

**2022**  
ASSEMBLEA  
DEGLI AZIONISTI  
**SHAREHOLDERS'**  
**MEETING**



**29 April 2022**

**Guidance for the Shareholders  
on the dimensions and composition  
of the board of directors for the  
three-year period 2022-24**



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## 1. INTRODUCTION

The **Corporate Governance Code** (hereinafter, the “Code”) recommends that, in the period prior to its renewal, the board of directors issue guidance on the quantitative and qualitative composition it deems optimal. This guidance should take account also of the outcome of the self-assessment on the size, composition and functioning of the board of directors and its committees, and also consider the role played by the board in formulating strategies and monitoring operations and the adequacy of the internal control and risk management system.

It is also recommended that the board of directors request that parties who present lists where the number of candidates is greater than half the number of members to be elected:

- a) provide adequate information, in the documentation presented for the filing of the list, on the compliance of the list with the board of directors' guidance, including with diversity and gender equality criteria, in order to meet the primary objective of ensuring that the board members possess adequate expertise and professionalism;
- b) indicate their candidate for the position of chair of the board of directors <sup>(1)</sup>.

The guidance also sets out the managerial and professional profiles and the competences deemed necessary, also in relation to the company's sectoral characteristics, considering the diversity criteria and the recommendations on the maximum number of positions held to be compatible with effective performance of the position of company director, given the commitment required by the role. The guidance of the outgoing board of directors is to be published on the company website sufficiently in advance of the publication of the notice of call of the general meeting for its renewal <sup>(2)</sup>.

In affirming the central role of the board of directors in the governance of companies and insurance groups, **insurance regulations** (specifically IVASS Regulation no. 38 of 3 July 2018, hereinafter “Regulation 38”, and the guidance on the governance system issued by the EIOPA) indicate that the self-assessment process be held at least on an annual basis and that the board of directors provide guidance on the professional figures whose presence on the board is deemed appropriate, proposing any necessary corrective action. In conducting the self-assessment, the board is also required to verify that the number of independent members is adequate in relation to the activities of the company <sup>(3)</sup>.

(1) It should be noted that the Consob's warning notice no. 1/22 of 21 January 2022 regarding the submission of a list by the Board for its renewal remarks the opportunity of a timely publication of the Board slate “with the possible indication of the candidates for the role of President and CEO”.

(2) The reference is to Recommendation no. 23 of the Code, which is intended for companies other than those with concentrated ownership: the Code was approved in December 2019 by the Corporate Governance Committee (formed by ABI, ANIA, Assonime, Confindustria, Borsa Italiana S.p.A. and Assogestioni di Borsa Italiana S.p.A.), published on 31 January 2020, and was adopted by Assicurazioni Generali S.p.A. with the board resolution of 14 October 2020.

(3) The **national and European legislation applicable to insurance companies** comprises: Lgs. decree no. 209 of 7 September 2005, as subsequently amended and integrated (Private Insurance Code); Ministry of Economic Development Decree no. 220 of 11 November 2011, Decree Law no. 201 of 6 December 2011, IVASS Regulation no. 38 of 3 July 2018; Regulation (EU) no. 1094/2010 of the European Parliament and Council of 24 November 2010, which establishes the European Supervisory Authority (European Insurance and Occupational Pensions Authority), amends decision no. 716/2009/EC and repeals Commission decision 2009/79/EC; Directive 2009/138/EC of the European Parliament and Council of 25 November 2009, on the taking up and pursuit of the business of insurance and reinsurance (Solvency II); Delegated Regulation (EU) 2015/35 of 10 October 2014 (Delegated Acts) supplementing Directive 2009/138/EC of the European Parliament and of the Council on the taking up and pursuit of the business of insurance and reinsurance (Solvency II); the Guidances issued by the European Insurance and Occupational Pensions Authority (EIOPA).

The common objective of these provisions is to guarantee that, through its members, the board of directors performs its role in an effective manner, as it will be able to call on the necessary personal and professional profiles: this implies that the professional competences required to achieve this result be clearly identified *ex ante* and, if necessary, reviewed over time to take account of strengths and any areas needing attention. It also implies that the process for the selection and appointment of candidates take into account the recommendations that the outgoing board provides for the Shareholders.

\* \* \*

In this context, the Board of Directors (the "Board") of Assicurazioni Generali S.p.A. (hereinafter: "Generali"; or the "Company") has identified, on a preventative basis, with the support of the Appointments & Remuneration Committee (hereinafter: the "ARC"), the theoretical qualitative/quantitative composition it deems optimal for the performance of its activities. Its analysis covered the experience, professionalism, and independence of the candidates, given that their authority and professionalism must be commensurate with the duties that the directors are required to perform on the board and the board committees, in view of the size and complexity of the Company, its strategic vision and its business objectives.

In so doing, the Board has also taken into account the new strategy of the Generali group for the three years 2022-24 announced to the market on 15 December 2021 and the Company corporate governance system, also reflected in the Articles of Association and the internal regulations, *in primis*, the *Regulation of the Board of Directors and the Board Committees*, and also the *Diversity Policy for the members of the governing bodies*, which was updated with the board resolution of 10 November 2021.

In light of the above, the Board, with the support of the ARC, drew up this Guidance, which it presents for examination and assessment by the Shareholders in preparation for their next general meeting, when the items on the agenda will include the appointment of the Board for the three years 2022-24, after determination of the number of its members.

The Guidance also takes into account the findings of the self-assessment conducted by the Board on nearing the completion of its three-year term of office and reflects the strategic vision for the three years 2022-24. It also takes account of the findings of the discussions held with various Company stakeholders (e.g.: institutional investors, proxy advisors, etc.), as well as of the examination of national and international benchmarks and good corporate practices.

The Guidance also provides indications for the current Board pursuant to the Procedure for the presentation of a list for the renewal of the Board of Directors by the outgoing Board of Directors, approved at the board meeting of 27 September 2021.

## 2. QUANTITATIVE CONSIDERATIONS: THE SIZE OF THE BOARD

**2.1. Board evaluations for Shareholders to consider** - According to established rules of corporate governance, the number of members of companies' board of directors must be adequate for the dimensions and complexity of their organisational structure, so that the board is able to effectively monitor all corporate operations, in terms of providing guidance and supervising management.

In 2019, the General Meeting set the number of members of the board of directors at 13 and the Articles of Association, amended *in parte qua* by the Extraordinary General Meeting of 30 April 2020, envisage a minimum of 13 and a maximum of 17 members.

A large number of Directors does not always permit effective interaction at board meetings, with the result that the contribution offered by each member of the collegiate body would be affected. On the other hand, having too few members does not make it possible to ensure that the composition of the committees is aligned with growing governance requirements and the complexity of managing large companies, especially companies subject to industry supervisory regulations <sup>(4)</sup>.

The correct size of the board of directors is also determined in relation to the number and composition of the board committees, where a decisive role is assigned to members who meet the independence requirement in accordance with the Code. The presence of committees with advisory, recommendatory and investigative functions is an accepted organisational model in established national and international practice, which can raise the efficiency and effectiveness of the board's operations and consequently the quality of the decisions taken: this was clearly confirmed during the three-year term of office of the current Board, when the Board was assisted not only by the Related Parties Transactions Committee (hereinafter: "RPTC") and the committees recommended by the Code, but also by two other committees: the Investment Committee (hereinafter: "IC") and the Strategic Transactions Committee (hereinafter: "STC"). Furthermore, the Board assigned to the Corporate Governance and Social & Environmental Sustainability Committee (hereinafter: "GSC") the task of providing support on analysis of issues of relevance for the creation of long-term value, envisaged by Recommendation no. 1 of the Code.

The number of Directors must therefore be adequate with a view to the formation of board committees, of which all the members of the Board are required to be part, avoiding an excessive accumulation of posts: in committees recommended by the Code, the independent Directors must form a clear majority and the committee chair shall be an independent member.

That said, international best practice does not indicate an ideal number for the composition of the boards of directors of listed issuers, but advises that the number simply be adequate for the conduct of the corporate business of the issuer.

On this basis, in order to draw up its own proposal, with the support of the ARC, the Board examined a selection of issuers consisting of international peers from the insurance industry and comparable Italian issuers. It also analysed the issuers in the FTSE MIB index, finding a variety of situations. It found that boards of directors consist of a minimum of 9 members <sup>(5)</sup> to

(4) In the current three-year term, the Board formed 6 board committees, including those recommended by the Code. All the Directors were members of at least 2 committees and the average participation of all of them on the committees was 2.6: this is lower than the average of the financial companies of the FTSE MIB index (4.2), while the average number of members of the committees was higher than average (5.7, compared with an average of 3.8 for the overall index). All the Directors were members of at least 2 committees: one Director was a member of 5 committees, two Directors of 4 committees, one Director of 3 committees and the other 9 Directors of 2 committees.

(5) Including: ENI, ENEL, Snam, Saipem, Amplifon, Italgas, Banca Generali, Poste Italiane and Fineco Bank.

a maximum of 19 (Unipol) <sup>(6)</sup>: moreover, the average figure for issuers in the financial sector is 13.8 members <sup>(7)</sup> and 12 for the comparable national issuers considered and the companies in the FTSE MIB index <sup>(8)</sup>.

The self-assessment conducted at the end of the three-year term found out that the orientation of the large majority of Directors was to confirm the current number of members. However, in order to take into account the need to strengthen the current presence in the Board, which is already consolidated, with further managerial skills and technics, which will be discussed further on, it is considered that the number of members can be increased up to 15.

The Board reached this orientation based on the need to take account of different perspectives and criteria, in order to ensure a balanced quantitative and also qualitative composition. Significant weight was given to the international character of the Generali group, which suggests that appropriate consideration be given to the presence of Directors with an international profile; to the need to count on the support of an adequate number of people whose knowledge, competences and technical expertise enable them to understand the Company's activities and the main risks to which it is exposed and the challenges of competition and technological developments; to the need to count on an adequate number of independent members to ensure the efficient working of the committees and an appropriate balance of the competences present on the committees.

**2.2 Recommendation of the Board** - *Having regard to the above, the Board recommends that the number of Directors be confirmed up to a maximum of 15 (fifteen) members.*

(6) Public data obtained from the corporate governance and share ownership reports for 2020.

(7) Figures taken from Assonime – *Emittenti Titoli, Note e Studi 1/2019. La Corporate Governance in Italia: autodisciplina, remunerazioni e comply-or-explain (anno 2020). January 2021.*

(8) The comparable Italian issuers are ENI S.p.A., ENEL S.p.A., Unicredit S.p.A., Intesa San Paolo S.p.A., Telecom Italia S.p.A. and Poste Italiane S.p.A.

### 3. QUALITATIVE CONSIDERATIONS: THE COMPOSITION OF THE BOARD

**3.1. Board evaluations for Shareholders to consider** - The Code recommends that the board of directors consist of executive and non-executive directors, including a significant number of independent directors, all with the appropriate professional expertise and competences for the tasks assigned to them. It also specifies that the number and competences of the non-executive directors be such as to ensure they have a significant weight in the resolutions carried by the Board and to guarantee effective monitoring of management.

The Code also recommends that issuers apply diversity criteria, including gender diversity criteria, to the composition of the board of directors, compatibly with the main priority of ensuring adequate competence and professionalism of its members. On this point, the Diversity Policy for members of the corporate bodies approved by the Board stresses the strategic importance of diversity as a factor for promoting leadership and innovation and for pursuing sustainable success, as regards the qualitative and quantitative composition of the corporate bodies as well as of management. Generali recognises and embraces the benefits of diversity and inclusion with respect to parameters such as gender, age, ethnicity, geographical origin, cultural identity, qualifications, competences, training and professional career.

Insurance legislation also lays down specific professional requirements to be met by the members of the board of directors for the healthy and prudent management of insurance companies and groups, in addition to those of respectability and independence, while art. 36 of Law no. 214 of 22 December 2011 establishes a prohibition on interlocking <sup>(9)</sup>.

According to best practice, the presence of independent directors is an appropriate solution to guarantee the composition of the interests of all shareholders.

It is good practice that the lists of candidates for the post of director be accompanied by an indication as to whether the candidates qualify as independent pursuant to Recommendation no. 7 of the Code, it being understood that it is up to the board of directors to assess the independence of its members <sup>(10)</sup>. Furthermore, it is good practice that a director who has indicated that they qualify as independent undertakes to maintain their independence for the duration of the mandate.

Acceptance of the post of member of the board of directors involves – in companies like Generali that adopt the Code – a prior evaluation by the candidate that they are able to devote the necessary time to diligent performance of their tasks, taking account of the number of directorships or auditorships held in other issuers listed on Italian or foreign regulated markets, in financial, banking or insurance companies or other large companies, and of any other professional activities <sup>(11)</sup>. On this point, the Board as a rule considers a limit of two posts for

(9) The insurance regulation is contained in Ministry of Economic Development decree no. 220 of 11 November 2011 – enacting art. 76 of the Private Insurers Code – to which reference should be made. In compliance with art. 36 of Law no. 214 of 22 December 2011, setting out provisions with regard to *personal cross-shareholdings on the credit and financial markets and to the prohibition on the holders of posts on the management, surveillance and control bodies and the top managers of companies or groups of companies operating on the credit, insurance and financial markets, to take on or exercise similar posts in competitor companies or groups of companies*, it is recommended that candidates be indicated for whom the non-existence of causes of incompatibility prescribed by the law in question and by insurance laws has already been verified.

(10) Cf. Recommendation no. 19.d of the Code, whereby the appointments committee assists the board of directors in the *“eventual presentation of a list by the outgoing board of directors to be carried out using methods that ensure its transparent formation and presentation”*. The Q&A to Recommendation 19 specifies that the provision also refers to lists that may be presented by shareholders meeting the requirements of law.

(11) For these purposes, Generali considers entities with shareholders' equity in excess of 10 billion euro to be of significant dimensions.

executive directors and a total of five for non-executive directors to be compatible with effective performance of the role of Director. Multiple offices held in companies in the same corporate group are considered as a single office. The commitment required of the Directors is not limited to attendance at board meetings, it also involves prior analysis of the documentation (often voluminous) made available before each board meeting, as well as attendance at the meetings of the board committees of which they are a member and at informal strategic and training and/or induction sessions <sup>(12)</sup>.

During its term of office, the Board implemented the provisions of art. 5.2.n of Regulation 38 with regard to the qualitative composition of the Board, establishing that as a body it was in possession of adequate knowledge at least with regard to insurance and financial markets, governance systems (including personnel incentive systems), financial and actuarial analysis, the regulatory context, business strategies and corporate models <sup>(13)</sup>.

At the same time, art. 4 of Regulation 38 stipulates that monitoring of the corporate governance system should cover every type of company risk, including environmental and social risks that the company generates or to which it is exposed. In this connection, it is appropriate that all the competences indicated above, possessed today by the current board of directors, in a vision that takes account of both the individual and the collegial dimension, be represented in the new Board and that shareholders who present lists provide evidence of the possession of such competences for each of their candidates.

The mix of competences of the Board should be well balanced and backed by knowledge of the business, considering its complexity and the need to complete the strategic development path launched by the current Board with the approval of the 2022-24 plan.

Currently, non-executive directors make up 90% of the Board (92% at time of appointment). They are decisive participants in all the decisions taken by the Board and called to perform an important role in discussing and monitoring the proposals and decisions of the only director with delegated powers (the Managing Director and Group CEO).

(12) The data in this note refer to the number of meetings held in the 2019-2021 three year period until 31 December 2021. The length of meetings is the average recorded in the same three year period up to the 31 December 2021. The availability of time and resources to devote to execution of the post of member of the Board, given its nature and quality, is a fundamental requirement that the candidates must guarantee, also with respect to activities arising from membership of the board committees. In the three years 2019-21, an annual average of 16 Board meetings were held; 17.3 meetings of the Risk & Control Committee (hereinafter: "RCC"); 9 meetings of the IC; 7.6 meetings of the STC; 6.7 meetings of the GSC; 14 meetings of the ARC, of which 7 for Appointments, 3 for the *ad hoc* Appointments and 11.7 for Remuneration; 3.7 meetings of the RPTC. The annual average duration of Board meetings during the three years was approximately 3 hours and 53 minutes. In addition to the above, each Director devoted time to participation in *off-site events on strategic matters* held during the three years, the two annual meetings for the independent directors and the annual meeting for the non-executive directors. Naturally, time was also given to preparation for the meetings. In consideration of the above, the Board recommends that candidates accept the post when they believe they are able to devote the necessary time and energy, taking into account the commitment required for other working or professional activities, as well as for other corporate posts.

(13) In this context, *knowledge of the insurance and financial market* signifies awareness and understanding of the broad entrepreneurial, economic and market context in which the company operates and awareness of the level of knowledge and needs of its clients. *Knowledge of strategy and the business model* means having a detailed knowledge of the company's strategy and business model. *Knowledge of the governance system (including the personnel incentive systems)* signifies awareness and understanding of the risks to which the company is exposed and the ability to manage them: also, the ability to verify the effectiveness of the measures taken by the company to guarantee effective governance, supervision and control of operations and, if necessary, the ability to manage change in these areas. *Knowledge of financial and actuarial analysis* signifies the ability to interpret the company's financial and actuarial information, identify and assess key factors, implement appropriate checks and adopt the necessary measures based on the information available. Finally, *knowledge of legislation and legislative requirements* implies awareness and understanding of the regulatory context in which the company operates, in terms of requirements and expectations imposed by legislation and ability to adapt promptly to any changes.

The Board consists 60% of independent directors (62% at the appointment) <sup>(14)</sup> and the less represented gender accounts for 40% (38.5% at time of appointment) <sup>(15)</sup>. The average age of its members is currently about 63 years <sup>(16)</sup>.

Today, directly or through representatives, the Board reflects the presence of some of the most important shareholders, entrepreneurs from a variety of business sectors, managers of important Italian and foreign companies, university professors in economics and finance, and representatives of the professions (see the relevant section of the [company website](#)). More specifically currently:

- 80% of the directors have experience in insurance, finance and accountancy and specific knowledge of legislation and regulatory requirements as well as managerial experience;
- 50% have experience as directors in large cap issuers;
- 20% have academic expertise;
- 10% have consolidated entrepreneurial experience.

The level of experience and professional expertise present in the Board currently in office is adequate with respect to the strategy and activities of the Company and the Generali group: the continuity of some of its members would therefore be useful in view of the commitment required for the implementation of the new strategic plan approved during the Board's term of office. The current Board has a significant international profile, irrespective of nationality (in 69% of Directors), attested by the roles held by the large majority of its members in corporate, professional or academic environments abroad <sup>(17)</sup>.

The findings of the self-assessment and of engagement with shareholders, institutional investors, and proxy advisors highlight the need to strengthen the already solid presence in the Board with international experience and managerial and technical competences in the digital sector, information technology and cyber security, also in view of the challenges these issues will present to the Group. The stakeholders' attention to ESG (Environment, Social, Governance) issues, with the objectives declared by Generali as regards the pursuit of sustainable success, indicates the advisability of a further strengthening of the competences on strengthening of the current Board competences in the future Board.

With regard to presence over the last 12 years, distribution across the Board is balanced, reflecting a governance that ensures an adequate capacity for change. With average seniority of 8 years, 20% of members are completing their first three-year term, 40% their second, 30% their third and the remaining 20% have been in office for more than three three-year periods.

(14) The 60% coefficient refers to the proportion of members who meet the independence requirements of the Code, which are those of significance for the purposes of the composition of the board committees. Art. 28.2 of the Articles of Association highlights possession of the requirements of independence envisaged by the CLFI for assumption of the post of Statutory Auditor, for the purposes of the appointment of Directors and their possible lapse. The Articles of Association provide that such requirements be met by at least one third of the directors: currently, they are met by 90% of the directors.

(15) On 1 January 2020, law no. 160 of 27 December 2019 (the 2020 Budget Law) came into effect. The provisions of the law amended art. 147-ter.1-ter, and art. 148.1-bis, of the CLFI, introduced by law no. 120 of 12 July 2011, (the "Golfo-Mosca Law") regarding gender balance in the bodies of companies with listed shares. The 2020 Budget Law envisaged a different quota for the less represented gender of "at least two fifths" and established that the criterion be applied "as from the first renewal of the governing and control bodies of companies listed on regulated markets after the date of entry into force of the law". Consequently, the new law will be applied as from the next renewal of the Company Board, with the result that the less represented gender shall account for at least two fifths of the directors, rounded up to the next highest unit.

(16) The average figure for Italian issuers in the financial sector is close to 60 years (*Assonime – Emittenti Titoli, Note e Studi 3/2021. La Corporate Governance in Italia: autodisciplina, remunerazioni e comply-or-explain (anno 2020). February 2021*).

(17) The level of international experience is now in line with the average level of comparable Italian issuers, but lower than that of international peers in the insurance industry.

**3.2. The skills matrix.** *The Board has defined the optimal composition to ensure the complementarity of its members in terms of professional experience and competences. It is recommended that:*

- *the collective experience of the Board serve the strategic priorities that the Company will face over the coming years;*
- *the new Board includes people with a diversified range of technical knowledge, competences and experiences to enable an understanding of the main business areas and key risks to which the Generali group is exposed;*
- *in the selection of board candidates, account be taken of their overall experience acquired both through education and training and through practical experience in the positions they hold;*
- *account also be taken of the dimension, level of operating complexity, scope of activities and related risks, markets and geographical areas in which the candidates have worked;*
- *an open, international approach and knowledge of a range of foreign languages be present on the new Board.*

*More specifically, with reference to professional experience requirements – subject to compliance with legal requirements – the Board recommends that the candidates, considered as a whole, possess the following competences, of importance under the Company's "Fit & Proper Policy", in order to guarantee the presence of a balanced mix in the new Board:*

- *understanding of the insurance and financial market;*
- *understanding of the strategy and business model;*
- *understanding of the governance system, including the personnel incentive system;*
- *understanding of financial, accounting and actuarial analysis;*
- *understanding of the legislative context and requirements.*

*To ensure that the new Board is able to lead the Company towards sustainable success, the following competences are of primary importance, and constitute additional qualifying elements that are indispensable for at least some Directors:*

- *competences in the Digital sector, Information Technology and cyber security;*
- *competences in the international scenario, acquired in a variety of geographical locations and on the Generali group's reference markets.*

Other priorities include: sensitivity to social and environmental sustainability, which is increasingly important, managerial competences, specific experience as a member of the board of directors of other listed companies comparable to the Company.

Soft skills include the ability to manage conflicts in a constructive manner, capacity for dialogue, independence of thought <sup>(18)</sup> and integrity, a balanced approach to achieving consensus and the ability to interact with top management.

**3.3. Recommendations of the Board** - *In view of the above and the outcome of the recent self-assessment process, which took into account the reference framework described above and the discussions with the main shareholders, proxy advisors and associations representing institutional investors, the Board considers that, as regards the Company and the Group's business goals and strategic vision, its current composition, generally speaking, correctly and fairly reflects the different components (executive, non-executive, independent) and the personal, professional and managerial skills, an international profile and an appropriate balance in terms of gender, educational and cultural background, age and seniority.*

(18) In this connection, the self-assessment indicated the need – highlighted by the majority of the Directors – to examine the criteria that substantially form the definition of independence.

*It is therefore recommended that the various components and the key competences identified by the Board in execution of art. 5.2.n of IVASS Regulation no. 38, possessed today by the current Board, be substantially confirmed in the new Board, with the addition of further competences in the Digital sector, Information Technology and cyber security from an international perspective, acquired in different geographical contexts and in the Generali Group's key markets, in a vision that takes account of both the individual and collegial dimension.*

*The Board emphasises the importance of:*

- a) ensuring that the new Board has a balanced combination of personal and professional profiles, competences, experiences, ages and diversity profiles;*
- b) considering, in the selection of the candidates, the presence and broad diffusion of soft skills, including: independence of thought, ability to work collectively, ability to interact with management and, in general, aptitude for dialogue, a balanced approach to achieving consensus, also with a view to managing conflicts in a balanced, constructive manner;*
- c) preserving the current ratio between the number of executive and non-executive Directors, and confirming the system whereby operating powers are delegated to a single managing director;*
- d) ensuring the distribution of seniority, assessing the suitability of retaining some directors who are currently in post, for the implementation of the 2022-24 strategic plan, and at the same time confirming the value of age diversity among the Directors and the benefits of alternation;*
- e) compatibly with the Company's business goals and the objectives of the new strategic plan, giving priority to an understanding of the insurance and financial market, the ability to understand and assess the business model and medium/long-term strategic scenarios, the candidates' international profile (including experience in different geographical regions), the need for the candidates to be open to the challenges of technological innovation and, specifically, digitalisation in insurance and finance in general;*
- f) recognising the availability of time and energies as a key element for effective performance of the role of Company director, taking into account the tendency for the commitment required of members of the Board and the board committees to increase;*
- g) guaranteeing the presence of a clear majority of independent directors in accordance with the Code, and ensuring a structure based on the vital role, particularly as regards investigation and recommendations, of the board committees, where the incoming Board is advised to increase the presence of the independent directors with particular reference to committees not envisaged by the Code or by legislation;*
- h) given the need for the Board to be supported by board committees – with competences in control and risks, remuneration and appointments – created as indicated by the Code and chaired by independent directors, forming, in addition to these committees and the related party transactions committee as envisaged by law and current regulations, other committees with competences in the following areas: corporate governance, social and environmental sustainability, investments and strategic transactions;*
- i) forming board committees with not more than 5 members. The board committees recommended by the Code should be composed of non-executive and, in the majority, independent directors, and chaired by an independent Director. Committees other than those indicated by the Code should be formed of a suitable number of independent directors and chaired by a non-executive Director. The membership of all the committees should be different as regards at least one member and the presence of at least one Director drawn from minority lists must be granted in each of them;*
- j) ensuring, also in light of regulatory developments (notably Solvency II and regulations relating to accounting policies), that the Board has the necessary professional competences, already present today, to monitor the internal control and risk management system (specifically, for the application of accounting policies, assessment and management of risks and solvency requirements), which are also included in the composition of the relevant board committee and support the effectiveness of its role;*

- k) also ensuring, in conformity with the recommendations of the Code, the presence on the Board of at least one expert in financial, accounting and actuarial matters and one expert in remuneration and incentive systems and tools, to be appointed respectively to the Control & Risks Committee and the Appointments & Remuneration Committee;
- l) considering, in consistency with the Group strategic vision, the growing need for ESG (Environment, Social, Governance) competences, also within a board committee, so that the Board can effectively oversee management decisions and management of risks relating to medium/long-term sustainability, including assessment and management of environment-related risks;
- m) also take in consideration the addition of other skills in the Digital and Information Technology sector with an international perspective.

Given the importance of certain roles, the following specific indications are provided:

#### **Chair of the Board of Directors**

- *authoritativeness and experience as a member of boards of directors of complex listed companies;*
- *detailed specific knowledge of corporate governance in contexts of a similar size and complexity;*
- *consolidated reputation on the Italian and international market;*
- *understanding of the businesses in which the Generali group operates;*
- *leadership and steadiness to guarantee the functioning of the Board, by encouraging internal discussion and leveraging listening, mediation, synthesis and communication capabilities and independence of thought so as to establish the chair as a role super partes on the Board.*

*In accordance with Regulation 38, the Chair does not perform any management functions.*

#### **Managing Director**

- *consolidated professional competence in the sectors in which the Generali group operates, acquired, preferably as managing director, at international groups comparable to Generali in terms of size, geographical presence and complexity;*
- *recognised leadership in the management of the internal organisation of comparable groups on the Italian and international market;*
- *recognised leadership in the management of relations with key stakeholders, with a high sensitivity and exposure to the market, investors and analysts;*
- *strategic vision and awareness of issues relating to digital innovation and financial, socio-environmental and governance sustainability;*
- *significant ability to interact with shareholders and public and private institutions, at domestic and international level.*

*Lastly, we recommend – while confirming the Shareholders' right to form their own opinions regarding the optimal composition of the new Board and to present candidacies consistent with their opinions – that, at the time of presentation of the lists, Shareholders provide appropriate evidence, identifiable in each candidate's curriculum vitae, of the alignment of the candidates' skills as indicated in their lists (to be described not only in terms of individual qualifications, skills, capacity and experiences, but also in terms of the overall composition of the Board as a collegial body) with those identified here by the Board.*

\* \* \*

The Board's considerations have been shared with the Board of Statutory Auditors. This guidance will be published more than 65 days ahead of the date of the General Meeting on first call (27 April 2022) so that, in choosing candidates, the Shareholders can take account, sufficiently

ahead of the deadline for the filing of the lists (2 April 2022), of the Board's considerations and recommendations. It should also be noted that the list of candidates to be presented by the Board, prepared in accordance with this Guidance, will be published in advance with respect to the maximum statutory deadline of 28 March 2022.

The Shareholders have the power to express opinions that differ from those set out above with regard to the size and optimal composition of the Board, although it would be appropriate, in the interests of all the other Shareholders, that any differences with respect to the Board's analysis be explained and motivated.

As in the past, a specific document (the *Operating Manual on the process for the election by list voting of the Board of Directors of Assicurazioni Generali S.p.A., pursuant to art. 28 of the Articles of Association*) will be published on the Company website for interested Shareholders, to facilitate compliance with the formal rules that govern the procedure for the presentation of a list for the appointment of the Company Board.

Milano, 16 February 2022

THE BOARD OF DIRECTORS

