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05 NUMBER

This issue opens with an article on **Generali's new Top Management [p.2]** and the governance model decided by the Board of directors elected on 24 April by the Shareholders' Meeting. Always a vital focus, the **Sustainability Report [p.8]** reiterates Generali's commitment to the community, the environment and our artistic and cultural heritage.

Two articles follow providing an in-depth look at issues of great interest: Alberto Corinti discusses the **Solvency II Directive [p.10]** and Simon Anholt talks about **brand [p.16]** as a strategic element of success.

We then fly to the United States and investigate the significant growth achieved by **USA Life Reassurance Company [p.18]** in the reinsurance segment, before returning to Europe for the new cycle of **Executive Forums [p.22]** organized by the Innovation Academy.

Our regular ***low impact*** **[p.26]** column comes next, this time focussing on renewable energy, then a further scientific contribution in the form of an **interview with Mauro Giacca [p.28]**, director of the International Centre for Genetic Engineering and Biotechnology in Trieste.

This leads us to a wide-ranging cultural platform, with a retrospective on the **Basaldella brothers [p.33]** in Villa Manin and the publication of a book titled ***L'immagine*** **[p.36]** on the history of *réclame* as art and in insurance advertising posters in particular.

We then report on the Generali team's participation in a marathon to **raise environmental awareness in Hong Kong [p.38]** and, lastly, a novelty that will be appearing in every issue of the *bollettino*: ***men and history*** **[p.42]**, a column dedicated to the men who have made the Group great: we begin with **Marco Besso**.

Enjoy your read

The statements and opinions expressed in the articles do not necessarily reflect the statements and opinions of Generali.

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New Top Management and governance

company appointments for the three year period 2010-2012

Assicurazioni Generali's Board of directors made the company appointments for the three year period 2010-2012 at its meeting held on 24 April in Trieste at the conclusion of the Shareholders' Meeting; Cesare Geronzi was appointed chairman, Vincent Bolloré, Francesco Gaetano Caltagirone and Alberto Nicola Nagel vice chairmen, and Sergio Balbinot and Giovanni Perissinotto managing directors.

THE NEW BOARD OF DIRECTORS

PH. GIULIANO KOREN

Left to right: Giovanni Perissinotto, Cesare Geronzi and Sergio Balbinot

On the next page, the new chairman Cesare Geronzi in his office and a letter he sent to all Group employees upon his appointment

Governance

Managing director Giovanni Perissinotto was appointed to the leadership and operating management of the Group and Company

The Board of directors appointed Cesare Geronzi as chairman and, in virtue of article 2381 of the Italian Civil Code and the other applicable statutory and legislative provisions, and in accordance with the terms of article 32 of the Company's Articles of Association, granted him the following powers:

a) to supervise the accurate implementation of the resolutions passed by the Board of directors and the Executive Board and the Company strategies;

b) to ensure that the management of the Company's business complies with its strategic guidelines;

c) to examine in advance the report and/or documentation relating to each proposed resolution to be submitted to the Board of directors and the Executive Board;

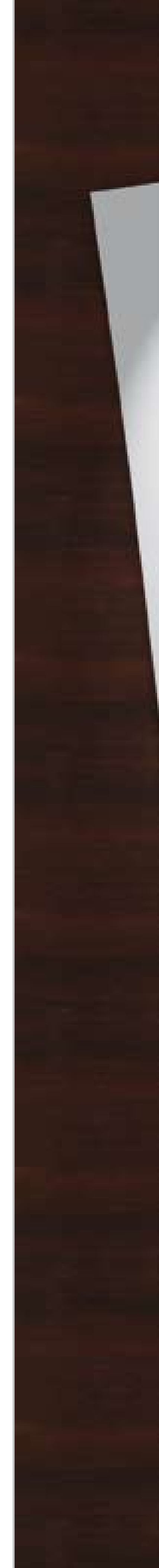
d) to supervise relations with national or supranational public institutional bodies, shareholders and representative associations, and the Company's external relations;

e) to promote, establish and coordinate the Company's communication strategies and supervise policies relating to the image of the Group in Italy and abroad.

Managing director Giovanni Perissinotto was appointed to head and manage Company and Group operations in Italy and abroad, with full ordinary and extraordinary administration powers, consistently with the general planning and strategic guidelines established by the Board of directors and his capacity as Group CEO.

Managing director Sergio Balbinot was appointed to handle operations pertaining to insurance business abroad and reinsurance in Italy and abroad, in addition to all related activity. He was also assigned responsibility for technical and actuarial activity in Italy and abroad.

The Board of directors also appointed Leonardo Del Vecchio and Lorenzo Pellicioli as members of the Executive Committee, in addition to the chairman, the vice chairmen and managing directors, who are members by right.
The following appointments were also made: Alessandro Pedersoli (chairman), Angelo Miglietta and Carlo Carraro as members of the Committee for Internal Control, and *(segue a pag. 6)*



Triest, 27th April 2010

As I assume the chairmanship of our Group, I hereby would like to greet the staff members at all levels.
As I said just after the decision of the Board, which honoured me with this appointment, I will devote all my forces to a further growth of the Company, to its consolidation in foreign markets, to the development of its competitiveness and improvement of its profitability, and to strengthen its presence in Italy and better develop services to customers.

Generali – a long-standing Company and institution – has a time-honoured tradition and enjoys wide credibility at a national and international level. Its prestige is due to the substantial effort made by staff members working with devotion and competence, who have been able to preserve and increase its intellectual and moral heritage handed down by those who worked and are still working in the Company.

I have started to carry out my institutional tasks with humility, aware of the history and value of Generali and, not least, of the imprint given by my predecessor, Mr. Antoine Bernheim. In this context, I am very determined to give my contribution, while appreciating the dedication and work done by the CEOs and all the Managers. In line with the Chairman's tasks, from now on I will commit myself to further increase the employees' professional competence and participation.

The Company is called upon to strengthen its efficiency and effectiveness and to increase its ability to generate value with everybody's contribution. With this aim, all its undoubted potential must be fully exploited.

It is my intention to often meet the staff to generate mutual enrichment and to fully involve it in corporate aims, aware that debate, exchange of ideas and training processes are essential to constantly achieve the goal of "knowing in order to decide".

It is with these feelings and with the awareness that my hard task will be made easier by the important contribution of the whole staff that I once again express my esteem for you and I wish you all the best in your daily activities.

Cesare Geronzi

The new chairman of Generali was born in Marino (Rome) on 15 February 1935. He began working for Banca d'Italia in 1960, where he remained until 1980 when he moved to Banco di Napoli. He negotiated the first bank merger in Italy between Cassa di Risparmio in Roma, Banco di Santo Spirito and Banco di Roma which was later merged with Mediocredito Centrale, Banco di Sicilia and Bipop- Carire, to create the bank Group Capitalia.
He then spearheaded the absorption of Capitalia into the UniCredit Group in 2007, before moving on to become chairman of Mediobanca, a position which he held until April 2010.

His most prestigious achievements have included the honorific titles of the Order of Merit of the Italian Republic, Knight Commander (*Commendatore Sacro Ordine di San Gregorio Magno*), the Knight Commander's Cross of Merit (*Croce di Commendatore dell'Ordine al merito Melitense del Sovrano Militare Ordine Ospedaliero di San Giovanni di Gerusalemme di Rodi e di Malta*), in addition to a degree *honoris* causa in Business and Economics from the University of Bari. He is on the Board of directors of Rcs Quotidiani and a member of the top administrative bodies of a number of public and private institutions such as the Treccani Institute of Italian Encyclopaedia, Assonime, the "Guido Carli" Association, the Aspen Institute Italia and the *Fondazione di Diritto Vaticano* (Foundation under Vatican Law) of the Bambino Gesù Hospital.

PH. IMAGOECONOMICA

Right: the new chairman, Cesare Geronzi, at the Meeting

In these pages: some pictures taken at the Shareholders' Meeting in Trieste on 24 April 2010

PH. GIULIANO KOREN

Paolo Scaroni (chairman), Leonardo Del Vecchio and Lorenzo Pellicioli as members of the Remuneration Committee.

The members appointed to the Committee for Corporate Governance were Cesare Geronzi (chairman), Ana Patricia Botín, Alberto Nicola Nagel, Alessandro Pedersoli, Lorenzo Pellicioli and Paolo Scaroni, while Giovanni Perissinotto (chairman), Francesco Gaetano Caltagirone, Francesco Saverio Vinci, Petr Kellner are members of the Investment Committee.
Attorney Antonio Scala was appointed secretary to the Board of directors, and general secretary to the Committees.

Antoine Bernheim was appointed honorary chairman.

2009 results are a reflection of our ability to continue to develop internal lines, which generated more than 70 billion euro in premiums

PH. GIOTTOENTERPRISE

PH. GIOTTOENTERPRISE

The work of the shareholders

In addition to electing the 19 members of the Board of directors who will remain in office for three years until the Financial Statements at 31 December 2012 are approved, the Shareholders' Meeting approved the 2009 Financial Statements and resolved on a distribution of dividends.
In a year that continues to pose macroeconomic challenges and put the insurance industry to the test, Generali's results are a reflection of its ability to pursue organic growth, generating premiums in excess of 70 billion euro and boosting returns. The results are backed by a capital structure which, despite two years of instability on the financial markets, continues to hold firm, as shown by the 47.2% growth in net assets that reached 16.7 billion euro (11.3 billion at end 2008). The outstanding performance of the life and financial segments and cost-containing initiatives have both contributed to the sharp upturn in profits, which reached 1,309 million euro compared to 861 million in 2008 (+52.1%).
The Meeting then decided to distribute a cash dividend of 0.35 euro per share for the year 2009. The overall dividend for outstanding shares is 544.9 million with a cash pay-out of 41.6%.

Roberto Rosasco

Excellent performance in the life and financial segments and cost-containing initiatives have contributed to a solid upturn in profits in the period

The 2009 **Sustainability** Report

the Group published its annual report on the social and environmental impact of its corporate business

The sixth edition of Generali's Sustainability Report was published for the year 2009 at the end of May, shortly after the financial statements for the year were approved. The document is available in Italian and English on the Group's website, in the sustainability section.

The Sustainability Report outlines the Top Management's attention to the social and environmental impact of corporate business, confirming the Group's past choices.
As has become customary, the photos illustrating the report are related to initiatives the Group has been involved in. Particularly, this year the choice of photos fell on the mosaics of Aquileia, an important archaeological site in the FVG region where findings dating to Roman times have been uncovered. Generali financed the online catalogue project for Aquileia. Pictures of the mosaics adorn the cover of the Report and appear throughout, with the exception of the chapter on the environment, which is illustrated by photos of the biomass power station, in operation since May 2009 on Group premises.

The subjects of the photography collection explore two themes, one pertaining to the past, the other projecting forwards into the future, and they only appear to contrast at first glance. Both are in fact the expression of the spirit and values the Group has always maintained, attentive to its roots, its history and its artistic heritage and culture, and testimony to it, but also to the environment and its resources, which in the same way make an inestimable richness we should not overlook.
On both fronts, the Group is committed, through multiple initiatives, to protect this fundamental heritage and preserve it

Right: the biomass power plant in Ca' Corniani

Bottom right: mosaic with vine shoots and a bow from the Cossar funds, National Museum of Archaeology, Aquileia (late 1st Century BC – early 1st Century AD)

for future generations, using innovative instruments too, to make it more usable and factually contribute to its long-term preservation, with a view to sustainable management of available resources.

The 2009 Sustainability Report continues along the path undertaken by prior issues, but also includes innovations intended to strengthen the focus on aspects of most interest for stakeholders.

categories of stakeholders, as is customary: direct (staff members and shareholders), competitive (clients, contractual partners and issuing companies), social and environmental stakeholders (community and environment).

In terms of content, the chapter on the environment has been expanded to report on the results obtained by the Gems project aimed at introducing a Group

photos relating to Group initiatives illustrate the report

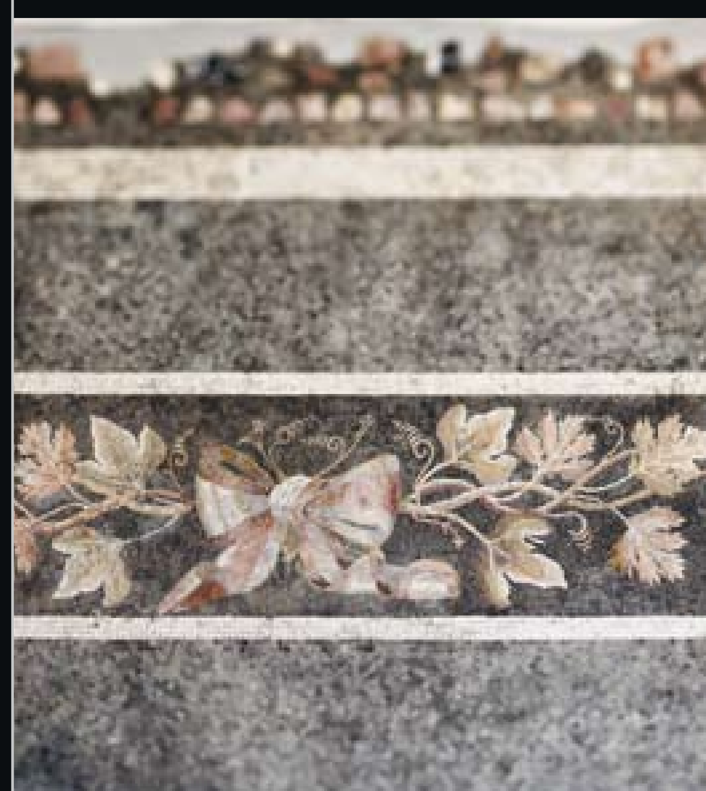
The area covered by the report represents 67.2% in terms of the Group's total workforce and 85.5% of the overall gross direct premiums, as the seven countries included to date (Italy, Austria, France, Israel, Germany, Spain and Switzerland) have been joined by the Czech Republic. The focus remains on insurance and banking business, including service-related businesses.

Information is organized in order to serve three

Environmental Management System, and now includes data relating to the primary direct impacts of the company business.
Further information is provided on countries outside the Sustainability Report area to trace a general picture of the Group in terms of the main relevant issues, such as human rights and workers' rights alongside initiatives targeted at the community and environmental protection.

Marta Zanetti

PH. MAURO MEZZAROBBA



PH. NEVA GASPARO

Solvency II

a contribution to disseminating the spirit of this Directive

The EU Directive Solvency II includes a set of capital solvency requirements for insurance firms. It defines requirements for capital solvency and technical provisions, but also has a wider purpose of revising all aspects, including qualitative requirements, where they may influence solvency.

It was developed in the knowledge that financial regulations on capital and technical reserves alone are not sufficient to prevent crises. In most cases, this means assessing company management to ensure it is appropriate and maintaining quality standards. It is a global approach, and this is where its scope and complexity come into play.

The aim of this article is to contribute to disseminating the spirit of the Directive, with a view to promoting the cultural change the application inevitably brings within the company

Solvency II is an EU Directive introducing solvency requirements for insurance companies

and in the relationship between the latter and the market, thereby fulfilling the purpose the Group's Internal Communication has set itself in the corporate IT process, which can be considered a cardinal focus of the regulation itself.

Its fundamental objectives lie in making the capital requirements more coherent with respect to the effective risk profile of each individual company, encouraging companies to measure and manage risks, and increase convergence of regulations in member countries, with a view to a Single Financial Services Market, levelling the playing field in Europe, and managing similar risks in the future in the same way, regardless of the type of company involved.

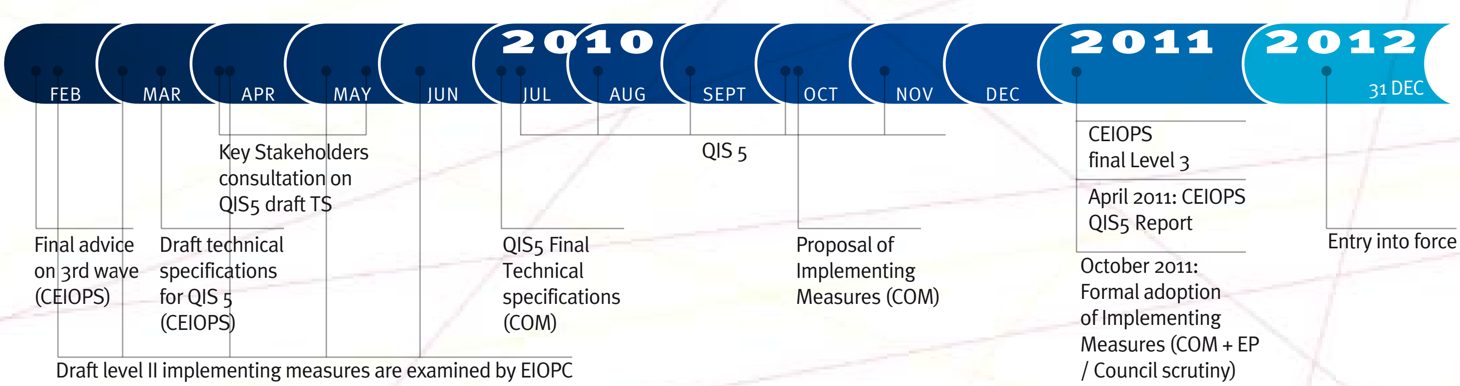
The prudential model, inspired by Basel II, is based on a three pillar structure.

THE THREE PILLAR STRUCTURE

Pillar 1 provides the framework for calculating financial requirements. *The minimum capital requirement* (MCR) is calculated using a system that leaves little room for discretion, with a formula based on fixed coefficients and objective parameters, to guarantee the traditional solvency margin. Calculating the *solvency capital requirement*, (SCR) perhaps the most widely debated and interesting part of the topic, identifies the target capital to ensure the company will be able to meet all its obligations in the event of unexpected losses, and activates monitoring interventions intended for supervisory purposes which are progressively intense and based on dialogue with the company, as opposed to imposing an immediate and final intervention.

Pillar 2 consists of all aspects associated with the quality assessment of the company and management, including corporate governance, the fit and proper principle, but also those principles relating to harmonising the supervisory activity of the various European supervisory authorities, a concept which sets Solvency II apart from Basel II, and broadens the pillar's scope of application.

Pillar 3 focuses on disclosure and transparency requirements with regard to a company's finances, as imposed by the authority (supervisory reporting) and in the relationship with the market (public disclosure). Pillar 3 has the market discipline effect, namely the effect that drives a better informed market, rewarding the best companies, and influencing company management and, indirectly, their solvency.



Q&A

A few questions for Alberto Corinti, deputy general manager of CEA

Why did we need a new Directive on solvency? Let's begin with the gaps left by Solvency I.

First of all, Solvency I is not a risk sensitive system, therefore capital requirements and increased supervision do not depend on a company's true risk profile, instead they are fundamentally based on the size of the company.
The resulting capital cannot be considered an "economic" capital and higher risk levels are not necessarily associated with equally high requirements. This is not prudentially efficient and, among other things, it may generate an unlevel playing field in risk management for different companies or countries.

What is more, Solvency I is a rule-based system mainly focused on a retrospective assessment of financial aspects that do not provide good risk management incentives. The fact that a company has a management team that understands, and is able to measure and manage the company's risk is currently considered the primary objective of the supervisory regime, more important still than defining appropriate capital and financial requirements.
On a European level, Solvency I fell short of providing a level playing field, because companies in member nations were left ample room for discretion. This is an obstacle to the creation and development of a suitable internal market.

It should also be noted that, with regard to asset and liability assessment criteria, Solvency I is not aligned with international accounting standards or even with their goals.
This creates quite a visible, hard-to-manage gap between measuring for prudential purposes and for general information purposes.
Lastly, Solvency I did not include a suitable level of comprehensive monitoring of insurance groups. Monitoring of insurance groups under Solvency I is basically a "Solo"-type monitoring, namely based on observation of the individual company, in addition to some monitoring instruments aimed at giving consideration to the effects of group relations: this is appropriately considered "Solo plus" monitoring.
The objective of Solvency II, on the other hand, is to introduce monitoring on groups that is complementary and not supplementary to Solo monitoring, enabling the assessment of the group's risk profile on the whole.

Let's focus onto the concept of discretion, over which the national authorities have been delegated the power to intervene.

As previously mentioned,

standardisation is lacking in Europe. This derives from the disproportionate discretion given to Member States in adopting and building upon European legislation. The various national regimes are currently based on directives requiring minimal standardisation, to which each Member State may add monitoring instruments, further elements or give a different interpretation of the regulation, where permitted.

Imbalances in the regulations also create imbalances in monitoring, despite the initiatives recently introduced by CEIOPS to promote the convergence of behaviours and processes of national supervisors in the European Union.
Diversity in the regulatory foundation is certainly an obstacle to convergence and cooperation in supervision.

You were general secretary for CEIOPS from 2004 to 2007, can you explain the current tasks and future prospects for the Lamfalussy process?

It has essentially two tasks. The first is to assist the Commission in creating European legislation.

The Lamfalussy process structures EU legislation on a number of levels. The first level refers to the Framework Directive, while the second one regards implementation measures.
When second level regulations are being prepared, namely the Implementing Measures, CEIOPS is formally required to provide an opinion, which the Commission then uses to draw up regulatory proposals.
More generally, CEIOPS is asked to provide opinions on all new regulatory proposals. This has represented the bulk of the work CEIOPS has done so far in the process of creating Solvency II.
The other task entails identifying and implementing instruments and initiatives to promote the convergence of supervisory practices, namely the day-to-day practices that the supervisors adopt to concretely implement legislation in various countries.
Numerous instruments are available: for example, establishing supervising standards, training supervisors, the possibility of mediating between different opinions, the possibility of revising some supervisory activities through a so-called review panel to verify that all supervisors apply the legislation and standards in a consistent manner.

These tasks, which follow the introduction of the so-called Lamfalussy system, are being reviewed after the recent De Larosière proposal, to modify the architecture of supervisory authorities in Europe. This will probably affect the powers and responsibilities of European supervisory authorities and their relations with national supervisors.
The greatest change envisaged for CEIOPS is associated with new and important tasks, such as introducing supervisory standards which are mandatory for the national authorities.

standardisation is lacking in Europe. Inconsistency in rules also leads to inconsistency in supervisory practices

Pillar 1 outlines different approaches to calculating SCR.

In short, there is a standard approach, based on standard factors and methods, and an approach based on internal models, whose calculation methods and factors are determined depending on the specific portfolio and risk profile of a specific company. Both approaches aim to determine the capital needed to cover the quantifiable risks, such as credit market and operational risks and underwriting risks, which the company is exposed to, calibrated to the probability the risk will occur, with a 99.5% confidence level and on a given timescale. The standard approach offers the advantage that it is simpler, but it may in some cases not reflect the specific nature of the company's risk profile, although systems are being studied to enable the use of specific company factors in the context of a standard calculation too.
Use of internal models, which must first be approved by supervisors, requires a relatively more complex management and organization apparatus, but it allows capital requirements to be optimised, as in theory it can be designed and calibrated to better reflect the mitigation risks and instruments of each individual company.

The Solvency II framework, in any event, takes all the assets and liabilities of the company into account based on market-consistent values and calculates the risks, or the volatility implicit in each asset and liability in order to define the capital needed to reasonably cover the related unexpected losses. This approach is very coherent and conceptually sound, and clearly a distinctive and qualifying element of the Solvency II system, also with regard to the supervisory systems present in other sectors and other jurisdictions. Its greater challenge comes from the risk of designing a calculation system that is too complex.

With regard to a standard approach, in fact, all efforts are now centred on identifying the proper compromise between a sophisticated capital calculation method, developing a calculation system sufficiently sensitive to underlying risks, and the simple need for the system to be applicable on all markets.

There is heated debate, on the other hand, regarding the calculation of MCR. Can you explain the meaning of its percentage relationship with SCR?

Calculating MCR is important because, in the event a company does not meet this requirement, final supervisory interventions are activated. In other words, lack of MCR coverage may eventually lead to revocation of business authorization.
It is not simply calculated as a percentage of SCR, as the insurance industry would have preferred, but it is, instead, an autonomous calculation, based on the application of some factors such as premiums and technical reserves and the size of the company; this result, however, must remain within 25-45% of the SCR. This margin ensures a certain distance is maintained between MCR and SCR to enable supervisory interventions of progressive intensity: if the SCR is not respected, there is time for the supervisory authorities to intervene before the MCR is reached and the most severe measures applied.

On this topic, it should be noted that in the stages of EU negotiations leading to the approval of the current legislation, the possibility for insurance groups to recognise benefits deriving from risk diversification was sacrificed. This is the Group Support concept: the Parent Company guaranteed, by contract or credit letter, that it would compensate each subsidiary up to the difference between SCR and MCR, thereby enabling lower capital allocation for SCR locally. The basis for the Group Support theory was developed from the concept of diversification, which represents the heart of insurance activity and, very briefly, can be intended as the benefit deriving from the fact that not all risks occur simultaneously in the same geographical location, which enables the Group to hold less capital overall than the individual subsidiaries put together.

The principles in pillar 2 deeply affect governance and the internal company structure. What does the future hold?

The standards set out in pillar 2 establish the quality requirements the company must adhere to with regard to organization and management. The governance requirements identify the departments that must exist, for example internal control, risk management and other departments, in addition to defining relationships between them. Moreover, an internal Own Risk and Solvency Assessment is in place (ORSA), which extends to risks not explicitly addressed in pillar 1, and identifies and measures them partly with a view to future objectives. The assessment is outlined in a report the supervisors use to perform their own prudential assessment process. Requirements of pillar 2 are perhaps the most visible added value of the new regime.

In many companies these principles have already been partly implemented. However, there is generally much work still to be done: not only will it be necessary to have an advanced internal technological and IT system, but appropriate organization, decision-making processes and a new, lasting risk-based corporate culture also need to be in place.

Let us focus on the principles of proportionality that define the regulation, in particular where it regards reporting to authorities and the market within the scope of pillar 3.

The principle of proportionality applies to all aspects of

Glossary

CEA: European Insurance and Reinsurance Federation.

CEIOPS: Committee of European Insurance and Occupational Pensions Supervisors.

Corporate Governance: a system by which a company is managed and controlled; it is the set of institutions, laws and technical regulations protecting the stakeholders through proper company management in terms of government and control.

De Larosière: chairman of the International Monetary Fund from 1978 to 1987 and of the European Bank for Reconstruction and Development from 1993 to 1998, he currently chairs over the High-Level Group on Financial Supervision in the European Union.

Lamfalussy Process: the legislative procedure composed of four levels, introduced in 2001 upon the recommendation of a committee chaired by Baron Alexandre Lamfalussy, aiming to rationalise the development of financial service industry regulations in the European Union.

Level playing field: an environment in which companies apply the same rules and have the same chances to compete on the market.

Risk management: a set of activities put in place to identify, assess and manage risks.

Underwriting risks: in Solvency II they are, by way of example, biometric, cost, redemption, pricing and reserves risks, alongside the credit, operational and market risks.

Solvency II, not just reporting. In application, Solvency II is in fact calibrated proportionally to the nature, size and complexity of the risk profile of each company. For example: if a company has a simple business model, it bases its operations on a linear system and takes on a limited risk; that company will not be asked to create organisation, instruments and procedures as sophisticated as those of a multinational and complex group like Generali.
This is possible because Solvency II is a system based on principles as opposed to binding regulations.
The regulation focuses on objectives rather than instruments. One of the main areas of application of the principle of proportionality is reporting: the amount of information a complex body with many risks must provide supervisors or markets is presumed to be of a greater scope and detail than that produced by an entity that incurs fewer, more straightforward risks.
It should be noted, in any event, that even the concept of proportionality relates to risk, and not to the size of the company.

Could more precise and structured reporting have an impact on the market to an extent that could in some way influence the value of shares?

In theory I believe so, although the information a listed group currently provides should deliver the same degree of accuracy proposed in Solvency II, at least in general terms.
A problem arises when new regulations require irrelevant or even misleading information to be reported. That is why it is important that regulations on disclosure are reasonable and balanced.

Is the insurance industry ready to make the required changes?

This is an important challenge for the entire insurance industry.

– and the ensuing procedures and management decisions – has not yet trickled down to all company levels. The risk-based management culture introduced by Solvency II has yet to take root. For this reason, both companies and supervisors have a lot of work to do between now and 2013 in order to properly prepare for Solvency II. I think that initiatives like this

Solvency II is a system based on principles, not on binding regulations. The regulation places the attention on objectives, rather than instruments

Many European businesses have been pursuing these goals for years. In general, I believe there is an awareness of the change, but what is still missing is that this awareness

article in the bollettino are very important contributions towards this end.

Alessandra Gambino

Brand, a natural and inimitable resource

interview with Simon Anholt, global expert on nation & city branding

Brand is the subtle distinction between anonymity and consecration of success. This key message came across in our interview with writer and researcher Simon Anholt, independent advisor to a number of governments. Nation & City Branding global expert, Anholt publishes the Nation Brand Index each year, a report assessing the appeal, credibility and power of a national identity as perceived by the rest of the world, based on six criteria: tourism, culture and heritage, people's standards of living, governance, exports and investment. According to Anholt, a company incepted in 1831, like Generali, can remain young at heart in a continually changing world, as it strives to adapt to new challenges as they appear. "Unlike individuals" he says, "companies should not age, but in order to remain young they must become progressively more courageous, in order to be considered fresh, innovative and interesting by their clients. It is the senior management's challenge to remain courageous." Fortunately, Anholt says there are many ways for a company to embrace risk without placing their core activity, reputation or values at risk. Constant experimentation and innovation: these are the winning requirements to preserve and increase visibility on the global market.

> *"a company like Generali can remain young at heart in a continually changing world, adapting to new challenges as they appear"*

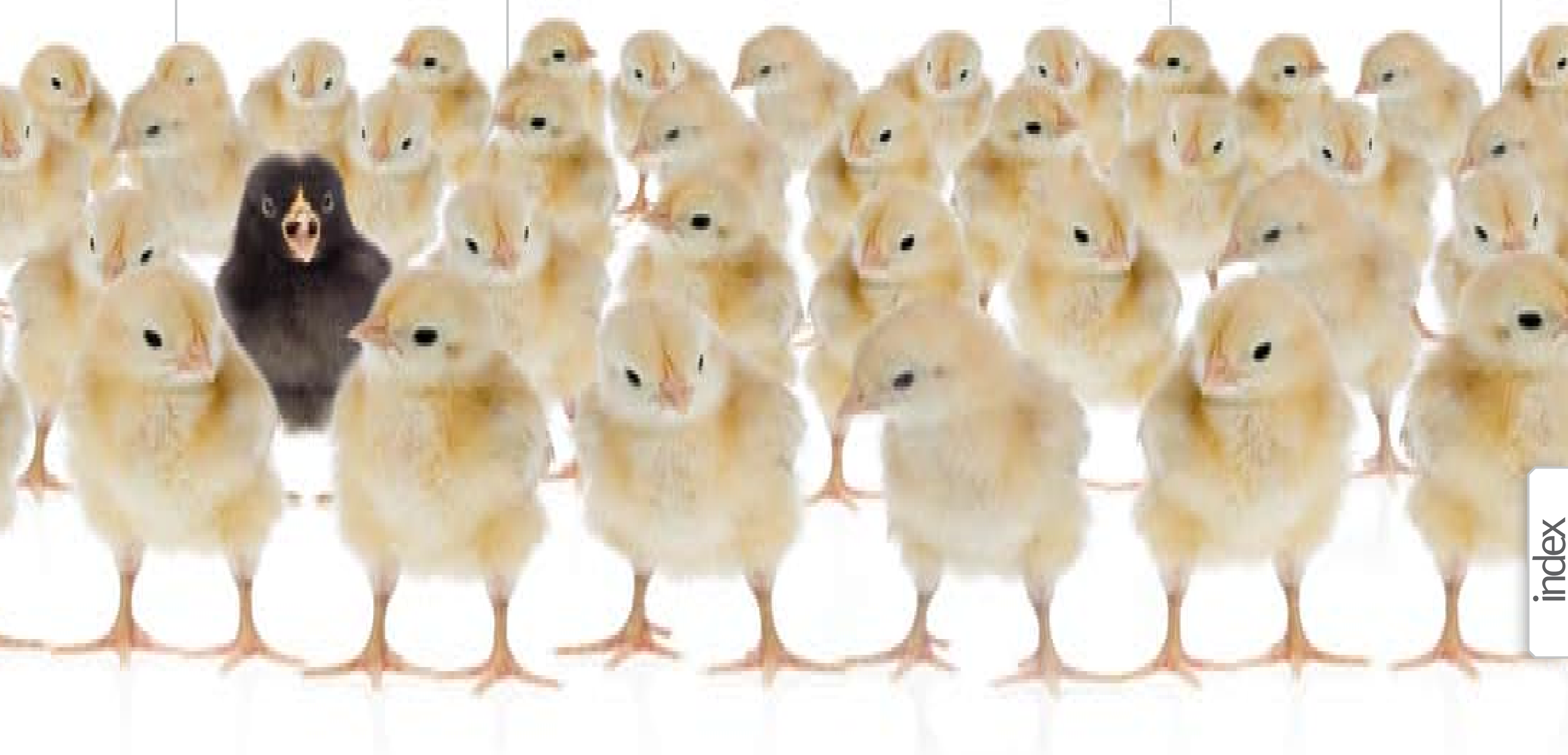
"Since the advent of globalisation" he continues, "countries have found themselves competing on a number of fronts, such as tourism, trade, capital and investors, new emerging talents and cultural and economic relations. Countries with a strong and positive image draw advantage from this visibility, as their powers in turn promote stronger relationships. Meanwhile, countries with a weak or negative image find themselves in difficulty when it comes to creating new relations and maintaining existing ones prolific. This is why a country's reputation is one of the most important responsibilities of the national government, because almost everything else stems from it."

According to Anholt, brand is "an extraordinary instrument for countries with little military or economic potential in order to compete on the global market", to attract brainpower, money and tourism. However, it is so deeply rooted "in stereotypes, whether positive or negative, that it is very hard to change".
Brand, like reputation, cannot be built, instead it is earned. "Regard your good name as the richest jewel you can possibly be possessed of - Socrates said - for credit is like fire: when once you have kindled it you may easily preserve it, but if you once extinguish it, you will find it an arduous task to rekindle it again. The way to gain a good reputation is to endeavour to be what you desire to appear." Brand does not identify with a name, a logotype, or a label on a product or service. Instead it is a life force, the fundamental asset which encompasses almost the entire economic value of a company, it is a driving force made up of ideas, discipline, competence, vision of the future, excellence and human capital. In an era where everything can be imitated, brand is one of the few natural and inimitable resources, a competitive resource that cannot be replicated.
"There are few insurance companies that have a strong international brand beyond their domestic markets" Anholt says, "and these clearly include Generali, as a multinational company, respected globally by industry professionals."

Anholt also underlines the fundamental difference between brand and branding, whereby brand indicates reputation, while branding is the action of giving a product a good reputation. Brand affects culture, people, the government of a country and its products.
And in this context the actions a company must bring to the table to increase its appeal are reactivity to change and innovation.

Federica Martufi

"brand is the subtle distinction between anonymity and consecration of success"



Generali strategy conquering the States

success across the pond - Generali USA Life Reassurance Company

Generali USA Life Reassurance Company has become a leading company in terms of growth, returns and efficiency as a direct result of the Group's strategic decision in 2004 to focus on the life reinsurance segment in the United States. Generali USA's business focuses on mortality risk which, unlike financial risks, has a much lower degree of volatility.

Life reinsurance is often defined as insurance for insurance companies, a mechanism which enables an insurer to distribute and reduce its risk profile, and in doing so improve its financial position. Its logic is based on two essential needs: transfer of risk and financial support. Without reinsurance, most companies would not be able to sell the amount and variety of coverage they do today. Reinsurance clients are looking for financially sound partners offering competitive prices for the risks they wish to transfer. Generali USA offers a broad range of products and services to meet such needs: treaty and facultative reinsurance for individual and group life, as well as underwriting and actuarial consulting. The company provides clients with consulting services on products and the incidence of claims in addition to state-of-the-art management of reinsurance treaties. According to J.C. Brueckner, president and chief operating officer, "our success lies in our commitment to identify clients' needs and to deploy our know-how, capability and creativity with the goal of developing innovative and effective solutions to meet clients' expectations." Generali USA has gone from 13th to 5th in terms of new production and now ranks amongst the leading life reinsurance companies in the United States along with Swiss Re, Transamerica (Aegon), Munich Re and RGA (Reinsurance Group of America).

Generali USA Life Reassurance Company is one of the leading companies in terms of growth, returns and efficiency

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The face value of Generali USA's policies amounts to over 450 billion U.S. dollars and covers more than 6.6 million policyholders.
The 65 million U.S. dollars of new business value recorded in 2009 represents 4% of the Group total. The net profit of Generali USA almost tripled from 22 million in 2004 to reach almost 60 million in 2009, which is testimony to the fact that growth did not occur at the expense of returns. What is more, such growth was achieved while maintaining the number of full time employees constant at 120, making Generali USA one of the most efficient companies in the market, generating returns of almost half a million dollars per employee.
"The future is promising," CEO Chris Carnicelli confirms, "because we firmly believe that we can continue to grow to the point where we will capture a 15 to 20% market share, and increase current profit levels. Moreover, the Group is beginning to recognize and benefit from the expertise of Generali USA in terms of pricing and underwriting mortality risk.

I also believe that, in light of the recent financial crisis, the time has come for growth in mortality based life insurance products on a global scale. Generali USA's experience can be helpful to the Group in taking advantage of this massive opportunity."

Generali USA ratings are exceptionally high in financial security and client service

Francesco Bosatra (Area manager for the Parent company, left), Chris Carnicelli (CEO of Generali USA, centre) and the American company's executive management team

History of the company, a success story

Generali USA Life Reassurance Company began as a division of Business Men's Assurance Company of America (BMA), which started selling life insurance and reinsurance products as early as 1922. Generali purchased BMA in 1990, and exited the direct life insurance market in 2003 by selling BMA, but retained the profitable life reinsurance business. This operation was placed in a newly purchased company that became known as Generali USA Life Reassurance Company. Initially concentrating on small-medium sized life insurance companies, Generali USA has pursued a path of diversification in the past six years to encompass medium-large sized businesses, after identifying its own target market. After initially identifying its target market, it followed through by developing a business plan and defining criteria for measuring the degree of achievement of its objectives. Such a change has brought significant results on a number of fronts. Generali USA currently works with 80 out of the 120 largest life insurance companies, which is even more impressive considering that the life reinsurance market has suffered a downturn in the United States in recent years. Generali USA's market share for new reinsurance business grew from 5% in 2004 to 12% in 2009. Even with such a degree of growth, the focus is still on returns and underwriting in particular. Jay Kinnamon, CFO and chief actuary, stresses that "with the express intent of increasing value, we almost tripled our profits, increasing the volume of profitable business and keeping costs under tight control."

According to the Flaspohler 2009 survey on life reinsurer satisfaction, Generali USA's performance is excellent. The company has moved steadily up the ranks over recent years and now ranks fourth overall. Even more importantly, its clients rank Generali USA second overall. Generali USA scores well above average in all major evaluation criteria areas, including support for facultative treaties, risk management services and claims management, and is highly customer-oriented. Its ratings are exceptionally high in the areas of financial safety and soundness. The result is Generali USA is firmly established as a top player in providing mortality risk reinsurance services. "Over the next 12 months," says Chris Carnicelli, looking to the future, "numerous initiatives will be completed that will be beneficial not only to the companies we work with in the United States, but also potentially to our Group companies. These projects will enable us to be the leading player in the market in terms of our ability to process, price and underwrite mortality risk, and this expertise is fully available to our clients and the Generali Group."

Amy Cascone

> *"numerous initiatives will be completed over the next 12 months that will be beneficial to our clients and the Generali Group "*
>
> *Chris Carnicelli*

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The Generali Executive Forum seeks to identify structural changes occurring outside the company, evaluate the impact of such changes on the current business model, and develop strategic options – including areas of innovation – that could promote competitiveness and guarantee sustainability by hedging against the Group's Strategic Risks.

From strategic risk to business opportunity

the Generali Executive Forum 2010, run by the Innovation Academy, is under way

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PH. ARCHIVIO GGIA

In this series of workshops and meetings, organised by the Generali Group Innovation Academy, the Group's senior executives examine, discuss and confront strategic issues. During the course of 2009, at the request of the top management, the Executive Forum focused on Strategic Risk, defined (with a working definition developed internally) as the risk that arises from "changes that our organization will face that would have an impact on our survival and our performance. This risk is a function of the fit between our business/identity model and the future systemic and long-term evolution of the external environment". According to Kirsten Dunlop, head of the Innovation Academy, "this year participants in the Executive Forum workshops have been invited by Giovanni Perissinotto and Sergio Balbinot to develop and propose a range of strategic options - a portfolio of innovations, working groups, potential partnerships – that will deliver competitiveness in future markets and sustain the Group's resilience in its dynamic management of Strategic Risk. The combined intelligence of the Executive Forum members is being employed to help prepare the Group to tackle external changes flexibly and proactively".

"The Generali Group Innovation Academy" continues Dunlop "designs and runs the Strategic Leadership Series programme with the following objectives: to widen horizons and produce a strategic mindset in Group managers worldwide, to develop a collective strategic intelligence for the future, and to create an international network for knowledge transfer within the Group. Again this year, the Innovation Academy is organising four Executive Forums in pursuit of these aims. The 2010 workshops will complete the work begun in 2009, when participants developed 16 future scenarios and, in the context of those futures, identified 15 Strategic Risks for Generali Group. For example, the second Executive Forum held in Prague in 2009, *Strategic Risk – Environment & Climate Change*, highlighted some important potential implications of the predicted systemic changes that Generali might have to confront in the future. Greater

the concept of Strategic Risk arises from changes that our organization will face that would have an impact on our survival and our performance exposure to natural disasters and rising sea levels related to climate change, pressure from regulators and institutions forced to confront daunting problems of alternative energy generation, mass migration and agricultural production, growing public concern about the commitment of big companies to sustainability could mean a loss of business and profitability if the business model were not to evolve to compete in these new conditions. But developments of this kind can also bring competitive advantage if problems are anticipated and proposed solutions put into effect in a timely manner. In 2010, therefore, it was decided to take this thinking to the next stage and work on identifying what the Group could do to manage such areas of Strategic Risk and convert them into opportunities”.

The first 2010 Executive Forum, which took place in Venice from April 14 to 16, considered the evolution of end-customers’ expectations, habits and needs. It identified as possible opportunities the reinforcement of trust in the Group’s relationships with its clients, as well as attention to new generations and the new social paradigms that characterise them through the development of innovative services and solutions that employ new technologies to satisfy the radically different individual and collective aspirations of future generations.

Two more Executive Forums – each attended by approximately 25 different executives – have now taken place in May and July respectively, focused on subsets of the Group’s Strategic Risks related to climate change, capital adequacy, regulatory pressure, change management capabilities, longevity, information asymmetry and Risk 2.0. A further Executive Forum is scheduled for October that will focus on core competencies – underwriting capabilities, distribution, human capital, brand.

This year the Executive Forum will come to a close with a concluding event, in which around 100 executives and international experts will examine the future of insurance in the light of the experience and strategic thinking emanating from the 2009 and 2010 Executive Forums. “One of the benefits of the Executive Forum is also to create an important network of informal relationships between the top managers of the Generali Group worldwide which can be widened to include international experts and the institutions they represent” notes Kirsten Dunlop.

The proceedings of the Executive Forum are collated by the Innovation Academy and distributed to the Generali Group’s top managers. At the completion of the 2010 series a summary of the results and key recommendations of the entire cycle of meetings will be produced and delivered to the Group CEO to assist decision-making processes.

Federica Martufi

> *“an innovation portfolio approach was developed, to manage such areas of Strategic Risk and convert them into opportunities”*

PH. ARCHIVIO GGIA

'O **sole** nostro, our sunny land!

the Group encourages the use of photovoltaics and solar energy

Sustainable, clean, renewable - different adjectives but all referring to the same energy principle: the energy of the future must be able to regenerate, it must not deplete the raw materials needed to produce it. We should live by the rule that where the use of resources enables us to create energy today, it should not threaten the availability of natural resources for future generations.

In order to pursue this goal, we need technological investment, research and a greater knowledge and awareness of the possible alternatives to the fossil fuels that are so common today. The answers are often simpler than we think: sun, wind, water, earth, all elements of nature that are coming to our aid, that we can use on a number of levels, from industry to individual households, with obviously different costs and benefits.

Still few and far between, but growing in numbers on the roofs of our cities, for example, are solar and photovoltaic panels (it is very interesting to note that the number of photovoltaic units increased by 174% in Italy last year alone). Installed not just by individuals and industry, but also numerous public

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administrations (over 7,000 Municipalities in Italy) have at least one clean energy plant and many produce more electricity than they consume. The industry is slowly expanding and, thanks also to incentives promoted by the State and to energy-saving behaviour, our "ecological" conscience is slowly gaining ground.

The Generali Group is participating in this dissemination of eco-friendly behaviour in society, creating and promoting a number of green initiatives in the non-life segment through policies and guarantees that target both the personal and the corporate segment.

> *special guarantees to cover for damage to solar or photovoltaic panels or similar systems caused by atmospheric events have been developed as an incentive to renewable energy*

Special guarantees have been introduced alongside conventional liability insurance to provide coverage of damage to solar or photovoltaic panels or similar systems, caused by atmospheric events, in order to encourage installation of renewable energy generating equipment in homes and businesses. More than one company in the Group has begun operations in this sector in Italy: Alleanza Toro with its Sistema Solare, FATA with Solaria and INA Assitalia with Sole Mio, in addition to Generali.

These are still niche products but they are proving to be popular on the market and have won critical acclaim. One example was the outstanding opinion expressed by Altroconsumo in the May 2010 edition of Soldi & Diritti for the product sold by FATA Assicurazioni: Solaria was compared to 15 similar policies in a special publication on solar and photovoltaic energy, and beat them to the title of "best purchase".

Attention to photovoltaics and solar energy (as to other "sustainable" sectors) that the Group encourages by promoting and selling its own products, should not only be considered a business but also a clear sign aimed at that growing portion of the population that currently considers the environment a priority, and intends to invest and adapt its lifestyle on this belief.

Paola Cabas

Good news from the Group

The companies in the Generali Group have launched a number of promotions and commercial initiatives to further their quest and provide incentives for the dissemination of eco-sustainable behaviour.

- discounted tariffs are available to companies in France and Spain, which demonstrate lower environmental risks;
- special guarantees are offered in the building sector in Austria and France, for coverage of equipment producing renewable energy (solar and photovoltaic panels, heat pumps, geothermal and aerothermal power plants, wind engines and so on);
- thanks to an agreement with one of the major operators in the energy sector, Generali France provides incentives to those clients installing photovoltaic panels, by delivering attractive financing terms;
- clients with homeowners' policies in Austria have access to free consultancy services to identify their options for optimising energy consumption in their homes and reducing emissions harmful to the environment.

PH. GIOTTO ENTERPRISE

Mauro Giacca was born in 1959 in Trieste. He received a Degree with honours in Medicine and Surgery from the University of Trieste. He was a Professor at the Scuola Normale Superiore in Pisa until 2004 before becoming a Full Professor of the Molecular Biology Faculty at the University of Trieste. Since 2004 he has been the director of the International Centre for Genetic Engineering and Biotechnology in Trieste.
Giacca presented the FunSel (Functional Selection) Project last April as part of the prestigious Advanced Grants of the European Research Council, and was awarded a grant of over 1.8 million euro. This award for scientific excellence, offered by the European Union to researchers with an established track record on a global level, was a recognition of Giacca's curriculum and the project itself, both achieving maximum scores; the research pursued for many years by a young team at ICGEB won the award along with another 250 projects out of over 6,000 competitors, and holds promising implications for cardiovascular diseases.

Outstanding research for the medicine of the future

interview with Mauro Giacca, director of the International Centre for Genetic Engineering and Biotechnology (ICGEB) in Trieste

Professor Giacca, could you first briefly tell us about the Centre?

ICGEB was founded by the United Nations 25 years ago in Trieste. It has branches in New Delhi and Cape Town, South Africa, the latter opened five years ago. It started with the idea of providing training in biotechnology for scientists of developing countries.
We are supported by 60 countries, and at this precise moment young researchers from 27 countries are working in Trieste; the permanent staff is quite small while there are many students working on their doctorates or post-doctorates who stay for three or four years. The best of these researchers then return to their countries with our financial backing, which we refer to as a return grant, to set up their own research work.

So once they have completed their projects here, you are saying that the researchers continue with their careers in their countries of origin?

Yes, this is the primary purpose of the initiative, and this is the original idea behind the Centre: to contribute to progress in developing countries by either creating a class of people who are educated in the field of biotechnology or by creating biotechnology products with a direct benefit for these countries, such as pharmaceuticals, vaccines or diagnostic methods. And many of our young researchers keep in touch, in part through several joint research projects. The challenge at ICGEB is, clearly, to pursue key research, competing with the most prestigious universities and research centres, and to do this with young researchers from all corners of the globe.

> *"ICGEB is a body founded by the United Nations 25 years ago in Trieste, with the idea of providing training in the field of biotechnology for scientists of developing countries"*

What brought you to the Centre?

I got a degree in Medicine in 1984 from the University of Trieste hoping to perform experimental research. Genetic engineering, namely that group of technologies that let us manipulate the genetic information of any living being, had been developed just a few years earlier in the United States.
I found this subject fascinating, especially in the light of the enormous promise it held in the medical field. One of the two Italian centres that dealt with genetic engineering at that time was directed Arturo Falaschi in Pavia, and that is where I went for my research doctorate. After a few years Falaschi was appointed director of ICGEB, which at that time was simply a project, which he succeeded

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"we have found how one of the cell proteins regulates HIV infections…"

in transforming into a scientific and cultural body of international prestige over the years.

So were you able to watch ICGEB evolve from the very beginning?

I saw it as a young researcher almost since the very beginning, and thinking back to those first, almost pioneering days, is still quite emotional today. Between 1998 and 2004, I gained additional, important experience as a professor at the Scuola Normale Superiore in Pisa, one of the most prestigious academic institutions in Italy. I spent many exciting years at the School, and had the opportunity to interact with colleagues of great cultural prominence. In addition to teaching molecular biology to extraordinarily gifted students, I founded and directed the molecular biology laboratory at the Pisa School, where researchers first and foremost focussed on studying the HIV and AIDS viruses. In 2004, I was also offered to head the Italian branch of ICGEB and move my chair to the faculty of medicine of Trieste University, and simply could not refuse.

Are you happy with your slightly more "political" role as director of ICGEB in Trieste?

To be honest, when I began working as director in Trieste, it was the first time in my life that I woke up and said "Today, I have to go to work". Until then, I had always only dedicated my time to my passion, research. There is certainly the other side of the coin: there can be moments when your are so caught up in your work you carry on well into the night, not to mention Saturdays or Sundays, but it is a different form of tiredness to how you feel from having institutional responsibilities. Luckily, I avoided giving up my research completely, actually I expanded it, and today I head a group of 25 people in the Centre who are working on very interesting projects. Although sometimes it is like having two jobs at once…

What projects is your group working on?

They are ambitious in scientific terms, they have to do with cardiovascular diseas. The research we are working the hardest on at the moment aims to find a way to regenerate the heart in patients who have suffered heart attack or ischemic heart disease. The main cause of death worldwide, even in developing countries, is heart disease and disease of the blood vessels; in particular, a damaged heart, like a damaged brain, is unable to regenerate itself: we are all born with a certain number of neurons and a certain number of cardiac cells and these remain with us for our entire lives.
If damage occurs, for example if arteriosclerosis blocks a coronary artery causing a minor heart attack, this is not repaired by reconstructing (in the sense of regenerating) the heart, but by forming a scar. In the long-term, the presence of a scar means the heart does not contract well, therefore it causes cardiac insufficiency in the patient.

What level is your research on?

We have two lines, one based on Gene Therapy and the other on stem cells. In the first, we engineer small viruses which we then inject in the heart to transfer genes that simulate the formation of new blood vessels. On an experimental level, this technique has given

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excellent results and we are now beginning to work with the Ministry of Health with a view to conducting the first clinical trials on people.

The other line, on the other hand, was only started approximately 4 or 5 years ago, and is looking at the possibility of regenerating portions of the heart using stem cell potential, namely the ability of cells to proliferate and then turn into heart cells and into cells that form blood vessels. We are pioneering the sector on an international level, and this is a subject that often triggers negative debate, nevertheless it holds fascinating potential for medicine.

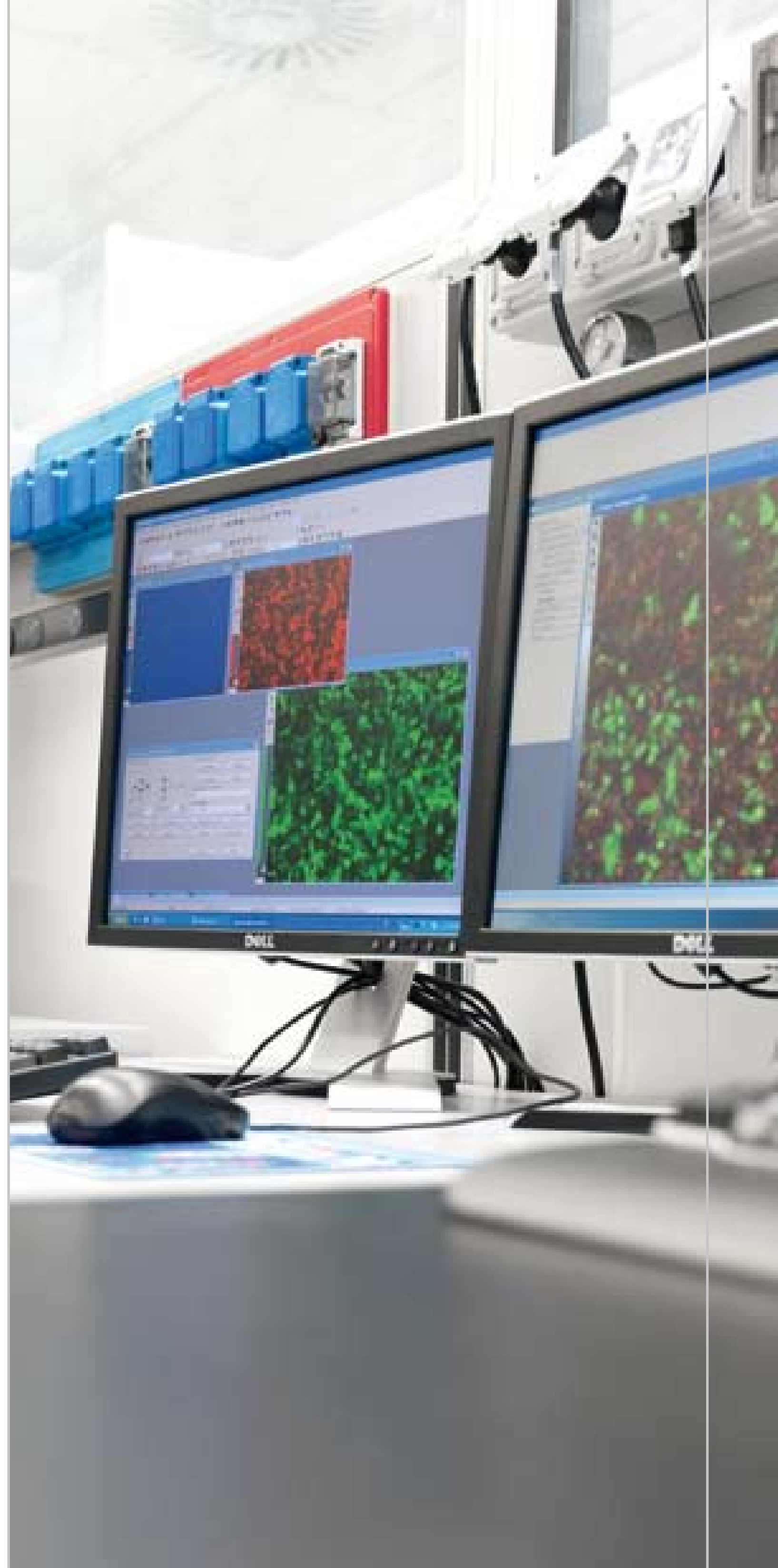
How long does it take to conclude the research, on average?

The first project I mentioned on gene transfer began in the late nineties, so we have been developing it for a decade. Times are generally very long from the moment the discovery is made in the laboratory to when the project is actually translated into a clinical application.
As an example: in the field of AIDS, we have recently discovered how one of the proteins of cells regulates the HIV infection. It is an important discovery that was published in the leading scientific journal of experimental medicine, *Nature Medicine*, and which is naturally of great scientific interest. But it will take at least another 15 years of work to turn this discovery into a proper drug.

You are a speaker at international seminars on life risks, organised for the Generali Group of companies; when did you begin working with the company?

I was contacted in 2004 by Dr Patrizia Marocco for the International Committee for Insurance Medicine (ICLAM) in Venice. Patrizia handles the impact of genetics on insurance, which entails complex topics of extraordinary interest and brings up numerous questions. Does genetic variability from one individual to another in some way impact the probability that certain diseases may arise? Or does it make illnesses more or less serious? Who should this genetic information be disclosed to? Can the individual who wants insurance have these tests done and then withhold the information from the insurance company? To what extent can insurance companies request these tests to be done? What implications are there, in terms of social impact, in knowing whether you are more or less predisposed to develop a certain disease?

> *"... but it will take no fewer than 15 years to turn this into a drug"*



Above and on page 32: two pictures taken in the ICGEB laboratories

Previous page: Mauro Giacca, centre, with his research group

Page 29 and 32: the ICGEB building in Trieste

And so on..., these are naturally very delicate issues for which a single answer has yet to be found.

Out of the topics that have attracted the interest of public opinion in the medical field in recent years, have you had much to do with the problem of avian flu?

Yes, there was an incredible alarmism on the issue of whether the epidemic could pass to humans, definitely exaggerated as far as I am concerned, I try to stay very rational.
A similar situation was recently generated by the latest flu pandemic.

How do these circumstances develop?

This is the anecdote culture, which is unfortunately very prevalent in Italy: a scientist well-known to the scientific world says something and a person in show business goes on a popular TV programme and says the opposite, and before you know it the two arguments become alternative theories. This can lead to a totally distorted vision: there is no assessment upstream of the authority of the people saying these things and therefore the two sources, despite their different expertise, are heard by people on their same level. We seem to justify this procedure, as originating from the principle of democracy where everyone can say what they think, but this is completely misleading. Look for example at another argument relating to ICGEB research, GMO, genetically modified organisms in agriculture: there has not been a single indication in 30 years that they can cause harm to people's health and 400 million people in the world (in the United States, South America and Asia) have been eating this food for 20 years.
And yet the debate on GMO in Italy continues to focus on the potential danger posed to our health by genetically modified food!

What advice can you give young people so they can best approach the context in which we live?

To work seriously, and study in-depth.
It is not enough to try to have broader horizons, reading as many sources as possible, you have to work on the basics when you are in school, create a cultural background that will enable you to understand scientific arguments. Unfortunately, the level of scientific culture in other European countries, especially in Northern European countries, is much higher than in Italy. In the United States, on the other hand, the average level is lower than ours, but there is a great respect for the institutions and for those showing specific expertise, therefore it is more difficult to encounter certain paradoxical situations, as sometimes occurs in Italy.

When it comes to the scientific field, do you advise young people to go abroad?

Doing research somewhere else is an almost mandatory step in education, the problem does not lie in people leaving, but in them not coming back. Young people who come to work at ICGEB, for example, even Italian students, finish their doctorate, they stay put perhaps one more year to finish their projects and publish them, after which they go abroad where they can join the best international institutions. This is what is missing in Italy: valuing young, bright researchers who train abroad and attracting them back to Italy, considering them a national resource.

Elisabetta Delfabro

> *"we need to value young, bright researchers who train abroad and attract them back to Italy, as they should be considered a national resource"*

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Dino, Mirko, Afro back together

a grand retrospective at Villa Manin celebrates the Basaldella brothers in their home town

The impressive main hall at Villa Manin was transformed into a "forest of sculptures" to quote the curator Marco Goldin, where sculpture loses its hallowed status and becomes accessible to the visitor, who can stroll freely around the great works. Canvases by Afro hang casually around the circumference, almost like a fence. These are the paintings that made him famous in the USA, the dominant black and traces of earth brown embrace this restless forest, with two bright red works setting the room ablaze.

This vast hall is the climax of a major exhibition, organised by the regional administration of Friuli to pay tribute to the highest expression of art work and sculpture in its region, more than twenty years after the last exhibition dedicated to the Basaldella family at the Modern Art Gallery in Udine in 1987. The show also marks the hundredth anniversary of Mirko's birth. The show features some new discoveries made in recent years, including some valuable, never-before-seen works by Afro from the Thirties and early Forties, displayed in a sequence

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[*this event captures the spirit of a great family of artists*]

which shows how at times the creative focuses of the three brothers were quite close, in some cases unwittingly. The mutual relationship between the Basaldella brothers, in fact, was no different from the relationship of three unrelated artists, as Giuseppe Arpella, one of the leading critics of the Basaldella brothers in Italy, explained in his presentation on the exhibition. The event however captures the unitary spirit of a great family, of the brothers who took different roads and paths yet all managed to win over the international art scene.

The three brothers all started out in figurative art.
Afro's self-portraits painted in the Thirties, some of which have never been seen before, guide us on our journey through the halls, revealing Roman influences in his "dissolved" subjects and expressive light. These influences are also present in Mirko's sculptures, gradually moving away from the archaism of master Arturo Martini to reveal a special expressionism, while merging with new fifteenth-century suggestions and echoes of Hellenistic sculptures. Dino's works reflect his yearning to break with academics, showing a subtle romantic vein and a vivid interest to Neo-naturalism, which led to a more soft and shaded style rooting back to Impressionism.
Later on, the immediate post-war period saw an explosion in post-cubism and a move away from figurativism:
Afro's paintings in the Fifties reflect the change in style he was striving for, as do the polychrome and multi-material sculptures by Mirko. On a different vein, Dino painted his high-reliefs, also reflecting a cubist influence.
This artistic turning point brought the earliest international recognition for Afro and Mirko in the United States. After this point, Afro continued on with his figurative suggestions in an increasingly abstract voice, painting almost in the sublime, evoking a suspended tale verging on the informal, in an explosion of bright red and blazing canvases.
Even Mirko's research approached a new form of sculpture with different structures and materials from the ones traditionally used: cement, metal mesh, iron rods, and plastics take form in sculptures which, over the coming years, would become totems that touched on mythological and archaic iconology. Dino joined in a few years later,

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Afro's paintings in the Fifties reflect the change in style he was striving for, as do the polychrome and multi-material sculptures by Mirko

when he discovered iron in the Seventies as the new pliable material and with it he reached his greatest heights: welded iron or steel figures to exploit every possible use of worn-out materials, that allowed him too, in the end, to become established in the United States.

The expressive pinnacle of the three brothers oozes through the room, in the "forest" that envelops them, capturing and stirring awe in us.
This is a rich exhibition promoted by Assicurazioni Generali within the framework of initiatives supporting Villa Manin in 2010: 170 works, including 70 paintings by Afro, 50 sculptures by Mirko and as many by Dino, in a plain backdrop dominated by white walls and pedestals, almost purifying the works on display and harmonizing them with the splendid painted ceilings.

Deborah Zamaro

To the right: Mirko Basaldella Superficie aperta (open surface) 1953, copper 100 x 89 x 10 cm

Previous page: Afro Basaldella Il sigillo rosso (the red seal) 1953, mixed technique on canvas 150 x 200 cm

Page 33: Dino Basaldella Spartaco (Spartacus) 1963, iron 190 x 115 x 55 cm

"L'immagine"

the art of 'réclame' in a book published by the Company

This book has a twofold purpose: on the one hand it intends to preserve and hand down the memory of an era when advertising meant art and the insurance industry was in the front line for delivering the message of how important pension plans were - all with the help of top illustrators. On the other hand, it collects contributions into a single volume, from the historic

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archives of all those companies that were already in business back in the nineteenth century or in the first half of the twentieth century, albeit under different trading names from those they use today, companies whose heritage of experience and professionalism has contributed to strengthening the Generali Group's leadership. In addition to the Parent Company, the Italian companies that contributed to the book include Alleanza Toro, FATA and INA Assitalia.

In the introduction, two critical essays as well as two interviews by Elisabetta Delfabro examine, respectively: the "tradition of imagery" at Generali; a brief history of poster art in Italy; the origins of the Salce Collection, the most significant national collection of advertising posters; the "elegant touch" of Marcello Dudovich, one of the great illustrators who worked for the Group. Then follow the posters, bills, and calendars published on behalf of Generali and the other above-mentioned companies, in an overview – introduced chapter after chapter in texts by Pietro Egidi, scientific curator of the book – aiming to be as comprehensive as possible and presenting not only works that are part of the Group's artistic heritage, but also pieces available in the Salce collection, other public collections or provided by private collectors who chose to contribute to the initiative. We sincerely thank everyone, and provide a list of contributors at the end of the book.
Also in the Appendix, for the benefit of people who study poster art, we thought it would be useful to list the inventory numbers of all the works of the Salce Collection that appear in the book.
We can admire works by masters such as Leopoldo Metlicovitz, Achille Beltrame and Gino Boccasile, in addition to Dudovich, that will bring us to the middle of the twentieth century when the era of posters and graphic illustrated advertising was drawing to a close, swept aside by the advent of new techniques and strategies in the field of corporate advertising. The volume does not, however, stop here, because after two chapters dedicated respectively to the so-called "small advertising" and contributions from some foreign companies of the Generali Group, mainly from France and Spain, it found room for an "extra" in the form of cartoons by Milo Manara and Marco Biassoni and a logo by Giorgio Forattini, works of art designed to promote insurance products from 1985 onwards. Tradition takes a new shape as the book closes with two original cartoons designed especially for this volume by Silver, based on an idea by Alfredo Castelli, and by Carlo Squillante.

an era when advertising was synonymous with art and the insurance industry was the first in line to deliver the message of how important pensions plan were

Annamaria Miot
Roberto Rosasco

Previous page: M. Dudovich, poster (1928)

Top: G. Boccasile, calendar (1936)

To the left: L. Guerrini, detail from an Alleanza poster (1901)

Running for a greener Hong Kong!

Again this year the management and staff of the Generali Branch participated in the Green Power Hike

Awareness for sport, the environment, society and team building have been the fundamental factors giving management and the staff at the Hong Kong office the spirit and determination they have needed to participate in the Green Power Hike since 2002. On 6 February, the Generali team took an active part in the charity race to benefit the environment in Hong Kong, for the ninth consecutive year.

PH. DIEGO RIOS

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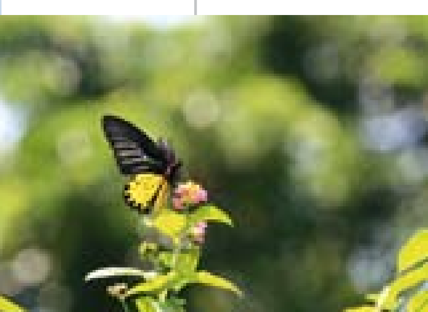
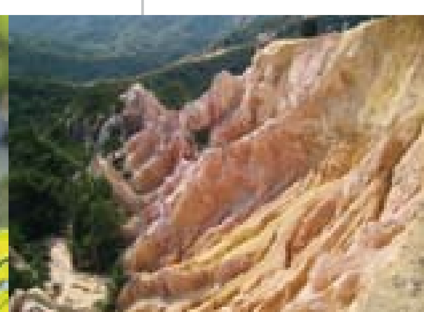
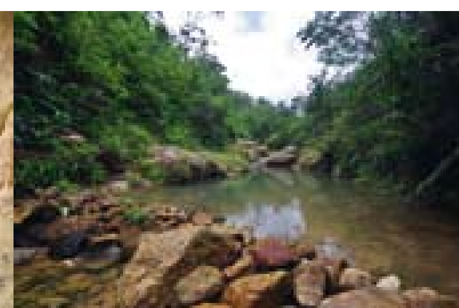
The island is famous for its skyscrapers and its typically urban skyline, but not everybody knows that 40% of Hong Kong is occupied by city parks, nature reserves, special areas and protected zones.
Its subtropical climate and geographical position create a rich biodiversity, which makes the Hong Kong Special Administrative Region of China a major protected area.

Green Power is a charitable institution supported exclusively by donations, fundraising initiatives and corporate sponsorship.
It was founded in 1988 by a group of volunteers interested in local environmental issues and driven by a firm belief that education is the pivotal factor when it comes to changing individual mindsets and behaviour.
Each year they organise the Green Power Hike, the most important walkathon event in Hong Kong. This charity event, now in its 17th year, is held on the Hong Kong Trail, a 50 km stretch spanning the five national parks on the island. More than 3,000 people took part in the event

綠色力量
GREEN POWER

[40% of Hong Kong is covered by city parks, nature reserves, special areas and protected zones]


Hong Kong and biodiversity

The Special Administrative Region of Hong Kong is a major financial centre as well as a chaotic and international city, but about three quarters of its 1,104 square kilometres are reserved for the 23 national parks and 17 special areas, created primarily to protect nature and for outdoor education and covering an overall area of 41,043 hectares. The Agriculture, Fisheries and Conservation Department oversees one of the most precious assets of Hong Kong. In addition to being an important commercial and financial centre, Hong Kong, with its subtropical climate and geographic position on the South China Sea, is home to more than 1,000 animal species, including more than 230 butterflies, 115 dragonflies, 160 freshwater fish, 100 amphibians and reptiles, 490 birds and 50 mammals. The nature reserve of Mai Po Inner Deep Bay is famous internationally for the numerous aquatic birds that migrate through it, especially in mid-winter, when about 60,000 birds gather.
The reserve has been protected since 1995 by the Ramsar Convention which provides the framework for the conservation and wise use of wetlands of international significance, especially vital habitat for waterfowl, and is managed by the WWF.

For more information:
http://www.afcd.gov.hk/english/country/cou_lea/the_facts.html
http://www.wwf.org.hk/en/whatwedo/conservation/wetlands/managemaipo

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in 2010 and over 4 million Hong Kong dollars were raised (about 380,000 euro), while more than 37,000 people overall have taken part in the race over the course of its 17 years, contributing over 42 million dollars to Hong Kong's greener future, the equivalent of almost 4 million euro. The funds raised have been used to set up numerous environmental, educational and natural protection programmes. Aiming to teach children how to safeguard the environment to construct a better future, all donations are set aside for "green" education on a local level in kindergartens as well as primary and secondary schools. Green Power works in close contact with teachers to promote and encourage awareness for the environment among young students and set up the first Green Schools Network, a network of "green" schools for Hong Kong.

Green Power has worked in partnership with primary and secondary schools to create "Centres for environmental resources" as part of this pilot project.
The association has also devised a set of inter-disciplinary environmental educational material for teachers and publishes reports on regular basis.

The Generali teams participated in the 2010 Green Power Hike, within the Insurance Federation of Hong Kong Championship, with great results, taking first place in the 10 km and second in the 25 km race walking events respectively. From year to year, this event is a special team building moment for all the Branch staff: it is a time when the attention is on society, the environment, sport, family and friends, coming all together as one, making the Green Power Hike an unforgettable appointment.

all the donations are used for "green" education in local infant schools as well as primary and elementary schools

All the participants involve their families and celebrate the team results at the traditional barbecue held after the races in one of the most beautiful areas in Hong Kong, Big Wave Bay.

Sabrina Di Giorgio

PH. GREEN POWER

PH. DIEGO RIOS

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Congratulations to the Generali team!

Insurance Federation of Hong Kong Championship

1st place in the 10 km race

Chiu Lok Yan 00:56:59
Stanley Chiu 00:59:02
Alfred Law 01:01:14
Terry Tsang 01:03.00

2nd place in the 25 km race

Simon Cheng 03:11:20
Lisa Ng 03:11:20
Sam Tse 03:11:20
Gary Lam 03:11:20

Individual participants

10 km race

Wilson Cheung 00:57:53
Hector Chan 00:57:57
Manson Lui 01:10:50
Carol Lee 01:10:51
Derek Wong 01:13:23
Karena Wong 01:21:32
Calvin Kwok 01:21:32

25 km race

Kenneth Wong, 04:16:31
Ambra Debernardi 04:24:50
Diego Rios 05:17:39
Laura Donini 05:24:37

Marco **Besso**

in the top management of Generali from 1877 to 1920, key architect of the Company's expansion

This page: water colour of the façade of the new Trieste offices, a gift to Besso by Company directors (1885)

Next page: Marco Besso aged thirty

Picture kindly provided by the Besso Foundation

"For the extent of his genius, the vastness of his culture, the never ending vein of his intellectual resources, Marco Besso was certainly one of the most eminent figures in insurance in Italy and quite possibly in Europe. He was, more than anything, capable of understanding his own times. Novelties did not scare him, as he was already a tireless innovator. His ample spirit pushed him to constantly study the most varied disciplines..." chairman Besso, as described with much admiration by Giuseppe Stefani in a book celebrating the first one hundred years of Generali, was actually one of the key architects of the expansion that took the company to the echelons of insurance in Italy and Europe just a few decades after its inception. Trieste in the nineteenth century – the main port under the Hapsburg Monarchy and a great central European trading port, a city populated by a multi-ethnic community, yet driven by irredentist passions – found in Besso one of its most emblematic sons.

Marco Besso was born in 1843 in Trieste, where his Jewish family had settled in 1817 after fleeing from religious persecution in Epirus. In 1863 Besso was hired by Generali to conduct negotiations in Rome for the absorption of the Società Pontificia portfolio. Not only did he expand the Company's operations, he also came into contact with liberal and Mazzinian exponents, and his efforts towards the Italian unification earned him a Medal of Merit for the Liberation of Rome in 1875. When he moved to Florence, he became friends with great linguist and patriot Niccolò Tommaseo, and pioneered actuarial studies, publishing, among other things, an innovative essay of great scientific value on the characteristics and operation of pension funds. A great aptitude for scientific studies ran in the Besso family: Marco's brother Davide is still remembered today as a leading mathematician, one of the founders of the *Periodico di Matematiche* publication; his nephew Michele was a friend and a collaborator of Einstein, playing an important role in major calculations on behalf of the great scientist.

In 1877, after being appointed general secretary to the Head Office, Besso returned to Trieste and, under his management, Generali became a Group as the first subsidiaries were constituted: Erste Allgemeine in Vienna in 1882, two companies specialising in hail insurance in 1890, with offices in Milan and Budapest respectively. Moreover, Besso started a property development programme in major Italian and European cities: the Riva del Sale (now Piazza Duca degli Abruzzi) offices were opened in Trieste in 1886, and still host the Central Head Office. Other prestigious offices built in those years include the building in Rome's Piazza Venezia, inaugurated in 1906, whose construction was personally overseen by Besso. In 1885, he left the position of general secretary to become company director (a position currently comparable to a managing director) and returned to Rome on a permanent basis in 1890, where he boosted the role of Generali – still an Austrian company – in all major Italian economic institutions. Meanwhile, he also studied literature, writing numerous essays on Dante and other topics.

"I owe my personal education and development to my full, whole and indestructible faith in the Company's success"

M. Besso (from his Autobiography)

In 1909 in honour of Besso, Generali restored the position of chairman, which had been abolished in 1835 after the first presidency of Ritter de Zahony. In 1916, during World War I, the government awarded Besso with a certificate of Italian nationality for Generali. He once again presided over the Shareholders' Meeting in Trieste after its union to Italy on 4 November 1919, the first anniversary of victory. He died on 7 October 1920. He had finished his Autobiography just days before and left his house in Rome with an outstanding library to a cultural foundation in his name.

Roberto Rosasco

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