederation of Institutes of Internal Auditing-ECIIA (2011-2012) and of the Italian Association of Internal Auditors (2004-2010). She was an independent director and chair of the control and risks committee of Autogrill S.p.A. and Italmobiliare S.p.A..

Positions pursuant to s. 148-bis CLFI on plurality of offices

None.

Other positions

Independent director and chair of the audit committee in Alpha Bank AE and Senior Advisor for Ferrero SA as a member of the audit committee since 2016. Independent director and chair of the internal control and risks committee of Illycaffè S.p.A.

* The Board of Statutory Auditors is the corporate body most similar to the so-called anglo-saxon Audit Committee, as it is entrusted with control function over the Board of Directors' activities.



Antonia Di Bella
Statutory Auditor

Nationality: Italian
Position held since 30 April 2014

Career

She was born in Drapia (Vibo Valentia) on 17 February 1965. She graduated in Business Economics and Social Sciences at the University of Calabria. She is listed in the register of the Certified Auditors and Accounting Professionals of Milan and in the Register of Auditors. She is a lecturer in Accounting and Management in Insurance on the master's degree course at the Faculty of Banking, Finance and Insurance at Università Cattolica del Sacro Cuore in Milan. She has spent her professional career first in the KPMG network, auditing the financial reports of insurance and reinsurance companies and of firms operating in the financial sector; and from October 2007 to July 2015 she was head of the insurance sector at Mazars S.p.A. She has held the position of Statutory Auditor and Chair of the Board of Statutory Auditors in other insurance companies and listed firms.

Positions pursuant to s. 148-bis CLFI on plurality of offices

Statutory auditor of Maire Tecnimont S.p.A., Ariston Thermo S.p.A., Merloni Holding S.p.A., Pininfarina S.p.A., ERPTech S.p.A., Nuova Società di Telecomunicazioni S.p.A., Viridis Energia S.p.A. and Trenitalia Tper S.c.a.r.l.

Independent director of Interpump Group S.p.A.. Chair of the Board of Statutory Auditors of BT Enia Telecomunicazioni S.p.A. and Atlanet S.p.A.. Sole statutory auditor of Yolo Group Srl and Yolo Srl.

Other positions

Member of the steering committee of the MIRM, Master in Insurance Risk Management in Trieste and of the Insurance Technical Committee of the Italian Accounting Body (OIC). She currently practices on an individual basis from her own office in Milan and is Of Counsel of NCTM Studio Legale.



Lorenzo Pozza
Statutory Auditor

Nationality: Italian
Position held since 30 April 2014

Career

He was born on 11 October 1966 in Milan. He has a degree in Corporate Economics and has been listed in the Register of Auditors since 1995. He teaches economics at the Bocconi University in Milan. He is a certified public accountant and an advisor for a number of enterprises in various business sectors, with experience as a company director and statutory auditor. He is the author of a number of publications on financial reports and enterprise capital value.

Positions pursuant to s. 148-bis CLFI on plurality of offices

Chair of the board of statutory auditors of Ariston Thermo S.p.A. and Gas Plus S.p.A., member of the board of directors of Amplifon S.p.A. and Rudra S.p.A., permanent auditor Bracco Imaging S.p.A., Houlihan Lokey S.p.A., Merloni Holding S.p.A., Edison S.p.A., Viridis S.r.l. and Transalpina di Energia S.r.l.. Vice-chair of Angel Capital Management S.p.A..



Francesco Di Carlo
Alternate Auditor

Nationality: Italian
Position held since 30 April 2014

Career

He was born in Milan on 04 October 1969. He graduated in Economics and Business at the Università Cattolica del Sacro Cuore in Milan and is listed in the Register of Auditors and in the Register of Certified Accountants of Milan. A founding member of the Studio Craca Di Carlo Guffanti Pisapia Tatzozzi (now FIVELEX Studio Legale), he has worked for many years as an advisor for leading Italian and international operators on issues connected with the regulation of corporate, banking, insurance, financial markets and listed issuers. His clients include some of the leading Italian and international groups operating in the financial industry. He has worked with the main Authorities for years. He has positions as director, auditor and liquidator of joint stock companies, mainly of companies operating in the financial sector and listed companies.

Positions pursuant to s. 148-bis CLFI on plurality of offices

Chair of the board of statutory auditors of Italmobiliare S.p.A., permanent auditor of Mediobanca - Banca di Credito Finanziario S.p.A. Member of the board of directors of Milano Investment Partners SGR S.p.A..

Other positions

Member of supervisory bodies of joint stock companies pursuant to Decree 231.



Silvia Olivotto
Alternate Auditor

Nationality: Italian
Position held since 30 April 2014

Career

She was born in Varallo (Vercelli) on 4 September 1950. She is listed in the Register of Auditors and in the Register of Certified Accountants of Milan. In 1975 she started her professional career as an auditor at Arthur Young (today EY S.p.A.). Between 1982 and 1991 she worked as an auditor with the rank of senior manager at CZ Revisione, where in 1991 she reached the rank of managing partner and became responsible for auditing companies, including listed companies, mostly in the industrial and services sectors and of leasing and insurance companies. Between 1994 and 2005 she was a partner and worked as an auditor at Reconta Ernst & Young S.p.A. (now EY S.p.A.), where she was CFO from 2002 to 2006. From June 2005 to 30 October 2006 she was first managing director, then chair of the Board of Directors of Global Shared Services S.r.l.. Over the years she has held the position of auditor at various companies.

Positions pursuant to s. 148-bis CLFI on plurality of offices

Independent member of the board of directors of Giglio Group S.p.A.
Chair of the board of statutory auditors of Garmin Italia S.p.A., sole auditor of Expedia Italy S.r.l. and Venere Net S.r.l., permanent auditor at Leica Geosystems S.p.A., Resindion S.r.l., Sas Institute S.r.l., Smith & Nephew S.r.l., Greif Italy S.r.l. and Hexagon Geosystems Services S.p.A..

Table 3 annexed to this Report describes in detail the attendance of each member of the Board of Statutory Auditors in 2019.

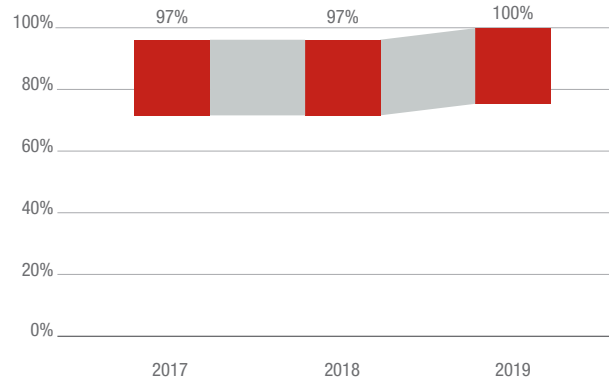
The average length of the meetings held in 2019 was approximately 2 hours and 20 minutes, compared with 3 hours and 15 minutes in 2018. The average attendance of statutory auditors at meetings was 92.85% in 2019, compared with 97.6% in the two previous years; members unable to attend always justified their absence. The entire Board of Statutory Auditors always attended the General Meetings held in the last 3 years.

The average age of the statutory auditors is approximately 58 (including the alternates), while the average seniority of the current members is approximately 5.7 years.

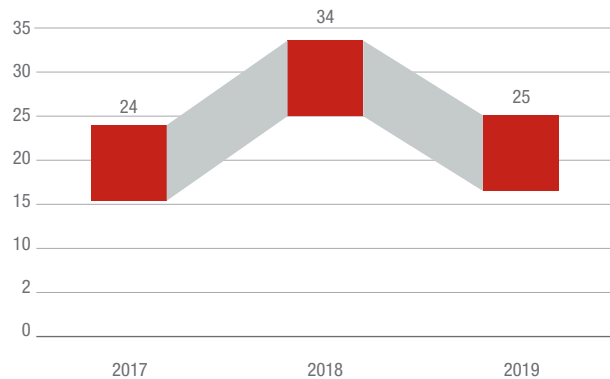
The high number of meetings of the Board of Statutory Auditors in 2018 (34), compared with 25 and 24 respec-

tively in 2019 and 2017, was due to the extraordinary activities conducted by the Board of Statutory Auditors for the selection of the new Group external auditors' firm for the nine years 2021-2029.

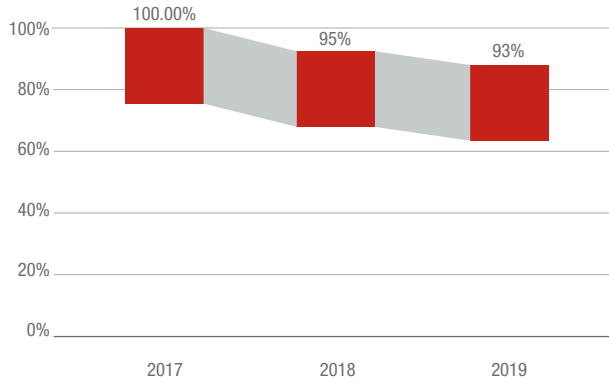
BSA: average attendance at meetings



BSA: number of meetings



BoD: average attendance of Statutory Auditors at meetings



The “**Diversity Policy**” for the members of the Company’s corporate bodies also applies to the Board of Statutory Auditors. Diversity on the Board of Statutory Auditors has also been guaranteed for many years by the Articles of Association and the Fit&Proper Policy, which establish compliance with gender quotas, and respectability, professional and independence requirements for the statutory auditors. Specifically, the Fit&Proper Policy provides for the Board of Directors to assess, with the support of the GSC, the competence and respectability of the statutory auditors individually and collectively in the event of an appointment or change in the membership of the Board of Statutory Auditors, and, in any case, at least once a year.

The Policy pursues the same **objectives** as those described in the section on the Board of Directors, to which the reader is referred.

With regard to **implementation** of the Policy, in preparation for a General Meeting to appoint the Board of Statutory Auditors, the Board of Directors drafts a specific report setting out suggestions for shareholders entitled to present lists on the composition of the lists, consistently with the Policy. The report recommends that shareholders consider candidates from different age groups as well as the candidacy of an appropriate number of statutory auditors already in office, in order to optimise continuity in the management of the Board of Statutory Auditors’ activities. At least one third of statutory auditors should belong to the gender with fewer representatives; therefore, with the exception of lists presenting fewer than three candidates, the lists must contain a number of candidates to ensure an adequate gender balance. Shareholders are asked to file, together with the lists, the curriculum vitae of each candidate setting out comprehensive information on his/her professional characteristics and expertise. The Policy envisages that at collegiate level the Board of Statutory Auditors has adequate experience and knowledge at least of the market on which Generali operates, its strategy and business model, its governance system, accounting, financial and actuarial analysis and legislation. Assessment of the requirements of professionalism is conducted by the Board of Directors, with the support of the GSC, in the event of appointments or changes to the composition of the Board of Statutory Auditors, and in any case at least once a year.

In terms of the **results of implementation** of the Diversity Policy, the following should be noted:

- as regards **gender diversity**, the less represented

gender is the male gender, with 40% representation (33.3%, when not considering the alternate auditors);

- at 31 December the average **age** of the members of the Board of Statutory Auditors was about 58;
- as regards **seniority**, the membership of the current Board of Statutory Auditors is homogeneous, as all the members have been in office for about five and a half years;
- in terms of **professional competences, educational and professional background**, the Board of Statutory Auditors presents a varied range of professional characteristics, also as regards international experience, with members offering competences in auditing, financial auditing, and experience in academia and the liberal professions.

Appointment and replacement

Persons may not be elected as statutory auditors and, if elected, are debarred from office, if they are in the statutory situations of incompatibility or hold more than the number of offices allowed by the applicable legislation.

The General Meeting appoints the Board of Statutory Auditors by means of a list voting system designed to ensure the election of at least one statutory auditor elected by the minorities, who is appointed chair. Shareholders who, either alone or jointly with others, hold at least 0.5% of the share capital, are entitled to submit a list for the appointment of the Board of Statutory Auditors.

The lists submitted by shareholders, consisting of 2 sections (one for the appointment of permanent statutory auditors and the other for the appointment of alternate statutory auditors) must be filed not later than the 25th day before the date of the first or only call of the General Meeting.

The lists, composed in such a way as to ensure the gender balance, must be accompanied by information relating to the shareholders who submitted them and the total percentage of share capital held by them. The following must be submitted together with the lists:

- the curriculum vitae of each candidate, containing detailed information about the candidate’s personal and professional characteristics and the skills acquired by him/her in the insurance, financial and/or banking field;
- statements in which the candidates accept the nomination, undertake to accept the office if appointed, and further declare, under their own responsibility, that no

grounds for incompatibility or disqualification exist, and that they meet the requirements of respectability, professionalism and independence laid down by the applicable legislation;

- copy of intermediaries' certificates certifying ownership of the percentage of share capital required for submission of lists.

Lists that do not comply with the above requirements are deemed not to have been submitted.

If only one list has been submitted by the deadline, or only lists submitted by shareholders connected with one another, lists may be submitted until the 3rd day after the said date. In that event, the threshold of entitlement to submit lists of candidates is reduced to 0.25%. Shareholders entitled to vote, companies directly or indirectly controlled by them, companies directly or indirectly subject to joint control, and shareholders linked by one of the relations specified in s. 109.1 of the CLFI relating to the Company, may jointly submit (and may vote for) one list only; in the event of breach of that rule, no account will be taken of the support given to any list.

The first 2 candidates in the list that obtained the largest number of votes ("Majority List") and the first candidate in the list which, without taking account of the support given by shareholders connected in any way, directly or indirectly, with those who submitted or voted for the Majority List, obtained the second-largest number of votes ("Minority List"), are elected permanent statutory auditors. If the number of permanent statutory auditors of the less represented gender is less than the statutory number (currently one-third of the members to be appointed), the necessary replacements will be made from the permanent statutory auditors' section of the Majority List, in order of presentation of the candidates.

As regards the alternate statutory auditors, the candidates elected are those indicated in the Majority List, and those indicated in the Minority List who obtained the highest number of votes in the relevant section.

If the first 2 lists obtain the same number of votes, a new vote is held. In the event of a tie between 2 or more lists other than the one that obtained the highest number of votes, the youngest candidates are elected as statutory auditors until all positions have been filled. If only one list is submitted, all statutory auditors to be elected are drawn from it.

The permanent statutory auditor drawn from the Minority List is appointed chair. If all statutory auditors are drawn

from a single list, the first candidate indicated in that list is appointed chair.

In the event of the death, resignation or debarment of a permanent statutory auditor drawn from the Majority List or the single list, the alternate statutory auditor drawn from the same list or, if none, the youngest alternate statutory auditor, is appointed. The General Meeting appoints the missing members of the Board of Statutory Auditors by the statutory majorities.

In the event of the death, resignation or debarment of a permanent statutory auditor drawn from the Minority List, he/she is replaced, including as chair, by the alternate statutory auditor drawn from the Minority List. The General Meeting appoints the missing members of the Board of Statutory Auditors in compliance with the principle of necessary representation of minorities.

If the procedure for replacing the statutory auditors does not ensure the gender balance, the General Meeting will intervene, passing a resolution by the statutory majorities.

Requirements for office

All statutory auditors, both permanent and alternate, must meet the statutory requirements of professionalism, respectability and independence. Moreover, they must not hold a number of offices greater than that specified in the applicable legislation.

The Fit&Proper Policy, which sets out compulsory standard minimum requirements of professionalism and respectability, also applies to the members of the Board of Statutory Auditors. The assessment at both individual and collective level is conducted by the Board of Directors.

As regards the independence requirements, without prejudice to the statutory provisions, the CG Code states that the statutory auditors shall be selected from persons who meet the requirements laid down for directors, and that the Board of Statutory Auditors shall verify compliance with those criteria after the appointment, and subsequently at annual intervals, presenting the result of the verification in the Report.

The current Board of Statutory Auditors duly performed this review in February 2020 to establish whether its permanent members met the independence requirement set by the CG code. It found that the requirement was met, and the Board of Directors was notified accordingly.

On 19 February 2020, the Board of Directors verified compliance with the requirements of professionalism, respectability and independence set by law and by the Fit&Proper Policy.

In February 2020, the Board of Statutory Auditors also conducted an independent self-assessment on the suitability and adequacy of its composition.

As regards the limit on multiple offices in other companies, the General Meeting, at the time of the election, received information about the offices held by candidates at the time of their appointment. Moreover, the Statutory Auditors accepted the office after evaluating whether they could devote the necessary time to the performance of their tasks.

Role

As already stated, under the traditional administration and control model adopted by Generali, the tasks of monitoring compliance with the law and the Articles of Association, and control over business management, are attributed to the Board of Statutory Auditors, which acts independently both within the Company and towards the shareholders who elected it.

Generali's governance structure guarantees that the Board of Statutory Auditors is able to perform its tasks effectively, not only by ensuring the attendance of its members at meetings of the Board of Directors and the Board Committees (except for the part of ARC meetings focusing on appointments, and for the STC, where its attendance is not usually required), but also by making available, in accordance with the same timing and IT access methods as provided for Directors, all the documentation prepared for the said meetings.

With regard to training and updates for the statutory auditors, in 2019 updating and explanatory meetings were held on the impacts of the future application of financial reporting standards IFRS 9 and IFRS 17 and IT effects in insurance (*Insurtech*), on Generali Group governance, organisation and operations and on finance and risk. In 2019 the statutory auditors took part in the Strategy Days.

They also regularly receive the Company's press releases, usually before they are released to the market, and economic analysis documents. Attendance by the statutory auditors at training courses organised by Assonime and Assogestioni, reserved for non-executive directors of listed companies, is also facilitated.

The Board of Statutory Auditors is guaranteed access to all the Company information considered necessary, with the support of the Secretary. For logistical and operational needs associated with the tasks performed, dedicated support is supplied by the Corporate Affairs unit.

The Board of Statutory Auditors has power to supervise the independence of the External Auditors (as well as proposing their appointment), with an obligation to check compliance with the applicable legislation, and the nature and extent of any services other than audits provided by them (and by organisations belonging to their network) to the Company and its subsidiaries.

The statutory auditors may also check on the correct application of the assessment criteria and procedures used by the Board of Directors to evaluate the independence of its members.

In 2019 the Board of Statutory Auditors duly performed the statutory auditing activities and drew up the corresponding minutes and reports required by the conduct of the Company's business. The said supervisory activities performed by the Board of Statutory Auditors for 2019 will be illustrated in the annual report submitted to the 2020 General Meeting called to approve the 2019 financial statements.

In the same report the Board of Statutory Auditors will report on the checks conducted on the implementation of the corporate governance rules laid down by the CG Code.

In February 2019, the Board of Statutory Auditors adopted an internal regulation to govern the organisation of its operations.

Each member of the Board of Statutory Auditors is required to inform the other members and the Chair of the Board of Directors promptly and exhaustively about the nature, terms, origin and scope of any interest they may have in a given Generali transaction, either on their own account or on behalf of third parties. The pre-requisites for such reports never arose in 2019.

Remuneration

The remuneration of the Board of Statutory Auditors is submitted to the General Meeting by the Board of Directors on the proposal of the ARC, and is formulated on the basis of the commitment required of the statutory auditors, the importance of the role held and the size and sectoral characteristics of Generali. The decision is also

taken on the basis of analysis of benchmarks formed by peer panels. All further information about the remuneration of the Board of Statutory Auditors is set out in the Remuneration Report, available in the Governance section of our website.

Pursuant to s. 123-ter of the CLFI, the general remuneration policy also covers the remuneration of members of the Board of Statutory Auditors. It is illustrated in the specific report approved by the Board of Directors, after consultation with the ARC, and will be presented for the scrutiny and approval of the 2020 General Meeting.

The report will be available on the website under the *Governance* heading, in the sections on *Remuneration* and the *General Meeting*.



Details in the Remuneration Report

External Auditors' Firm

The external auditors' firm appointed for the financial years 2012-2020 by the 2011 General Meeting, on the substantiated proposal of the Board of Statutory Auditors, is Reconta Ernst & Young S.p.A. (now EY S.p.A.).

That company, which must be registered in a special register held by CONSOB, is responsible for ensuring, during the financial year, that the Company's accounts are properly kept and transactions correctly recorded in the books, informing the Board of Statutory Auditors and CONSOB immediately of any facts they consider open to criticism, and ensuring that the annual and consolidated financial statements correspond to the entries in the books of account and the audit results, and comply with the applicable legislation.

The law provides that the appointment be for a term of 9 financial years and may be re-assigned to the same firm after at least 3 financial years have elapsed from the date on which the previous appointment ended.

The manager in charge of the external auditing activities must be replaced after 7 financial years and may not be reappointed in that capacity, even on behalf of another firm of external auditors, or with reference to the financial statements of subsidiaries, associates or controlling companies of the issuer or companies subject to common control, until at least 3 years have elapsed since the end of the previous appointment.

The appointment may be revoked before the expiry date, on the substantiated proposal of the Board of Statutory Auditors, only for just cause. The appointment and revocation resolutions passed by the General Meeting are sent to CONSOB.

At the end of each financial year the External Auditors express their opinion of the financial statements, which is formalised in a specific report. That document is annexed to the financial statements and deposited at the Company's head office for the 21 days preceding the General Meeting called to approve them, and until the financial statements are approved. The external auditors also conduct a limited assurance on the consolidated non-financial statement pursuant to lgs. decree no. 254/16.

To ensure the independence of the External Auditors, a Group guideline has been introduced on the appointment of the company or organisations belonging to its network. In accordance with this procedure, the Board of Statutory Auditors issues a binding prior opinion on the commissioning by Group companies of additional tasks (other than the main auditing assignment, and for which the statutory situations of incompatibility do not arise) from the Group's main External Auditor or from companies in its network.

The 2019 General Meeting assigned the statutory audit engagement for the period 2021-29 to KPMG S.p.A., after the selection process prepared and coordinated by the Board of Statutory Auditors. As described in the Board of Directors' report to the 2019 General Meeting, the selection process was begun ahead of the natural expiry of the EY's mandate, mainly for the following reasons:

- to avoid a situation where in the financial year preceding the audit period (i.e., in financial year 2020) the party due to act as the new external auditor provided the Company and its subsidiaries with forbidden services for which Community law envisages a mandatory cooling-in time;
- to enable timely management of situations that might threaten the independence of the incoming auditors, relating in part to the performance of engagements concerning services indicated by s. 5 of EU Regulation no. 537/2014 (other than those for which a cooling-in is mandatory) which could be protracted in 2020 and for which an appropriate solution must therefore be found before commencement of the legal audit engagement;
- to facilitate the handover from the outgoing auditors to the incoming auditors.



Internal control and risk management system

- 100 Generali's internal model
- 100 The System
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Internal control and risk management system

Generali's internal model

The internal control and risk management system (ICRMS or System) is an essential component of the Company's organisational, administrative and accounting structure and was formulated in accordance with the Solvency II directive, including the guidelines and delegated acts issued by EIOPA, and with the legislative and regulatory provisions that transposed the directive into Italian legislation, through the IVASS Regulation no. 38/2018 also.

The Group obtained authorisation from the Regulator to use the "Partial Internal Model" (PIM) to calculate the Solvency Capital Requirement (SCR) under Solvency II; the PIM may therefore be used to determine the SCR of the Group and the main Business Units for the Italian, German, French and Czech companies. In November 2018 the Regulator approved extension of the use of the PIM to compute the SCR at Group level and at the level of the main Business Units for the Austrian companies, and at Group level for the Swiss companies; in November 2019 the Regulator approved extension to the Spanish companies. Further details may be found in the Group Risk Report.

Subsequently, in compliance with Solvency II, the related Group internal policies were updated or defined with the following aims:

- to regulate the ICRMS, establishing the roles and responsibilities of the corporate units to which the Key Functions are assigned;
- to establish the processes associated with the management of specific risks (investment, underwriting, concentration and operational risks) and the main business processes, including capital management, the asset liability management (ALM) process and the product approval process.

The policy review and updating process continued in 2019.

Formalisation of the policies required by Solvency II is based on the dissemination, at GHO and throughout the Group, of the internal control culture and on raising awareness of how the ICRMS operates.

Although Generali is no longer classed as a systemic organisation, in 2019 the Group again confirmed its moni-

toring by updating the Systemic Risk Management Plan, the Liquidity Risk Management Plan and the Recovery Plan, the latter also in light of the recent provisions of IVASS Regulation no. 38/2018 regarding strengthened emergency plans.



Generali Internal Regulation System (GIRS), pp. 34-35

The System

The ICRMS is the set of company rules, procedures and structures that ensure the effective operation of the Company and the Group and identify, manage and monitor the main risks to which they are exposed, also having regard to Generali's role as parent company of an insurance group. The efficacy of the System ensures the correct operation of the business mechanisms, compliance with law and the reliability of all the information disclosed to the market through the governing bodies.

Our ICRMS is therefore an integrated system involving the entire organisational structure: the governing bodies and the company structures are required to contribute to its operation in a coordinated, interdependent way and to stimulate the ongoing value creation process by leveraging the three pillars that constitute the cornerstones of our business culture: Vision, Mission and Values.

In 2018, with the favourable opinion of the GSC, and taking into account the valuations and quali-quantitative parameters set out in the IVASS letter to the market of 5 July 2018, the Board of Directors defined the Generali "strengthened" corporate governance model – also in Generali's capacity as the last Italian controlling company pursuant to s. 210.2 of the PIC. This model, which in practice Generali has already applied for some time, implies elements such as the non-executive status of the Chair, the existence of the RCC and a remuneration committee, the effective and efficient performance of the Key Functions by specific organisational units (separate from the operating functions and not outsourced), assigned to managers experienced and fit for the role. The model provides further indications with regard to the remuneration policy, for which reference should be made to the Remuneration Report.

REGULATORY BOX

The PIC and IVASS Regulation no. 38/2018 are the main regulatory references for corporate governance and the internal control and risk management system of Italian insurers. Since the new Solvency II regime came into effect on 1 January 2016, Italian insurance legislation has evolved, to take the EIOPA “Guidelines” and Regulation 38 into account.

The current provisions of insurance legislation, the CLFI and the CG Code have further defined the duties and responsibilities of the various players of the corporate organisational structure.

The Company applies this legislative framework through its own internal regulations, based on the Generali Internal Regulation System (GIRS - see page 34) and other sources, including the “Regulation of the Board of Directors and the Board Committees”.

Roles and responsibilities

Each player in our organisational and corporate governance structure has specific tasks and responsibilities relevant to the ICRMS. The objective is to create, on the basis of the applicable legislative provisions, a system in which powers and competences are well defined, implemented and monitored, and where procedures for coordination among the parties involved are clearly delineated and easily identified.

Board of Directors

The Board of Directors is the leading corporate player in the organisational structure and the System, with responsibility for establishing internal control and risk management strategies and policies and guaranteeing their suitability and soundness over time, in terms of completeness, functionality and efficacy. All evaluations are performed at least once a year, having regard to the size of the Company and the Group, their operational specificities and the nature and intensity of the corporate risks, including those relating to outsourced Company activities. In 2019, the assessment of the adequacy and efficacy of the ICRMS was performed in March with reference to the second half of 2018 and full-year 2018, and in July with reference to the first half of 2019; the assessment relating to the second half of 2019 and full-year 2019 was performed in March 2020. The results of all the assessments were deemed favourable, in agreement with the RCC.

One of the main elements of the ICRMS is the internal audit activity plan, which the Board of Directors approves annually after consulting the Board of Statutory Auditors and the ICRMS Director; this was done in 2019.

In performing its tasks the Board of Directors ensured that the System enables identification, evaluation (including forward-looking evaluation) and control of risks, including risks deriving from non-compliance with laws and from prejudicial facts, in order to safeguard the Company’s as-

sets, also with a view to medium-long term sustainability. The System has been extended to Generali’s subsidiaries, who take account of any specific requirements under local law in applying it.

The Board of Directors examined the opinions and reports received from the other System players. Coordination of the ICRMS players was pursued not only by means of reports to the Board of Directors and the Board of Statutory Auditors by the Chair of the RCC and the regular attendance of the Board of Statutory Auditors at Board of Directors meetings, but also by attendance at the meetings of the Board of Directors and the RCC, for their respective areas of competence, by the heads of the units responsible for the **4 Key Functions** (for further details see the section on the Key Functions in this chapter) and, systematically, by the MPFR.

There is also continuous dialogue between the Board of Statutory Auditors and the units responsible for the Key Functions, who periodically attend meetings of the Board of Statutory Auditors in accordance with a pre-defined schedule.

The tasks of the Board of Directors include:

- appointing and revoking the appointment of the head of the Internal Audit function;
- ensuring that he/she has sufficient resources to perform his/her responsibilities;
- establishing his/her remuneration in accordance with Company policies.
- taking decisions on the proposal of the ICRMS Director, after obtaining the binding opinions of the RCC and the Board of Statutory Auditors.

Finally, the Board of Directors, after consulting the Board of Statutory Auditors, evaluates the results presented by the External Auditors and any suggestions that emerge during the statutory audit. The report on the fundamental issues that emerged during the statutory audit was supplied by E&Y S.p.A. to the Board of Statutory Auditors on 3 April 2019, and subsequently presented to the RCC and

the Board of Directors for matters within their spheres of competence, at their April meetings.

For further information about the decision-making powers of the Board of Directors, see the section on the Board of Directors (chapter III *Corporate governance players*) and the “Information compendium” attached to the Report (available on the Website).

Risk and Control Committee

The Risk and Control Committee performs advisory, recommendatory and preparatory functions for the Board of Directors on the subject of internal controls and risk management. In particular, the RCC assists the Board of Directors in determining the directives relating to the ICRMS, the periodic check on its adequacy and effective operation, and the identification and management of the main business risks, including those deriving from prejudicial facts that come to the notice of the Board of Directors.

On 7 May 2019, the current Board of Directors set up a Related-Party Transactions Committee, which is an important component of the System.

To ensure regular, timely exchanges of information relevant for the performance of their respective tasks, the MPFR, the Board of Statutory Auditors and the heads of the units responsible for the 4 Key Functions systematically attend RCC meetings.

For further details, see the section *The six Board Committees* (in chapter III *Corporate governance players*) and the “Information compendium” (available on the website), which describes the responsibilities of the RCC in detail.

Director in charge of the internal control and risk management system

On 7 May 2019, for the current three-year period, the Board of Directors again assigned the role of ICRMS Director to the Group CEO: in this capacity he identifies the main business risks, taking account of the characteristics of the activities performed by the Company and its subsidiaries, and periodically submits them for examination by the Board of Directors; implements the directives set by the Board of Directors, by organising the design, implementation and management of the ICRMS, and regularly verifying its adequacy and efficacy; and adapts the

System to changing operating conditions, laws and regulations.

In his capacity as ICRMS Director, the Group CEO may ask Group Audit to audit specific areas and check compliance with the internal rules and procedures in the performance of Company operations, notifying the chairs of the Board of Directors, the RCC and the Board of Statutory Auditors at the same time. The Group CEO also reports promptly to the RCC and the Board of Directors on issues or critical factors that emerge in the performance of his activities or come to his notice, so that the necessary measures may be taken.

Key Functions

The System is based on three lines of defence, comprising the following:

- the operational areas, including the MPFR, responsible for **first-level controls** (or line controls), including the MPFR;
- the risk management, compliance and actuarial functions, responsible for **second-level controls**;
- the internal audit unit, responsible for **third-level controls**.



As regards **line or first-level controls**, the heads of each organisational unit have the task of ensuring correct management of risks correlated with the activities performed and of introducing suitable controls, in compliance with the organisational, administrative and accounting structure, and with the guidelines issued by the Group CEO and the Board of Directors.

The roles and responsibilities of each organisational unit are established under the system of delegated powers and the policies approved by the Board of Directors which, apart from some exceptions, are applicable at Group level.

- In this context, the figure of the MPFR (illustrated in greater detail later in this chapter) deserves particular attention. Pursuant to s. 154-bis of the CLFI, the MPFR is responsible for drawing up suitable administrative and accounting procedures for the preparation of the annual and consolidated financial statements and all other financial disclosures.

The **second-level controls** meet the need to guarantee continuous monitoring of the most significant risks to the Company's business; in our ICRMS, responsibility for those controls is attributed to three Company functions (Group Actuarial, Group Compliance and Group Risk Management), which have no operational duties and are devoted solely to guaranteeing effective risk control. To ensure that the said functions have the necessary independence, their heads report directly to the Board of Directors.

The **third-level controls** are assigned to the Group Audit function, which monitors and assesses the efficacy and efficiency of the ICRMS. Group Audit is characterised by strong independence from the business and a high degree of autonomy; again, the head of the unit is answerable directly to the Board of Directors.

The role, responsibilities and organisational position of the four second- and third-level control units, and the relations between them and their local counterparts, are established by specific Group policies.

Risk management function

The table below sets out the Group risks map, approved by the Board of Directors and compliant with Solvency II.

Group risks map					
Risks covered by the Partial Internal Model					
Internal Model				Standard Formula	
Financial risks	Credit risks	P&C underwriting risks	Life underwriting risks	Operational risks	Non-quantifiable risks
Interest Rates	Spread Broadening	Pricing	Catastrophe Mortality		Liquidity
Interest-Rate Volatility	Credit Default	Reserving	Non-Catastrophe Mortality		Strategic
Share Price	Counterpart Default	Catastrophe	Longevity		Reputation
Share Volatility		P&C Surrenders	Morbidity/Invalidity		Emerging
Real Estate			Life Surrenders		Contagion
Currencies			Expenses		Intragroup transactions*
Concentration			Going Concern Reserve		Concentration*
			Disease Catastrophes		Risk Interdependence*
			Disease Claims		

* Risks of significance only at Group level.



2019 Integrated Annual Report and Consolidated Financial Statements, Risk Report, p. 101

The risk management function is assigned to the GHO **Group Risk Management** unit, headed by the Group CRO: the unit assists the Board of Directors and top man-

agement in formulating risk management strategies, and in establishing and measuring monitoring tools, and provides the information required to evaluate the soundness

of the ICRMS as a whole through a reporting system. The role and position of the Risk Management unit is defined in the Group risk management policy, on the basis of the “Group Corporate Governance System Directives”. In particular, the Group CRO:

- assists in establishing the risk management policy and supports the definition of the risk strategy, the solvency objective and risk tolerance;
- establishes risk assessment criteria and methodologies and the results of the assessments, which are subsequently notified to top management and the Board of Directors;
- supports risk-management assessments on strategic issues, M&A transactions, significant projects and investments and, more generally, pursues the integration of risk management with decision-making;
- proposes risk limits to be assigned to the operational units with regard to investment and liquidity risks, and establishes the procedures for timely checks on those limits;
- monitors the implementation of the risk management policy and the general risk profile of the Company as a whole;
- coordinates the preparation of the *Group Own Risk and Solvency Assessment (ORSA) Report* on an annual basis and, in the event of significant variations in the risk profile, during the year.

The Group’s risk management Policy also establishes roles and responsibilities relating to the process for updating risk strategy, risk propensity and risk tolerance in the ambit of the Risk Appetite Framework (RAF), and for the ORSA.

To ensure a consistent and uniform approach within the Group, the Group CRO coordinates and monitors the adoption of the risk management Policy at Group level, depending on the nature and complexity of the risks run, in line with the GIRS and subject to any adaptations required by the laws in the countries where the Group companies operate. In particular, the Policy establishes:

- the risk identification process and the risk categories to which the parent company and the Group companies are exposed;
- the risk measurement and assessment methodologies; and the processes and procedures designed to ensure effective risk management and mitigation, on the basis of the risk propensity and risk tolerance defined in the RAF;
- the principles governing the preparation of the ORSA Report at Group level.

Risk reporting is coordinated by the Risk Management unit of the parent company, to ensure an agreed, structured system that takes account of changes required by local laws and the business models of the individual Group companies.

At parent company level, in addition to the ORSA Report and the report on changes in the risk profile and compliance with risk tolerances, the unit also provides information about the general soundness of the risk management system as required by the applicable regulations and further established under the ICRMS.

In the context of the Group’s governance system, the risk management policy specifies the roles and responsibilities of the Group CRO, the CROs of the Business Units and the individual Group companies, who assist monitoring of correct implementation of the System in accordance with the Group Policy. Group management and coordination activities envisage a solid-line reporting model between the Group CRO and the CROs at the various levels.

To reinforce coordination and sharing of best practices at Group level, a Group Risk Council has been instituted; its members are the Group CRO (supported by the main heads of unit at GHO level) and the CROs in the Business Units.

In 2019, in addition to planning the activities presented to the RCC, the Group CRO reported regularly to the Board of Directors, including through the RCC, on business trends and on risk management methods and models.

Compliance checking function

The need to operate in compliance with statutory and regulatory provisions and the principles laid down by the Group Code of Conduct is an integral part of the culture of our business organisation, which is required to introduce controls at every level in order to prevent the risk of administrative or judicial penalties, pecuniary losses or damage to reputation arising from non-compliance with laws, regulations or rulings of the Regulators or with CG codes, and also the risk of detrimental changes in the law or jurisprudence (compliance risks). Within the System, the **Group Compliance** unit is responsible for ensuring that at individual and Group level the organisation and internal procedures ensure adequate management of such risks.

More specifically, Group Compliance pursues the following main objectives:

- to support the Board of Directors with regard to compliance with legislative, regulatory and administrative provisions;
- to assess the possible impacts on the Company's business of legislative changes;
- to identify and assess compliance risks;
- to help preserve the Company's integrity and reputation;
- to consolidate awareness of compliance, transparency and responsibility to Generali's stakeholders;
- to support the Company's operations and business in order to create a sustainable competitive advantage, integrating compliance risk management into everyday activities and strategic planning;
- to assess the appropriateness of the compliance risk management system with respect to the size, complexity, structure and business of the subsidiaries.

In the pursuit of its objectives, Group Compliance takes an approach based on risk materiality, assessed both for Assicurazioni Generali and for the Group with the same risk assessment methods. At its meeting on 30 January 2019, as required by current regulations, the Board of Directors approved the Group Compliance unit's (Compliance Plan), previously examined by the RCC on 23 January 2019.

The head of the unit consequently reported regularly to the Board of Directors, also through the RCC, on the activities performed and the Group's exposure to non-compliance risks. Group Compliance also supervised the correct management of related-party transactions.

Actuarial function

Within the second line of defence of the ICRMS, this function is assigned to the GHO unit known as **Group Actuarial Function**, whose main responsibility is to coordinate, monitor and validate calculation of the technical reserves as required by Solvency II. In addition to its tasks relating to the technical reserves and in line with the provisions of Solvency II, the Actuarial Function is required to express an opinion on the underwriting policy and on reinsurance agreements. It also contributes to the effective implementation of the ICRMS, in collaboration with the Risk Management unit.

Consistently with the organisational model established by the Board of Directors, the Actuarial Function is positioned in the area of the Group CFO to guarantee effective coordination of calculation of the technical reserves. To ensure operating independence, the head of the function reports to the Board of Directors, to which he/she has independent direct access. The Board of Directors itself ensures that the independence of the head of the function is preserved and that conflicts of interest are adequately managed when establishing the objectives of the head of the Actuarial Function, which are not related to company performance.

To guarantee a consistent and uniform approach within the Group, the Group Actuarial Function Policy establishes the organisational model for the Actuarial Function (at local level and at Group level), and the main roles and responsibilities, in accordance with Solvency II. Each Group company is required to apply the policy guidelines, subject to adaptations required by local legislation. Reporting lines between the local units and GHO have been established to provide the GHO unit with appropriate information to support its activities.

In this context, under Solvency II, the head of the Group Actuarial Function is required to present the Board of Directors with an opinion, at least annually, on the adequacy of the calculation of the technical reserves, on underwriting policy and on reinsurance agreements, highlighting any weakness and, if necessary, recommending suitable corrective measures. In 2019 the head of the function presented his opinion to the Board of Directors, with regard to both the Group and the Company. He also drew up the Group Actuarial Function Plan, which was approved by the Board of Directors on 30 January 2019, after examination by the RCC.

Internal audit function

The internal audit function is assigned to **Group Audit**, an objective and independent unit set up by the Board of Directors to examine and assess the efficacy, efficiency and adequacy of the internal control system and all the other components of the corporate governance system, for the Board of Directors, top management and other corporate players. Its mission is to protect and enhance the value of the organisation, through assurance and consultancy activities and risk-based objective analysis. The unit

takes a systematic professional approach to assess control, risk management and corporate governance processes, and follows the guidelines of the Institute of Internal Auditors (IIA), including the Fundamental Principles and International Standards for the Internal Auditing Professional Practice, as well as the IIA Code of Ethics.

The head of Group Audit meets the respectability, professionalism and independence requirements laid down by law and the Group's internal regulations, and maintains an open, constructive, and collaborative relationship with the Regulator. He/she also ensures that the unit has adequate human, technical and financial resources and as a whole possesses the know-how, capabilities and competences need to perform its duties and mission. The head of Group Audit does not report to the head of any operational area nor has any operational responsibility, has direct and free access to the Board of Directors and may interact directly with the control bodies.

In order to maintain the necessary autonomy and objective judgement, internal audit is not subject to any type of interference from the company organisation as regards the choice of areas to be audited, the scope of audit activities and the results and content to be reported.

Internal Audit staff are not assigned operational tasks in the Company areas under audit. Consequently, they cannot be involved in implementing controls, establishing and implementing Company procedures and systems, or performing any other activities that might affect their independence of judgement.

Group Audit is responsible for the confidentiality and protection of corporate data, and has full and prompt access to all organisational units and to documentation relating to the areas being audited. All employees are required to support Group Audit in performing its roles and responsibilities.

In line with primary and secondary legislation, which subdivides the role of the individual insurance company from that of the ultimate controlling company, in 2019 Group Audit drew up two difference Audit Policies (AG "only" Policy and Audit Group Policy), which were approved by the Board of Directors after examination by the RCC. The Audit Group Policy defines the principles regulating audit activities inside the Generali Group and applies to all Group companies consistently with their specific characteristics and based on the principle of proportionality, while the AG "only" Policy sets out the principles established by the Audit Group Policy for the insurance company.

The Audit Group Policy describes the procedures used by the Internal Audit unit of the ultimate controlling company to coordinate auditing inside the Group and guarantee compliance with internal and external requirements with respect to the organisational structure and audit activities.

For this purpose, the Audit Group Policy defines the main roles, responsibilities, objectives and processes, as well as the reporting activities to be adopted, including the roles of the Board of Directors and the RCC and of the corresponding local governance bodies. The Audit Group Policy also establishes hierarchical reporting (solid line) among the heads of the local internal audit functions, the heads of the Business Unit internal audit functions and the head of Group Audit. Under this model, the head of the local internal audit function reports to the relevant local governing body and, ultimately, to the head of Group Audit through the heads of the internal audit functions of the Business Units. This ensures autonomy and independence from the operational functions and more effective communication flows, consistently with the Group organisational model.

This hierarchical reporting system extends to the methods to be used and, in accordance with the local management corporate bodies, to the internal organisation to adopt (in terms of recruitment, appointment, dismissal, remuneration, sizing and budget), to the definition and annual assessment of targets, to reporting and to proposals to include in the Audit Plan for presentation for the approval of the local management corporate body.

At least once a year, the head of Group Audit presents the parent company and Group Audit Plans for the approval of the Board of Directors, after the approval of the RCC. The Audit Plans identify as a minimum the activities to be audited and the criteria used to select them, the audit timetable, the human resources and budget required for the following year, and any other relevant information.

The Audit Plans are developed on the basis of an integrated programming approach coordinated at Group level, and with continuous interaction with all the local audit functions. They are drawn up on the basis of the audit priorities, using a risk-assessment method that considers all activities, the corporate governance system, the developments expected in the activities, and the innovations, corporate strategies and main business objectives, including the indications of the main interlocutors. The planning process must also take account of any short-

comings encountered during audits and any new risks that have been identified.

The Audit Plans may be revised and adapted in response to significant changes in the Company's organisation, the risks to which the Company is exposed, the systems used and the controls. The Board of Directors is informed of any significant review of the Audit Plans as part of the periodic reporting and approval process.

The 2019 Parent Company and Group Audit Plans were approved by the Board of Directors on 30 January 2019, after examination by the RCC, and most recently reviewed on 6 November 2019.

At the end of each audit activity, the Group Audit function draws up an audit report and sends it to the appropriate recipients. The report sets out critical factors, their significance and the corrective action taken or to be taken, and the suggested deadlines for their implementation.

Group Audit may also perform advisory activities for the Board of Directors, top management or other corporate players. Based on its own activities and consistently with the applicable methodology, Group Audit is required to report to the Board of Directors any significant risk exposures and the shortcomings found during audits, considering the risks of fraud, critical areas in the corporate governance system and any other matter that is necessary or requested by the Board. It is also required to report to the Board of Directors on any other issue of interest.

The head of Group Audit reports at least on a six-monthly basis to the RCC, submitting a summary of audit activities performed and the weaknesses or shortcomings found during the period, and the progress made in implementing the corrective measures agreed with management. The Group summary includes an overview of all the critical factors considered of significance to the Group (Group Level issues) identified during the audits performed by the local and Business Units internal audit functions. After examination by the RCC, the summary is forwarded to the chairs of the Board of Directors and the Board of Statutory Auditors. Should particularly serious events occur within the normal reporting cycle, the head of Group Audit immediately informs top management, the RCC, the Board of Directors and the Board of Statutory Auditors.

In addition, as part of the summary on the assessment of the adequacy and efficacy of the ICRMS – with which the RCC reports, at least every six months, to the Board

of Directors on activities performed and the adequacy and efficacy of the ICRMS at Group level – the head of Group Audit provides information on activities performed, on how risk management was conducted, on compliance with risk-containment plans and on the adequacy of the ICRMS itself.

Group Audit develops and supports a quality assurance and improvement programme comprising internal and external audits and covering all aspects of internal auditing: the program includes an assessment of audit compliance with the "International Standards for the Professional Practice of Internal Auditing", with the Audit Group Policy and the audit method. The program assesses the efficiency and efficacy of internal auditing and identifies opportunities for improvement. Internal audits are conducted directly by the function, while external audits are conducted at least once every five years by a qualified independent auditor. The head of Group Audit reports to the Board of Directors at least once a year on the results of all activities conducted under the quality assurance and improvement programme, including proposals for continuous improvement.

Board of Statutory Auditors

As already mentioned, under current law, the Board of Statutory Auditors oversees compliance with the applicable legislation and the Articles of Association, adherence to the principles of correct administration and, in that context, the adequacy and functioning of the organisational, administrative and accounting systems.

The Board of Statutory Auditors attends the meetings of the Board of Directors and the Board Committees (on remuneration matters only for the ARC), and exchanges information with them on a regular and timely basis for performance of their respective tasks.

With regard to the internal control system, the responsibilities of the Board of Statutory Auditors include issuing an opinion on:

- the Group Audit activity plan;
- the appointment and revocation of the head of Group Audit, the adequacy of the resources assigned to him/her and his/her remuneration.

The Board of Statutory Auditors also monitors the work of the External Auditors with regard to the issue of the additional report envisaged under law.

It duly exercised these powers in 2019: for this purpose, it interacted with all the corporate units that perform control tasks.

In this context, it may always ask the Group Audit unit to audit specific operational areas or company operations.

For further information, see the section on the Board of Statutory Auditors in the third chapter *Corporate Governance Players*.

Manager in charge of Preparation of the Company's Financial Reports

Pursuant to s.154-*bis* of the CLFI, on 31 July 2018, the Board of Directors appointed the Group CFO Cristiano Borean as Manager in charge of preparation of the Company's financial reports (MPFR), having ascertained that he possessed the required experience in administration, finance and control, and met the respectability requirements that the Board of Directors is required to monitor periodically.

REGULATORY BOX

S. 154-*bis* of the CLFI requires the appointment of a Manager in charge of Preparation of the Company's Financial Reports, and governs his/her activities and responsibilities regarding disclosure of the listed issuer's accounts.

Additionally, s.40 of the Articles of Association states that the MPFR is to be chosen from candidates with adequate experience of administration, finance and control in companies of significant size or in professional practice, who meet the respectability requirements established for directors. Loss of the respectability requirements during the term of office entails debarment from office; in the event, the debarred executive is rapidly replaced.

In order to perform his/her duties, the MPFR has power to:

- issue policies and guidelines on the management of the relevant activities at Group level;
- establish a governance model for the application of policies and guidelines at Company level and Group level, and ensure that they are implemented;
- obtain any data or information, at Company or Group level, deemed necessary to comply with the statutory requirements;
- check that the administrative and accounting procedures are effectively and efficiently applied at both Company and Group level;
- propose changes to the internal control system at Company and Group level where deemed necessary to comply with statutory requirements.

The resources at the MPFR's disposal include at least:

- personnel with the skills and competence required for the role;
- tools, including IT tools, for implementation of policies and guidelines;
- an adequate budget.

If in the exercise of its supervisory activities, the Board

of Directors considers that the powers and resources allocated to the MPFR are insufficient for the exercise of his/her statutory duties, it adopts the measures deemed necessary.

Main characteristics of the internal control and risk management system as regards reliability of information supplied to the Company's governing bodies and the market

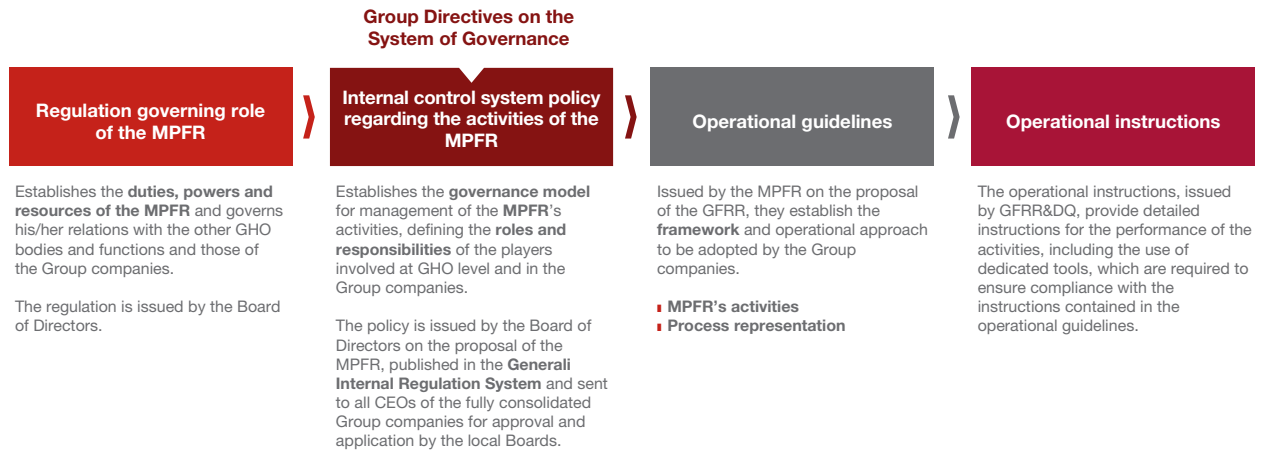
Periodical disclosure to the market

The MPFR contributes to the efficacy of the overall system of internal control over financial reporting.

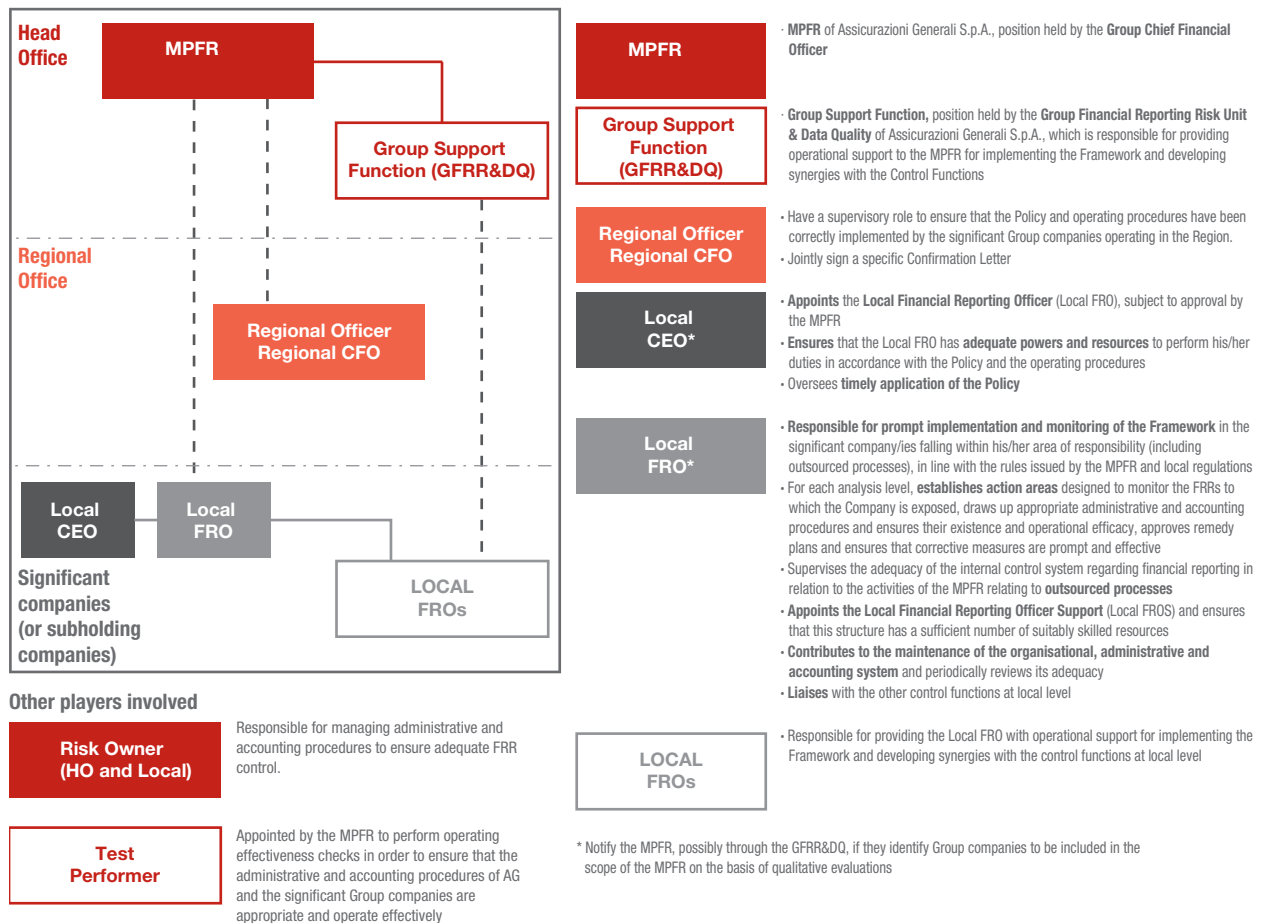
The objective of identifying, evaluating and controlling the financial reporting risk¹ to which the Company and the Group are exposed, and preparing suitable administrative/accounting procedures, is pursued through application of a specific organisational structure (governance) and a financial reporting risk model (framework).

¹ The term "financial reporting risk" is the risk of incorrect accounting of data generated by a company transaction, leading to untrue and incorrect representation of the Company's assets and liabilities, operations and financial situation in the separate financial statements, in the annual and half-yearly consolidated financial statements and in all other financial disclosures.

The related documents are consistent with the instructions contained in the “Group Directives on the Governance System”, as detailed in the chart below:



To provide a comprehensive overview of the subject, the chart below illustrates the MPFR's governance model for the Group companies included in the financial reporting scope².



² The “Scope companies” are companies that, with regard to application of the ratios between assets, revenue and profits of the individual companies and the respective consolidated totals, exceed given thresholds consistent with best market practice. In particular, in the 2019 financial year, the Scope companies represented over 90% of the total consolidated assets.

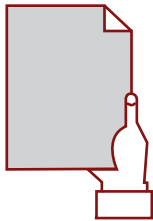
A structured set of policies, guidelines and operating instructions has also been prepared to give the Group companies suitable tools to guarantee the application of the Framework.

With the support of the relevant organisational units, the Local Financial Reporting Officer (Local FRO) checks and guarantees that the financial reports supplied to GHO correspond to the entries in the books and accounts and comply with the accounting standards and methodologies adopted by the Group, in accordance with the applicable legislation; he/she also checks that the financial reporting

submitted in general to GHO provides a true and correct representation of the assets, operations and financial situation of the company/ies, including evaluations of the main risks and uncertainties. The Local FRO provides the scope companies with suitable administrative and accounting procedures for the financial reports supplied to GHO for the formation of the consolidated financial statements and all other financial communications.

The framework was established in line with the best practices³, and a gradual implementation plan has been drawn up.

Confirmation Letters



Scope of application

Quarterly certificates signed by the CEOs and CFOs, (or personnel holding equivalent positions) of all the Group companies and by the CEOs and Local FROs of the sub-holding companies (if any), certifying that:

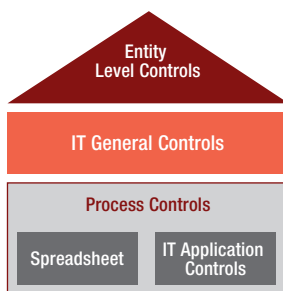
- the report on the representation of the economic, financial and capital situation of the Group companies is complete, timely, accurate, truthful and compliant with the accounting standards and Group methods;
- it complies with the applicable legislation and the Generali Group's Accounting Manual;
- the corresponding administrative and accounting procedures, the internal control on financial information in relation to the activities of the MPFR, and the Organisational, Administrative and Accounting Structure are adequate.

Ad-hoc confirmation letters for:

- the Group companies that operate as service providers
- the Regional Officers and Regional CFOs

All the fully consolidated Group companies

Analysis levels



Scope of application

Entity Level Controls

Controls that operate at company level, and are designed to ensure the existence of an organised, formalised company context, designed to reduce the risks of incorrect conduct (by means of measures such as adequate governance systems, effective organisational structures, adequate policies, etc.).

IT General Controls

Controls that operate at company level and are specifically associated with Information Technology management processes supporting execution of company processes.

Controls operating at company procedure level (IT and other procedures), whose execution shows that adequate administrative and accounting procedures are in place to ensure effective internal control over financial reporting. They include:

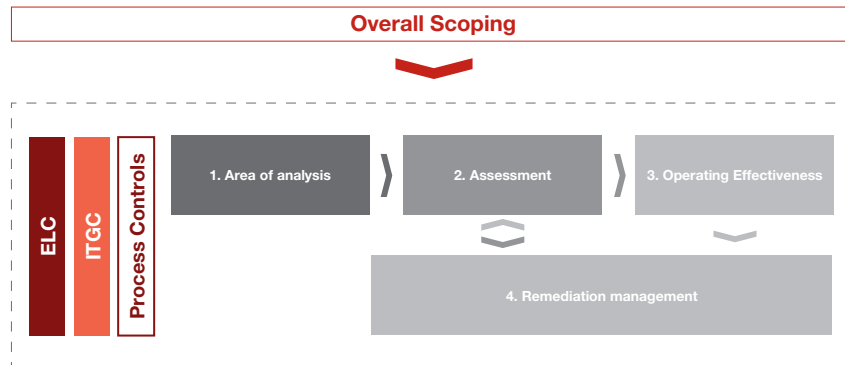
- *Spreadsheet*: files produced with individual IT tools (e.g., office automation software), used to support or run process-level controls (e.g., generation or inputting of accounting data);
- *IT Application Controls*: automatic procedures implemented in specific IT applications operating at process level.

Group companies considered significant for MPFR purposes on the basis of quantitative and qualitative criteria

³ As regards internal control over financial reporting, the following are generally recognised and accepted at international level:

- CoSO Internal Control – Integrated Framework, which defines guidelines for the evaluation and the development of an internal control system;
- COBIT (Control Objective for IT and Related Technology), which provides specific guidelines for the information systems area, supplemented by ITIL and ISO/IEC 27001.

The framework consists of a series of steps that determine the operational approach for the assessment of administrative and accounting procedures on closure of the annual and half-yearly financial statements:



Overall scoping is determined on the basis of the accounts in the consolidated financial statements classed as significant, determining for each scope company the corporate processes with a potential accounting impact on said accounts, and all the corporate processes direct-

ly related to account closure activities in a given period. The scope is integrated by considering qualitative factors relating to the risk profiles arising from factors internal and external to the companies, and is reviewed at least annually, depending on changes in the Group structure.

Overall Scoping

Operational approach

The preliminary stage, conducted at least once a year by GFRR&DQ, to identify the Group companies of significance for MPFR purposes, and the significant accounts to be analysed. For each analysis level (ELC, ITGC and Process Controls), the significant companies must implement the following activities:

1 Area of Analysis

Definition of overall scoping for the FRR analysis

2 Assessment

Periodic identification of the FRRs to which the Company is exposed, and definition of the administrative and accounting procedures by identifying the key controls that cover and mitigate the FRRs

3 Operating Effectiveness

Periodic checks designed to ensure that the administrative and accounting procedures are effectively operational and that the key controls are sufficient to cover and mitigate the associated FRRs, and operate effectively

4 Remediation management

Definition and implementation of corrective measures and/or improvement action plans to deal with deficiencies identified at the Assessment and Operating Effectiveness stages, with the aim of strengthening the internal control system on financial reporting

Consistently with the Company's ICRMS, the financial reporting risk model involves the governing bodies and the operational and control units in integrated management, compatibly with the different levels of responsibility, to ensure the adequacy of the model at all times.

The MPFR reports periodically to the Board of Directors, also through the RCC, on the activities performed in the exercise of his/her functions, and did so in 2019.

Ongoing and extraordinary disclosure to the market: Group Policy governing management and public disclosure of the Generali Group's insider information and share trading transactions

In implementing the EU market abuse regulations, the Company has updated its internal regulations, providing the Group with guidelines and fundamental principles to be followed to prevent market abuse. The Group Policy envisages practical rules designed to identify and manage material information and insider information concerning, directly or indirectly, issuers in the Group and other issuers (not belonging to the Group) or their financial instruments.

The Company's internal regulation sets out rules for the identification⁴ and management of insider information, and also regulates public disclosure of such information, the management of the insider list, internal dealing (transactions by relevant parties on financial instruments issued by the Company) and obligations associated with market surveys.

As an issuer, Generali is required to form, maintain and constantly update a List of people who have access to insider information and process it by virtue of the func-

tions they perform in the course of their professional activities.

The Group Policy governs the criteria for the keeping and management of the List, which is the responsibility of the head of the Corporate Affairs unit in his/her capacity as List manager.

Internal dealing regulations

With a resolution carried on 31 July 2019, the Board of Directors confirmed the Company's Market Abuse Policy. The section on internal dealing regulates market disclosure requirements and the limits on material transactions performed by internal dealers and persons closely associated with them, in accordance with current legislation.

At present, Generali "Relevant Persons" are:

- (i) the members of the Board of Directors (including the Group CEO) and the Board of Statutory Auditors;
- (ii) the first hierarchical reporting line of the Board of Directors;
- (iii) the members of the GMC;
- (iv) the other first reporting lines of the Group CEO, excluding staff;
- (v) anyone holding at least 10% of the share capital or a controlling interest in Generali.

"Persons Closely Associated with Relevant Persons" are those identified in Regulation (EU) no. 596/2014 of 16 April 2014 (see the REGULATORY BOX below).

Prior to specific Company events, blocking periods are imposed during which internal dealers are prohibited from conducting transactions on material financial instruments.

Transactions conducted by Relevant Persons are detailed in the Governance section of the Website.

⁴ The market abuse policy also provides for the involvement of an ad hoc advisory committee – composed of the Group CFO, the Group General Counsel, the head of Corporate Affairs, the Group Compliance Officer and the Group Supervisory Affairs & Group Entities Corporate Matters manager – which may be asked to give an opinion on the designation of a piece of information as "Insider Information", in accordance with current market abuse legislation, in the event of doubts among those assigned to classify information.

REGULATORY BOX

S. 3.1 (26) of **Regulation (EU) no. 596/2014** defines Persons Closely Associated with the Relevant Persons as one of the following: (a) a spouse or a partner considered equivalent to a spouse under national law (b) a dependent child pursuant to national law; (c) a relative who has shared the same home for at least one year on the transaction date; (d) a legal person, trust or partnership, whose managerial responsibilities are discharged by a person with administrative, control or management functions or a person as defined in heads a), b) or c), or directly or indirectly controlled by such a person, or formed for the benefit of such a person, or whose economic interests are substantially equivalent to the interests of such a person.

Related-party transaction procedures

The Board of Directors adopted the RPT Procedures on 11 November 2010, to ensure that such transactions are performed in accordance with the principles of transparency and substantive and procedural correctness.

The RPT Procedures comply with s. 2391-*bis* of the Civil Code and the RPT Regulation which enacts the law, and make a distinction between transactions of minor and major importance, imposing stricter rules for the latter in terms of the decision-making process and transparency towards the market.

For both types of transaction, the Procedures state that a committee of independent directors (the RPTC) shall assess whether the Company has an interest in performing the transaction, and evaluate its benefits and substantive correctness. The opinion given is binding for all transactions of major importance, and those of minor importance which exceed given value thresholds.

For some transactions, it is not necessary to activate the decision-making procedure accompanied by the opinion of the RPTC; these transactions, identified in the RPT Procedures, are deemed unlikely to prejudice the interests protected by the legislation.

The Procedures apply to related-party transactions performed directly by Assicurazioni Generali and by each of its Subsidiaries.

The full text of the RPT Procedures is published in the *Governance* section of the corporate website.

Organisational and Management Model (OMM) and Surveillance Body (SB)

In 2018, updating began of the Models of the parent company and some of the Group's Italian companies, and with some international subsidiaries, in order to enact the amendments to Decree 231 in the period in question and the organisational and/or operational changes that have been introduced. This led to approval of an update to the OMM with a resolution carried by the Board of Directors of 8 April 2019. The purpose of the update is to ensure closer integration of the Model with Italian legislation, greater simplification and practicality through clear links among the functions and the related checks, and a focus on the legislative controls adopted at local level and by individual subsidiaries.

The current OMM consists of a **General Part** and a **Special Part**, the latter subdivided in separate sections for each Decree 231 offence category:

- besides describing the legislative background of the OMM, the **General Part** illustrates the structure and objectives of the Model, describes how the SB operates, sets out the regulatory and sanctions system, and the methods for communicating, forming and updating the Model;
- Each one of the **Special Parts** contains a legislative analysis of the individual offences governed by Decree 231, the general principles of conduct to be followed in all areas at risk of an offence being committed, and, for each area, the "principles of preventive control" to be applied.

For effective implementation of the Model, the Parent Company ensures correct circulation of its content and principles inside and outside the organisation, as well as appropriate training (through e-learning modules and classroom training).

In line with jurisprudence and industry guidelines, the SB appointed by the Board of Directors on 15 May 2019 for the three-year period 2019-2022 consists of two external professionals, Luigi Arturo Bianchi (the SB Chair)

and Giuseppe Alessio Verni, and the Group Compliance Officer. The SB Secretary is Giuseppe Catalano. The composition of the SB guarantees that the requirements of autonomy, independence and professionalism are met.

Special Part A	ss. 24-26 - Crimes against the Public Administration	Special Part D	s. 25- <i>octies</i> - Crimes of handling stolen goods, money laundering and use of money, assets or other of illicit origin, and self-laundering
	s. 25- <i>decies</i> - Crimes of inducement not to make statements or to make false statements to the judicial authorities		s. 24- <i>bis</i> - Computer crimes and unlawful data processing
Special Part B	s. 25- <i>ter</i> - Corporate Crimes E.g., hindering the exercise of the functions of the public regulators (s. 2638 of the Civil Code), misrepresentation in financial statements (s. 173- <i>bis</i> CLFI), etc.	Special Part E	s. 24- <i>ter</i> - Organised crime
	s. 25- <i>sexies</i> - Market abuse Abuse of insider information (ss. 184 – 187- <i>bis</i> CLFI) and market manipulation (ss. 185 – 187- <i>ter</i> CLFI)		Cross-border offences pursuant s. 10 Law n° 146/06
Special Part B-bis	s. 25- <i>ter</i> - Private-to-private corruption		s. 25- <i>bis</i> - Crimes of counterfeiting currency, legal tender, revenue stamps and identification instruments or signs
Special Part C	s. 25- <i>septies</i> - Manslaughter or assault causing severe or very severe injury, committed in the course of breaches of the Health and Safety at Work legislation		s. 25- <i>quater</i> - Crimes for the purpose of terrorism or subversion of the democratic order
			s. 25- <i>undecies</i> - Environmental Offences

Surveillance Body



The Model also sets out specific indications on the subjective eligibility requirements of the SB members and regulates causes of cessation involving the whole committee or an individual member.

Group Audit supports the SB in its control activities, on the basis of a Plan approved by the SB itself. It may conduct additional checks and inspections, even without prior notice or prior authorisation, to ascertain possible breaches of the OMM or to ensure correct performance of its duties. The SB is also supported by a special internal unit (Leg. Decree 231/01 Unit) which guarantees the continuous updating of the Model.

In addition to the provisions set out in the Model, the SB has its own internal Regulation governing the exercise of its activities: operation and internal organisation, supervisory activity, management of reports and breaches, allocation of financial resources (SB budget).

In 2019, the SB provided the Board of Directors with regular reports on its activities.

To ensure effective disclosure to the SB, the Model sets out a series of requirements regarding disclosure and reporting of potential breaches. As part of these information flows, the Company has a specific “Management of information flows to the Surveillance Body” protocol, which clearly illustrates the types of information that must be sent to the SB.

In order to strengthen the system of information flows and incentivise recipients to comply with the Model and prevent the commission of crimes, the heads of the identified corporate units are also required to send the SB an “Evidence Form”, setting out a periodical statement of compliance with the Model for their area, as well as additional specific information regarding the activities at risk they manage.

The General Part of the OMM is available on our website, in the section on the Governance System (<https://www.generali.com/governance/corporate-governance-system/administrative-liability>).

Milan, 12 March 2020

The Board of Directors

Tables

Table 1 – Significant shareholdings in the Company

Drawn up using the model envisaged by the Borsa Italiana Format for the corporate governance and share ownership report (VIII Edition – January 2019)

Situation as at 2 March 2020, as reflected in the Shareholders Register principally as regards registration of the dividend payment at 22 May 2019, supplemented with the information received pursuant to s. 120 of the CLFI and other available information.

Declarant	Direct shareholder	% quota of the ordinary capital*
MEDIOBANCA	Mediobanca	13.029
	TOTAL	13.029
CALTAGIRONE Group	Caltagirone Editore S.p.A.	0.213
	Caltagirone S.p.A.	0.204
	Capitolium SpA	0.032
	FGC S.p.A.	0.049
	Finanziaria Italia 2005 S.p.A.	0.255
	Fincal S.p.A.	2.226
	Finced S.r.l.	0.201
	Gamma S.r.l.	0.405
	Mantegna 87 S.r.l.	0.319
	Pantheon 2000 S.p.A.	0.261
	Quarta Iberica S.r.l.	0.191
	So.co.ge.im. S.p.A.	0.032
	VM 2006 S.r.l.	0.605
	Francesco Gaetano Caltagirone	0.007
	TOTAL	5.001
LEONARDO DEL VECCHIO Group	Delfin S.à R.L.	4.857
	TOTALE	4.857
BENETTON Group	Schematrentatre S.p.A.	4.001
	TOTAL	4.001

* The ordinary capital is equal to the voting capital.



For continuous updates on the Company's "Key shareholders"
www.generali.com/investors/share-information-analysts/ownership-structure

Table 2/a - Structure of the Board of Directors and the Board Committees in 2019

Drawn up using the model envisaged by the Borsa Italiana Format for the corporate governance and share ownership report (VIII Edition – January 2019)

Board of Directors

Role	Members	Year of birth	Date of first appointment*	Holding office since	Until	List**	Executive	Non-executive	Indep. Code	Indep. CLFI	no. of other positions***	(*)
Chair	Galateri di Genola Gabriele	1947	28.04.2003	07.05.2019	Appr. Fin. Stat. 2021	M		X		X	2	14/14
Vice-Chair	Callagione Francesco Gaetano	1943	28.04.2007	07.05.2019	Appr. Fin. Stat. 2021	M		X		X	1	11/14
Vice-Chair	Rebecchini Clemente	1964	11.05.2012	07.05.2019	Appr. Fin. Stat. 2021	M		X		X	1	14/14
Managing Director ◊ •	Donnet Philippe	1960	17.03.2016	07.05.2019	Appr. Fin. Stat. 2021	M	X				-	14/14
Director	Bardin Romolo	1978	28.04.2016	07.05.2019	Appr. Fin. Stat. 2021	M		X	X	X	3	12/14
Director	Di Benedetto Paolo	1947	28.04.2016	07.05.2019	Appr. Fin. Stat. 2021	M		X	X	X	2	13/14
Director	Figari Alberta	1964	30.04.2013	07.05.2019	Appr. Fin. Stat. 2021	M		X	X	X	-	14/14
Director (since 07.05.2019)	Mazzilli Ines	1962	07.05.2019	07.05.2019	Appr. Fin. Stat. 2021	m		X	X	X	2	10/10
Director (since 07.05.2019)	Mei-Pochlier Antonella	1968	07.05.2019	07.05.2019	Appr. Fin. Stat. 2021	M		X	X	X	1	09/10
Director	Moriani Diva	1968	28.04.2016	07.05.2019	Appr. Fin. Stat. 2021	M		X	X	X	3	14/14
Director	Pellicioni Lorenzo	1951	28.04.2007	07.05.2019	Appr. Fin. Stat. 2021	M		X		X	1	11/14
Director	Perotti Roberto	1961	28.04.2016	07.05.2019	Appr. Fin. Stat. 2021	m		X	X	X	-	14/14
Director	Pucci Sabrina	1967	30.04.2013	07.05.2019	Appr. Fin. Stat. 2021	M		X	X	X	1	14/14
Director (until 07.05.2019)	Barra Ornella	1953	30.04.2013	28.04.2016	07.05.2019	M		X	X	X	1	04/04
Director (until 07.05.2019)	Sapienza Paola	1965	24.04.2010	28.04.2016	07.05.2019	m		X	X	X	-	04/04

Number of meetings held during 2019: 14

Quorum required for the submission of lists by minorities for the election of one or more members (ex s. 147-ter CLFI): 0.5% of share capital

The symbols below should be inserted in the "Role" column:

- Director in charge of the internal control and risk management system.
- ◊ Officer responsible for management of the issuer (Chief Executive Officer or CEO).
- ◻ Lead Independent Director (LID).

* Date of first appointment of each director indicates the date when the director was appointed for the first time to the Board of Directors of the issuer.

** This column shows the list from which each director was appointed ("M": majority list; "m": minority list; "BoD": list presented by the Board of Directors).

*** This column shows the number of positions of director or auditor held in other companies listed on national or international regulated markets, in financial, banking or insurance companies or in other large companies. In our corporate governance system, multiple positions in companies of the same Group are considered as a single position. Roles are indicated in full in the Corporate Governance Report.

(*) This column shows the attendance of directors at the meetings of the Board of Directors (number of meetings attended on the total number that could have been attended).

Table 2/b - Structure of Board Committees in 2019

Drawn up using the model envisaged by the Borsa Italiana Format for the corporate governance and share ownership report (VIII Edition – January 2019)

		Situation from the General Meeting of 7 May 2019 to 31 December 2019																		
Members	Situation from 1 January 2019 to the General Meeting of 7 May 2019		Appointments and Remuneration Committee		Corporate Governance and Social & Environmental Sustainability Committee		Investment and Strategic Transaction Committee		Related-Party Transactions Committee											
	Risk and Control Committee	Appointments and Remuneration Committee	Risk and Control Committee	Appointments and Remuneration Committee	Risk and Control Committee	Corporate Governance and Social & Environmental Sustainability Committee	Risk and Control Committee	Investment and Strategic Transaction Committee	Related-Party Transactions Committee	Appointments and Remuneration Committee										
Galateri di Genola Gabriele	(*)	(**)	(*)	(**)	(*)	(**)	(*)	(**)	(*)	(**)	(*)	(**)	(*)	(**)						
			3/3	P	4/4	M														
Calligarisone Francesco Gaetano	1/2	M	2/4	M	2/3	M	3/4	M	8/9	M	6/6	M								
Rebecchini Clemente	5/5	M	4/4	M	4/4	M	4/4	M	9/9	M	6/6	M								
Donnet Philippe			4/4	P					9/9	P	6/6	P								
Bardin Romolo	4/5	M			3/3	M	1/1	M	8/9	M	6/6	M	2/2	M						
Di Benedetto Paolo			3/3	M			3/4	M					2/2	P						
Figari Alberta	5/5	P	3/3	M	9/9	P	3/3	M	6/6	M										
Mazzilli Ines					9/9	M							2/2	M						
Mei-Pochlier Antonella							4/4	M					2/2	M						
Moriani Diva	2/2	M	5/5	M	3/3	P	6/6	P					2/2	M						
Pellifiori Lorenzo	2/2	M	4/5	M	3/3	M	6/6	M	7/9	M	6/6	M								
Perotti Roberto	5/5	M			8/9	M			9/9	M										
Pucci Sabrina	5/5	M	3/3	M	9/9	M	3/3	M												
Barra Ornella	2/2	M																		
Sapienza Paola	2/2	P	5/5	P	3/4	M	1/1	M												
	Risk and Control Committee	5	Appointments and Remuneration Committee	2	Corporate Governance and Social & Environmental Sustainability Committee	3	Investment and Strategic Transaction Committee	4	Related-Party Transactions Committee	1	Risk and Control Committee	9	Appointments and Remuneration Committee	6	Corporate Governance and Social & Environmental Sustainability Committee	4	Investment and Strategic Transaction Committee	9	Related-Party Transactions Committee	2

(*) This column shows the attendance of directors at the meetings of the Board of Directors and the committees (number of meetings attended on the total number that could have been attended; e.g., 6/8; 8/8; etc.).

(**) This column shows the role of the director on the Committee: "C": chair; "M": member.

Table 3 – Structure of the Board of Statutory Auditors in 2019

Drawn up using the model envisaged by the Borsa Italiana Format for the corporate governance and share ownership report (VIII Edition – January 2019)

Role	Members	Year of birth	Date of first appointment*	Holding office since	Holding office until	List**	Independence as per Code	Attendance at meetings of Board of Statutory Auditors***	Number of other positions****
Chairwoman	Dittmeier Carolyn	1956	2014.04.30	2017.04.27	Approval Fin. Stat. 2019	m	X	25/25	-
Statutory Auditor	Di Bella Antonia	1965	2014.04.30	2017.04.27	Approval Fin. Stat. 2019	M	X	25/25	13
Statutory Auditor	Pozza Lorenzo	1966	2014.04.30	2017.04.27	Approval Fin. Stat. 2019	M	X	25/25	11
Alternate Auditor	Di Carlo Francesco	1969	2014.04.30	2017.04.27	Approval Fin. Stat. 2019	M	X	-	3
Alternate Auditor	Olivotto Silvia	1950	2014.04.30	2017.04.27	Approval Fin. Stat. 2019	m	X	-	10
Number of meetings held during 2019: 25									
Quorum required for the submission of lists by minorities for the election of one or more members (ex s. 148 CLFI): 0.5% of share capital									

* Date of first appointment of each auditor indicates the date when the auditor was appointed for the first time to the Board of Statutory Auditors of the issuer.

** M = majority list; m = minority list.

*** Number of meetings attended compared to total number of meetings that could have been attended; e.g., 6/8; 8/8; etc.).

**** Number of positions as director or auditor held by the person pursuant to s. 148-bis CLFI and the relevant provisions of the Consob Issuers' Regulation. The full list of positions is published by Consob on its website, pursuant to s. 144-quinquiesdecies of the Consob Issuers' Regulation.

Glossary and acronyms

ALM

Asset Liability Management.

ARC

The Company's Appointments and Remuneration Committee, formed in accordance with the recommendations of the CG Code (ss. 5 and 6).

Articles of Association

The Company's Articles of Association.

Board Committees

The RCC, the GSC, the ARC, the RPTC, the IC and the STC (until 7 May 2019, the last two formed a single committee, the ISC).

Board of Directors or BoD

The Company's Board of Directors.

Board of Statutory Auditors

The Company's Board of Statutory Auditors.

Business Units

The Business Units, which are part of the Group's organisational structure, promote local entrepreneurship and autonomies, and provide international control through the geographical areas and global lines. The 6 Business Units are: the 3 main countries (Italy, France, Germany); the Austria, CEE & Russia conglomerate; the International unit; Group Investments, Asset & Wealth Management.

CG Code

The Listed Companies' Corporate Governance Code approved in July 2018 by the Corporate Governance Committee, promoted by Borsa Italiana S.p.A., ABI, ANIA, Assogestioni, Assonime and Confindustria, published on the

website www.borsaitaliana.it and ratified by the Company by resolution of the Board of Directors.

Chair

The person appointed to chair the Company's Board of Directors.

Civil Code / c.c.

The Italian civil code.

CLFI or Consolidated Law on Financial Intermediation

Legislative decree no. 58 of 24 February 1998 (the "Consolidated Law on Financial Intermediation" pursuant to ss. 8 and 21 of law no. 52 of 6 February 1996), in the version ruling at the date of this Report.

Company (also Generali or parent company)

Assicurazioni Generali S.p.A.

CONSOB

The Italian Securities and Exchange Commission.

Decree 231

Legislative decree no. 231 of 8 June 2001 entitled "Provisions governing the administrative liability of legal persons, companies and associations including those without legal personality, pursuant to s.11 of law no. 300 of 29 September 2000".

Directors

The members of the Company Board of Directors.

EIOPA

"European Insurance and Occupational Pensions Authority". The body that oversees all the insurance authorities in the European Union and is responsible for monitoring the European insurance market.

External Auditors' Firm

"EY S.p.A." (formerly "Reconta Ernst & Young S.p.A."), appointed by the 2011 General Meeting for the period 2012/2020, and responsible for certifying the Company's financial statements.

Fit&Proper Policy

The policy governing the professional skills and respectability of the members of the Company's governing policy and those who hold important roles or offices. Approved by the Board of Directors, as implementation of IVASS Regulation. 38/2018.

General Meeting

The General Meeting of the Company's shareholders.

General Meeting 2011

The Company's Extraordinary and Ordinary General Meeting held on 30 April 2011.

General Meeting 2016

The Company's Extraordinary and Ordinary General Meeting held on 28 April 2016.

General Meeting 2017

The Company's Extraordinary and Ordinary General Meeting held on 27 April 2017.

General Meeting 2018

The Company's Extraordinary and Ordinary General Meeting called for 17-18-19 April 2018.

General Meeting 2019

The Company's Extraordinary and Ordinary General Meeting called for 30 April, 3 and 7 May 2019.

General Meeting 2020

The Company's Extraordinary and Ordinary General Meeting called for 27-29-30 April 2020.

General Meeting Regulation

The Regulation that governs the proceedings of the Company's General Meeting.

Generali (also Company or parent company)

Assicurazioni Generali S.p.A.

Generali 2021 Plan

The Company's new strategic plan for the three-year period 2019-2021.

GFRR&DQ

The Group Financial Reporting Risk & Data Quality function, instituted at GHO, in the organisational area that reports to the Group CFO.

GHO

Group Head Office. Represents the set of Company functions that perform the strategic activity of guidance and coordination in support of the Business Units.

GLG

The Global Leadership Group. The Company and Group executives who hold the positions of greatest organisational importance and with greatest impact on results and on strategy-making, such as the CEOs of the subsidiaries, the branch managers, the strategic positions in the countries, the business lines and the head office positions with a global impact on the Group's results.

GMC

The Group Management Committee. The Company and Group executives with support functions for the Group CEO, who meet under the chairmanship of the Group CEO to discuss fundamental decisions for the Group, evaluate proposals to be submitted to the Board of Directors, and evaluate the main

risks, investments and financial and industrial results. The GMC members as at 31/12/2019 are shown in the diagram on page 33 of the Report.

Group

The Company and the Italian and foreign companies subject to its control, pursuant to s. 93 of the CLFI.

Group CEO

The Chief Executive Officer, the person with chief responsibility for the management of the Company and the Group.

Group CFO

The Group's Chief Financial Officer.

Group CIO

The Group's Chief Investment Officer and CEO Asset & Wealth Management.

Group CRO

The Group's Chief Risk Officer.

GSC

The Company's Corporate Governance and Social & Environmental Sustainability Committee.

IC

The Company's Investment Committee, formed by the Board of Directors on 7 May 2019.

ICRM Director

The Director formally appointed by the Company's Board of Directors to institute and maintain an effective ICRMS, in compliance with the recommendations of the CG Code (s. 7).

ICRMS or System

The Group's Internal Control and Risk Management System.

Independent Director(s)

Directors who meet the independence requirement laid down by the CG Code, as ascertained by the Board of Directors.

Information compendium

Accompanying document to the Report, available on the website, setting out the competences of the BoD, those attributed by resolution of the Board of Directors to other corporate bodies, together with a cross-reference checklist with the CG Code and the operating procedures of the General Meeting.

Interim financial reports

Additional periodic financial reports – previously called “Quarterly reports” – pursuant to s. 82-ter of the Issuers' Regulation.

ISC

The Company's Investment and Strategic Transaction Committee, subsequently replaced with two separate board committees (IC and STC) by the Board of Directors on 7 May 2019.

Issuers' Regulation

The implementing regulation of the CLFI, in the version in force as at the date of this Report.

IVASS

The Italian Insurance Supervision Institute, the regulator that supervises the Italian insurance market, to ensure its stability and protect consumers.

IVASS Regulation 24/2016

IVASS Regulation no. 24 of 6 June 2016 (governing investments and assets covering technical reserves).

IVASS Regulation 38/2018

IVASS regulation no. 38 of 3 July 2018 (governing corporate governance systems pursuant to ss. 29-*bis*, 30, 30-*bis*, 30-*quater*, 30-*sexies*, 30-*septies*, 215-*bis*, of legislative decree no. 209 of 7 September 2005 – Private insurance code).

IVASS Regulation 42/2018

IVASS regulation no. 42 of 2 August 2018 (governing external audits of public disclosures - SFCR).

Key Functions

The internal audit, compliance, risk management and actuarial functions assigned by the Company to four GHO organisational units.

Key personnel

The members of the Board of Directors and the Board of Statutory Auditors, the senior managers who constitute the first reporting line of the Group CEO (managers with strategic responsibilities), the personnel of the Key functions and the personnel who control some outsourced activities (management of the insurance portfolio and management of financial and real estate assets).

LID

Lead Independent Director. A figure contemplated by the CG Code, but not present in Generali. Under the Company's current governance structure, the Chair is a non-executive director and does not control the Company.

List

The list of parties with access to insider information, kept by the Company and formed under the procedure adopted by the Board of

Directors pursuant to s.115-*bis* of the CLFI and enacting regulations (as subsequently amended and supplemented).

Managing Director

The Director to whom specific powers have been delegated by the Board of Directors pursuant to s. 2381 of the Civil Code.

Model or OMM

The Company's organisational, management and control model, as required by Decree 231.

MPFR

The Manager in charge of Preparation of the Company's Financial Reports pursuant to s. 154-*bis* of the CLFI.

NFIS

The Non-Financial Information Statement, pursuant to Directive 2014/95/EU and legislative decree no. 254 of 30 December 2016.

Parent company (also Company or Generali)

Assicurazioni Generali S.p.A.

PIC - Private Insurance Code

Legislative decree no. 209 of 7 September 2005 and subsequent amendments and additions, known as the "Codice delle Assicurazioni Private" (private insurance code).

PIM

Partial Internal Model, with reference to Solvency II.

Plan

The "stock ownership plan for Generali Group employees", known as WeShare, approved by the 2019 General Meeting.

RAF

Risk Appetite Framework.

RCC

The Company's Risk and Control Committee, formed in accordance with the recommendations of the CG Code (s. 7).

Regulation of the BoD and Board Committees

The Regulation of the Board of Directors and Board Committees of Assicurazioni Generali S.p.A..

Remuneration Report

The "Report on Remuneration Policy and payments", pursuant to s. 123-*ter* of the CLFI.

Report

This "Corporate Governance and Share Ownership Report" relating to the 2019 financial year, approved by the Board of Directors on 12 March 2020.

RPT procedures

The related-party transaction procedures approved by the Board of Directors in compliance with CONSOB resolution no. 17221 of 12 March 2010.

RPT Regulation

The regulation governing related-party transactions, adopted by the CONSOB with resolution no.17221 of 12 March 2010 and subsequently amended with resolution no. 17389 of 23 June 2010, in the version ruling at the date of this Report.

RPTC

The Company's Related-Party Transactions Committee.

RSR

The Regulatory Supervisory Report, pursuant to Solvency II.

S&G

The Shareholders & Governance unit, part of the Company's Corporate Affairs function.

SAA

Strategic Asset Allocation.

SB or Surveillance Body

The Company's Surveillance Body as required by Decree 231.

SCR

Solvency Capital Requirement, with reference to Solvency II.

Secretary

The secretary to the Company's Board of Directors, Board Committees and the SB.

SFCR

The Solvency Financial Condition Report, pursuant to Solvency II.

Shareholders

The Company's shareholders.

Shares

The shares issued by the Company.

Solvency II

The set of legislative and regulatory provisions introduced following the issue of Directive 2009/138/EC of the European Parliament and the Council of 25 November 2009, on the taking-up and exercise of insurance and reinsurance activities, published in the Official Journal of the European Union on 17 December 2009.

Statutory Auditor(s)

The permanent or alternate member(s) of the Company's Board of Statutory Auditors.

STC

The Company's Strategic Transactions Committee, formed by the Board of Directors on 7 May 2019.

Subsidiary/ies

The company/companies controlled directly or indirectly by Assicurazioni Generali S.p.A., as defined by the applicable legislation.

In this context, the term strategic subsidiary identifies the companies for the appointment of the Group top managers. For these purposes the following companies are classed as strategic: Generali Italia S.p.A., Generali France S.A., Generali Deutschland Holding A.G., Generali CEE B.V., Generali China Life Insurance Co. Ltd, Generali España Holding de entidades de seguros S.A., Generali Insurance Asset Management SGR S.p.A., Banca Generali S.p.A., Generali Real Estate S.p.A., Generali Schweiz Holding AG and Generali Versicherung AG (Vienna).

Top Management

Those who hold the office of Managing Director, General Manager and the senior executives who, at GHO, are the first reporting lines of the Managing Director or General Manager.

Vice-Chair/Vice-Chairs

The Company's Vice-Chair/Vice-Chairs.

Website

The Company's institutional website www.generali.com.

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