

REPORT ON REMUNERATION POLICY AND PAYMENTS



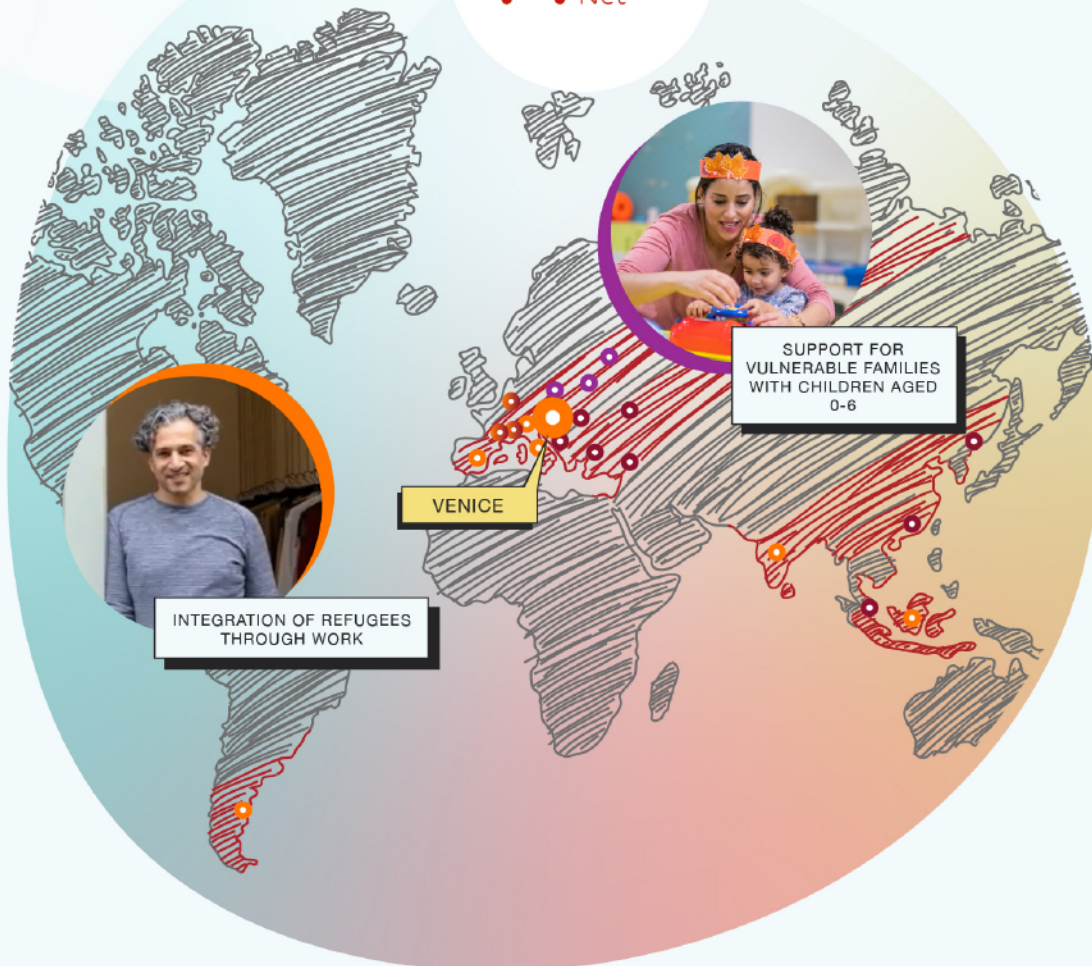
REPORT ON REMUNERATION POLICY AND PAYMENTS

Please note that the Report is translated into English solely for the convenience of international readers.

A global movement of people helping people



h The Human Safety Net



VENICE, PROCURATIE VECCHIE
HOME OF THE HUMAN SAFETY NET



23

COUNTRIES

50

PARTNERS

150,000

BENEFICIARIES

The Human Safety Net is a global initiative by Generali for the communities. Launched in 2017, its mission is to **unlock the potential of people living in the most vulnerable circumstances**. It supports families with children between the ages of 0 and 6 and integrates refugees through work, in order to **transform the lives of their families and communities**.

It collaborates with more than 50 non-profit organisations and social enterprises that implement programmes in over 23 countries in Europe, Latin America, and Asia. Since its conception, it has been an **open network** that welcomes collaboration with other organisations, foundations, and institutions that share its vision. Generali's employees and agents contribute as volunteers or experts to support the partner NGOs, families, and refugees.

The home of The Human Safety Net is in Piazza San Marco in Venice, at the Procuratie Vecchie, reopened to the public after 500 years. Centre and global hub of the movement, it will be a place from which to develop **social action and innovation for a more inclusive development**.

GENERALI LIFE STORIES

In 2021, Generali celebrated the 190th anniversary of its foundation with events, initiatives, and projects involving the Group and its stakeholders.

One of the most innovative communication projects was 'Generali Life Stories'. This multimedia initiative featured podcasts, sophisticated infographics, historical fact sheets and art shots of objects and documents from Generali's heritage, telling the company's story from the point of view of people and the impact the company has had on their lives. It is a collective story, involving different countries and cultures in the spirit of cosmopolitanism and openness. The collection consists of 19 stories based on the values of innovation, the ability to respond to challenges, connection, internationalism and sustainability - values that we always hold and build upon.

The Generali Group's 2021 reports will provide several insights and images from these stories, offering most of all a sense of the company's 190-year-long adventure made by people and for people.

The cover of this report features the Human Safety Net.

The mission of Generali's global community initiative, launched in 2017, is to unlock the potential of people living in the most vulnerable situations.

Read more about the
Generali Life Stories



CORPORATE BODIES AT 14 MARCH 2022

Chairman	Gabriele Galateri di Genola
Vice-Chairmen	Clemente Rebecchini
Managing Director and Group CEO	Philippe Donnet
Board members	Paolo Di Benedetto Alessia Falsarone Alberta Figari Ines Mazzilli Antonella Mei-Pochtler Diva Moriani Lorenzo Pellicoli Roberto Perotti Andrea Sironi Luisa Torchia
Board of Statutory Auditors	Carolyn Dittmeier (Chairwoman) Antonia Di Bella Lorenzo Pozza Silvia Olivotto (Alternate Auditor) Tazio Pavanel (Alternate Auditor)
Board secretary	Giuseppe Catalano

Assicurazioni Generali S.p.A.

Company established in Trieste in 1831

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

Share capital € 1,581,069,241 fully paid-up

Fiscal code and Venezia Giulia Companies' Register no. 00079760328

VAT no. 01333550323

Company entered on the Register of Italian insurance and reinsurance companies under no.1.00003

Parent Company of the Generali Group, entered on the Register of insurance groups under no. 026

Pec: assicurazionigenerali@pec.generaligroup.com

ISIN: IT0000062072

Reuters: GASL.MI

Bloomberg: G IM



Contacts available at the end of this document



Comments and opinion on the Report can be sent to group_reward@generali.com

TABLE OF CONTENTS

The Integrated Overview of our Reports.....	6	SECTION II – REPORT ON PAYMENTS.....	79
Information on the Report on Remuneration Policy and Payments	7	Introduction	82
WE, GENERALI	9	Part I	84
Group's Highlights	10	Part II	94
The Generali 2021 Strategy	12	SECTION III - KEY FUNCTIONS VERIFICATIONS	101
SECTION I - REPORT ON REMUNERATION POLICY	15	INFORMATION NOTE PURSUANT TO ARTICLE 84-BIS, PARAGRAPH 5, OF THE CONSOB REGULATION	107
Letter from the Chairwoman of the Appointments and Remuneration Committee.....	18	GLOSSARY.....	110
Executive Summary of the Remuneration Policy and Main Changes	20	CONTACTS.....	114
Principles of the Remuneration Policy	26		
Remuneration Structure	28		
Remuneration of the Managing Director/Group CEO	34		
Remuneration of the Managers with Strategic Responsibilities and Other Relevant Personnel	42		
Remuneration of the Relevant Personnel belonging to the Key Functions.....	55		
Remuneration and Sustainability: Non-financial/ESG Goals in the Remuneration Policy.....	58		
Gender Balance & Pay Equity	62		
New Share Plan for the Generali Group Employees.....	65		
Payments in the Event of Termination	67		
Governance and Compliance	71		

THE INTEGRATED OVERVIEW OF OUR REPORTS

Our story of creating sustainable value continues to be based on the evolutionary adoption of integrated thinking, allowing us to live according to our values and to implement practices and processes aligned with our purpose.

In line with the Core&More¹ approach, the **Annual Integrated Report** represents the Group's **Core** report and illustrates our business model and our value creation process in a holistic way. Considering the expectations of our stakeholders, in the Core report we share information identified as material, both financial and non-financial. Through the **More** reporting, which includes other Group's reports and communication channels, we provide detailed information intended for a specialized audience or for actors who intend to deepen some specific issues.



GROUP ANNUAL INTEGRATED REPORT

It provides a concise and integrated view of the Group's financial and non-financial performance, also pursuant to legislative decree (leg. decree) 254/2016 and Regulation EU 2020/852.



ANNUAL INTEGRATED REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

It expands the content of the Group Annual Integrated Report, providing details of its financial performance in compliance with national and international regulations.



GROUP ACTIVE OWNERSHIP REPORT

It reports how the Group implements its engagement policy, including a description of dialogue with investee companies, exercise of voting rights and cooperation with other investors.



CORPORATE GOVERNANCE AND SHARE OWNERSHIP REPORT

It outlines the corporate governance system of Assicurazioni Generali and its ownership structure.



CLIMATE-RELATED FINANCIAL DISCLOSURE

It provides investors and other stakeholders with relevant information to assess the adequacy of the Group's approach to climate change and its ability to manage the risks and opportunities it brings.



REPORT ON REMUNERATION POLICY AND PAYMENTS

It provides specific information on the remuneration policy adopted by the Group and its implementation.



GREEN BOND REPORT

It outlines the use of proceeds of the Generali's Green Bond issuance and associated impacts in terms of lower GHG emissions.



MANAGEMENT REPORT AND PARENT COMPANY FINANCIAL STATEMENTS

It provides information on the performance of Assicurazioni Generali, in accordance with currently effective regulations.



generali.com

for further information on the Group



1. The Core&More approach was developed by Accountancy Europe, that unites 50 professional organisations from 35 countries that represent one million qualified accountants, auditors and advisors. The approach provides for a core report, including a summary of all key information required to evaluate and understand a company, that is useful for all stakeholders, and more reports, presenting more detailed information for specific stakeholders. www.accountancyeurope.eu/ for further information.

INFORMATION ON THE REPORT ON REMUNERATION POLICY AND PAYMENTS

The Group Report on the Remuneration Policy and Payments is the document submitted to the Shareholders' vote in the Annual General Meeting in accordance with IVASS regulations on remuneration policies (contained in Regulation no. 38 of 3 July 2018) and the regulatory provisions applicable to listed issuers (art. 123-ter TUF "Consolidated Law on Finance" and CONSOB issuer regulation).

The Report contains:

- a **Section I**, subject to Shareholders' approval: this section includes the description of the principles of our Policy, the structure of our incentive system, and the other elements of the remuneration package. In accordance with the requirements of the IVASS regulation, the section also contains, among other things:
 - an illustration of the general features, the reasons, and the purposes that we intend to pursue through our Remuneration Policy;
 - information regarding the decision-making process used to define the Remuneration Policy, including the individuals/bodies involved;
 - indications as to the criteria used to define the balance between fixed and variable remuneration and the parameters, reasons, and relevant deferral periods for the payment of the variable remuneration, as well as the policy regarding payments in the event of termination;
 - information regarding the changes made compared to the policies previously approved.
- a **Section II**, subject to the advisory vote of the Annual General Meeting: this section provides ex-post disclosure on the remuneration paid in the previous financial year (2021) to the Managing Director/Group CEO and to the Executives with Strategic Responsibilities, including information on the implementation of the incentive system;
- a **Report** containing information on the remuneration verifications carried out by the Audit, Compliance & Risk Management Key Functions.







WE, GENERALI



GROUP'S HIGHLIGHTS¹

We are one of the largest global players in the insurance industry and asset management, with a strong international presence. In almost 200 years we have built a Group that operates in 50 countries, through more than 400 companies.

GROSS WRITTEN PREMIUMS

€ 75,825 mln +6.4%

OPERATING RESULT

€ 5,852 mln +12.4%

NET RESULT

€ 2,847 mln +63.3%

ADJUSTED NET RESULT²

€ 2,795 mln +45.1%

PROPOSED DIVIDEND PER SHARE

€ 1.07 + 5.9%

PROPOSED TOTAL DIVIDEND

€ 1,691 mln +6.3%

TOTAL ASSETS UNDER MANAGEMENT (AUM)³

€ 710 bln +8.4%

SOLVENCY RATIO

227% +3 p.p.

LIFE

LIFE NET INFLOWS

€ 12,729 mln +4.4%

NEW BUSINESS VALUE (NBV)

€ 2,313 mln +24.2%

OPERATING RESULT

€ 2,816 mln +7.2%

Gross written premiums € 51,680 mln (+6.0%)

PROPERTY & CASUALTY (P&C)

GROSS WRITTEN PREMIUMS

€ 24,145 mln +7.0%

COMBINED RATIO (CoR)

90.8% +1.7 p.p.

OPERATING RESULT

€ 2,650 mln +7.9%

ASSET MANAGEMENT

OPERATING RESULT

€ 672 mln +22.9%

NET RESULT

€ 504 mln +30.4%

ASSETS UNDER MANAGEMENT

€ 575 bln +2.5%

1. In November 2021, Assicurazioni Generali acquired control of the Cattolica group, with a stake equal to 84.475% of the Cattolica Assicurazioni's share capital, following the successful conclusion of the voluntary public tender offer on the totality of the ordinary shares of the issuer. The Cattolica group was then accounted for using the equity method for the first ten months of 2021 and consolidated line-by-line for the last two months of 2021.

All changes in this Report were calculated on 2020, unless otherwise reported. Changes in premiums, Life net inflows and new business were on equivalent terms, i.e. at constant exchange rates and consolidation scope; as a result, the contribution from the Cattolica group was neutralised in the calculation for changes on equivalent terms. Changes in operating result, general account investments and Life technical provisions excluded any assets under disposal or disposed of during the same period of comparison; as a result, they considered the contribution from the Cattolica group in percentage changes. The present value of new business premiums (PVNBP) and new business value (NBV) didn't include the Cattolica group in 2021.

The non-financial indicators in the NFS referred to consolidated line-by-line companies, unless otherwise reported in the chapters dedicated to them. All non-financial indicators - except for the number of employees and the breakdown by gender as well as for the provisions of Regulation EU 2020/852 and the relative Delegated Regulations - excluded from their scope the information of the companies of the Cattolica group, the acquisition of which was completed in November 2021. As envisaged by the relevant legislation, such exclusion was based on the timing of the transaction that did not allow adequate harmonization of procedures and criteria, adopted by the Group, for the recognition and measurement of their non-financial information.

2. The adjusted net result - defined as the net result without the impact of gains and losses related to acquisitions and disposals - was equal to € 2,795 million in 2021 and excluded € 52 million relating to the acquisition of control of the Cattolica group and to extraordinary costs for its integration (+45.1% on € 1,926 million at 31 December 2020, which neutralised € 183 million resulting from the settlement agreement for the BSI disposal). In addition, excluding from the 2020 adjusted net result the one-off expense of € 77 million, net of taxes, from the establishment of the Extraordinary International Fund for Covid-19 and the expense of € 73 million, net of taxes, from the liability management transaction, the increase in adjusted net result would have been 34.7%.

3. The 2021 disclosure took into account, from a managerial view, a more consistent representation of the third-party assets under management. The value of the comparative period was therefore restated, on which the relative change was calculated.

NEW GREEN AND SUSTAINABLE INVESTMENTS (2021-2025)⁴

€ 2,537 mln

DIRECT INVESTMENTS BY THE GROUP'S INSURANCE COMPANIES SUBJECT TO RIG⁵

€ 312,772 mln -4.2%

OUR PEOPLE

74,621 +2.7%

DIVERSITY AND INCLUSION INDEX¹¹

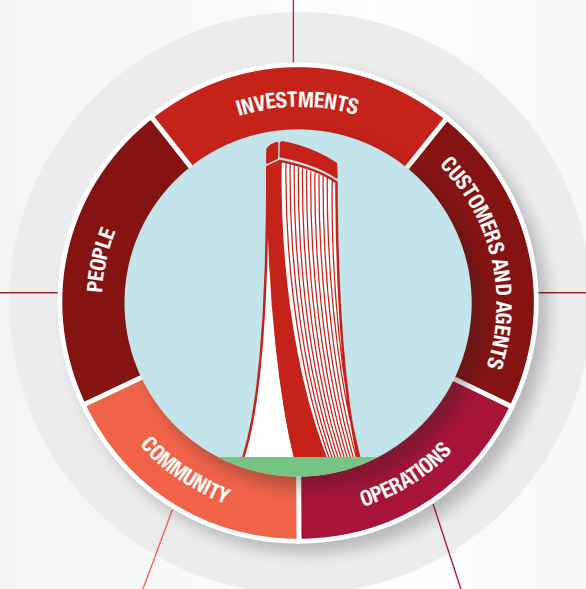
115% +9 p.p.

RESKILLED EMPLOYEES¹²

68% +16 p.p.

ORGANIZATIONAL ENTITIES WITH SMART WORKING POLICY¹³

100% +17 p.p.



OUR CUSTOMERS⁶

67 mln +1.6%

PREMIUMS FROM SOCIAL AND ENVIRONMENTAL PRODUCTS⁷

€ 19,894 mln +17.5%

OUR AGENTS⁸

173 thousand +4.5%

CHANGE IN RELATIONSHIP NPS⁹ vs 1Q2019

+14.2



ACTIVE COUNTRIES

23 +4.5%

INVESTMENTS IN INTERNAL STRATEGIC INITIATIVES (2019-2021)

€ 1,224 mln

TOTAL GHG EMISSIONS¹⁰ (Scope 1 and Scope 2)

33,964 tCO₂e -21.0% vs base year 2019

4. They are investments that support green and/or social projects, with the explicit aim of creating a positive impact and contributing to the United Nations Sustainable Development Goals.
 5. The Responsible Investment Group Guideline (RIG) is the document that codifies responsible investment activities at Group level.
 6. They are either physical persons or legal entities that hold at least one active insurance policy and pay a premium to Generali accordingly, a banking product or a pension fund product.
 7. Social and environmental products are products which, due to the type of customer protected or coverage supplied, have specific social or environmental characteristics.
 8. They represent the sales force within traditional distribution networks.
 9. The Relationship Net Promoter Score (NPS) is based on customer research data and calculated deducting the percentage of detractors from the percentage of promoters. It is a score expressed as an absolute number and not as a percentage. The change in Relationship NPS is calculated compared to 1Q2019, when the measurement started.
 10. They represent greenhouse gas emissions from direct operations, calculated according to the market-based method of GHG Protocol - Corporate Accounting and Reporting Standard.
 11. The index is calculated as an average that differently weighs, according to our priorities, the progress of a series of indicators related to gender, age, culture and inclusion compared to ambitions set in 2021.
 12. It represents the percentage of employees who completed the training in accordance with the Group's programme We LEARN.
 13. They are the organizational entities where, in accordance with local laws and regulations, it is possible to adopt smart working through the application of a dedicated policy.

THE GENERALI 2021 STRATEGY

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

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

PROFITABLE GROWTH

STRENGTHEN LEADERSHIP IN EUROPE:

reinforce #1 market position¹⁴

FOCUS ON HIGH POTENTIAL INSURANCE MARKETS:

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

DEVELOP GLOBAL ASSET MANAGEMENT PLATFORM:

15%-20% earnings CAGR 2018-2021

CAPITAL MANAGEMENT AND FINANCIAL OPTIMIZATION

INCREASE CAPITAL GENERATION:

> **€ 10.5 billion** cumulative capital generation 2019-2021

ENHANCE CASH REMITTANCE

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

REDUCE DEBT LEVEL AND COST:

€ 1.5-2.0 billion debt reduction by 2021; **€ 70-140 million** reduction in annual gross interest expense by 2021 vs 2017

INNOVATION AND DIGITAL TRANSFORMATION

BECOME LIFETIME PARTNER TO CUSTOMERS

ENABLE DIGITAL TRANSFORMATION OF DISTRIBUTION

TRANSFORM AND DIGITALIZE OPERATING MODEL

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

3

KEY ENABLERS WHICH DRIVE THE EXECUTION OF THE STRATEGY

01

OUR PEOPLE

GENERALI 2021 FINANCIAL TARGETS

GROWING EARNINGS PER SHARE

6%-8%

EPS CAGR RANGE¹⁵ 2018-2021

7.6%

ACHIEVED



GROWING DIVIDEND¹⁶

€ 4.5 - € 5 bln

CUMULATIVE DIVIDENDS 2019-2021

€ 4.52 bln

ACHIEVED



HIGHER RETURN FOR SHAREHOLDERS

> 11.5%
AVERAGE RETURN ON EQUITY¹⁷ 2019-2021

12.4%
ACHIEVED

RoE 2019



7.7%

Impacted By Covid-19 and ONE-OFF

RoE 2020



12.1%
ACHIEVED

RoE 2021



02

A STRONG BRAND

03

A CONTINUOUS COMMITMENT TO SUSTAINABILITY

15. 3 year CAGR; adjusted for impact of gains and losses related to acquisitions and disposals.

16. Due to the global spread of the pandemic in 2020, the Group's net result was affected by one-offs and impairments on investments, mainly in the first half of 2020, that led to a 2020 payout ratio of 120.2%. Consequently, the financial target on dividend growth mainly considered cumulative dividends, as the target on a payout ratio between 55% and 65% was to be considered as a guidance within the objective of steadily growing dividends.

17. Based on IFRS Equity excluding OCI and on total net result. The average RoE in 2019-2021 was equal to 10.7%.



The background is a solid red color. It features several white geometric shapes: a large, rounded, trapezoidal shape at the top; a large, white, rounded shape at the bottom; and a white diagonal line running from the top left towards the middle right.

SECTION I REPORT ON REMUNERATION POLICY



#GENERAL190



SECTION I

LETTER FROM THE CHAIRWOMAN OF THE APPOINTMENTS AND REMUNERATION COMMITTEE.....	18
1. EXECUTIVE SUMMARY OF THE REMUNERATION POLICY AND MAIN CHANGES	20
Main Changes.....	20
Principles of the Remuneration Policy.....	21
Governance.....	21
Pay-mix.....	21
Remuneration and Sustainable Performance.....	22
Malus, Clawback and Hedging	23
Payments in the Event of Termination	23
Remuneration of the Managing Director/Group CEO	24
Gender Balance & Pay Equity	24
New Share Plan for the Generali Group Employees.....	25
Outcome of the Voting on the 2021 Report on Remuneration Policy and Payments	25
2. PRINCIPLES OF THE REMUNERATION POLICY	26
Equity and Consistency.....	26
Alignment with the Strategy and Long-term Sustainable Value Creation	26
Competitiveness	26
Merit and Performance-based Reward	27
Clear Governance and Compliance.....	27
3. REMUNERATION STRUCTURE	28
Recipients of the Remuneration Policy.....	28
Elements of the Remuneration Package.....	28
4. REMUNERATION OF THE MANAGING DIRECTOR/GROUP CEO	34
Remuneration Package.....	34
Remuneration towards the Market and the Regulatory Context.....	35
Components of the Remuneration	37
5. REMUNERATION OF THE MANAGERS WITH STRATEGIC RESPONSIBILITIES AND OTHER RELEVANT PERSONNEL.....	42
Remuneration Package.....	42
Remuneration towards the Market and the Regulatory Context	43
Components of the Remuneration	43
Group Internal Remuneration Guidelines in Compliance with the National and International Regulatory Requirements.....	53
6. REMUNERATION OF THE RELEVANT PERSONNEL BELONGING TO THE KEY FUNCTIONS	55
Remuneration Package.....	55
Remuneration towards the Market and the Regulatory Context	56
Components of the Remuneration	56
7. REMUNERATION AND SUSTAINABILITY: NON-FINANCIAL/ ESG GOALS IN THE REMUNERATION POLICY.....	58
Sustainability for Generali	58
Non-financial/ESG Goals in the Remuneration Policy.....	58
Diversity, Equity & Inclusion.....	60
8. GENDER BALANCE & PAY EQUITY	62
Analysis Methodology	62
Group-level Results and Main Findings	63
Our Ambition and our Actions	63
9. NEW SHARE PLAN FOR THE GENERALI GROUP EMPLOYEES	65
Context and Objectives	65
Plan Beneficiaries	65
Main Characteristics of the Plan	65
10. PAYMENTS IN THE EVENT OF TERMINATION.....	67
Policy applicable to Directors	67
Policy applicable to the Managing Director/Group CEO	68
Policy applicable to the other Relevant Personnel	68
11. GOVERNANCE AND COMPLIANCE.....	71
Governance System	71
Remuneration Policy for Corporate Bodies.....	76

LETTER FROM THE CHAIRWOMAN OF THE APPOINTMENTS AND REMUNERATION COMMITTEE

Dear Shareholders,

The last two years have had an unprecedented impact, not only for all the people of the world, but also for the global economy. When COVID-19 escalated into a pandemic in 2020, the lockdowns that followed caused one of the deepest recessions ever recorded. 2021 was the year of recovery and the introduction of the Recovery Plan, but also the year of resurgent inflation and an upsurge in the number of victims of the pandemic - factors that at times hampered growth. Generali's reaction to these events was again characterised by resilience, people protection, and a determination to achieve objectives to respect the commitments to all of its stakeholders.

Indeed, 2021 saw significant progress, not only **in terms of the previous year's results**, but also with respect to the **success of the three-year strategic plan "Generali 2021: Leveraging Strength to Accelerate Growth"**. The numbers testify to the solidity of the Generali Group: **Total Shareholder Return** has grown by 111% since the 2016 Investor Day, and the **plan's financial targets** have been achieved in terms of both **Earnings per Share** and **dividends to shareholders**. The Group's equity and financial position has become more solid thanks to the reduction in financial debt and interest expense, two achievements that complement our industry-leading **Solvency II Ratio**. The Group has also made **great strides** in terms of **sustainability**: it has fully integrated sustainability into its business, significantly transformed its **distribution model**, increasingly combining the physical and **digital** dimensions, consolidated its **brand leadership** relative to its international peers in Europe and recorded its best ever engagement rate in the Group's employee **people** survey.

Notwithstanding the persistently complex global macroeconomic environment, Generali is confident about 2022, the first of the three years of the new **"Lifetime Partner 24: Driving Growth"** strategic plan, which has sustainability as Originator and is built on three solid pillars: pursuing **sustainable growth, improving the earnings profile** and **being an innovation leader**. These elements will enable us to strengthen our leadership in the insurance industry and generate long-term value for shareholders and all stakeholders, while remaining true to our ambition and purpose: to enable people to build a safer, more sustainable future by caring for their lives and dreams.

Our ambition is to continue to promote a **sustainable working environment**, through meritocracy, the development of new digital skills, and by focusing on and promoting Diversity, Equity & Inclusion, based on a remuneration policy aligned with corporate values, business objectives, fair treatment and equal pay.

The new challenges have not changed the **guiding principles of our Remuneration Policy**: fair and consistent remuneration, alignment with corporate strategies, competitiveness with the market, recognition of merit and performance, within our rigorous governance system, and compliance processes which will once again provide the best environment for enhancing talent and generating sustainable value.

The **2022 Remuneration Policy** we are presenting with this Report is **aligned with some progressive improvement elements of the decisions already taken last year** following a productive and continuous dialogue with institutional investors and proxy advisors, whose feedback has been taken into careful consideration along with the recommendations that have been made over the last few months.

Once again this year, the Group has **confirmed the high level of disclosure** on the most important issues facing the market, such as: the structure and objectives of the **incentive system**, the correlation between pay and performance, the **compensation policies in the event of termination** and the **Share Ownership Guidelines** for Top Management.

The **Group incentive system for the three-year period 2022-2024** is consistent with that of last year, in terms of the structure and weight of the variable component. Specific emphasis was also placed on the growing importance of **sustainability performance indicators** through internal and **measurable non-financial/ESG** KPIs, both for the annual cash component (STI) and the deferred share component (LTI), which are perfectly in line with the Group's strategy.

The new Strategic Plan, our growing commitment to making a positive social and environmental contribution, and the associated Remuneration Policy will enable Generali to make a further qualitative leap forward and fulfil the ambitions of all shareholders as well as the interests of all stakeholders.

The involvement of **our people** is key to successfully achieving our sustainable value creation goals. That is why, this year, we are presenting a **new share plan for all employees** which, in keeping with the Group's Strategy, will be linked to share price appreciation and achieving the **ESG goal of decarbonising** Generali's operations.

The Remuneration Policy decisions therefore place Assicurazioni Generali in **a competitive market position** that serves to attract, motivate and retain resources that are key to the Group's growth at a time when the business and world economy are undergoing significant change.

On behalf of my fellow Committee members, I thank you Shareholders for your usual openness to dialogue, for your interest and participation each year in our Remuneration Policy.

Divia Moriani
*Chairwoman of the Appointments and Remuneration Committee
of Assicurazioni Generali*



Chapter 1

Executive Summary

EXECUTIVE SUMMARY OF THE REMUNERATION POLICY AND MAIN CHANGES

1.1 Main Changes

Since 2020, the Chairwoman of the Appointments and Remuneration Committee has actively participated in more than 35 meetings with major institutional investors and proxy advisors, to discuss specific aspects of the Group's Remuneration Policy whose main findings are reported below:

- 1. Disclosure:** positive feedback on the disclosure improvements already introduced in 2021 and consistent with international best practices with respect to the increase in disclosure related to the goals linked to the annual cash component of the variable remuneration (STI) of the Managing Director/Group CEO, with details of goals, weights and, on the one hand, the indication of the percentage ranges for the ex-ante disclosure and, on the other, the representation in absolute values for the ex-post one with specific indication of the absolute minimum, target and maximum levels of the performance indicators compared to the budget and the results achieved (in order to protect the sensitivity of the ex-ante figures on the one hand and the competitive advantage over the competition on the other, and to ensure the utmost transparency of the results actually achieved, consistent with market best practices). The indication for 2022 is to further increase the level of ex-post transparency on the application of corrections/adjustments in the reporting of incentive systems;
- 2. Incentive system:** positive feedback on the structure, especially regarding the correlation of pay-for-performance (strong alignment between the performance achieved and the payment of incentives and consistency with the objectives of the strategic plan) and the extensive deferral period in shares (based on a three-year evaluation period of the Group's strategic performance with deferred payment in shares over a period of up to 7 years within the predefined maximum caps);
- 3. Environmental, Social and Governance (ESG):** the use of internal and measurable non-financial/ESG indicators and specific targets aligned to the corporate strategic plan is recommended, with weights ranging overall from 20% to 30% of all variable incentives, with preference for climate change and diversity targets (with a specific weight rather than "multipliers");
- 4. Payments in the event of termination:** positive feedback for the significantly more restrictive review of the Policy introduced last year, with the introduction of a new maximum limit (cap), including a non-competition agreement and severance package, which is calculated using a predefined formula that combines predetermined and objective criteria, in addition to years of service, consistent with the approach recommended by the market.

In line with market recommendations and Generali's strategy, the main changes introduced in the 2022 policy include:

- 1. Focus on internal and measurable non-financial/ESG goals** in all Group incentive systems in line with the new "Lifetime Partner 24: Driving Growth Strategy":
 - Increase from 20% to 30% of the weight of non-financial/ESG indicators in the cash annual component of variable remuneration with indication of specific KPIs and ambitions in line with Generali's strategy on the main Group initiatives with priority given to **Customers** (e.g. % multi product customers, Relationship Net Promoter Score RNPS), **Sustainability** (e.g. Group Sustainable Solutions GDWP annual growth, Security Maturity Score) and **People Value** (e.g. % upskilled employees, % women managers); in addition to the introduction, with an additional weight of at least 10%, of Innovation, Digital & Business Transformation goals (e.g. % digital policies);
 - Introduction with a weight of 20% of non-financial/ESG indicators in the deferred share component of variable remuneration with indication of specific KPIs and ambitions in line with the Group strategy related to climate change and diversity (Group Green and Sustainable Bond Investments and % women in strategic positions);
 - Proposal of a **new share ownership plan for Group employees** linked to the creation of long-term sustainable value, which offers the opportunity to purchase Generali shares at favourable conditions, depending on share price appreciation and the achievement of the **ESG goal** of decarbonisation linked to the reduction in emissions from Generali's operating activities;
- 2. Confirmation, in the Long Term Incentive plan (LTI) relating to the deferred component in shares of the variable remuneration, of the minimum threshold for the payment of the relative Total Shareholder Return (rTSR) indicator from the market median and updating of the reference peer group with the replacement of Società Cattolica di Assicurazione S.p.A. and CNP Assurances (subject to extraordinary corporate transactions) through the introduction of two new specific peers (Baloise and Swiss Life);**
- 3. Increase in disclosure in the Report on Payments (Section II) with indication of the absolute minimum, target and maximum levels of the financial indicators versus the budget and the actual financial results achieved, with further details on the results with respect to the ambition of the non-financial/ESG indicators and on the application of corrections/adjustment in the reporting of incentive systems;**
- 4. Confirmation of disclosure standards in line with market best practices on Pay for Performance, details and criteria for defining the Peer Group used for pay benchmarking and**

rTSR calculation, **Group CEO Pay Ratio** and **Gender Balance & Pay Equity**, also in accordance with the provisions of the recent CONSOB Issuers' Regulations, which are discussed in greater detail in the dedicated chapters;

5. Confirmation of the significantly more restrictive review of the provisions related to **payments in the event of termination** already introduced last year and formalisation of **Share Ownership Guidelines**.

1.2 Principles of the Remuneration Policy

The Remuneration Policy is based on clear, globally shared and consistent principles, expressed in the form of remuneration programs compliant with regulatory requirements and local laws. Every intervention to the remuneration policies can be traced back to these inspiring principles that underlie all the decisions taken.



1.3 Governance

The Group governance model of Assicurazioni Generali was designed to ensure maximum clarity, transparency and reliability in decision-making processes with effective control of remuneration and risk management policies.

Rigour, independence and accountability are the founding elements on which a **strong system of governance regulations** on remuneration has been built, ensuring adequate control of remuneration practices throughout the Group, protection of stakeholders' interests, and proper disclosure in full compliance with current regulations.

The Remuneration Policy is **approved by the Annual Shareholder's Meeting**, acting on the proposal by the Board of Directors, upon the opinion of the Appointments and Remuneration Committee, in accordance with the regulations and applicable governance procedures.

In order to ensure full compliance with the legal requirements to operate successfully in the market and in compliance

with the law, an important role in the process of defining and implementing the Remuneration Policy is played by the **Key Functions**. To this end, the Risk Management and Compliance functions draw up, within their scope of responsibility, a **report on the alignment of the Remuneration Policy with the applicable regulations**. Moreover, the Internal Audit function drafts a **report that analyses in details the correct implementation of the policy approved the previous year**. These reports are illustrated in **Section III** of this Report, while an in-depth **analysis of the governance processes** is found in the dedicated chapter of this Report.

1.4 Pay-mix

The remuneration package is comprised of **fixed remuneration, variable remuneration** and **benefits**, structured in such a way as to ensure a proper balance of the components. Generali regularly performs structural analyses of the systems, in order to ensure a **fair equilibrium of the various components** and to foster the persons' commitment to **achieving sustainable results**.

Components	Purpose and characteristics
Fixed remuneration	It is determined and adjusted over time taking into consideration the duties, the responsibilities assigned , and the roles held, as well as the individual experience and skills and is set with particular reference to the levels and practices of market peers in terms of attractiveness, competitiveness and retention.
Variable remuneration	It is defined through annual cash and deferred incentive plans aimed at motivating management to achieve sustainable business goals through the direct link between incentives and goals set at Group, Business Unit, Country, function and individual level, both financial, economic and operational and non-financial/ESG.
Benefits	They represent an additional component of the remuneration package - in a Total Reward approach – as an integrative remuneration element to cash and share payments. Benefits differ based on the category of recipients , in line with Group policy.

In terms of total target remuneration, the Group's approach is to align the remuneration to a **competitive level, between the median and upper quartile** of the specific reference market, with the individual positioning linked to the evaluation of performance, potential, and strategic role, according to a segmented approach.

The Remuneration Policy provides for a complete **disclosure of the relevant peer group panel** of reference, defined by the Board of Directors upon the opinion of the Appointments and Remuneration Committee, used for remuneration benchmarking purposes defined according to a methodology developed by the independent consultant PwC that compares similar companies by sector, size, business model and geographical scope. This classification, set following rigorous criteria, makes it possible to align the Remuneration Policy to a competitive level consistent with comparable companies.

1.5 Remuneration and Sustainable Performance

In line with industry regulations and market recommendations, Generali's remuneration structure is in continuity with the progressive improvements on decisions made last year, reinforcing, on the one hand, an incentive system that is even more focused on ESG issues and, on the other, simplified performance evaluation models.

The variable component of the remuneration is based on a **meritocratic approach** and on a **multi-year horizon**, including an **annual cash component** and a **deferred component in shares**, based on the achievement of a combination of sustainable business goals and the **direct link between incentives and results** set at Group, Business Unit, Country, function and individual level, both financial, economic and operational, as well as non-financial/ESG.

The **goals are predefined, measurable, linked to the achievement of economic, operational, financial and non-financial/ESG results**. In line with our Group strategy, the performance goals consider the risks undertaken and are assessed not only with respect to the achievement of predefined and measurable targets and ambitions, but also considering the **demonstrated behaviours** to achieve them and their **coherence with Group values**.

1.5.1 Sustainable Value Creation

At Generali, **deferred remuneration** plays a particularly significant role, in order to strengthen the connection with long-term sustainable value creation. It has an impact proportionate to the level of direct influence on Group results that each person can potentially produce.

For the Relevant Personnel, the variable remuneration (including an annual cash component and a deferred component in shares) is as a whole:

- made up of **at least 50% of shares**;
- structured **according to percentages and deferral periods differentiated by cluster** of beneficiaries.

Maximum caps are always provided for variable remuneration, both globally and individually, connected to the actual achievement of the performance conditions and goals set.

In compliance with regulatory requirements and to appropriately incentivise the best possible performance of their duties, a specific variable incentive system is provided **for the Heads and First Reporting Managers of the Key Functions based on non-financial goals identified in relation to their duties and control activities**, paid in upfront and deferred instalments, excluding any form of incentive based on economic and financial and operational goals.

1.5.2 The Structure of Variable Remuneration

Components	Characteristics	Criteria and Parameters
Annual cash component - Group Short Term Incentive (STI)	Annual cash bonus set within predefined maximum caps	<ul style="list-style-type: none"> - Group Funding Pool, linked to the results achieved in terms of Normalised Group Adjusted Net Profit and Group Operating Result after verification of the achievement of the Regulatory Solvency Ratio threshold; - Achievement of financial, economic and operational, and non-financial/ESG goals defined in the individual Balanced Scorecards in terms of sustainable value creation, risk-adjusted profitability, implementation of strategic initiatives (Customers, Sustainability and People Value); - Maximum cap on the annual cash component compared to fixed remuneration equal to 200% for the Managing Director/Group CEO and on average equal to approximately 170% for the Managers with Strategic Responsibilities (excluding those belonging to Key Functions, who participate in a specific dedicated Plan, with a maximum cap equal to 75% of fixed remuneration).
Deferred component in shares - Group Long Term Incentive (LTI)	Multi-year plan, based on Assicurazioni Generali shares, subject to Shareholders' approval, with allocations over a period of 6-7 years within predefined maximum caps	<ul style="list-style-type: none"> - Overall three-year performance with goals linked to Group strategy and business priorities after verification of the achievement of the Regulatory Solvency Ratio threshold; - Performance indicators referring to Net Holding Cash Flow¹, relative TSR² with payment starting from the median and internal and measurable ESG goals; - Allocation of shares with deferral and lock-up periods over a time frame of 6-7 years, depending on the reference population; - Maximum cap on the deferred share component compared to the fixed remuneration equal to 200% for the Managing Director/Group CEO and the members of the Group Management Committee and equal to 175% for other Managers with Strategic Responsibilities, the remaining Relevant Personnel, and other members of the Global Leadership Group (GLG).

1.6 Malus, Clawback and Hedging

All annual and deferred variable remuneration plans provide for **malus and clawback mechanisms**.

No incentive is paid in the event of wilful misconduct or gross negligence, in violation of the Code of Conduct, or of violation of the regulatory provisions applicable to the scope of activities managed by the individual, especially those regarding the protection of policyholders, the processing of personal data, anti-money laundering and countering the financing of terrorism, and international sanctions, or in the event of failure to achieve the predetermined results, or in the event of a significant deterioration of the Group financial position.

Any amount paid out is subject to clawback in the event of the emergence of wilful misconduct or gross negligence (including the case, where, as a result of such behaviours, the relevant performances prove to be non-lasting nor effective) or in the event of the emergence of violations of the Code of Conduct or of the regulatory provisions applicable to the scope of activities managed by the individual (including those aforementioned in reference to malus provisions).

The malus and clawback provisions also apply if the data based on which the incentive was determined should prove to be manifestly incorrect.

In line with European regulation (Solvency II), the Company requires beneficiaries of incentive plans, through specific provisions included in the contractual documents governing such plans, **not to resort to strategies of personal or insurance coverage (so-called hedging)** that may alter or undermine the risk alignment effects embedded in the variable remuneration mechanisms.

1.7 Payments in the Event of Termination

In the event of revocation/dismissal of a Director or of another member of the Relevant Personnel, the Company must necessarily comply - within the current regulatory context - with the applicable **legal or contractual provisions**.

In particular, in the event of consensual termination of employment of a member of the Relevant Personnel, the relative financial terms are defined based on the circumstances and reasons for the termination - with specific reference to the performance achieved, the risks taken and the Company's actual operational results, so that no amount can actually be paid in the presence of wilful or grossly negligent conduct.

1. Net cash flows available at the Parent Company level over a given period, after holding expenses and interest costs. Its main components, considered from a cash point of view, are: remittances from subsidiaries; the result of centralised reinsurance; interest on financial debt; expenses and taxes paid or reimbursed at Parent Company level.

2. Total return on investment to the shareholder calculated as a change in the market price of the shares, including distributions or dividends reinvested in shares.

Assicurazioni Generali's Remuneration Policy on **Payments in the event of termination** includes:

- a **cap equal to 24 months of recurring remuneration** including both the maximum severance payable and the consideration for non-competition agreements;
- a **predefined formula for calculating severance** that combines predefined and objective criteria, in addition to seniority;

The Policy is confirmed with the significantly more restrictive revisions introduced last year, which resulted in a reduction in the cap of up to -32% on potential payments in the event of termination compared to the cap of the previous Policy. Such impact, due to the double introduction of the new maximum limit and the calculation of severance through a predefined formula determined an average reduction of the cap equal to -16% (which can go up to -32%) of the overall potential payments for top management positions in the event of termination.

This Policy is aligned with the stringent market expectations and favours a balanced approach, in full compliance with the regulatory provisions and the specific mandatory local law requirements related especially to the notice period.

1.8 Remuneration of the Managing Director/Group CEO

The remuneration of the Managing Director/Group CEO - in line with what has been implemented for the 2019-2021 mandate - is structured according to and in compliance with market practices and regulatory requirements to ensure a correct balance between the fixed and variable components, providing for an adequate distribution between the component linked to annual goals and that linked to multi-year ones.

The overall remuneration consists of a **fixed component, variable annual cash and deferred share incentives** linked to predefined and measurable **financial, economic and operational and non-financial/ESG** short and long-term goals, as well as additional **benefits** in line with the Group Policy and specific **Share Ownership Guidelines**.

In view of to the expiry of the current Board of Directors, with the approval of the 2021 financial statements, the specific remuneration of the Managing Director/Group CEO to be appointed by the competent corporate bodies and the relative amounts will be subject to resolution by the same bodies, pursuant to current legislation (including Article 2389, first and third paragraphs of the Italian Civil Code), in compliance with the general principles contained in the 2022 Remuneration Policy.

In full alignment with market expectations, Assicurazioni Generali's 2022 Report on Remuneration Policy and Payment illustrates in the dedicated chapter and in Section II an adequate

level of **disclosure** especially related to the following elements of the remuneration package of the Managing Director/Group CEO:

- **Peer group** for market benchmarking on remuneration levels and practices;
- **Annual cash component of the variable remuneration** with details on maximum cap, financial, economic and operational, and non-financial/ESG performance goals, weights, measurement criteria, and payout levels, both for the ex-ante and for the ex-post. Where intermediate results are achieved, the method for calculating the linear interpolation of the incentive value is also shown;
- **Deferred component in shares of the variable remuneration** with details on financial, economic and operational and non-financial/ESG goals, weights, maximum cap and share allocation mechanisms. In the final assessment, the weighted average results achieved in relation to the financial parameters identified for the performance evaluation are also shown as well as the number of shares actually granted;
- **Pay-mix** which represents the weight of the individual fixed and variable components with respect to total remuneration;
- **Pay for Performance**: a chart illustrates the ratio between the positioning of the average total remuneration of the Managing Director/Group CEO over the last three years compared to the peer panel and the level of performance in terms of Total Shareholder Return (TSR) in the same period;
- **Pay Ratio** which indicates the variation in the total remuneration 2020-2021 of the Managing Director/Group CEO compared to that of employees and the main Group financial indicators;
- **Termination payments** where details are provided on the conditions and circumstances that determine the right to payments in the event of termination.

1.9 Gender Balance & Pay Equity

In alignment with the Group strategy, Generali's Remuneration Policy supports **diversity, equity and inclusion initiatives and ambitions** and promotes **pay equity for females and males**.

In this context, the policies adopted by Generali in recent years have focused on encouraging a **reduction in the gender pay gap**, both by analysing and comparing females and males performing equivalent roles (Equal Pay Gap) and by observing our people throughout the organisation (Gender Pay Gap).

Based on the results of the analyses and consistently with our Group strategy on diversity, equity and inclusion, all Countries/Business Units will continue to develop **specific mitigation actions at local level**, with the aim to structurally reduce the Gender Pay Gap (with a specific focus in the Group's incentive system on non-financial/ESG goals with priority on diversity and relating to % women in strategic positions and % women managers) and to support our **ambition to achieve an Equal Pay Gap towards zero in the 2022-2024 strategic cycle**.

1.10 New Share Plan for the Generali Group Employees

“We SHARE”, the first share plan for Generali Group employees, was launched in 2019 and offered globally to around 60,000 employees in 35 countries. The plan, which was joined by over 21,000 people with a participation rate of over 35%, will end in October 2022.

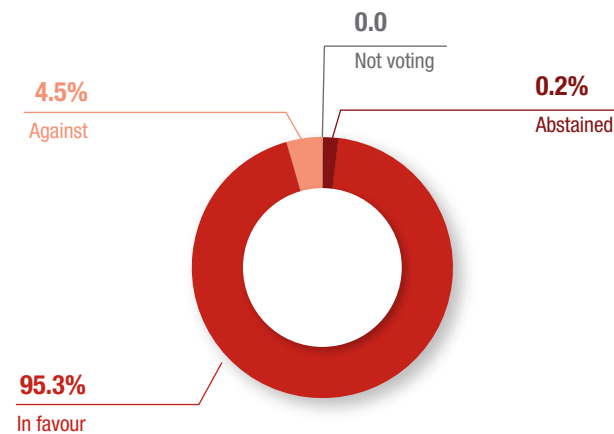
Following the success of We SHARE, which was approved with more than 98% of favourable votes at the 2019 Annual General Meeting, and in alignment with the Group Strategy

focused on a culture of ownership and empowerment, the Company continues to invest in its people to ensure their direct engagement in achieving the goals outlined in the new “Lifetime Partner 24: Driving Growth” strategy.

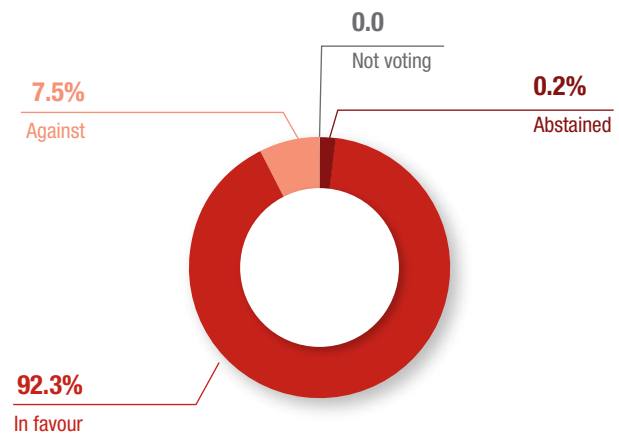
Therefore, it is proposed a **new three-year share plan for Group employees** providing the opportunity to purchase Generali shares at favourable conditions, in case of share price appreciation and the achievement of the **ESG decarbonisation goal** linked to the reduction in emissions from Generali’s operating activities.

1.11 Outcome of the Voting on the 2021 Report on Remuneration Policy and Payments

**2021 AGM outcome on Report Section I
(Binding vote)**



**2021 AGM outcome on Report Section II
(Advisory vote)**



The affirmative vote expressed by Shareholders in 2021 – both on Section I and Section II of the Report - recorded a significant approval percentage rate consistent with the typical approval rate seen in recent years, remaining above 90%.

Ongoing dialogue with institutional investors and proxy advisors and the continuous improvement that drives our approach to Remuneration Policy have confirmed our high

standards of disclosure, particularly in terms of providing more in-depth information on all relevant aspects of the relationship between sustainable performance and remuneration.

The “say on pay” and transparency culture has always been embedded in our model, and is supported by solid, structured and informed governance.

Chapter 2

PRINCIPLES OF THE REMUNERATION POLICY

Our Policy is founded on clear and shared principles that guide compensation programs and the actions that ensue.



2.1 Equity and Consistency

The remuneration is set in line with the provisions of national and Company collective agreements and must be fair with respect to:

- the **duties** assigned;
- the **responsibilities** assigned to the person;
- the **roles** held;
- the **skills** and capabilities demonstrated.

Generali is committed to promoting **equal treatment and equal pay** between females and males at all levels of the organisation. This applies both to Top Management as well as the other roles within the Company.

In a global Group such as Generali, the **principle of coherence results** in a consistent approach adopted in the various Business Units, Countries and Functions, to correctly guide all our people towards **Group goals** whilst ensuring **compliance with local laws and regulations**.

Finally, the principles of equity and consistency, with respect to position and task performed, shape the composition of remuneration packages, defined by **calibrating the different forms of remuneration** (variable and fixed, cash and shares, short and medium/long-term), also taking into account best market practices.

2.2 Alignment with the Strategy and Long-term Sustainable Value Creation

Remuneration systems are a fundamental tool for aligning management's conduct with corporate strategies. In this sense, our incentive system is structured so that the roles are remunerated **based on the achievement of financial, economic, and operational, and non-financial/ESG Group results**. Goals and ambitions are set – both on an annual and multi-year basis, and in a forward-looking perspective – taking into account the actual results achieved over time. The aim

is to maintain a sustainable level of performance in terms of results and risks taken, in line with Shareholders' requests and regulatory requirements.

In particular, in the annual part of the variable remuneration (STI), the **"Balanced Scorecards"** of all participants include a significant percentage of goals tied to the implementation of strategic Group and local initiatives. The overall budget or Funding Pool allocated for the annual portion of the variable remuneration (STI) varies between a minimum and a maximum value in relation to the degree of achievement of the Group's level of results (Normalised Group Adjusted Net Profit and Group Operating Result). Similarly, the goals of the deferred part of the variable remuneration (LTI) are strictly tied to the Group strategic business priorities.

All incentive systems also include **an even more relevant component related to sustainability**, both through appropriate non-financial/ESG and sustainability performance parameters and goals, and through the so-called "gates" tied to the "solvency" level (failure to exceed this determines the impossibility of providing variable remuneration), and through financial risk-adjusted KPIs set in line with the Group Risk Appetite Framework.

2.3 Competitiveness

Generali's Remuneration Policy is independently **defined by the Group**, considering its own characteristics and specificities, without taking the policies of other companies as a reference. At the same time, to ensure that our Remuneration Policy is updated according to market trends, there is **constant monitoring of our peers' practices and general trends**, in terms both of pay-mix, remuneration levels and systems, and of alignment with the regulatory context and specific business framework.

Comparison with peers is essential in order to **assess both the performance of Assicurazioni Generali in absolute and relative terms, and the competitiveness of the remuneration packages of recipients in terms of total reward and talent attraction**.

Information about the peer group used as a reference and the criteria used for its definition are provided in the chapter related to the remuneration of the Managing Director/Group CEO (and referred to in the following chapter on the Managers with Strategic Responsibilities).

In terms of total target remuneration, the Group's approach is to align the remuneration to a **competitive level, between the median and upper quartile** of the specific reference market, with the individual positioning linked to the evaluation of performance, potential and strategic business impact, according to a segmented approach.

Peers analyses are carried out by **independent external consultants** (Mercer and PwC) who provide relevant information and market analyses to the Company's corporate bodies and top management, to inform any remuneration decision for the reference group with respect to the practices in use internationally in the insurance and financial sector.

At local and Group level, the comparative analysis is conducted taking into account specific groups of peers, in order to ensure alignment with the reference market. The competitiveness of each local remuneration structure, defined on the basis of the reference benchmarks, must, in any case, be consistent with the general principles of the Group Remuneration Policy.

2.4 Merit and Performance-based Reward

Merit is a **key factor in the Group Remuneration Policy**. The system through which this is valued is based on several elements:

- **RELATIONSHIP BETWEEN INCENTIVES AND RESULTS:** through the definition of systems that set a direct link between remuneration and results assessed at Group, Business Unit, and individual level;
- **ASSESSMENT OF CONDUCT:** considering while analysing the results, not only the achievement of financial, economic and operational goals, but also the behaviours demonstrated to achieve them and their consistency with Group values;
- **TIME PERSPECTIVE:** assessing performance not only yearly, but also on a long-term perspective and time frame;
- **TRANSPARENCY OF THE MERITOCRATIC SYSTEMS:** by sharing the annual assessment of all recipients of this Report in a calibration meeting involving the Company's top management, to promote equity, coherence and transparency of our meritocratic approach;
- **PERIODIC PERFORMANCE CHECKS:** considering feedback on trends with respect not only to annual, but also intermediate performance, to facilitate alignment with the expected targets and the possible undertaking of corrective actions.

Our incentives reward the achievement of performance goals, both financial, economic and operational, as well as non-financial/ESG, through the payment of variable remuneration, as further detailed below. Setting a **balanced remuneration package** for all managerial roles is considered to be a key driver for aligning to Group goals. The **weight and the structure of the variable remuneration are balanced** to incentivise the **achievement of sustainable results over time** taking into consideration the Group risk framework to avoid any behaviour not in line with the Company's risk appetite.

All goals used in the incentive systems are defined by selecting, as performance indicators for the annual and long-term plans, consistent parameters to support the Group strategy.

2.5 Clear Governance and Compliance

The Generali Group has set up a governance process that involves both the corporate bodies and part of the Company management and the Key Control Functions, with the aim of defining, regulating, implementing and managing remuneration policies.

Rigour, independence, and accountability are the founding elements of the governance system that ensure both adequate control of remuneration practices and the protection of stakeholders' interests.

Regulatory compliance, alignment with the business strategy, and Group values, on the other hand, guide the criteria through which the specific skills of the corporate bodies are defined, as well as the processes and roles to define, approve and implement the Remuneration Policy.

Finally, the Generali governance model provides for the Board of Directors to have discretion over the provisions of the Remuneration Policy in exceptional circumstances. This takes place within the Group's **strict governance processes**, with prior application of the provisions on transactions with Related Parties, where necessary, as required by law, and without prejudice to the compliance with the solvency requirements.

We are convinced that by drawing inspiration from these principles, our remuneration systems can be a key element for **attracting, developing and retaining talents and key people** with critical skills and high potential, thereby promoting a correct approach in aligning their performance with Company results and building the premises for solid and sustainable results over time.

Chapter 3

Focus on Managing Director/Group CEO, Managers with Strategic Responsibilities and Other Relevant Personnel

REMUNERATION STRUCTURE

3.1 Recipients of the Remuneration Policy

The Remuneration Policy contained in this Report applies to **members of the corporate bodies** (the Board of Directors, including the Managing Director/Group CEO and the Board of Statutory Auditors) as well as to the “**Relevant Personnel**”, including the Managers with Strategic Responsibilities, identified based on the criteria indicated in art. 2, paragraph 1, lett. m) of IVASS Regulation No. 38/2018, or: “the general managers, managers with strategic responsibilities, the managers and senior staff of Key Functions and the other categories of personnel whose activities may have a significant impact on the Company’s risk profile” and therefore respectively:

- the members of the **Group Management Committee (GMC)**³, the Group’s leadership team who discuss the fundamental decisions for the Group and verify the proposals to be submitted to the Board of Directors, whose decisions and guidelines are conveyed within the Group;
- the **Heads and First Reporting Managers of the Key Functions**⁴, for whom specific provisions are envisaged, in line with the applicable regulatory requirements;
- other **roles directly reporting to the Managing Director/Group CEO and to the Company’s Board of Directors**⁵ with significant impact on the Group’s strategic profile.

In line with the Group strategy adopted, which aims to increase the Group international integration and strengthen its role at an international level, and in compliance with the regulatory framework, the principles contained in this Group Remuneration Policy are globally consistent, and therefore applicable to all members of the Group Relevant Personnel, without prejudice to compliance with local/sector laws and specificities.

Furthermore, the Group pays special attention to the governance processes related to the members of the Global Leadership Group (GLG)⁶, who represent the approximately 200 roles with the greatest Group organisational weight and impact on the results and the process of rolling out, cascading, implementing and guiding the strategy and transforming the business, as well as, limited to the Group Long Term Incentive (LTI) Plan, talents and other selectively identified Group key roles.

3.2 Elements of the Remuneration Package

3.2.1 Total Remuneration Package in Terms of Level, Structure and Balance

The Managing Director/Group CEO and the Relevant Personnel not belonging to Key Functions are recipients of an overall remuneration package consisting of a fixed remuneration and a variable remuneration (annual in cash and deferred in shares) and benefits.

The principles guiding the remuneration package are those already explained in the first chapters of the Report and hereby referred to and illustrated. In particular:

- the remuneration package is clearly defined in order to **guarantee a balance between fixed remuneration and variable remuneration**, as well as to encourage the achievement of sustainable long-term results;
- the remuneration package is structured as a whole to ensure balance between the requirement to adequately **incentivise the achievement of the best results** in the interest of the Group and, at the same time, to **guarantee**, through the adoption of a series of precautions and safeguards, **a healthy and prudent management**, in accordance with the relevant regulatory framework;
- the “target” remuneration package is defined with the aim of **maintaining a competitive level** between median and upper quartile of the specific reference market, with the individual positioning linked to the evaluation of performance, potential, and strategic role, according to a segmented approach;
- variable remuneration is defined through annual cash and deferred share-based incentive plans, tied to individual and Group performance indicators, which also take into account the **sustainability requirements**, also in terms of the risks undertaken;
- the structures of the incentive plan provide **access thresholds** related to the Company’s financial situation and risk management, as well as risk indicators and malus and clawback mechanisms and prohibitions on hedging;

3. Currently identified in the following roles: Group Chief Financial Officer; Group Chief Risk Officer; Group Chief Marketing & Customer Officer; Group Chief Insurance & Investment Officer; Group Chief Transformation Officer; Group Chief HR & Organisation Officer; Country Manager Italy & Global Business Lines; Country Manager Germany; Country Manager France & Europ Assistance; Austria & CEE Officer; CEO International; and CEO Asset & Wealth Management. Of these the Country Manager France & Europ Assistance and the Austria & CEE Officer are not employees of the Group in Italy. The Remuneration Policy and governance illustrated below in this Report shall apply in compliance with the respective governance and with local regulations.

4. Head of Group Audit, Group Chief Risk Officer, Group Head of Actuarial Function, Group Compliance Officer and their first reporting managers. The Group Head of Anti-Financial Crime Function is assimilated to the Key Functions for the application of the remuneration and incentive rules. The specific provisions provided for the Heads of the Key Functions also apply to the Group Chief Risk Officer, even if a member of the Group Management Committee (GMC).

5. Currently identified in the following roles: Head of Corporate Affairs & Company Secretary; Group Head of Mergers & Acquisitions; Group General Counsel and Group Communications & Public Affairs Director.

6. The Global Leadership Group (GLG) consists of approximately 200 Group roles, with high Group organisational weight and impact on results and on the strategy and business transformation definition, cascading implementation and guiding process, including for example, CEOs of major subsidiaries, main Branch managers, strategic positions within Countries and business lines and positions at Head Office with a global impact on the Group’s results, for which the annual cash component (STI) and deferred component in shares (LTI) policies apply.

- the expected performances are clearly defined through a structured and explicit system of **performance management**;
- the variable component (including an annual cash and a

deferred in shares component) is as a whole:

- made up of at least **50% of shares**;
- structured according to **percentages and deferral periods differentiated** by cluster of beneficiaries.

TOTAL TARGET REMUNERATION COMPONENTS

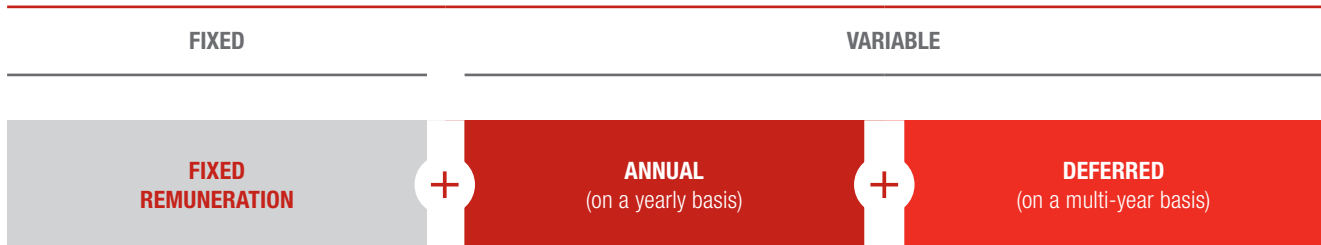


Chart 3.a

Analyses are conducted on the structure of the remuneration package to ensure that fixed remuneration, variable remuneration and benefits are balanced to promote the commitment of management to contribute to the achievement of **sustainable results**, as further specified below. In particular, the remuneration is determined for such an amount that does not incentivise inappropriate risks by the individual while allowing, in the theoretical event the related conditions occur, the efficient application of the appropriate ex post correction mechanisms (malus and clawback) on variable remuneration.

Also as far as benefit evaluation, the markets are constantly monitored aiming for **alignment with main market practices**, carrying out surveys by professional families, business lines and territories.

Special guidelines on balancing the various remuneration components are defined for each target population and, with special reference to the members of the **Group Management Committee** (GMC), the **Board of Directors**, upon the opinion of the **Appointments and Remuneration Committee**, establish the overall positioning policy at Group level in terms of remuneration value, also defining guidelines for the **revision of the remuneration and of the pay-mix** where necessary, in line with market trends and internal analysis.

The Board of Directors, upon the proposal of the Appointments and Remuneration Committee, annually approves the criteria and structure of the incentive system for the recipients of this Remuneration Policy, ensuring the appropriate balancing of the variable remuneration opportunities in the pay-mix structure.

With regards to the pay-mix policy for the Relevant Personnel of the Key Functions, the balancing is defined by the Risk and Control Committee in favour of the fixed component with an approach to variable remuneration consistent with the aim of ensuring their independence and effectiveness of their control action.

3.2.2 Fixed Remuneration

Fixed remuneration is determined and adjusted over time considering the **duties**, the **responsibilities assigned and the roles held**, also taking into account the experience and skills and abilities of each individual.

The weight of the fixed remuneration is such as to adequately remunerate in order to **attract and retain** key people and at the same time it must be sufficient to remunerate the role correctly even if the variable remuneration should not be paid following the failure to achieve the individual, Company or Group goals, in order to prevent behaviour that is not proportionate to the Company's degree of risk appetite.

The level of fixed remuneration, like the other components of the remuneration package, is also regularly assessed with respect to the evolution of the market.

3.2.3 Variable Remuneration

Variable remuneration seeks to motivate management to **achieve business goals** through the direct connection between incentives and:

- **Group goals**, also through the definition of a "Funding Pool" matrix set in order to guarantee the alignment of the annual bonuses of top management with the Group's results in terms of Group Operating Result and Normalised Group Adjusted Net Profit⁷;
- **Goals at Business Unit, Country or Function and individual level**, both financial, economic and operational and non-financial/ESG.

Performance is assessed with a multidimensional approach that takes into account, depending on the evaluation time frame considered, the results achieved by individuals, those achieved by the structures in which the individuals operate, and the results of the Group as a whole.

7. Group Adjusted Net Profit reported in the financial statements, normalised by excluding any extraordinary items not predictable (due to, by way of example only: amortisation/goodwill depreciation, significant legal/regulatory/legislative changes, and significant impacts resulting from changes to tax treatment, gains/losses from M&A) and approved by the Board of Directors upon the recommendation of the Appointments and Remuneration Committee in accordance with these guidelines.

The impact of variable remuneration on the overall remuneration varies according to the organisational level, the possibility of directly influencing the Group results, and the impact that the individual role has on the business. In addition, the time horizon of accrual and payment of the variable remuneration differs based on the role, according to the criteria better illustrated below.

The Group guidelines on variable remuneration ensure alignment with the regulatory provisions and with the recommendations relating to the Key Functions.

The individual agreements with the recipients of the Remuneration Policy usually contain specific details relating to the variable component of the remuneration, both the annual and deferred part.

With reference to variable remuneration, **incentive plans**, both annual and deferred, are adopted especially establishing that:

- variable remuneration is as a whole comprised of **at least 50% of shares**;
- a portion equal to at least **60%** of the variable remuneration is subject to deferred payment systems for a period of time of no less than **5 years for people whose variable remuneration represents a particularly high amount of the overall remuneration**, identified as the Managing Director/Group CEO and the members of the Group Management Committee (GMC);
- a portion equal to **at least 40%** of the variable remuneration is subject to **deferred** payment systems for a period of time of no less than **3 years, for the remaining Relevant Personnel**⁸;
- the variable remuneration provides adjusted **mechanisms for the risk** defined in alignment with the strategy (**Return on Risk Capital**) and with the limits of the **Regulatory Solvency Ratio** defined by the Board within the Group's Risk Appetite Framework;
- variable remuneration is coherent and does not conflict with the goal of **full compliance with the Group internal and external regulatory provisions**;
- the active involvement of the **Finance, Risk Management, Compliance, Anti-Financial Crime and Internal Audit** Functions is provided to verify the consistency of criteria and strategic performance indicators with respect to the risks and regulatory requirements.

The **maximum cap** of the variable remuneration compared to the fixed remuneration for the Managing Director/Group CEO is equal to:

- **200% of the fixed remuneration in relation to the annual component** in cash of the variable remuneration (STI);
- **200% of the fixed remuneration in relation to the deferred component** in shares of the variable remuneration (LTI).

The **maximum cap** of the variable remuneration compared to the fixed remuneration for the Managers with Strategic Responsibilities is **on average** equal to:

- **~170% of the fixed remuneration in relation to the annual component** in cash of the variable remuneration (STI);
- **200% of the fixed remuneration in relation to the deferred component** in shares of the variable remuneration (LTI).

The process for the definition and consistent application of the Remuneration Policy for Group companies is managed within the Group governance process, also through the adoption of specific internal policies, taking into consideration the local/sector characteristics and specificities, with particular attention, in addition to regulatory requirements, to local practices in terms of levels, Annualised Pay-Mix and eligibility for incentive plans with the aim of keeping our remuneration packages competitive with respect to local markets to attract the best people.

All variable remuneration plans - annual cash and deferred share plans - have **malus and clawback mechanisms and hedging prohibitions** aligned with Group policies.

No incentive is paid in the event of wilful misconduct or gross negligence in violation of the Code of Conduct, or of a violation of the regulatory provisions applicable to the scope of activities managed by the individual, especially those regarding the protection of policyholders, the processing of personal data, anti-money laundering and countering the financing of terrorism, and international sanctions, or in the event of failure to achieve the predetermined results or of a significant deterioration of the Group financial position.

Any amount paid out is subject to clawback in the event of the emergence of wilful misconduct or gross negligence (including the case where, as a result of such behaviours, the relevant performances prove to be non-lasting nor effective) or in the event of the emergence of violations of the Code of Conduct or of the regulatory provisions applicable to the scope of activities managed by the individual (including those aforementioned in reference to malus provisions).

The malus and clawback provisions also apply if the data based on which the incentive was determined should prove to be manifestly incorrect.

With specific reference to the incentive plans, the final assessment of the level of achievement of the goals also includes an **individual evaluation of behavioural integrity** (in line with the provisions of the Code of Conduct), **compliance with the regulatory provisions** applicable to the scope of the activities managed by the individual, completion of mandatory training, and the resolution of remediation actions defined within the audit activity. This assessment is to be carried out

8. With the exception of Relevant Personnel whose variable remuneration represents at least 70% of the overall remuneration, where the provisions of the previous point apply.

and used as a calibration or malus/clawback mechanism where necessary.

Aside from the consequences in terms of variable remuneration, anyone who attempts to violate or violates the internal and/or external regulatory provisions applicable to the perimeter of the activities managed by the individual is subject to possible disciplinary actions based on the seriousness of the conduct and in accordance with the locally applicable employment laws (e.g. from a warning letter to dismissal).

In line with European regulation (Solvency II), the Company requires beneficiaries of incentive plans, through specific provisions included in the contractual documents governing such plans, not to resort to strategies of personal or insurance coverage (so-called hedging) that may alter or undermine the risk alignment effects embedded in the variable remuneration mechanisms.

3.2.4 Annual Cash Component of the Variable Remuneration - Short Term Incentive (STI)

As in past years, the annual cash component of the variable remuneration consists in the so-called Short Term Incentive (STI), based on an annual performance assessment period and which provides for the payment of a cash remuneration upon the achievement of predefined goals.

Specific Short Term Incentive (STI) Plans are provided for the Managing Director/Group CEO, for the Managers with Strategic Responsibilities⁹, including the members of the Group Management Committee (GMC), and for the Heads and First Reporting Managers of the Key Functions.

In particular, the Short Term Incentive (STI) Plans for the Managing Director/Group CEO and for the Managers with Strategic Responsibilities, including the members of the Group Management Committee (GMC), are determined by the Board of Directors, upon the proposal of the Appointments and Remuneration Committee; while the plan for the Heads and First Reporting Managers of the Key Functions is approved by the Board of Directors, upon the proposal of the Risk and Control Committee.

The annual incentive system for the Managing Director/Group CEO and for the members of the Group Management Committee (GMC) aims at anchoring the incentive to the achievement of business goals through the direct link between incentives and Group goals (ensuring sustainability of the payment of bonuses with respect to the Group results in terms of Operating Result and Normalised Adjusted Net Profit) and goals at Business Unit, Country or Function and individual level, both financial, economic and operational and non-financial/ESG.

The variable remuneration system dedicated to the Heads and First Reporting Managers of the Key Functions is consistent

with the specific activities of each of these Functions, independent of the results achieved by the operating units subject to their control, and linked to the achievement of goals related to the effectiveness and quality of the control action, and is also defined in such a way as not to be a source of potential conflicts of interest.

3.2.5 Deferred Component in Shares of the Variable Remuneration - Long Term Incentive (LTI)

Generali's deferred variable remuneration consists in multi-year plans (so-called Long Term Incentive Plan - LTI) approved from time to time by the competent bodies, and whose recipients can be the Managing Director/Group CEO, the members of the Group Management Committee (GMC), the remaining Relevant Personnel (with the exception of the Heads and First Reporting Managers of the Key Functions), the other members of the Global Leadership Group (GLG), and other selected employees of Generali.

From 2013, Generali has adopted plans based on a three-year cycle, after which free shares can be granted, subject to predefined holding/lock-up periods. In particular, the 2019-2021, 2020-2022 and 2021-2023 LTI Plans are currently under way. The share allocation relating to the 2019-2021 LTI Plan, whose performance cycle ended at the end of 2021, takes place in April 2022, while those relating to the 2020-2022 and 2021-2023 LTI Plans may take place respectively in 2023 and 2024.

Starting from 2019, the structure of the LTI Plans provides for a share allocation system with deferral and lock-up periods over a time frame of 6-7 years, depending on the population of reference.

These LTI plans are normally structured according to a so-called rolling system, with the launch of a new plan with overall three-year performance in each financial year for all the eligible beneficiaries, without prejudice to the different possibility for the Company to evaluate, especially in the case of fixed-term relationships or assignments, the participation of specific beneficiaries in a unique plan for the entire reference period, which combines and concentrates in itself the potential incentives that would result from the multiple plans launched in the same reference period and therefore respecting, overall, the Annualised Pay-Mix (target and maximum) provided under the Remuneration Policy.

3.2.6 Benefit

Benefits represent an additional element of the remuneration package – in a total reward approach – to supplement the cash and share-based components. Benefits differ based on the category of recipients, both in terms of type and overall value, in line with Group policy.

9. System applied also to the remaining Relevant Personnel as well as the other members of the Global Leadership Group.

In particular, with regard to the Managing Director/Group CEO and the other recipients of the Policy within Assicurazioni Generali, **supplementary pension and health care benefits** are governed by the individual contracts, applicable collective bargaining agreements, and Company-level supplemental agreements. At the complementary collective bargaining agreement level, this also provides for other guarantees, such as the Long Term Care guarantee in the event of permanent disability, and the guarantees in the event of death and total permanent disability caused by injury or disease, whether professional or extra-professional.

With reference to the supplementary pension, for the managers of Assicurazioni Generali within the target population of this Remuneration Policy, a set percentage of the fixed remuneration defined by supplementary Company/individual agreement (between 13% and 16.5%) is provided in the **Managers Pension Fund** (GenFonDir).

The benefits package can also include, as an example, the personal and business use of **a Company car** with a fuel card (alternatively a car allowance can be provided), dedicated **assistance in case of emergency**, and **agreements with airport operators** (e.g. corporate frequent flyer cards). Moreover, specific contractual conditions may also be granted, in compliance with all applicable regulations, with regard to, for example, the **execution of insurance, banking or the purchase of other products of the Generali Group, along with facilitated access to loans, mortgage for buying houses or vehicles**, and other benefits or **reimbursements** related to Company events or Company initiatives.

Furthermore, in the event of transfer of the workplace within the Country or to another Country or the recruitment of personnel from different locations or Countries, supplementary benefits may be provided in line with market practices, relating, for example, to the accommodation, support for the education of children, and all aspects related to national and international travel and mobility, for a defined period of time.

3.2.7 Additional Components of Remuneration Related to Certain Circumstances or Events

In order to attract or retain key individuals, **specific remunerations** can be agreed upon during recruitment or during the course of the employment.

These components, which are only **awarded for selected high profile managerial positions**, may consist, for example, of (a) entry bonuses linked to the loss of incentives by the previous employer and linked, where possible, to the commitment to remain employed at the Company for a specified period; (b) variable components guaranteed only for the first year of employment; (c) payments linked to the stability of the employment over time.

The Company can also award **bonuses in connection with extraordinary operations and or results** (such as, for example, disinvestments, acquisitions, mergers, reorganisation or efficiency processes), of such significance as to materially impact the value and volumes of the Company's activity and/or its profitability and as such not apt to be adequately rewarded within the framework of ordinary variable remuneration systems, so as to justify this additional payment. The parameter for identifying any extraordinary transactions or results possibly worthy of recognition is linked to the **level of materiality of the operation** which, in consideration of the size of the Generali Group, can only occur in relation to operations of extraordinary and unusual economic or organisational dimensions. The criteria for determining the amount of any bonus, which is normally within the maximum limits of one year of fixed remuneration, would, on the one hand, be connected to the **value of the operation** and, on the other hand, would consider the **overall remuneration already paid** to the beneficiary within the standard remuneration systems.

Any such payments, determined in compliance with the governance processes on remuneration that apply to the various categories of recipients, subject to examination of the provisions on transactions with Related Parties, where applicable, and paid according to terms and methods compliant with the relevant internal and external regulations¹⁰ (without prejudice to the overall target Annualised Pay-Mix, where applicable), will be appropriately disclosed, as required by regulations in force, in Section II of the first Report on Remuneration Policy and Payments published following the payment.

3.2.8 Compensation for Further Assignments

The Managing Director/Group CEO and the other recipients of the Remuneration Policy within Assicurazioni Generali **cannot receive payments and/or attendance fees** for other offices they have been assigned by the Parent Company in subsidiaries, entities, associations, unless specific authorisation is granted, duly motivated, formalised and resolved each time by the competent bodies.

Finally, please refer to the following chapters for the policies relating to the D&O insurance policy and for the payments in the event of termination.

3.2.9 Share Ownership Guidelines

Upon the proposal of the Appointments and Remuneration Committee, starting in 2021, the Board of Directors introduced **Group Share Ownership Guidelines** for the Managing Director/Group CEO and for Managers with Strategic Responsibilities who are part of the Group Management Committee (GMC)¹¹, in order to further align managerial interests with those of the Shareholders.

¹⁰. This taking into account other incentives that may be paid to the beneficiary as elements of the overall variable remuneration (and related terms and methods of payment).

¹¹. Excluding personnel belonging to the Key Functions.

These guidelines provide that:

- the Managing Director/Group CEO shall hold for the entire term of office a minimum number of Generali shares of equivalent value to **300%** of the annual recurring gross fixed remuneration;
- the Managers with Strategic Responsibilities who are part of the Group Management Committee (GMC) shall hold for the entire term of office a minimum number of Generali shares of equivalent value to **150%** of the annual recurring fixed gross remuneration.

These levels must be achieved within 5 years from appointment and must be maintained for the entire duration of the office held.

In compliance with regulatory requirements and in line with the principles of the Remuneration Policy, the recipients of the Share Ownership Guidelines are required not to resort to strategies of personal or insurance coverage (so-called hedging) that may alter or undermine the risk alignment effects embedded in the variable remuneration mechanisms.



Chapter 4

REMUNERATION OF THE MANAGING DIRECTOR/GROUP CEO

4.1 Remuneration Package

In view of the expiry of the term of office of the current Board of Directors, with the approval of the financial statements for the financial year 2021, the specific remuneration of the Managing Director/Group CEO to be appointed by the competent corporate bodies and the relevant amounts shall be the subject to the resolutions to be taken, pursuant to applicable laws and regulations (including Article 2389, paragraphs 1 and 3 of the Italian Civil Code), by such corporate bodies in compliance with the general principles contained in this 2022 Remuneration Policy.

Here below is a description – also on account of the obligations arising from the regulatory provisions regarding the Remuneration Policy and its mandatory contents (as provided, inter alia, under CONSOB's Issuers' Regulation in force, as amended in 2020) - of the general principles underlying the definition of the remuneration of the Managing Director/Group CEO and the related structural elements, as defined, within the scope of this Remuneration Policy, by the current Board of Directors, upon consultation with the Appointments and Remuneration Committee, in line with the guidelines already followed during the current mandate.

The remuneration of the Managing Director/Group CEO - in line with what has been implemented for the 2019-2021 mandate - is structured according to and in compliance with market practices and regulatory requirements, so as to ensure a correct balance between **fixed compensation, variable annual cash and deferred share-based incentives** linked to predefined and measurable short and long-term **financial, economic and operational and non-financial/ESG** goals, as well as additional benefits in line with Group policies and specific **Share Ownership Guidelines**.

The Chart 4.a shows the fixed and variable elements that constitute the remuneration package of the Managing Director/Group CEO, and the relevant weights versus the overall Annualised Pay-Mix (target and maximum) which, in line with the market and industry expectations, presents a reduction, compared to the past, in the ratio between variable remuneration and fixed remuneration (also due to the fact that no launch of a new co-investment share plan linked to the mandate is being proposed).



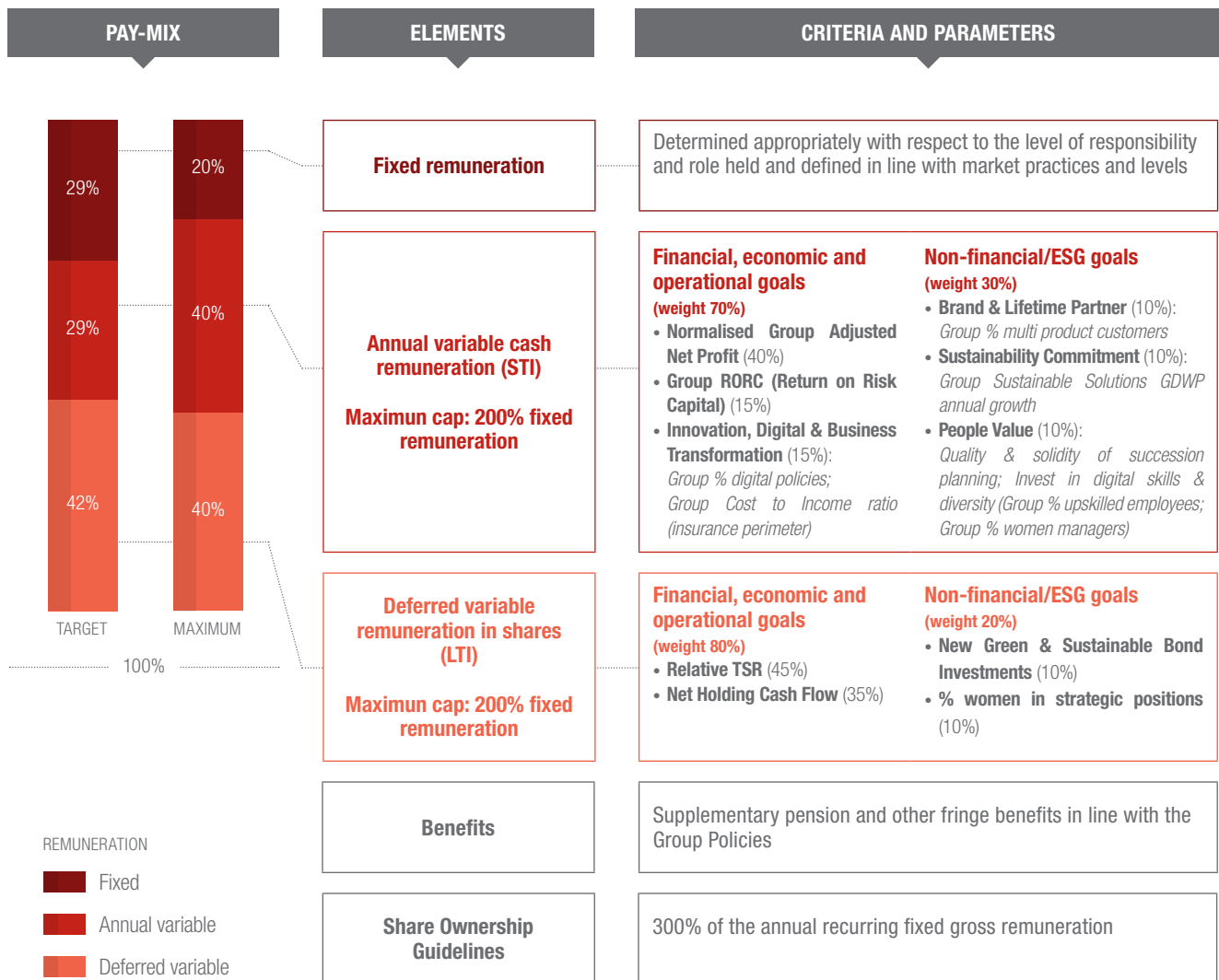


Chart 4.a

4.2 Remuneration of the Managing Director/Group CEO towards the Market and the Regulatory Context

The Remuneration Policy of the Generali Group provides for continuous monitoring of the regulatory environment, of peer remuneration practices and general market trends, in terms of pay-mix, remuneration levels and systems, in order to ensure the competitiveness of the remuneration offer and **guarantee the Group's ability to attract, retain and motivate key people.**

In terms of target total remuneration, the Group's approach is to align remuneration at a **competitive level, between the median and the upper quartile** of the specific reference market, with individual positioning linked to the assessment of performance and potential and to the strategic role held, according to a segmented approach.

The **reference panel** for the remuneration benchmarking of the Managing Director/Group CEO is set up with the support of PwC, acting as an independent external consultant to the Appointments and Remuneration Committee, based on a

methodology related to **specific dimensional and business criteria that ensure its significance.**

The reference panel defined includes European companies of comparable size to Generali, belonging to the insurance and banking sectors, considering the convergence of the remuneration and regulatory practices between the two sectors and their proximity in terms of labour market.

For the assessment of the dimensional comparability with respect to Generali, the adopted methodology analyses a set of **economic and equity indicators** (revenues, value of market capitalisation, value of assets, number of employees) so that the **dimensional positioning** of Generali compared to the panel companies is aligned with the **median values (53rd percentile)** of the panel.

For the selection of companies in the peer panel, **comparability of the business model, corporate structure, and international presence, as well as the geographical scope of the selected companies** is considered.

Based on the criteria described, 15 companies have currently been identified to build the reference peer panel:

Parameters for the Panel Selection



Peer Panel 2022

1	▶ AEGON
2	▶ ALLIANZ
3	▶ AVIVA
4	▶ AXA
5	▶ BBVA
6	▶ CREDIT SUISSE
7	▶ DEUTSCHE BANK
8	▶ INTESA SANPAOLO
9	▶ MUNICH RE
10	▶ PRUDENTIAL
11	▶ SOCIÉTÉ GÉNÉRALE
12	▶ SWISS RE
13	▶ UNICREDIT
14	▶ UNIPOL
15	▶ ZURICH

Panel Characteristics 2022

The Panel proposed guarantees:

- The **comparability of peers** with respect to Generali in terms of size: Generali is on the **53rd percentile** of the reference panel
- The inclusion of the main financial services companies in the financial sector of the European Countries of reference to ensure the **competitiveness of remuneration** in order to attract, motivate and retain key people and talents
- A **balanced representation of the financial sector**, including 9 insurance companies and 6 with mainly banking business

Chart 4.b

The peer panel is used not only to compare the remuneration levels of Generali with the external market, but also to evaluate the **coherence between remuneration and Company performance**.

Chart 4.c illustrates the ratio between the positioning of the average total remuneration of the Managing Director/Group CEO over the last three years¹² compared to the peer panel

and the level of performance in terms of Total Shareholder Return (TSR) in the same period. The remuneration actually paid to the Managing Director/Group CEO during the period and the results of TSR of Generali are fully positioned within the **market consistency range in terms of Pay for Performance between the 65th and 80th percentile compared to the reference peer group**.

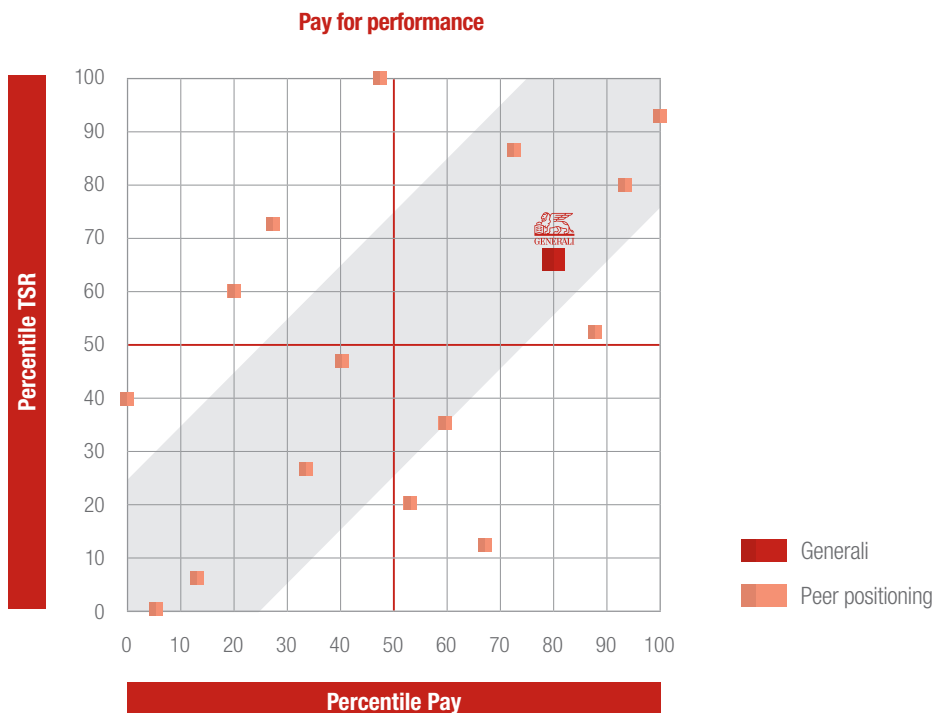


Chart 4.c

12. Analysis based on the public data available during the 2018-2020 period.

4.3 Components of the Remuneration

4.3.1 Fixed Remuneration

The Remuneration of the Managing Director/Group CEO is determined by the competent corporate bodies at the beginning of the three-year mandate (in this specific case, on May 2022) based on the scope of the **role** and the relevant managerial and strategic challenges of continuous transformation of the Group, also embedded in the 2022-2024 three-year strategic plan, which has sustainability as Originator and is based on three solid pillars: sustainable growth, improved earnings profile, innovation and digital transformation, with an acceleration on Customers, Sustainability Commitment and People Value.

The fixed component usually includes a remuneration paid for the executive employment relationship and the remuneration

as Director, defined by considering also the levels and practices of market peers.

4.3.2 Annual Cash Component of the Variable Remuneration - Short Term Incentive (STI)

The role of Managing Director/Group CEO currently entails the participation in a specific Group incentive system which provides for the payment of a **variable cash incentive** that can reach a maximum cap of 200% of the fixed remuneration, upon the achievement of predefined and measurable annual goals, defined in line with the Group business strategy and leading to an individual Balanced Scorecard (BSC) that includes financial performance indicators adjusted for risk and non-financial/ESG performance indicators based on the evidence of specific relevant KPIs.

The **performance goals** of the Managing Director/Group CEO for 2022, the relative weight in determining the incentive amount, and the scale used for the measurement are:

Performance	Weight	KPI	Payout Level				
			0%	60%	100%	150%	200%
Financial (risk-adjusted), economic and operational performance (70%)	40%	Normalised Group Adjusted Net Profit	<85%	85%	100%	110%	120%
	15%	Group RORC (Return on Risk Capital)	<85%	85%	100%	110%	120%
	15%	Innovation, Digital & Business Transformation <ul style="list-style-type: none"> Group % digital policies Group Cost to Income ratio (insurance perimeter) 	Not achieved	Partially achieved	Achieved	Exceeded	Far exceeded
Non-financial/ ESG performance (30%)	10%	Brand & Lifetime Partner <ul style="list-style-type: none"> Group % multi product customers 	Not achieved	Partially achieved	Achieved	Exceeded	Far exceeded
	10%	Sustainability Commitment <ul style="list-style-type: none"> Group Sustainable Solutions GDWP annual growth 	Not achieved	Partially achieved	Achieved	Exceeded	Far exceeded
	10%	People Value <ul style="list-style-type: none"> Quality & solidity of succession planning Invest in digital skills and diversity: Group % upskilled employees; Group % women managers 	Not achieved	Partially achieved	Achieved	Exceeded	Far exceeded
Measurement vs. the ambitions of the specific strategic KPIs							

Chart 4.d

The performance goals set at target level are in line with the annual budget values, connected to the Generali three-year strategic plan¹³. The parameters identified reflect the 3 pillars of the strategic plan: sustainable growth, improved earnings profile, innovation and digital transformation, with sustainability as the Originator of the strategy.

In particular:

- **the financial, economic and operational parameters identified are:**

- the **Normalised Group Adjusted Net Profit**, represented by the Group Adjusted Net Profit reported in the financial statements, normalised by excluding any extraordinary items not predictable (due to, by way of example only: amortisation/ goodwill depreciation, significant legal/regulatory/legislative changes, and significant impacts resulting from changes to tax treatment, gains/losses from M&A) and approved by the Board of Directors upon the recommendation of the Appointments and Remuneration Committee;
- the **Group RORC (Return on Risk Capital)** which reflects the profitability of the Group also in relation to capital management and financial optimisation;

- **the operational and non-financial/ESG parameters reflect the priorities of the strategy that has sustainability as Originator, and are:**

- the **Innovation, Digital & Business Transformation** goal related to the implementation of the Group digital transformation strategic initiatives, with specific priority on increasing the monitored indicator for % **digital policies** and on **Cost to Income ratio** in line with the Group's annual and three-year ambitions;
- the goal related to the non-financial/ESG priorities, which includes indicators linked to the key areas of the strategic plan:
 - **Customers:** related to the implementation of the strategic initiatives of the **Brand & Lifetime Partner** program, with specific priority on increasing the monitored indicator for % **multi product customers** in line with the Group's annual and three-year ambitions;
 - **Sustainability Commitment:** related to the implementation of strategic sustainability initiatives, with particular focus on increasing the monitored indicator for **Sustainable Solutions Gross Direct Written Premiums (GDWP) annual growth** in line with the Group's annual and three-year ambitions;

- **People Value:** related to the implementation of the strategic initiatives of the **2022-2024 People Strategy** and specifically those linked to the development of digital skills and the commitment to Diversity, Equity and Inclusion, with specific priority on increasing the monitored indicators for % **upskilled employees and % women managers** in line with the Group's annual and three-year ambitions. Furthermore, the Appointments and Remuneration Committee and the Board of Directors annually review and assess the "quality and solidity of succession planning" related to the role of Managing Director/Group CEO and Group Management Committee (GMC) members.

The degree of achievement of the goals is determined by the Board of Directors, upon the proposal of the Appointments and Remuneration Committee based on the actual results achieved. In particular, the evaluation of the non-financial/ESG goals is based on evidence of the specific KPIs and ambitions defined and on an overall evaluation by the Board of Directors of the results of initiatives related to sustainability as Originator of the "**Lifetime Partner 24: Driving Growth**" strategic plan.

The **actual value of the incentive** is determined based on the degree of achievement of the assigned goals and corresponds to:

- **100% of fixed remuneration** (including the remuneration as Director) in case all goals are achieved at **target** level;
- **200% of the fixed remuneration (cap)** in case all goals are achieved at **maximum** level.

No payment is provided in the event one of the following factors should occur:

- failure to reach the Regulatory Solvency Ratio threshold;
- failure to achieve at least 40% of the overall weighted result (payout) of the assigned goals;
- Normalised Group Adjusted Net Profit lower than 80% of the budget;
- Group Operating Result lower than 85% of the budget.

In case of achievement of intermediate results, the value of the incentive linked to the financial, economic and operational goals is calculated by linear interpolation, as shown in the Chart 4.e.

13. The target level of the goals in absolute value is not reported considering the confidentiality and market sensitivity of the information also in terms of strategic competitive advantage.

BSC Target Assessment

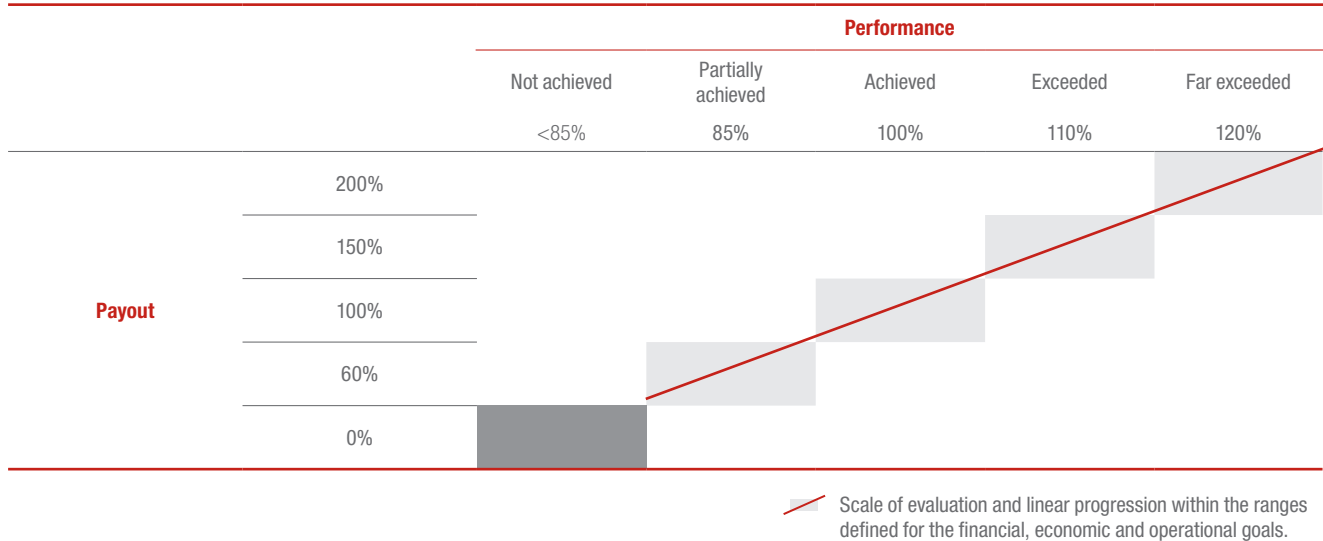


Chart 4.e

The threshold level of the Regulatory Solvency Ratio is set at 130%¹⁴ for the year 2022, in line with the “hard limit” level defined in the Group Risk Appetite Framework, approved by the Board of Directors at the meeting of 14 December 2021.

The plan provides for a Market Adverse Change clause, where, in the event of unforeseeable exceptional circumstances, such as significant changes in the macroeconomic and financial context, the Board of Directors can reassess the fairness and consistency of the incentive systems, implementing the required corrective measures (and this also especially in terms of the reference goals, the related metrics, and methods of evaluation) to keep unchanged - within the limits allowed by the applicable legislation and notwithstanding compliance with the limits and general principles of this Remuneration Policy - the substantial and essential economic features of the systems, preserving their main incentive purposes.

The Plan also provides for malus and clawback clauses and prohibitions on hedging clauses in line with the Group Policies.

4.3.3 Deferred Component in Shares of the Variable Remuneration (Long Term Incentive – LTI)

The Managing Director/Group CEO is among the potential beneficiaries of the Long-Term Incentive Plan based on Assicurazioni Generali shares – **Group Long Term Incentive (LTI) 2022–2024**, submitted to the Annual General Meeting approval, as also provided for other Group beneficiaries.

Specifically, the plan provides for the allocation of shares at the end of a three-year performance period, subject to the verification of the achievement of a minimum level of Regulatory Solvency Ratio and connected to the achievement of Group performance conditions.

Performance Indicators

As also detailed in the next Section of this Report, which includes the comprehensive description of the Group 2022–2024 LTI plan, the performance parameters and the reference target levels have been defined in alignment and support of the Group strategy, especially considering:

- the maintenance of the **three-year relative Total Shareholder Return (rTSR) (with 45% weight) as a fundamental indicator of performance for shareholders**, increasing the threshold and target level for the allocation of shares starting from the median positioning with respect to the comparative insurance peer panel, in line with market expectations;
- maintenance of the **cumulative three-year Net Holding Cash Flow (NHCF) (with 35% weight) as the main driver of cash generation**, selected also considering the greater impacts on other financial balance sheet indicators deriving from the prospective introduction of the new international accounting standards (IFRS 9 and 17);
- the introduction of **internal and measurable ESG goals (with 20% weight)** linked to the Generali 2022–2024 strategy with regard to issues of climate change and diversity (New Green & Sustainable Bond Investments and % women in strategic positions), confirming the strong cultural imprint that the Group wants to impress on its policies underlining the **strategic role of sustainability in every business decision**.

Allocation of Shares

With reference to the shares potentially granted to the Managing Director/Group CEO and the related deferral and lock-up periods, these are defined based on a payout structure over an overall time frame of 7 calendar years, as shown below and in the Chart 4.f:

- at the end of the first three-year performance period, **50% of the shares accrued based of the results achieved** is granted: more specifically, 25% (i.e. half of the shares of this

¹⁴ Threshold subject to possible revision in the event of exceptional, unforeseeable changes in macroeconomic conditions or a worsening of the financial environment. In case of high discontinuity, the Board of Directors will re-assess the fairness and consistency of the incentive systems (“Market Adverse Change” clause).

- first tranche) is immediately available, whereas the remaining 25% (i.e. the remaining half of the shares of this first tranche) will be subject to an additional lock-up period of one year;
- for the remaining 50% of the accrued shares will be subject to an additional deferral period of two years in which the vested shares may be reset to zero in the event the threshold level of the Regulatory Solvency Ratio provided by the LTI plan has not been achieved or a malus condition has been activated as provided in the Rules of the LTI plan.

Once verified that the threshold level has been achieved, malus conditions have not been activated and, ultimately, the employment relationship with Generali (or another company of the Group)¹⁵ is still in force, the remaining 50% of the vested shares will be granted: 25% (i.e. half of the shares of this second tranche) will be immediately available, whereas the remaining 25% (i.e. the remaining half of the shares of this second tranche) is subject to an additional lock-up period of one year.

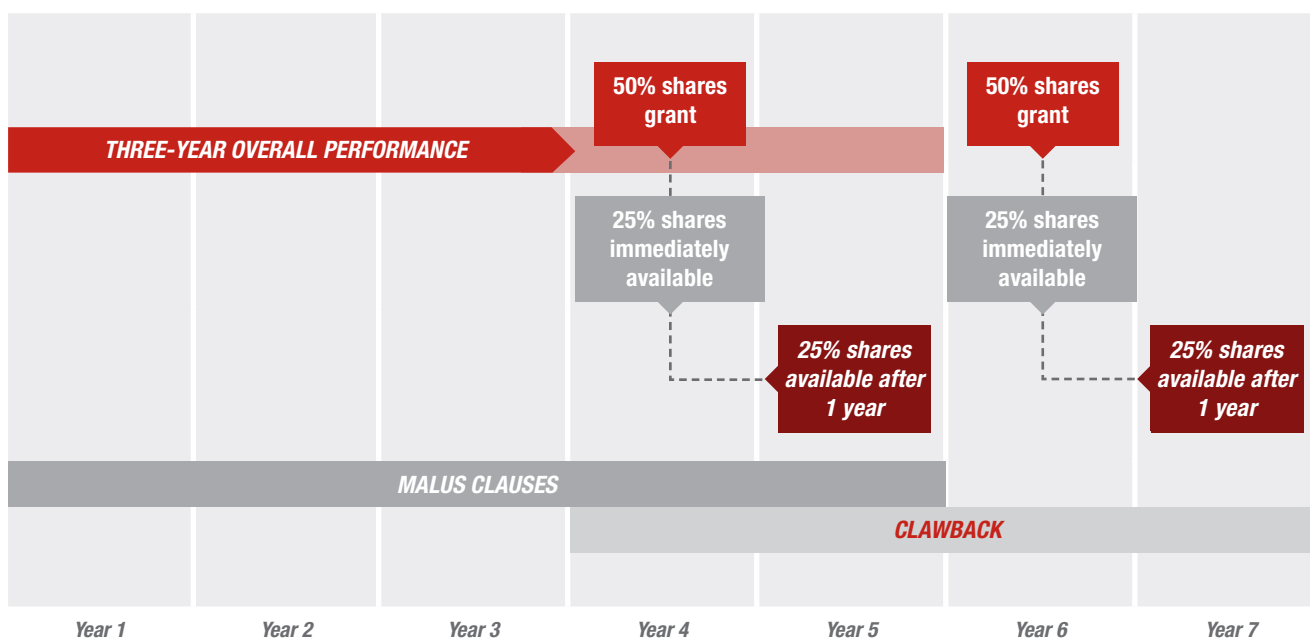


Chart 4.f

The maximum number of shares that may be granted is determined at the beginning of the plan based on the ratio between the maximum amount and the value of the share at the date of the granting.

The actual value of the share-based incentive is determined on the degree of achievement of the assigned goals and corresponds to¹⁶:

- 150% of fixed remuneration (including the remuneration as Director) in case all goals are achieved at target level;
- 200% of the fixed remuneration (cap) in case all goals are achieved at maximum level.

In case of achievement of intermediate results, the number of shares to be granted will be calculated by linear interpolation.

No payment is provided in case of performance below the minimum level (threshold) or failure to reach the Regulatory Solvency Ratio threshold.

The plan also provides for malus and clawback and prohibitions on hedging clauses in line with the Group Policies.

The Plan is further illustrated in the next Section of the Report that includes the detailed description of the Group LTI 2022-2024 plan where the Managing Director/Group CEO also participates.

4.3.4 Benefits and Other Provisions

The current remuneration of the Managing Director/Group CEO includes benefits to integrate the cash and share-based components of the remuneration, in a Total Reward approach, as per the Group policies. More specifically, the benefit package for the Managing Director/Group CEO, as for the other recipients of the Policy within Assicurazioni Generali, provides for the supplementary pension and health care benefits, governed by the applicable collective bargaining agreements and integrative Company-level agreements and the individual contracts. Other guarantees are provided in the integrative collective agreement, such as the Long Term Care guarantee in the event of permanent disability, and the guarantees in the event of death and total permanent disability caused by injury or disease, whether professional or extra-professional. The

15. Without prejudice to specific cases of termination such as death, permanent disability, retirement, termination at the Company's initiative for objective/organisational reasons, consensual termination and other similar contractually predetermined cases.

16. Percentages applicable in the event of LTI plans launched in each year of the mandate, on a so-called rolling basis, without prejudice to the possibility for the Company to evaluate the participation in a unique plan for the entire mandate, which combines and concentrates the potential incentives that would result from the multiple plans launched in the same reference period (and therefore respecting, overall, the Annualised Pay-Mix provided under the Remuneration Policy).

benefit package also includes the availability of a Company car for both business and personal use with fuel card, assistance in the event of emergency situations, and agreements with airport operators and additional supplementary benefits relating to accommodation and support for all aspects related to national and international travel and mobility.

In addition, upon proposal of the Appointments and Remuneration Committee, the Board of Directors introduced from 2021 specific guidelines on share ownership ([Share Ownership Guidelines](#)), according to which the Managing Director/Group CEO is expected to hold for the entire term of office a minimum number of Generali shares of equivalent value to 300% of the annual recurring fixed gross remuneration.

With regard to the provisions relating to the [payments in the event of termination](#) (subsequently detailed in the specific Section of the Report), [a non-competition agreement](#) is currently provided lasting 6 months following termination (against a consideration equal to the fixed remuneration provided for the corresponding reference period and a penalty in case of breach equal to double this amount) and a [severance](#) in addition to the notice period due by law and collective agreement, equal to 24 months of recurring remuneration (which includes fixed remuneration and an average of the annual variable remuneration actually received during the previous three years, and also calculated on the Director's remuneration).

The payment is currently due in case of dismissal without

cause, or resignation for cause, an event that includes cases of revocation from office (in the absence of cause), failure to renew the office and substantial reduction of powers (in the absence of cause) or attribution to others of substantially equivalent powers or in any case sufficiently significant as to considerably affect the Managing Director/Group CEO's position.

Starting from the 2019-2021 LTI plan, the contractual arrangements with the Managing Director/Group CEO provide that, in the event of termination of the office during the three-year mandate, he will retain the rights deriving from the plan only pro rata temporis and only in the so-called "good leaver" conditions (subject to achieving the goals and subject to the additional terms and conditions of the relative regulations).

Conversely, it is provided that, in so-called "bad leaver" conditions, the Managing Director/Group CEO loses all the rights deriving from the plans in place and relating to the period of such mandate. "Bad leaver" means cases of voluntary resignation from office during the three-year mandate and revocation of the same for cause. "Good leaver" means all the other cases of resolution.

Finally, the Managing Director/Group CEO currently does not receive emoluments and attendance fees for other positions held on behalf of the Parent Company in subsidiaries and affiliated companies, bodies, associations, unless specific authorisation is granted by the Board of Directors, also in this case suitably motivated and formalised.



Chapter 5

REMUNERATION OF THE MANAGERS WITH STRATEGIC RESPONSIBILITIES AND OTHER RELEVANT PERSONNEL

5.1 Remuneration Package

The remuneration of the Managers with Strategic Responsibilities (not belonging to the Key Functions) is set in line with market practices and regulatory requirements to ensure a correct balance between the fixed and variable components, providing for an adequate distribution between the component linked to annual goals and that linked to multi-year ones.

The Remuneration consists of a fixed component, variable annual cash and deferred share incentives linked to predefined and measurable financial, economic and operational and non-financial/ESG short and long-term goals, as well as additional benefits in line with the Group Policy and specific Share Ownership Guidelines for members of the Group Management Committee (GMC).

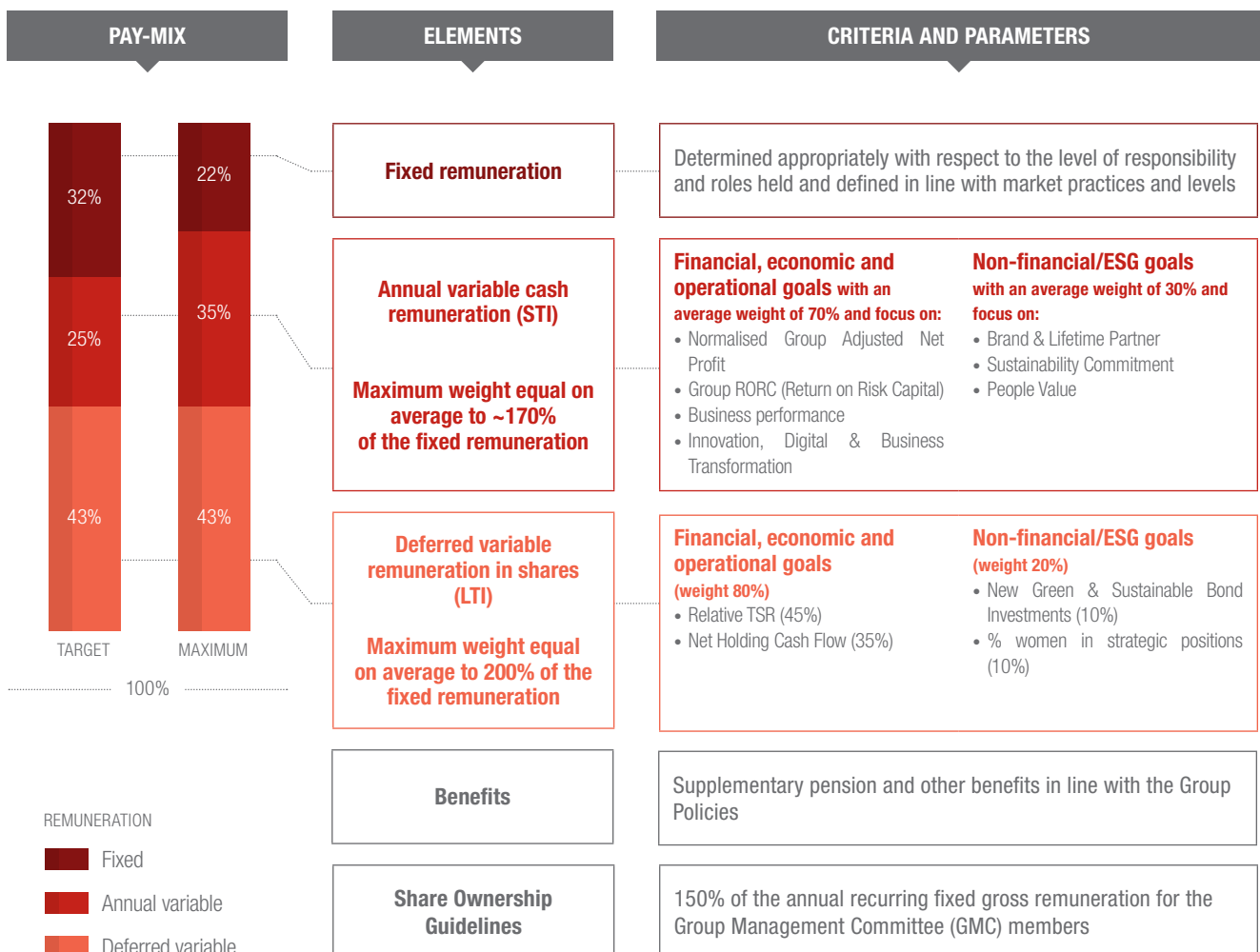


Chart 5.a

5.2 Remuneration of the Managers with Strategic Responsibilities towards the Market and the Regulatory Context

The Remuneration Policy of the Generali Group provides for continuous monitoring of the regulatory environment, of peer remuneration practices and general market trends, in terms of pay-mix, remuneration levels and systems, in order to ensure the competitiveness of the remuneration offer and **guarantee the Group's ability to attract, retain and motivate key people.**

The **reference panel** for the remuneration benchmarking of the Managers with Strategic Responsibilities is the same as the one described for the Managing Director/Group CEO, defined on the basis of a methodology related to **specific dimensional and business criteria that ensure its significance.**

5.3 Components of the Remuneration

5.3.1 Fixed Remuneration

Fixed remuneration is determined and adjusted over time taking into consideration the **duties**, the **responsibilities assigned** and **roles held**, the experience and skills of each individual,

and set with reference also to the levels and practices of market peers in terms of attractiveness, competitiveness and retention.

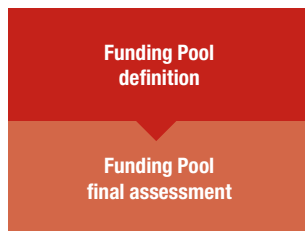
5.3.2 Annual Cash Component of the Variable Remuneration - Short Term Incentive (STI)

The annual incentive system for the Managers with Strategic Responsibilities¹⁷, including the members of the Group Management Committee (GMC), as well as the other Relevant Personnel and the members of the Global Leadership Group (GLG), aims at aligning the incentive with the actual performance of both individual recipients as well as the Group as a whole, through four rigorous process phases articulated in the definition of:

- The **Group Funding Pool**, linked to the level of achievement of Normalised Group Adjusted Net Profit and Group Operating Result and subject to prior verification of the minimum Solvency requirements;
- **Individual Performance**, determined in accordance with predefined and measurable financial, economic and operational and non-financial/ESG goals within the individual Balances Scorecards (BSC);
- the Individual Performance **Calibration** process in relation to the overall performance distribution, the reference context and compliance assessments;
- the **Payout** and individual cash allocation.

17. Excluding personnel belonging to Key Functions.

01 Funding Pool



Definition and final assessment of the **total budget (the so-called "Funding Pool")** between a minimum and maximum value in relation to the degree of achievement of the Group level results (Normalised Group Adjusted Net Profit and Group Operating Result). The final assessment of the Funding Pool is subject to prior verification of the minimum Solvency requirements.

02 Individual performance



Definition of the individual balanced scorecards in which 6 - 8 goals are defined at Group, Region, Country, Business Unit/Function and individual level.

Assessment of **Individual Performance** achieved by participants against the goals set in the balanced scorecard (BSC) with assignment of a performance "rate".

03 Calibration



Overall review of the performance achieved within the framework of a calibration meeting where the results achieved by individuals are recalibrated against the other roles, the reference market context and conformity with the compliance/audit/code of conduct and governance processes.

04 Payout



Definition of individual STI payouts for each performance "rate", taking into account the overall Funding Pool available and the performance distribution as a percentage of the individual baseline.

Chart 5.b

01 Funding Pool

The Funding Pool represents the total amount made available at the start of each financial year for the payment of the Short Term Incentive for the members of the Group Management Committee (GMC), the other Relevant Personnel and the members of the Global Leadership Group (GLG) based on Group performance. The Funding Pool mechanism guarantees complete alignment of individual performance and incentives with the overall Group results.

The maximum amount of the target Funding Pool corresponds to 150% of the sum of the individual "baseline", that is the amounts of variable remuneration to be paid to the individual beneficiaries of the STI Plan if results are achieved at target level.

The Funding Pool is defined by linear interpolation on the basis of the level of achievement of the Normalised Group Adjusted Net Profit and the Group Operating Result within the ranges defined in the funding matrix (shown in the Table 5.c). The Funding Pool is in any case subject to the **verification of access threshold achievement**, represented by a specific Regulatory Solvency Ratio. This level is equal to **130%**¹⁸ **for the year 2022**, limit set considering the "hard limit" level defined in the Group Risk Appetite Framework, approved by the Board of Directors in December 2021.

Furthermore, the Board of Directors may also **reduce the Funding Pool** available if the Regulatory Solvency Ratio is lower than the "soft limit" provided in the Risk Appetite Framework, equal to 150% - but nevertheless higher than the hard limit (130%).

¹⁸ Threshold subject to possible revision in the event of exceptional, unforeseeable changes in macroeconomic conditions or a worsening of the financial environment. In case of high discontinuity, the Board of Directors will re-assess the fairness and consistency of the incentive systems ("Market Adverse Change" clause).

% vs. budget	Group Operating Result				
	< 85%	85%	100%	≥ 120%	
	< 80%	0%	0%	0%	0%
Normalised Group Adjusted Net Profit *	80%	0%	60%	75%	90%
	100%	0%	100%	115%	130%
	≥ 120%	0%	120%	135%	150%

* Group Adjusted Net Profit reported in the financial statements, normalised by excluding any extraordinary items not predictable (due to, by way of example only: amortisation/goodwill depreciation, significant legal/regulatory/legislative changes, and significant impacts resulting from changes to tax treatment, gains/losses from M&A) and approved by the Board of Directors upon the recommendation of the Appointments and Remuneration Committee.

Table 5.c

The actual Funding Pool available for payment of the Short Term Incentives (STI) is defined in the financial year following that of reference, after the verification of the level of achievement of the Normalised Group Adjusted Net Profit and the Group Operating Result approved by the Board of Directors. The Managing Director/Group CEO proposes the final Funding Pool to the Appointments and Remuneration Committee which expresses its opinion for the approval by the Board of Directors.

No Funding Pool or bonus payment is foreseen with a result below the minimum budget result vis-à-vis the Group target.

The Board of Directors may also (i) authorise **an ad hoc Funding Pool** even in the event of Group results below the minimum set for the Group goals set by the Board of Directors for the reference year; or (ii) authorise **an additional portion - equal to a maximum of 10% of the actual funding** - with the aim of remunerating individual persons whose performance has been of particular relevance. These measures may be envisaged if the conditions set out in article 123-ter of the Consolidated Law on Financial Intermediation (TUF) regarding temporary exceptions to the Remuneration Policy are met, on the proposal of the Managing Director/Group CEO, subject to the approval procedure for transactions with Related Parties, and only on condition that the Regulatory Solvency Ratio has been achieved.

On the basis of the Funding Pool mechanism, in fact, there is the theoretical possibility that, due to the degree of achievement of the Group results, the beneficiaries who have reached or largely exceeded all of the assigned goals, may still receive a bonus lower than the target amount or, no bonus at all,

due to the zeroing or significant reduction of the available so-called Funding Pool. In this situation, the corrective measures illustrated above which have, to date, never been used, have the role of intervening - at the end of the rigorous process of governance described above and still only when the minimum access threshold has been reached to guarantee the Group's capital stability - in order to allocate an additional amount to the Funding Pool and correct such situations.

The exercise of this power by the Board of Directors can occur, as described, within the rigorous governance processes of the Group, subject to the procedure for transactions with Related Parties where necessary, as required by law and subject to compliance with the Solvency requirements.

The presence of flexibility margins within the Remuneration Policy represents an element of value for the purposes of the company's ability to attract, motivate and retain key personnel, although this option has **never been used** to date. This last circumstance represents, among other things, another confirmation that the systems adopted in the Remuneration Policy are effective and can adapt to the market variables, clearly aligning remuneration to the actual performance, capital solidity, and solvency requirements.

02 Individual Performance

Each individual is assigned a Balanced Scorecard (BSC) that is defined according to the following guidelines.

The Balanced Scorecard normally includes a maximum of **6-8 goals based on the structure illustrated in Table 5.d.**

2022 BALANCED SCORECARD STRUCTURE

FINANCIAL (RISK-ADJUSTED), ECONOMIC AND OPERATIONAL PERFORMANCE	70/80%	Key Performance Indicators (KPIs) with priority on: <ul style="list-style-type: none"> • Normalised Adjusted Net Profit at Group/Country/Business Unit (BU) level • RORC at Group/Country/Business Unit (BU) level • Strategic Business Performance at Group/Country/Business Unit (BU) level based on specific KPIs evidence (e.g. New Business Value, Current Year Best Estimate Technical Result, Cost to Income Ratio) • Strategic initiatives and projects linked to Innovation, Digital & Business Transformation at Group/Country/Business Unit (BU) level based on specific KPIs evidence (e.g. % digital policies)
NON-FINANCIAL/ESG PERFORMANCE	20/30%	Key Performance Indicators (KPIs) with priority on: <ul style="list-style-type: none"> • Brand & Lifetime Partner (e.g. % multi product customers, RNPS) • Sustainability Commitment (e.g. Sustainable Solutions GDWP growth) • People Value (e.g. % upskilled employees, % women managers)

Chart 5.d

Predefined and measurable financial, economic and operational and non-financial/ESG goals are included in the various perspectives allowing for the monitoring of multiple company performance aspects; these goals are also differentiated according to the different competencies and areas of operation of the recipients.

The overall weight of the financial, economic and operational goals in the individual BSCs is at least equal to **70% for business roles**.

The most commonly used financial, economic and operational goals are: **Normalised Adjusted Net Profit**, **Return on Risk Capital (RORC)**, **Cost to Income ratio**, **New Business Value** and

Current Year Best Estimate Technical Result. Depending on the specific positions, these goals are set at Group, Business Unit, or Country level.

In particular, in continuity with last year, in order to confirm the link between remuneration and risk, all Balanced Scorecards normally include the Return on Risk Capital at Group, Business Unit, or Country level with a minimum weight of 10%.

The specific focus on non-financial/ESG goals related to the Strategy priorities is also renewed: **Customers (Brand & Lifetime Partner)**, **Sustainability Commitment**, and **People Value** which include indicators connected to a number of key areas of the strategic plan:

KPI CLUSTER	EXAMPLES OF INDICATORS
BRAND & LIFETIME PARTNER	Focusing on multi product customers and Relationship Net Promoter Score (NPS)
SUSTAINABILITY COMMITMENT	Focusing on Group/local initiatives with priority on Sustainable Solutions GDWP annual growth and Green & Sustainable Bond Investments (net new investments)
PEOPLE VALUE	Focusing on the quality and solidity of the succession plan, digital skills and diversity (% upskilled employees, % women managers)

Table 5.e



Insights available in the chapter on Gender Balance & Pay Equity

The non-financial/ESG parameters reflect the priorities of the strategy which has **sustainability as Originator**: their assessment is based on specific KPIs and on an evaluation of overall performance evidence.

03 Calibration

The **expected target and the range within which the target is considered achieved** are defined for each financial, economic and operational goal included in the individual balanced scorecard (BSC). If the level of achievement of the goal is below or above this range, the goal is considered as not achieved or exceeded, respectively.

For each non-financial/ESG goal included in the individual balanced scorecard (BSC), the level of achievement is calculated on the basis of the assessment of predefined KPIs

and targets that support the final assessment based on the overall evidences of the results achieved compared to the expectations and ambitions of the strategic plan.

Once all the financial, economic and operational and non-financial/ESG goals have been assessed, an overall evaluation of the individual performance is defined mathematically based on a predefined methodology for converting the assessment of the goals included in the BSC into an overall initial performance assessment (rate) on a scale from 1 to 5 (from “Unsatisfactory” to “Exceptional”).

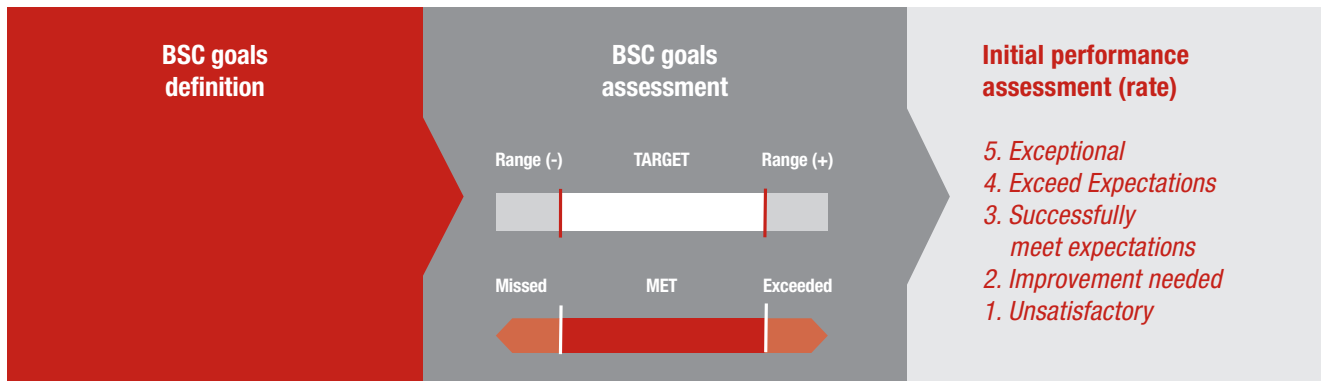


Chart 5.f

This initial performance rate (defined on a scale of 1-5 where 5 represents the maximum value and 3 the target value) is then “calibrated” to define the final individual performance rate. The “calibration” process is defined within the overall available Funding Pool cap and considers the factors below:

- **evaluation of the results** in comparison to the other participants in the STI Plan with similar roles (so-called “peers”);
- **context and market conditions;**
- **‘stretch’ level** of the individual Balanced Scorecard;
- **individual evaluation of behavioural integrity** (in line with the provisions of the Code of Conduct), **compliance with the regulatory provisions** applicable to the scope of the activities managed by the individual, especially those regarding the protection of policyholders, **the processing of personal data, anti-money laundering and countering the financing of terrorism**, international sanctions, completion of mandatory training, and the resolution of remediation actions defined within the audit activity.

In the event that the individual scorecard includes targets defined in terms of budget/cost reduction, any costs sustained for defining and preparing actions to manage and mitigate compliance risks and the risk of financial crimes (money laundering, the financing of terrorism, and international sanctions) are neutralised in the assessment of the level or achievement of the goal. More specifically, if the employing company, subject to a positive assessment by the competent Group Functions, is faced with expenses not included in the agreed budget, traceable to the preparation of measures to meet the Group compliance and Anti-Financial Crime requirements, then these expenses are treated as “extra

budget” for the purposes of assessing the level of achievement of the goal.

04 Payout and Individual Cash Allocation

The assessment of results achieved and the subsequent determination of the incentives are the responsibility of:

- the **Board of Directors** upon proposal of the Managing Director/Group CEO, subject to the opinion of the Appointments and Remuneration Committee, for the members of the Group Management Committee (GMC);
- the **Managing Director/Group CEO**, for the remaining Relevant Personnel and the other members of the Global Leadership Group (GLG), considering the system guidelines and the related process as previously described.

Considering the overall Funding Pool and the distribution of the performance, the individual STI (Short Term Incentive) payout is defined for each performance “rate” as a percentage of the individual baseline, i.e. the amounts of variable remuneration to be paid to individual beneficiaries of the STI Plan.

The amount of the incentive may reach a maximum of 200% of the individual baseline (this **cap** is on average equal to a maximum incidence of **~170% compared to the fixed remuneration** for the Managers with Strategic Responsibilities). This maximum may only be paid with high selectivity in limited cases of extremely significant performance well above targets and expectations.

The **target** amount of the incentive is determined at 100% of

the individual baseline, which is therefore equal to an average of **~85% compared to the fixed remuneration** for the Managers with Strategic Responsibilities.

The actual cash incentive is determined in relation to the capacity of the actual Funding Pool available and the individual performance distribution level.

The plan also provides for malus, clawback and prohibitions on hedging clauses in line with Group Policies.

The plan provides for a Market Adverse Change clause, where, in the event of unforeseeable exceptional circumstances, such as significant changes in the macroeconomic and financial context, the Board of Directors can reassess the fairness and consistency of the incentive systems, implementing the required corrective measures (and this also especially in terms of the reference goals, the related metrics, and methods of evaluation) to keep unchanged - within the limits allowed by the applicable legislation and notwithstanding compliance with the limits and general principles of this Remuneration Policy - the substantial and essential economic features of the systems, preserving their main incentive purposes.

5.3.3 Deferred Component in Shares of the Variable Remuneration (Long Term Incentive – LTI)

As in previous years, a Group Long-Term Incentive Plan based on Assicurazioni Generali shares - (LTI) 2022 - 2024 - is submitted to the Annual Shareholders' Meeting for approval.

The plan provides for the **allocation of shares at the end of a three-year performance period** (and for some beneficiaries, partially also at the end of an additional two-year deferral period), subject to the verification of the achievement of a minimum level of Regulatory Solvency Ratio and connected to the achievement of Group performance conditions, as described below and in the relevant Information Document.

Beneficiaries

The perimeter of the potential beneficiaries of the **Long Term Incentive (LTI)** plan includes the Managing Director/Group CEO, the Managers with Strategic Responsibilities, including

the members of the Group Management Committee (GMC), the remaining Relevant Personnel, the other members of the Global Leadership Group (GLG), the talents and other Group key roles selectively identified, on the basis of the role held, the performance expressed, and the growth potential, for attraction or retention purposes¹⁹.

In line with market practices and with a process which already began in 2014, in order to promote the engagement of Beneficiaries and the empowerment of key talents for the execution of the Group strategy, the 2022-2024 Long Term Incentive Plan provides for the substantial **confirmation of the population of recipients** in line with the previous year, up to a maximum of approximately **600 beneficiaries**, selectively identified on the basis of common criteria defined at Group level and validated through the Talent Review process.

In order to ensure maximum consistency, fairness and equality when identifying beneficiaries, the first requirement is **the achievement of consistently high performance standards** over time and the possession of **high growth potential** which, together with consolidated managerial skills, may enable the identified persons to achieve challenging career goals and reach leadership positions within our Group. Other criteria relevant in identifying such beneficiaries are, among others, the possession of solid technical skills, the respect and promotion of Group values, and the aspiration to grow by filling strategic roles at an international level in a short time frame.

In accordance with specific regulatory provisions, the personnel belonging to the Key Functions is not included amongst the potential beneficiaries of the plan.

Plan Structure and Mechanism

The structure of the LTI plan is differentiated in terms of the overall duration and deferral periods for two different categories of beneficiaries according to regulatory provisions:

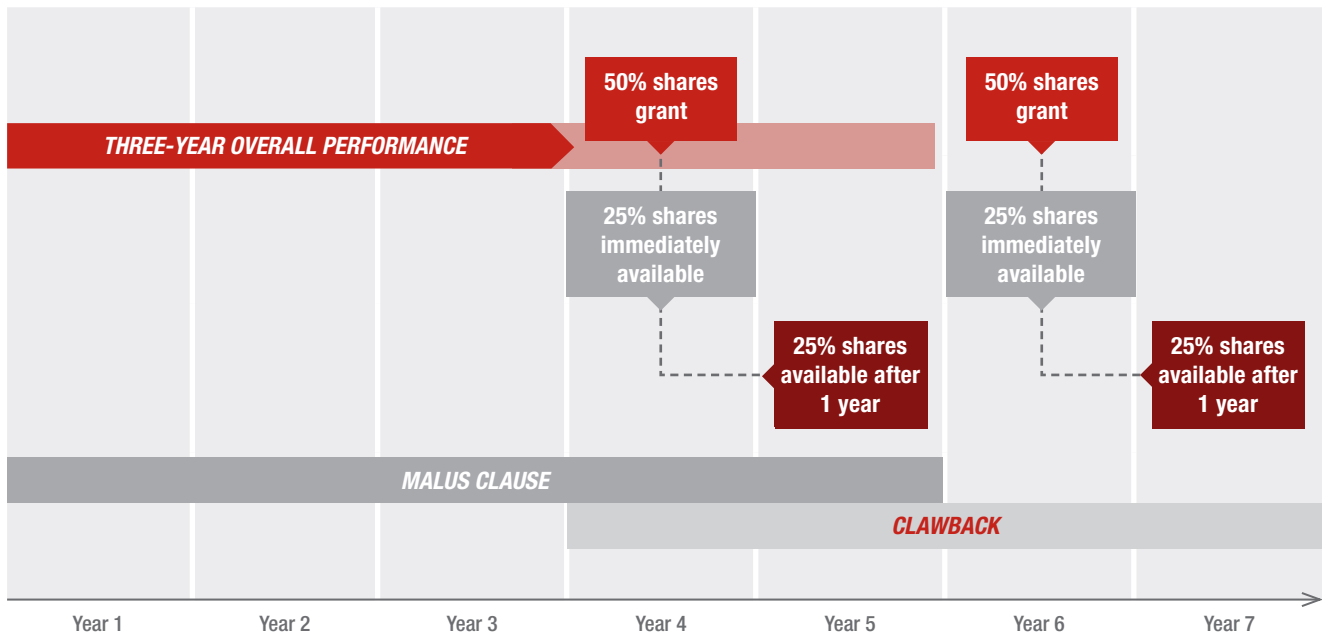
- for the members of the Group Management Committee (GMC), a **payout structure is provided over an overall time frame of 7 calendar years**;
- for the remaining Relevant Personnel²⁰, the other members of the Global Leadership Group (GLG), the talents and other Group key roles, a **payout structure is provided over an overall time frame of 6 calendar years**.

These different structures are represented in the Chart 5.g:

19. The members of the Global Leadership Group (GLG), the talents and the other Group key roles belonging to Banca Generali shall be beneficiaries (subject to the approval of the competent corporate bodies of Banca Generali) of a three-year LTI plan based on Banca Generali shares, with structural characteristics similar to those of the Group LTI plan (except for the specificities linked to the necessary compliance with the applicable banking regulations). Detailed information on the plan will be published by Banca Generali in the information document of the plan (pursuant to Article 114 bis of the TUF) and in the related Report on Remuneration Policy and Payments.

20. With the exception of Relevant Personnel whose variable remuneration represents at least 70% of the overall remuneration, for which the provisions of the previous point apply.

(a) GMC: Staff with particularly high total remuneration variable components



(b) GLG & other LTI beneficiaries: other staff

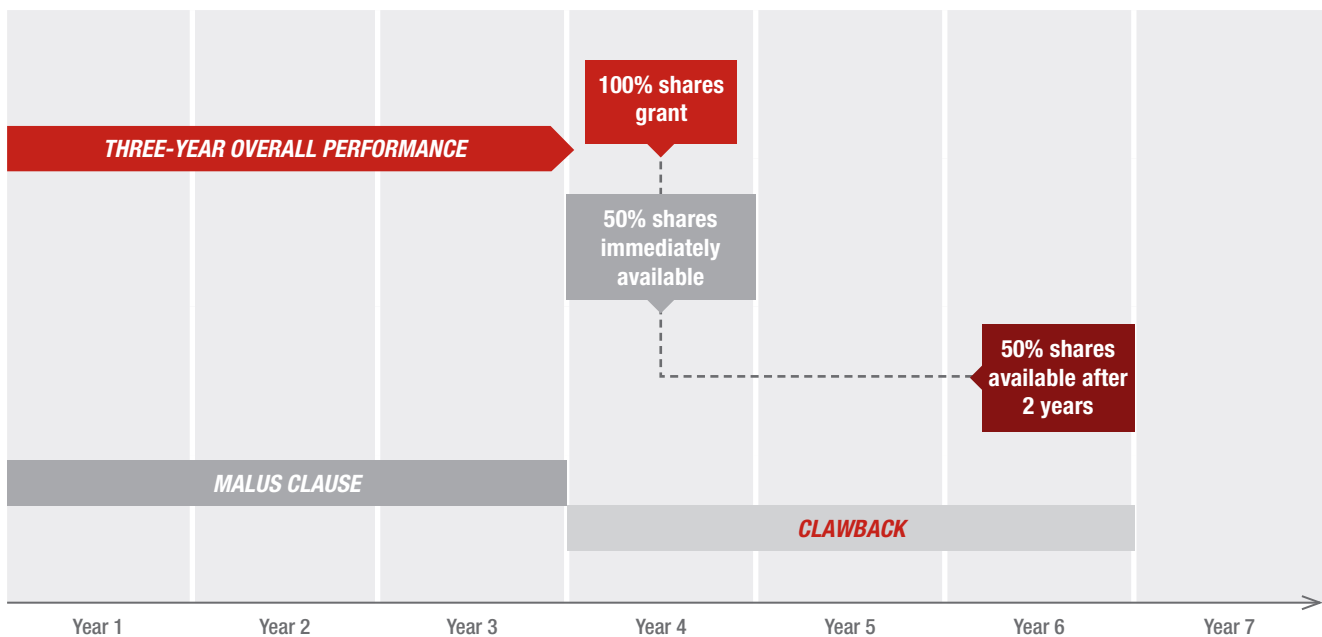


Chart 5.g

In each year of the plan and at the end of the three-year performance period, the Board of Directors makes an assessment of the level of **achievement of the access threshold** defined in terms of **Regulatory Solvency Ratio equal to 130%**²¹ - limit set taking into account the “hard limit” level defined in the Group Risk Appetite Framework (RAF) - or the different percentage set from time to time by the Board of Directors.

This assessment represents a malus mechanism based on

which the number of shares to be definitively allocated could be reduced or cancelled by the Board of Directors should the Regulatory Solvency Ratio be lower than the defined threshold.

Furthermore, the Board of Directors may also **reduce the number of shares** to be definitively allocated if the Regulatory Solvency Ratio is lower than the “**soft limit**” provided for in the Risk Appetite Framework (RAF), equal to 150% - but nevertheless higher than 130%.

21. This percentage will be applied to all outstanding incentives plans.

Once the actual achievement of the Regulatory Solvency Ratio threshold has been established, the assessment of the performance goals and performance indicators defined at Group level is then verified over the three-year period.

The 2022-2024 LTI plan has a structure and mechanisms that are consistent with those of the previous year, with revisions to the performance indicators, the related thresholds and target levels, and the percentage weight to reflect the reference context and are in alignment with and in support of the Group's strategy, specifically considering:

- maintaining the relative **Total Shareholder Return²² (rTSR) for three years (with a weight of 45%) as a fundamental indicator of performance for shareholders**, confirming the threshold and target level for the allocation of shares starting from the **median** positioning with respect to the

comparative insurance peer panel, in line with market expectations;

- maintaining the cumulative 3-year **Net Holding Cash Flow (NHCF)²³ (with a weight of 35%) as main driver of cash generation**, selected also considering the greater impacts on other financial balance sheet indicators deriving from the prospective introduction of the new international accounting standards (IFRS 9 and 17);
- the introduction of **internal and measurable ESG goals (with a weight of 20%)** linked to the Generali 2022-2024 strategy on climate change and diversity (**New Green & Sustainable Bond Investments and % women in strategic positions**), confirming the strong cultural imprint that the Group intends to impress on its policies, underlining the **strategic role of sustainability in every business decision**.

	45%	+	35%	+	20%
	rTSR		Net Holding Cash Flow		ESG
% LTI Vesting (by linear interpolation)					New Green & Sustainable Bond Investments (10%) % women in strategic positions (10%)
0%	< 50° perc.		≤ 8 bln		< 5.2 bln < 35%
Target Vesting	≥ 50° perc.		≥ 8.5 bln		≥ 5.2 bln 40%*
Maximum Vesting	≥ 90° perc.		≥ 9.5 bln		≥ 5.8 bln > 40%

* Between 35% and 40%, the % LTI vesting is determined by linear interpolation between 80% and 100% of target

Chart 5.h



Insights available in the chapter on Gender Balance & Pay Equity

These indicators are identified and set at the start of the three-year cycle of the Plan and coherently maintained over time in line with the Group business priorities.

The maximum overall performance level is equal to 200% for the members of the Group Management Committee (GMC), 175% for the other Relevant Personnel and the other members of the Global Leadership Group (GLG), and up to 87.5% overall for other beneficiaries, talents and other Group key roles²⁴.

The level of performance is expressed as a percentage of the level of achievement of the individual indicators, the final results of which are defined by independent calculation and using the linear interpolation method.

At the end of the three-years performance period, the Board

of Directors will have the faculty, after the mathematical assessment on the basis of the predefined scale, to perform the evaluation of the level of achievement of the financial, economic and operational indicators, taking account in particular of the coherence of the Net Holding Cash Flow indicator with the Net Profit in terms of composition and evolution and of the distribution of the flows of Net Holding Cash Flow in the reference period.

Considering the extraordinary transactions relating to the Public Tender Offer involving Società Cattolica di Assicurazione S.p.A. and CNP Assurances with plans for delisting their shares from the stock market and thus having affected comparability with Assicurazioni Generali, the Board of Directors resolved to exclude them from the Peer Group of the relative TSR for the 2022-2024 LTI deferred share incentive plan, similarly to what was done regarding the finalisation of the 2019-2021 LTI Plan

22. Total return on investment to the shareholder calculated as a change in the market price of the shares, including distributions or dividends reinvested in shares against a selected list of peers.

23. Net cash flows available at Parent Company level over a given period, after holding expenses and interest costs. Its main components, considered from a cash point of view, are: remittances from subsidiaries; the result of centralised reinsurance; interest on financial debt, expenses and taxes paid or reimbursed at the Parent Company level.

24. The performance targets are respectively 150%, 100% and up to 50% for: (i) the members of the GMC; (ii) the remaining Relevant Personnel and other members of the Global Leadership Group (GLG) not included in the previous categories; (iii) talents and other Group key roles.

and in compliance with the provisions and regulations of the plan.

Accordingly, the Board of Directors resolved to include Baloise and Swiss Life in the **panel peer group**, two companies offering

life insurance and pension solutions and services comparable with Assicurazioni Generali and having a significant presence in the European market, like the other insurance companies included in the Eurostoxx index and other specific benchmark players for Generali already included in the peer group panel²⁵:

Panel 2022		
1	▶	AEGON
2	▶	AGEAS
3	▶	ALLIANZ
4	▶	ASR NEDERLAND
5	▶	AVIVA
6	▶	AXA
7	▶	BALOISE
8	▶	INTESA SANPAOLO
9	▶	MAPFRE
10	▶	NN GROUP
11	▶	POSTE ITALIANE
12	▶	POWSZECHNY ZAKLAD UBEZPIECZEŃ (PZU)
13	▶	SAMPO
14	▶	SWISS LIFE
15	▶	UNIPOL
16	▶	UNIQA
17	▶	VIENNA INSURANCE GROUP
18	▶	ZURICH

Table 5.i

Allocation of Shares

The maximum number of shares that may be granted is determined at the start of the plan. **The maximum potential bonus to be paid in shares corresponds to 200%** of the annual gross remuneration for members of the Group Management Committee (GMC), **175%** of the annual gross remuneration for the other Managers with Strategic Responsibilities, for the remaining Relevant Personnel and the other members of the Global Leadership Group (GLG) and up to **87.5%** of the fixed remuneration for the other beneficiaries, talents and other Group key roles²⁶.

The maximum number of shares that may be granted is based on the **ratio between the maximum amount and the value of the share**, the latter calculated as the average of the actual share price in the three months preceding the meeting

of the Board of Directors called to resolve the draft financial statements of the Parent Company and the consolidated financial statements relating to the year preceding that of the plan launch.

Unless otherwise expressly provided for in the plan regulations (and illustrated in the related Information Document) and unless otherwise determined by the Board of Directors or person delegated by it, the shares will be granted at the conclusion of the three-year performance period, when the final assessment of the actual achievement of the goals defined based on an overall three-year basis is carried out - provided that the relationship with the Company or with another company of the Group is still in place at the end of the three-year reference period²⁷.

25. Without prejudice to the possibility for the Board of Directors to reconsider the inclusion of peers subject to take-over or extraordinary corporate operations.

26. Without prejudice to the possibility for the Board of Directors to determine, upon the outcome of the governance processes envisaged on remuneration, different incentive measures in favour of individual beneficiaries or of categories of beneficiaries also in compliance with local/business legislation in force. These percentages are applicable in the event of LTI plans are normally structured according to a so-called rolling system, with the launch of a new plan with overall three-year performance in each financial year for all the eligible beneficiaries, without prejudice to the different possibility for the Company to evaluate, especially in the case of fixed-term relationships or assignments, the participation of specific beneficiaries in a unique plan for the entire reference period, which combines and concentrates in itself the potential incentives that would result from the multiple plans launched in the same reference period and therefore respecting and, overall, the Annualised Pay-Mix (target and maximum) provided under the Remuneration Policy.

27. As already reported in last year's Group Report on Remuneration Policy and Payments and also outlined above in the chapter dedicated to the Managing Director/Group CEO, as part of the current contractual agreements with the Managing Director/Group CEO, it is envisaged that, in the event of termination of the office during the three-year mandate, he will retain the rights deriving from the plan only pro rata temporis and only in so-called "good leaver" cases (subject to the achievement of the goals and subject to the additional terms and conditions of the relevant regulations). Conversely, in so-called "bad leaver" cases, he will lose all the rights deriving from the outstanding plans and related to the period of such mandate. "Bad leaver" includes cases of voluntary resignation from the office during the three-year mandate and revocation of the same for cause. "Good leaver" includes all the other cases of termination of the relationship.

With reference to the structure and timing of the share allocation, these are differentiated by:

- **Members of the Group Management Committee (GMC)** with a payout structure over an overall time frame of 7 calendar years:
 - at the conclusion of the three-year performance period, an allocation of **50% of the shares accrued on the basis of the goals achieved** is granted; 25% (i.e. half of the shares of this first tranche) is immediately available (to allow the beneficiaries to bear the tax burden related to the allocation) whilst the remaining 25% (i.e. the remaining half of the shares of this first tranche) is subject to an additional lock-up period of one year;
 - the remaining **50% of the accrued shares is subject to a further two year deferral period** during which the portion accrued may be reset to zero should the Regulatory Solvency Ratio level envisaged by the plan fail to be achieved, or the malus hypothesis envisaged by the plan rules occurs. Once the level of achievement of the aforementioned threshold and the absence of the malus hypothesis are verified, and provided that the relationship with the Company (or with another Group company)²⁸, is still in place at that date, the remaining 50% of the accrued shares is allocated; 25% of which (i.e. half of the shares of this second tranche) is immediately available (to allow the beneficiaries to bear the tax burden related to the allocation) while 25% (i.e. the remaining half of the shares of this second tranche) is subject to an additional lock-up period of one year;
- **the remaining Relevant Personnel²⁹, Global Leadership Group (GLG), other beneficiaries, talents and other Group key roles**, with a payout structure over an overall time frame of 6 calendar years: at the conclusion of the three-year performance period, the allocation of **100% of the accrued shares** is granted, of which **50% is immediately available** (to allow the beneficiaries to bear the tax burden related to the allocation), while the **remaining 50% is subject to an additional lock-up period of two years**.

The above applies without prejudice to the obligation of the Directors that participate in the plan to maintain an adequate number of allocated shares up until the conclusion of the term of office.

The lock-up or holding period to which the shares are subject, as indicated above, remain in place even after the termination of the relationship with the beneficiary, without prejudice to the right of the Board of Directors, or its specifically delegated member, to redefine the terms and conditions of all the lock-up restrictions indicated above, possibly also assessing the remuneration in favour of the beneficiary as a whole, or even with reference to shares granted under different incentive plans.

Furthermore, the plan provides - in continuity with the previous plans - **a mechanism for recognising the dividends distributed during the three-year reference period³⁰** (so-called dividend equivalent). If the Shareholders' Meeting distributes dividends to the Shareholders during the three-year reference period³⁰, at the end of the three-year reference period, the beneficiaries will be paid a number of additional shares determined based on the total amount of dividends distributed during the three-year reference period. The additional shares will be granted at the same time and, in relation to the other shares allocated to each beneficiary, these will also be subject to holding periods as described above and will be determined considering the value of the shares at the moment of allocation, calculated as the average of the three months preceding the meeting of the Board of Directors called to resolve the draft financial statements of the Parent Company and the consolidated financial statements relating to the year preceding that of the plan launch.

To implement the plan, the shares to be allocated free of charge to the beneficiaries of the plan, at the conditions indicated above, will be provided from a specific pool of treasury shares purchased by the Company under the relevant Shareholders' Meeting authorisation pursuant to Articles 2357 and 2357-ter of the Italian Civil Code. **The maximum number of shares that may be granted is 10,500,000 equal to 0.66% of the actual paid-up share capital.**

Upon occurrence of extraordinary factors that may influence key elements of the plan (including but not limited to, extraordinary operations involving Assicurazioni Generali and/or the Generali Group, capital transactions, legislative changes or alterations to the Group's scope, or compliance with specific sector or foreign country regulations applicable for single Group companies, changes in multi-year strategic plans, etc.), **the Board of Directors may apply remedies to the plan structure as considered necessary**, in order to ensure - within the limits permitted by applicable legislation - **its substantive and economic content** remains unchanged.

The plan also provides for malus, clawback and prohibitions on hedging clauses in line with Group Policies.

Furthermore, in the event of major market discontinuity (e.g. if there are material changes in the macroeconomic conditions or a worsening in the financial scenario), the Board of Directors, as part of the governance processes concerning remuneration, may **reassess the overall fairness and consistency of the incentive systems** (so-called "Market Adverse Change" clause) implementing the necessary measures, and this also especially in terms of the reference goals, the related metrics and methods of evaluation, to keep unchanged - within the limits allowed by the applicable legislation and notwithstanding compliance with the limits and general principles of this Remuneration Policy - the substantial and essential economic

28. Except in specific cases of termination of the relationship such as death, permanent disability, retirement, termination at the initiative of the Company for objective/organisational reasons, consensual termination and/or other contractually predetermined hypotheses.

29. With the exception of Relevant Personnel whose variable remuneration represents at least 70% of the overall remuneration, where the provisions of the previous point apply.

30. And during the further deferral period for the Managing Director/Group CEO, the members of the Group Management Committee (GMC) and the Relevant Personnel whose variable remuneration represents at least 70% of the total.

features of the systems, preserving their main incentive purposes. The Company also has the possibility to grant single beneficiaries of the Plan, instead of the – full or partial – granting of shares, an amount in cash calculated based on the value of the shares in the month before the granting, without prejudice to the other relevant applicable terms and conditions of the plan.

5.3.4 Benefits and Other Provisions

The remuneration of the Managers with Strategic Responsibilities and other Relevant Personnel includes benefits to integrate the cash and share components of the remuneration, in a **Total Reward** approach, as per the Group Policy.

Specifically with regard to the recipients of the Policy within Assicurazioni Generali, the **supplementary pension and health care benefits are governed by the individual contracts, applicable collective bargaining agreements, and Company-level supplemental agreements**. At the complementary collective bargaining agreement level, this also provides for other guarantees, such as the Long Term Care guarantee in the event of permanent disability, and the guarantees in the event of death and total permanent disability caused by injury or disease, whether professional or extra-professional.

With reference to the supplementary pension, for the managers of Assicurazioni Generali within the target population of this Remuneration Policy, a set percentage of the fixed remuneration defined by supplementary Company/individual agreement (between 13% and 16.5%) is provided in the supplementary **Managers Pension Fund** (GenFonDir).

In addition, upon proposal of the Appointments and Remuneration Committee, starting in 2021, the Board of Directors introduced **Share Ownership Guidelines** whereby the Managers with Strategic Responsibilities who are members of the Group Management Committee (GMC)³¹ are required to hold for the entire term of office a minimum number of Generali shares of equivalent value to 150% of the gross annual fixed recurrent remuneration.

As regards the provisions relating to payments in the event of termination, please refer to the specific reference chapter.

Finally, the persons in question may not receive emoluments and attendance fees for other positions held at the indication of the Parent Company in subsidiaries and affiliated companies, bodies, associations, unless specific authorisation is granted by the Board of Directors, also in this case suitably motivated and formalised.

5.4 Group Internal Remuneration Guidelines in Compliance with the National and International Regulatory Requirements

In all of the Countries in which the Group operates, the implementation of the Group Remuneration Policy takes place in full compliance with the applicable laws and legislation of the specific Country or the relevant business sector.

In particular, as Parent Company, the Company has prepared a **Group Remuneration Internal Policy (GRIP)**, in compliance with the international and national provisions to ensure the coherent application of the Remuneration Policy and the annual and deferred incentive systems at Group level as provided for under Regulation IVASS n° 38/2018, as well as the compliance of the remuneration of Group companies with the principles set out in the aforementioned regulation and the absence of conflict with the legal framework and sector regulations applicable to such companies.

The dissemination of the GRIP to Group companies takes into account - amongst other things - the relevance of the GRIP in terms of the business carried out, risk profile and contribution to Group risk in compliance with the regulations. The aim of the GRIP is to **guarantee that the remuneration policies are suitably calibrated** taking into account the characteristics of the Group companies - including those with registered offices abroad - in accordance with the limits set out by local regulations and in compliance with the regulatory requirements.

Within the GRIP itself, the Group, through an organised and formalised structure that takes into account, amongst other things, the impact of the positions on the risk and strategic profiles of the Group, identifies the recipients of the policy (so-called “Group Relevant Personnel”)³².

The principles of the Group Remuneration Policy adopted by the **Shareholder’s Meeting** are illustrated through the GRIP, with explanations as to how these must be transposed and applied in practice.

It also regulates the cases and the governance procedures through which the Group companies can request, and if conditions are met, obtain authorisation from the Parent Company to adapt and otherwise decline these principles, where this is strictly necessary, to ensure compliance with the law, the regulations, the local collective labour agreements and the relevant organisational structure and/or the business operating models.

These mechanisms ensure that the definition of the packages and remuneration systems - while taking place in full coherence

31. Excluding personnel belonging to the Key Functions.

32. The following are included in the perimeter of the Relevant Personnel of the Group: the members of the Group Management Committee (GMC), the so-called Other Group Relevant Roles - identified on the basis of the impact on the strategic profile of the Group, the so-called Risk Relevant Roles - identified on the basis of the significant impact on the Group’s risk profile, and the Relevant Key Functions. The Group also pays particular attention to the governance processes of other positions, even if not directly identified as significant personnel because they are not responsible for significant risks at Group level. Therefore also all members of the Global Leadership Group (GLG) fall within the broader so-called target population of the Group Remuneration Internal Policy.

with the principles of the Group Remuneration Policy - also take all of the regulatory provisions and the business sectors relevant for the role holder into consideration. The definition of the remuneration packages of the latter is not only in coherence with the requirements of the local regulations - developed in compliance with the applicable laws - but also with the regulatory framework applicable to specific business sectors such as, for example, banking and finance (e.g. CRD V, AIFMD, UCITS), that could, amongst other things, provide specific payment mechanisms in terms of deferral and use of financial instruments.

Similarly, the process for the global definition applied to the Incentive plans starts with **a detailed analysis of the potential implications from a legislative point of view** (labour, regulatory and tax). Therefore, for example, the plans that provide a “cash” payment are suitable where it is necessary for compliance with any deferment obligations, for tax implications and the provisions of the national and individual contracts. Similarly, specific appendices are drafted for the share incentive plans for which the approval of the Shareholders’ Meeting is required in which articles potentially in conflict with the local or sector regulations are introduced/modified/amended. The appendices are drafted based on the powers delegated by the Shareholders’ Meeting to the Board of Directors and/or Managing Director/Group CEO. For the beneficiaries of individual Countries or interested business sectors it could, therefore, be necessary to introduce modifications to the principles and mechanisms described in this Report (with regard, by way of example only, to access thresholds, type of performance target, lock-up period and minimum holding, deferment, ex-post correction mechanisms).

The definition and approval process by the individual Group companies of a Remuneration Policy that complies with the main contents of the Group Policy referred to in this Section I follows the provisions, including those of company law, applicable locally, with consequent involvement, as

appropriate, of the assembly and/or the administrative organs of the individual companies.

Remuneration Policy for Insurance Intermediaries and Outsourced Service Providers

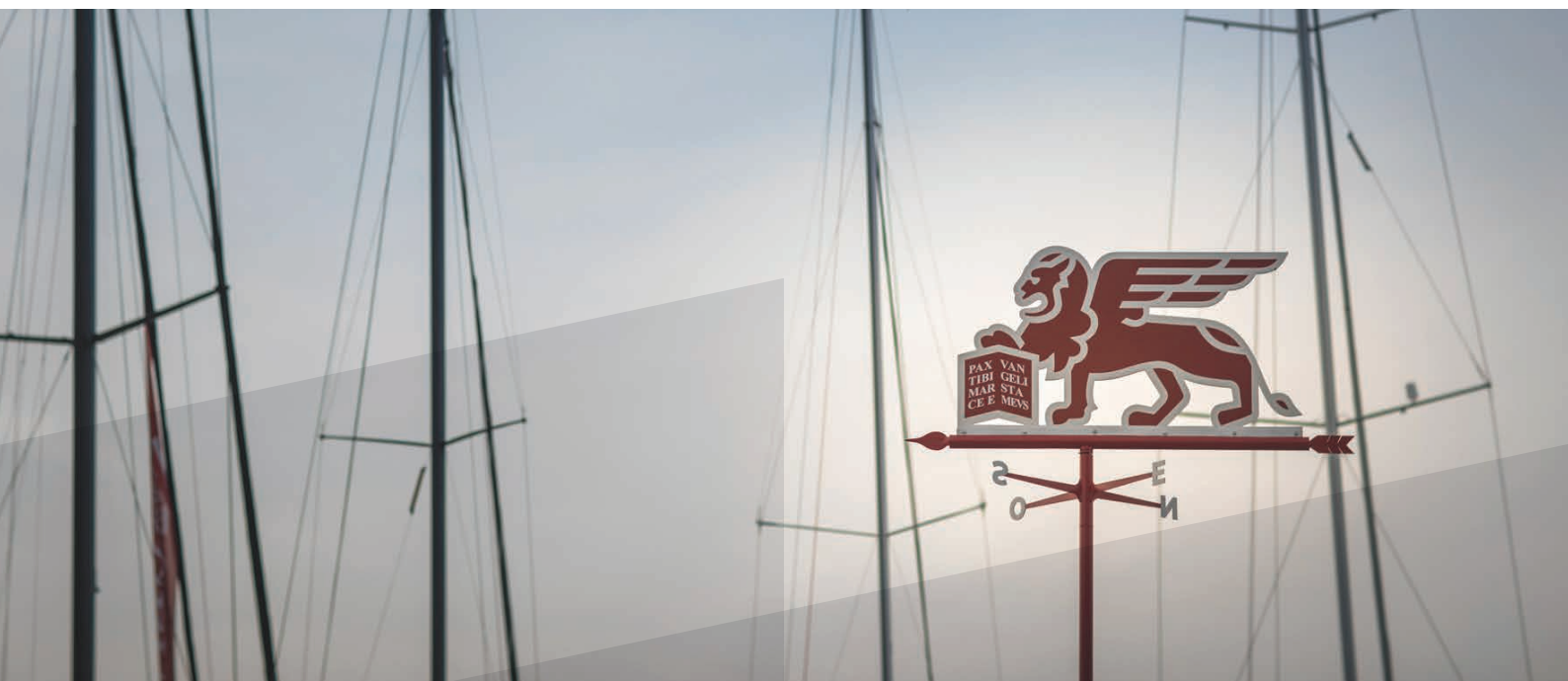
The Remuneration Policy for insurance intermediaries is defined by the companies on behalf of whom they are active and is based on the principles of the Remuneration Policy, adopting an approach aimed at achieving, for these roles as well, remuneration and incentives coherent with:

- the principles of business soundness and sound and prudent management;
- integration of the sustainability risks in investment or insurance consulting;
- the overall strategy through goals and incentives systems that aim at remunerating the contribution to the achievement of Group targets;
- the long-term profitability and balance of the company concerned.

Furthermore, conduct contrary to the obligation to behave fairly towards policyholders is discouraged. The remuneration mechanisms for distribution personnel must be defined in such a manner as not to discourage the application of the anti-money laundering regulatory obligations, in particular in cases where these result in the obligation to refuse customers also as a result of information sharing mechanisms within the Group.

Compliance with the principles contained in articles 40 and 57 of IVASS Regulation 38/2018 in cases of outsourcing of essential or important activity is guaranteed by the Outsourcing Group Policy.

In both cases, it is mandatory to avoid remuneration policies based only or mainly on short-term results, which would encourage an excessive risk exposure.



Chapter 6

REMUNERATION OF THE RELEVANT PERSONNEL BELONGING TO THE KEY FUNCTIONS

6.1 Remuneration Package

The remuneration of Heads and First Reporting Managers belonging to the Key Functions³³ is structured in line with market practices and regulatory requirements.

Remuneration consists of fixed remuneration, a variable remuneration linked to participation in a specific deferred cash incentive plan, as well as additional benefits in line with the Group Policy.

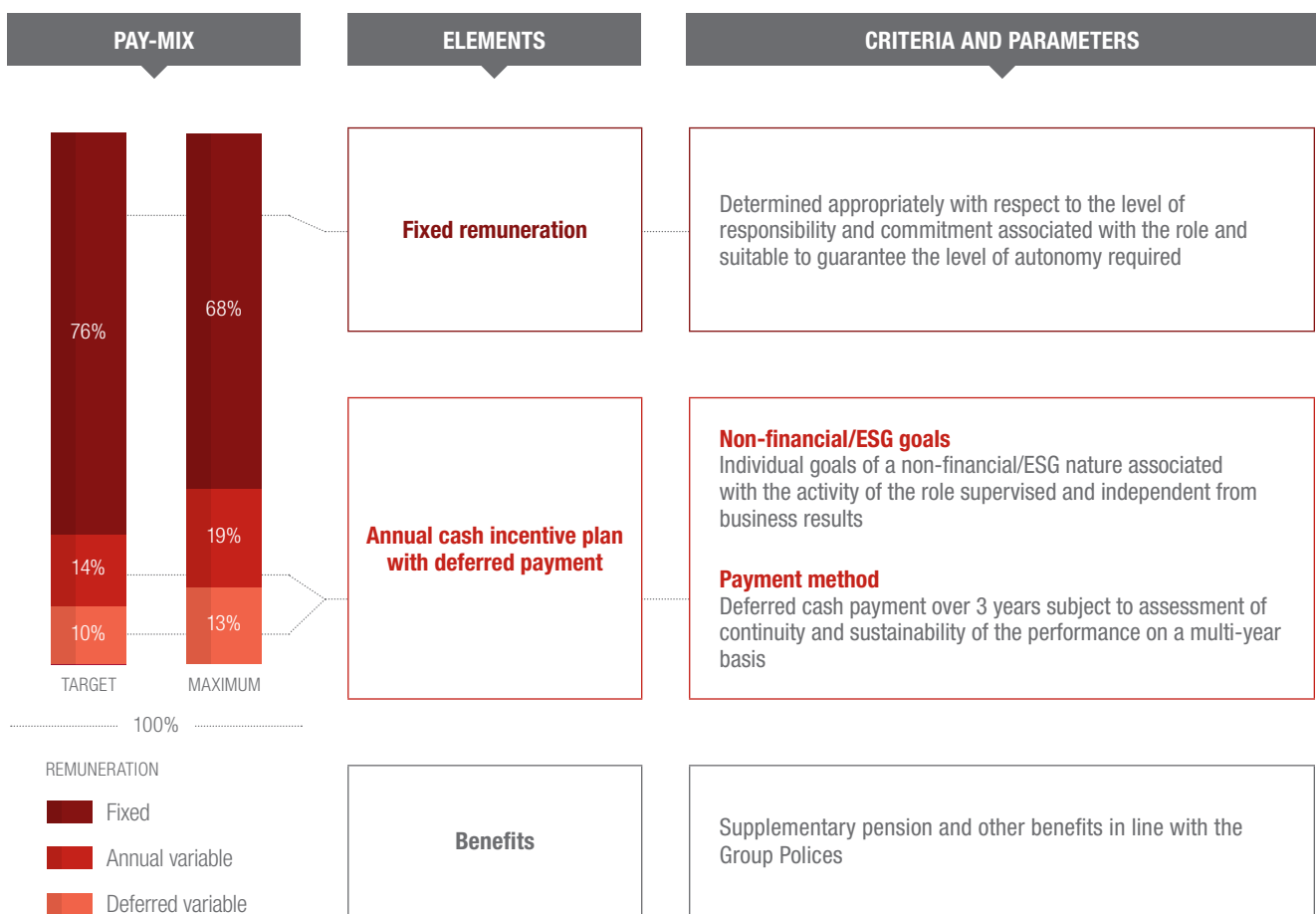


Chart 6.a

33. Currently identified in the Internal Audit, Risk Management, Compliance and Actuarial Functions. The Anti-Financial Crime Function is assimilated to the Key Functions for the application of the remuneration and incentive rules.

6.2 Remuneration of the Relevant Personnel belonging to the Key Functions towards the Market and the Regulatory Context

For the personnel belonging to the Key Functions, the Generali Group Remuneration Policy also includes a continuous monitoring of the regulatory context, of remuneration practices of peers, and the general market trends in terms of pay-mix, levels, and remuneration systems, so as to ensure the competitiveness of the remuneration offer and **guarantee the ability of the Group to attract, retain and motivate key people.**

More specifically, starting already in 2014, significant changes were made to the remuneration scheme for relevant personnel belonging to the Key Functions by revising the balance between fixed and variable remuneration to the advantage of the former and eliminating any form of incentive based on economic and financial goals (including the so-called Funding Pool mechanism) and/or financial instruments.

The variable remuneration is coherent with the specific activity of each of the Key Functions and independent of results achieved by operating units subject to their control and is linked to goals connected to the effectiveness and quality of the control action³⁴, provided that this is not a source of conflict of interest, as provided for under article 55 of Regulation IVASS n. 38/2018.

The weight of variable remuneration on total remuneration is very limited compared to business roles and compared to the practices observed on the market for the main international peers.

The payment of cash variable remuneration, albeit to a limited extent, represents an important instrument both in terms of attractiveness and retention of key people and in terms of guidance, control and monitoring by the Risk and Control Committee and the Board of Directors through the assignment of goals and the verification of results, continuity, and progress.

6.3 Components of the Remuneration

6.3.1 Fixed Remuneration

Fixed remuneration³⁵ represents the prevalent part of the remuneration package and is suitable to the level of responsibility and commitment connected to the role and appropriate to guarantee the level of independence required.

Fixed remuneration is determined and adjusted over time taking into consideration the **duties**, the **responsibilities assigned**,

roles held, and the experience and skills of each individual and is set with reference also to the levels and practices of market peers in terms of attractiveness, competitiveness, and retention.

6.3.2 Variable Cash Remuneration with Deferred Payment

The variable remuneration is linked to participation in a specific deferred cash incentive plan linked to multi-year goals related exclusively to the effectiveness and quality of the control action.

A single variable remuneration plan is adopted in place of the two plans provided for Generali beneficiaries (annual cash and deferred in shares). Under this plan beneficiaries can accrue a cash incentive, once the goals are met, paid in upfront and deferred instalments, the latter of which is subject to the length of service and verification of the effective and lasting nature of the results of control activities achieved in the first year of each performance cycle.

In continuity with 2021, the incentive system of Key Functions is differentiated by beneficiary clusters:

- for Heads and First Reporting Managers of the Key Functions belonging to the Group Management Committee (GMC) and the Global Leadership Group (GLG), the variable component is paid out over a total period of 3 years, with a payout system structured as follows: 60% paid at the end of the first year (after the assessment of the performance achieved); 30% paid one year after the first payment (after the assessment of the effective and lasting nature of the performance achieved); 10% paid one year after the second payment (after assessment of the effective and lasting nature of the performance achieved);
- in line with last year, for Heads and First Reporting Managers belonging to the Key Functions not falling into the categories above, the variable component is paid out over a total period of 2 years with a payout system structured as follows: 60% paid at the end of the first year (after the assessment of the performance achieved); 40% paid one year after the first payment (after the assessment of the effective and lasting nature of the performance achieved).

The portion of the variable remuneration of the Heads of the Key Functions is determined by the Board of Directors upon the proposal of the Risk and Control Committee.

34. More specifically, Sustainability Commitment and People Value goals are also included in the individual scorecard of the Heads of Key Functions.

35. It includes any fixed allowance for the role.

COMPONENTS OF THE TOTAL TARGET REMUNERATION FOR GMC AND GLG BELONGING TO KEY FUNCTIONS

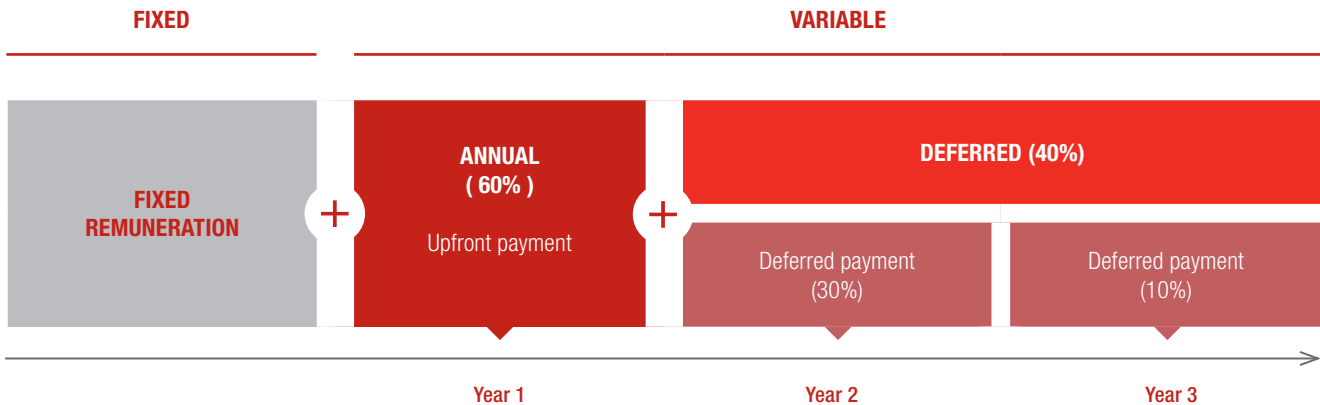


Chart 6.b

The Board of Directors carries out the assessment of the level of achievement of the aforementioned goals assigned to the Heads of the Key Functions (and subsequently on the effective and lasting nature of such performance), upon the opinion of the Risk and Control Committee and after consulting the Board of Statutory Auditors for the areas of competence³⁶. Only if the Board of Directors considers the results achieved and the quality of the controls to be satisfactory can the Heads of Key Functions actually access the incentive program.

The application of suspensive conditions, malus and clawback mechanisms, and prohibitions on hedging in line with the Group Policy is also provided.

6.3.3 Benefits and Other Provisions

The remuneration of the Relevant Personnel of the Key Functions includes benefits to integrate the cash and share components of remuneration, in a **Total Reward** approach, as per the Group Policy.

Specifically with regard to the recipients of the Policy within Assicurazioni Generali, the supplementary pension and

health care benefits are governed by the individual contracts, applicable collective bargaining agreements, and Company-level supplemental agreements. This also provides for other guarantees, such as the Long Term Care guarantee in the event of permanent disability, and the guarantees in the event of death and total permanent disability caused by injury or disease, whether professional or extra-professional.

With reference to the supplementary pension, for the managers of Assicurazioni Generali within the target population of this Remuneration Policy, a set percentage of the fixed remuneration defined by supplementary Company/individual agreement (between 13% and 16.5%) is provided in the supplementary **Managers Pension Fund** (GenFonDir).

As regards the provisions relating to payments in the event of termination, please refer to the specific reference chapter.

Finally, the persons in question may not receive emoluments and attendance fees for other positions held at the indication of the Parent Company in subsidiaries and investee companies, bodies, associations, unless specific authorisation is granted by the Board of Directors, also in this case suitably motivated and formalised.

36. According to the established governance, the competent Committees and the Board of Directors perform a calibration of the performance of the Heads of the Key Functions taking into account all aspects of the performance of the year and based on the evidence collected.

Chapter 7

The Link Between Performance and Sustainable Business

REMUNERATION AND SUSTAINABILITY: NON-FINANCIAL/ESG GOALS IN THE REMUNERATION POLICY

7.1 Sustainability for Generali

The commitment to sustainability - the third founding principle of Generali 2021 which refers to the creation of long-term value for all stakeholders and society as a whole - comes at a turning point with the new strategy “Lifetime Partner 24: Driving Growth”: being the Originator of business choices.

Sustainability is actually the main driver behind all the decisions that Generali Group takes to continue being a transformational company capable of generating shared value, building a fairer and more resilient society.

Our commitment to sustainability is reflected in our ability to act as both a **Responsible Investor** and **Insurer**, continuously integrating sustainability into our core business, and as a **Responsible Employer** and **Responsible Citizen**. In this

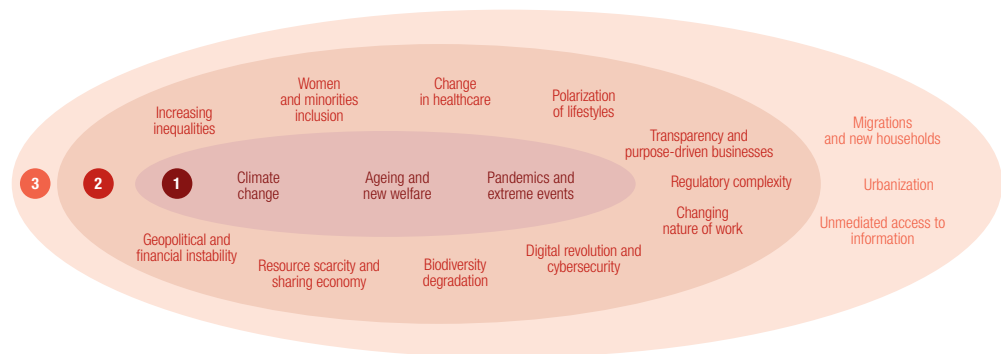
respect, our commitment to an inclusive work environment and our focus on our employees and the communities where we operate are an integral part of our strategic positioning. This is possible thanks to our solid foundations which consist of structured governance, policies, dedicated guidelines and serious and reliable integrated reporting.

The integration of sustainability into management remuneration is a key step to ensuring an even stronger link between company/individual performance and business sustainability. This is made possible by drawing on a **panel of strategic sustainability goals** that reflect the priorities of the “Lifetime Partner 24: Driving Growth” strategy and are a direct manifestation of the Group’s ESG criteria. The latter are also aligned with the **materiality analysis** and the **United Nations Sustainable Development Goals**.



See the Consolidated Non-Financial Statement in the Group’s Integrated Annual Report for information on the materiality analysis process.

- 1 Central cluster that identifies the material mega trends on which the strategic initiatives common to the Group are focused
- 2 Intermediate cluster that groups the mega trends of considerable relevance, which are addressed by specific business units or functions
- 3 External cluster that groups the mega trends to be monitored, which are of minor relevance compared to the other factors analysed



7.2 Non-financial/ESG Goals in the Remuneration Policy

The alignment with the strategy and the creation of sustainable value is the founding principle of our Remuneration Policy to ensure **sustainable performance** in the short, medium and long term in the interests of all stakeholders. Sustainability is synonymous with a wide-ranging activity that is an element of market competitiveness in terms of attracting, motivating and retaining talent. It aims to go beyond economic and financial returns to become an integral part of the way we conduct

business, to have a positive impact on the environment, the community, social inclusion and staff, through initiatives aimed at improving working conditions, fairness, and wage equality.

In line with the Group’s ambitions embodied in the new strategic plan “Lifetime Partner 24: Driving Growth”, and in continuity with 2021, the 2022 Remuneration Policy incorporates a **merit-based approach** and a **multi-year horizon**, based on a combination of sustainable business goals with a direct link between incentives and Group, Business Unit, Country, Function and individual results, both financial, economic and

operational, and non-financial/ESG, which include specific performance indicators linked to **internal and measurable ESG factors**.

The Group's 2022 incentive system aims to **achieve real and long-lasting results**, by setting an **adequate risk assumption** that is proportionate to the level of influence an individual has on the Group's results, while respecting stakeholders' interests, market best practices, and regulatory requirements.

This system includes in the variable remuneration an annual cash component with non-financial/ESG goals as well as a deferred share component with ESG goals and, as a whole:

- is made up of **at least 50% shares** in alignment with **strategic goals and stakeholder interests**;
- is structured **according to percentages with deferral and lock-up periods over a time frame of 6-7 years**, depending on the reference population, in alignment with **long-term sustainable value creation**.

Group Incentive System	Non-financial/ESG Goals
Annual cash component	<p>Brand & Lifetime Partner</p> <ul style="list-style-type: none"> - priority on % multi product customers and Relationship Net Promoter Score (rNPS) <p>Sustainability Commitment</p> <ul style="list-style-type: none"> - priority on Group/local initiatives with focus on GDWP sustainable solutions annual growth, Green & Sustainable Bond Investments (net new investments) <p>People Value</p> <ul style="list-style-type: none"> - priority on quality and solidity of the succession plan and focus on digital skills and diversity (% upskilled employees, % women managers)
Deferred component in shares	<p>Climate Change and Diversity</p> <ul style="list-style-type: none"> - New Green & Sustainable Bond Investments - % women in strategic positions

The Group incentive system includes a **corporate governance system**, compliant with international best practices, carefully monitors all activities and ensures compliance with sustainability parameters and their tangible integration into daily decisions in every aspect of the business,

in line with the goal of promoting sustainable development of the business and of generating long-lasting value for the real economy. Finally, a **reporting system** is used to monitor activities and ensure that they are properly reported.

Governance of Non-financial/ESG Goals
<p>The governance of the incentive system relating to non-financial/ESG goals includes a rigorous internal control process carried out by the Board of Directors upon the proposal of the Appointments and Remuneration Committee and involving the Key Functions, which comprises for each non-financial/ESG goal:</p> <ul style="list-style-type: none"> - Identification of the strategic priorities and the annual and three-year ambitions, defined in line with the strategic plan and set with the support of the relevant and responsible corporate Functions - Approval within the individual (STI) Balanced Scorecards (BSC) and the Group Long-Term Incentive plan (LTI) of predefined non-financial/ESG goals and related levels of ambition, in line with the Group Remuneration Policy - The constant and continuous monitoring of the performance of non-financial/ESG goals - Overall assessment and reporting on the extent to which the non-financial/ESG goals have been achieved (using a Missed, Met, Exceeded scale) based on the actual results obtained with respect to defined ambitions - Determination of the remuneration to be paid to beneficiaries - Verification of the Company's financial and economic position for the allocation of the remuneration accrued, in compliance with the regulatory provisions and the Group's Risk Appetite Framework - Ex-post monitoring of the sustainability of performance over time for the payout of the deferred components of variable remuneration - Verification that no conditions of malus, clawback and hedging exist.

The provision of **specific performance indicators linked to ESG factors** and the assessment of the **level of achievement of these goals**, also based on what is foreseen in internal regulations for the management of responsible investments and responsible underwriting, **ensure the Remuneration Policy is consistent with the integration of sustainability risks in the risk management system, in investment and hiring decisions**, both for individual performance and for alignment and protection of the interests of investors and stakeholders.

Through the Remuneration Policy, Generali supports **diversity, equity and inclusion**, carrying out initiatives aimed at promoting equity and reducing the gender pay gap, continuing education, and improving the skills of its employees through both upskilling activities and large-scale projects for the recognition of our people, such as the new share plan for the Generali Group employees.



7.3 Diversity, Equity & Inclusion

The Group has further enhanced the promotion of an inclusive environment and organisational culture, which values all diversities. Inclusion is a key factor to create value for employees and customers, particularly in times of social and economic challenges. Our strategy, based on **four priorities - gender, generations, culture and inclusion** - can rely on global and local plans. Thanks to the Group Diversity and Inclusion Index (D&I Index), in 2021 we continued to monitor progress compared to the predetermined Group ambitions.

D&I INDEX

115%

+9 p.p.

The D&I Index measures the progress of the Group compared to Diversity & Inclusion 2021 ambitions, i.e. objectives set internally on gender, generations, cultures and inclusion through indicators relating to female managers, female talent, young talent, Turn to The New Index³⁷, talents with international experience, smart working policy and local action plans on disability.

The improvement in the D&I Index to **115%** was confirmed by the positive outcomes of some key Group projects that are focused on increasing the percentage of female managers and young talents as well as the involvement of employees in upskilling and reskilling programmes. The increase in the number of organisational entities that introduced smart working policies and action plans on disabilities was extremely positive, too.

37. The training effort offered to employees by the Group is measured through the Turn to The New Index.

GENDER

Aiming at further improving the **presence of women in senior leadership positions and in succession plans**, we completed the Lioness Acceleration Program, an 18-month journey for female senior managers that was made up of mentoring and coaching activities and insights on leadership issues, by a panel of international experts.

As to enhancing the **presence of women in managerial positions**, *Elevate Circles* were launched, which consist in small-group coaching programs lasting six months aimed at consolidating the executive presence of our female managers.

These programmes at Group level were complemented by about 100 actions launched at local level, such as women mentoring and STEM women recruitment programmes.

In October 2021, Generali signed the *The Women's Forum CEO Champions Commitments*, confirming our commitment in favor of gender equality.

CULTURE

In order to foster and sustain the **Group's transformation, by attracting and including people with different backgrounds and innovative skills**, we strengthened our **upskilling and reskilling programmes** enabling people to enhance business, digital and behavioral skills to continue to grow in the digital age. There are many opportunities to activate international and cross-functional projects also in virtual mode, which has become even more in use especially during the pandemic and allows us to further foster the global mindset needed to embrace diversities.

GENERATIONS

In order to ensure the **balance among the different generations in our Group**, we focused on identifying and retaining young talents and on engaging senior employees. *Future Owners* is a program launched in 2020 with the aim of identifying and retaining professionals with maximum 6/7 years of experience. In 2021 the programme focused on their development through training, mentoring, networking and international and cross-functional projects, thus ensuring new perspectives, openness and growth. With regard to senior employees, a number of programmes were launched at local level including, for instance, orientation interviews and talent senior programmes.

INCLUSION

With a view to promoting a **mindset and behaviors that value differences**, in 2021 we added a second module within the *Conscious inclusion rapid learning series*, a program available to all employees on We LEARN aimed at increasing awareness of unconscious bias that affect decision-making processes.

As for **disabilities**, we continued to set local action plans to concretely promote the inclusion of people with disabilities. *DiverseAbilities*, the first information campaign on disabilities, was also launched, with the aim of raising awareness among all employees about creating a work environment that values people for their strengths, offering all colleagues with disabilities the opportunity to best express their potential.

Significant progress was made in the inclusion of the **LGBTQI+** world. In addition to the important outreach work carried out by WeProud, the first LGBTQI+ Employee Resource Group established in 2020, which has almost 900 members, three training modules on this issue were made available on We LEARN.

Chapter 8

Equal Treatment and Equal Pay

GENDER BALANCE & PAY EQUITY

8.1 Analysis Methodology

Generali's commitment and focus on sustainability is growing, as demonstrated by the many specific initiatives launched both at Group and local level. Being sustainable means creating long-term value for all stakeholders, including our people: their talent, their diversity, and their ability to be inclusive allow Generali to be an even more innovative and fair Group, capable of becoming a Lifetime Partner to its customers.

The Group's commitment on gender balance and pay equity for females and males at all levels of the organisation consists of analyses, defined ambitions and specific mitigating actions to guarantee better representation of females in senior and managerial positions and **fair remuneration** to employees.

The remuneration culture is based on **meritocracy**: the belief that equal jobs should also be matched by equal pay, giving people the same access to opportunities, regardless of their gender or what their personal characteristics are, in alignment with the Group's Diversity, Equity and Inclusion strategy.

To achieve this objective, specific local analyses were again conducted in 2021 further developing what was achieved in 2020, to monitor progress within the company in order to further promote a culture based on gender balance and pay equity and to direct specific mitigation actions. The

analyses were carried out applying a **common methodology throughout the Group** to investigate remuneration issues related to:

- **"Equal Pay Gap"** – the pay gap between females and males for comparable roles, implying a comparison of females' remuneration with that of males' in comparable jobs. The analysis compared the remuneration of females and males in the same job family and at the same organisational level;
- **"Gender Pay Gap"** – the pay gap between females and males across the entire organisation, regardless of the nature of their role or organisational level;
- **"Accessibility gap to variable remuneration between females and males"** – percentage difference between the access rate to variable remuneration between females and males within the entire organisation.

The Group's methodology, in use since 2020, was developed in collaboration with Mercer, an international consulting firm acting as an **independent external consultant**. Once again this year, Mercer oversaw all phases of the project, providing support in defining the methodology, collecting and processing the data, providing support to the Countries/Business Units involved, and aggregating and presenting the results at Group level.

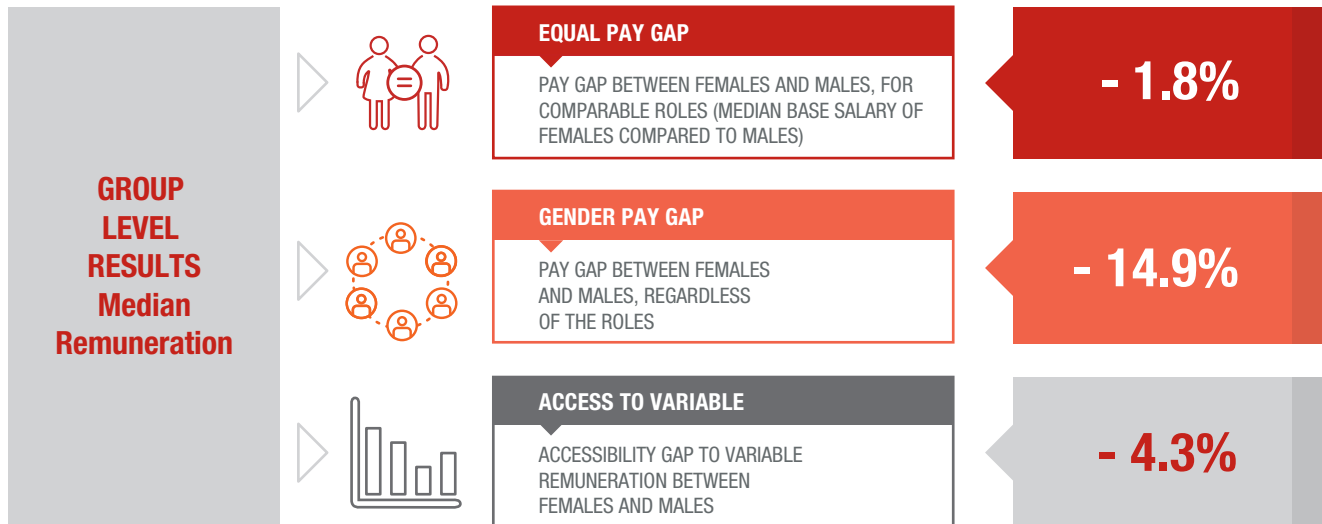
“ In 2021 the Generali Group continued its long-term journey towards a more diverse, inclusive and equitable workplace. Through our annual and recurring evaluation, we examined 8 key areas: organisation and leadership commitment; data analysis methodology and metrics; job architecture; results; mitigation actions; link with other Group HR processes; ongoing data monitoring, and disclosure. Specifically, we observe that the Generali Group's approach to improving gender balance and equal pay is in line with current international best practices and will allow Generali to achieve its objective of a structural reduction of the Gender Pay Gap and an Equal Pay Gap towards zero in the 2022-2024 strategic cycle.

Mercer, Consulting Firm



8.2 Group-level Results and Main Findings

The aggregate results at Group level show that the median base salary of females is -1.8% compared to that of males for equivalent roles (Equal Pay Gap), while in terms of the pay gap between females and males regardless of the role across the entire organisation (Gender Pay Gap) the difference is -14.9%. In terms of overall remuneration, the accessibility gap to variable remuneration between females and males is equal to -4.3%.



Specifically, the median **Equal Pay Gap** at the end of 2021 (-1.8%) was reduced by 1 percentage point compared to 2020 (-2.8%), an **improvement of ~36%**. The trend observed was consistent at Group level, with an improvement in ~70% of the Countries/Business Units analysed and with over 80% of the employees analysed belonging to Countries and Business Units with a result within the $\pm 5\%$ benchmark range (in line with international standards on gender equality).

The median Gender Pay Gap at the end of 2021 (-14.9%) increased by 1 percentage point compared to 2020 (-13.9%), a decrease of ~7%. During the period of observation, in line with the Group's strategic ambition, the presence of females at the Group's management levels increased with a positive impact on the average Gender Pay Gap, which improved by ~0.7 percentage points compared to 2020 (from -19.2% to -18.5%).

The trend observed was consistent at Group level with an improvement in ~60% of the Countries/Business Units analysed. However, the median Gender Pay Gap result was impacted by an increase in the presence of females at non-management levels in the Group (due to the turnover rate and market specificities in some countries such as France, Germany and in particular the Czech Republic), which mitigated the overall positive effect.

In terms of total remuneration, the accessibility gap to variable remuneration at the end of 2021 (-4.3%) was reduced by

0.8 percentage points compared to 2020 (-5.1%), with an improvement of ~16%. 77.6% of females had access to variable remuneration during 2021 compared to 73% in the previous year.

All indicators³⁸ are monitored and calculated on a **population in scope of about 80% of our people in the Group**.

8.3 Our Ambition and our Actions

Within the Group strategy, Generali defined a clear **Diversity, Equity and Inclusion (DEI) strategy** from 2019 onwards, which has been developed through a Group-wide action plan, in addition to 200 actions at local level.

These efforts were further developed and strengthened through the new 2022-2024 People Strategy, in which DEI initiatives are strategic priorities for the Group that will help achieve its ambition to be a sustainable Lifetime Partner for our customers and employees.

Under the new "Lifetime Partner 24: Driving Growth" strategic plan, **the Group is particularly committed to improving the presence of females in managerial and top positions**, and also seeks to promote a more inclusive culture of the many generations present, investing both in attracting young talents and in developing and involving more experienced employees.

38. In addition to the median base salary, further components of remuneration are monitored (also with reference to the average values), both for the same role (Equal Pay Gap), and across the entire organisation regardless of the role (Gender Pay Gap). In particular, in terms of average base salary, the Equal Pay Gap is -1.9% and the Gender Pay Gap -18.5%. In terms of overall remuneration (base salary and annual variable remuneration) the Equal Pay Gap is -2.6% on the median (-3.3% on the average) and the Gender Pay Gap is -19.7% on the median (-24.4% on the average). Observing only the annual variable remuneration, the Equal Pay Gap is -1.6% on the median (-5.2% on the average) and the Gender Pay Gap is -38.5% on the median (-45.9% on the average).

It will also continue its efforts to improve the sense of belonging and inclusion of people with disabilities and LGBTQI+ people by supporting employee resource groups that help eliminate cultural and behavioural barriers, as well as championing important projects.

In alignment with the Group strategy, Generali's Remuneration Policy supports the initiatives and ambitions of diversity, equity and inclusion and promotes pay equity for females and males.

In this context, the policies adopted by Generali in recent years have focused on mitigating the gender pay gap, both by analysing and comparing females and males performing

equivalent roles (Equal Pay Gap) and by taking a look at our people throughout the organisation (Gender Pay Gap).

Based on the results of the analyses and in line with our Group strategy on diversity, equity and inclusion, **all Countries/ Business Units will continue to develop specific mitigation actions** at local level aimed at **structurally reducing the Gender Pay Gap** (with a specific focus in the Group incentive system on non-financial/ESG goals with priority on diversity related to % women in strategic positions and % women managers) and **supporting our ambition to an Equal Pay Gap towards zero** in the 2022-2024 strategic cycle.



Further details are provided in the subchapters on the annual cash component of variable remuneration (STI) and the deferred share-based component of variable remuneration (LTI)

The mitigation actions also include initiatives aiming at positively impacting gender balance and pay equity, both locally and tied to the Group's strategy.

Some examples of such actions are:

- re-examination of the recruitment, performance management, and talent development processes, in order to eliminate potential biases in the current processes;
- programs of female career acceleration;
- programs of mentoring and sponsorship;

- awareness-raising on diversity and unconscious bias;
- re-examination or introduction of Diversity, Equity & Inclusion policies (e.g. policies on parenting, care-giving, etc.).

With the aim of supporting Countries and Business Units, a **recurring annual monitoring process** has been introduced to assess the results across the organisation and the effectiveness of mitigation actions.



Chapter 9

NEW SHARE PLAN FOR THE GENERALI GROUP EMPLOYEES

In the context of the new 2022-2024 strategic plan, a new 2022 share plan for Group employees is submitted to the Shareholders' Meeting for approval.

9.1 Context and Objectives

2019 saw the launch of "We SHARE", the Generali Group's first employee share ownership plan, offered globally to around 60,000 employees in 35 countries. The plan, which has been joined by over 21,000 people with a participation rate of over 35%, will end in October 2022.

Following the success of We SHARE, which was approved with more than 98% of votes in favour at the 2019 Shareholders' Meeting, and in line with the Group's 2022-2024 strategy focused on a culture of ownership and empowerment, the Company continues to invest in its people to ensure their direct involvement in achieving the objectives outlined in the new "Lifetime Partner 24: Driving Growth" strategy.

Therefore, a new three-year share plan for Group employees for 2022 is submitted to the Shareholders' Meeting for approval, the plan providing the opportunity to purchase Assicurazioni Generali shares at favourable conditions, in case of **share price appreciation** and the achievement of the **ESG goal** related to the reduction of the Group's emissions.

The ESG goal refers to Generali's commitment to decarbonise operations as approved by the Board of Directors, which will resolve on the launch of the plan, defined in line with the Group's Climate Strategy (reduction of at least 25% of the Group's emissions by 2025 as communicated to the market in June 2021)³⁹ and related to the plan's three-year execution period.

This initiative is a concrete signal to promote:

- employee **engagement** in the achievement of strategic objectives;
- a culture of **ownership** and **empowerment**;
- employee participation in the **Group's creation of sustainable value**.

9.2 Plan Beneficiaries

The plan will be offered to employees who have an existing employment relationship with Assicurazioni Generali or a

Group company, with the exception of members of the Group Management Committee (GMC) and the Global Leadership Group (GLG).

In implementing the plan, Generali's Board of Directors will specifically identify the categories of employees who are beneficiaries of the plan, with the exception of employees working in Countries where it is not possible to implement the plan as per the defined and approved terms due to legal, fiscal or operational/organisational reasons.

9.3 Main Characteristics of the Plan

The plan will be launched indicatively in November 2022 (and in any case within 12 months of its approval at the Shareholders' Meeting of 29 April 2022) and will have a **three-year execution period**.

The essential characteristics of the plan, which are set out in more detail in the relevant Information Document to which reference is made, are set out below:

- at the beginning of the plan, employees who decide to participate ("participants") will be able to **define the amount of their individual contribution**, i.e. the amount of contribution they wish to accrue to purchase Assicurazioni Generali shares at the end of the plan;
- the amount of the individual contribution, in the range of minimum €540 and maximum €10,800 overall⁴⁰, will be accrued through monthly payroll deductions and will be locked-up for the three-year length of the plan;
- based on the amount of the individual contribution, participants will receive the free right ("options") to purchase Generali shares at the end of the plan at a **price set at the beginning of the plan ("initial price")**. The number of options assigned to each participant will be equal to the ratio between the individual contribution and the initial price. The initial price will be approved by the Board of Directors that resolves on the launch of the plan and calculated with reference to the average price of Generali shares in the month preceding the implementation of the plan, with the

39. In line with the requirements of the scientific community, reduction by 2025 of greenhouse gas emissions from offices, data centres and the company vehicle fleet by at least 25% compared to the year 2019 (as per the press release of 30 June 2021).

40. Or another amount defined by the Board of Directors when it decides on the launch of the plan.

possibility of applying an adjustment factor of +/-5% on the average price defined⁴¹;

- at the end of the plan, the final share price will be determined (calculated as the average price of Generali shares in the month preceding the exercise date of the options⁴¹) and:
 - in case of **share price appreciation** (final price equal to or higher than the initial price with options “in the money”), participants will automatically buy shares at the initial price with the amount of individual contribution set aside during the course of the plan and receive free of charge:
 - “Dividend Equivalent” shares in a number equal to

the ratio between the value of the dividends paid by Assicurazioni Generali in the three years of the plan and the initial price, multiplied by the number of shares purchased;

- 2 (two) “**Matching**” shares for every 10 (ten) shares purchased;
 - 2 (two) “**ESG**” shares for every 10 (ten) shares purchased, if the ESG goal is also achieved;
- in case of **share price depreciation** (final price lower than the initial price with options “out of the money”), participants will be refunded their individual contribution (capital protection).



In case of share price appreciation (“in the money”), each participant will be entitled to decide whether to sell all the Generali shares received at the final price (“sell all” option), thereby receiving the corresponding sum of money, or to continue to hold them, excluding the shares sold to pay taxes due (“sell to cover” option).

The estimated number of shares underlying the plan is 9,000,000 (or approximately 0.6% of the current share capital), to be implemented through the purchase of own shares on the market without capital dilution.

Also for the new plan, Generali is expected to make a **donation to The Human Safety Net** equal to the monetary equivalent

of one share for each employee participating in the plan. Participants will also have the opportunity to donate the monetary equivalent of one share to The Human Safety Net.

In the plan approved in 2019, over €420,000 were devolved to The Human Safety Net Foundation thanks to the donations of the employees together with that of Generali for each participant. These donations funded the “Financial Education for Parents” project developed in partnership with UNICEF & Aflatoun to promote financial education in vulnerable families with children aged 0-6 years.

41. The method for calculating the average price of Generali shares may be subject to adjustment by the Board of Directors, taking into account the average price over a period of one to three months, depending on market conditions.

Chapter 10

PAYMENTS IN THE EVENT OF TERMINATION

The provisions related to the payments in case of termination of the relationship were significantly reviewed in the context of last year's Group Remuneration Policy, based on an even approach seeking to balance market expectations, regulatory requirements, and the essential legal requirements of each Country - especially strict and specific in the Italian framework – aimed at maximizing the corporate interest by seeking, as a priority, agreed exit agreements and therefore reducing litigation risks.

This revision - which is confirmed in this Remuneration Policy - resulted in the definition of a **new cap equal to 24 months of recurring remuneration**, including both severance and the consideration for any non-competition agreements, but also, and in particular, in the introduction of a **predefined formula for calculating the severance**, which combines predefined and objective criteria, in addition to seniority.

The Policy is confirmed with the significantly more restrictive revisions introduced last year, which led to a reduction of up to -32% of the cap on potential payments in the event of termination compared to the cap of the previous Policy. Such impact, due to the double introduction of the new maximum limit and the calculation of severance through a predefined formula, determined an average reduction of the cap equal to -16% (which can go up to -32%) of the overall potential payments for top management positions in the event of termination.

In particular, regarding the payments in case of termination, different rules are provided for Directors, the Managing Director/Group CEO and the Executives belonging to the so-called "Relevant Personnel" respectively (also given the different nature and legal framework of such work relations).

10.1 Policy applicable to Directors

With reference to **Directors** (where they do **not** have a simultaneous subordinated employment relation with the Company), the following is applicable.

In terms of **duration of any agreements and notice period**, Directors operate under the relevant three-year corporate mandate and generally do not have any contract or agreement with the Company, nor does any notice period apply to them, consistently with the nature of their work relationship.

In terms of the **criteria to determine any remuneration** for the termination of relationship:

- in case of non-renewal at the natural expiry date of the Director office, no amount will be paid;
- in case of early revocation of office before the natural expiry date without cause, an amount up to the maximum of the fixed remuneration due for the remainder of the term of office can be paid as indemnity in accordance with legal provisions and if the relevant conditions are met;
- on the other hand, no amount is paid in the event of resignation from office, or revocation of the office for cause, in the event that employment ends following a public tender offer as well as in case of forfeiture (for any cause, including loss of the requirements of professionalism, honour, and independence, or for situations of impediments or incompatibility) and, in any case, for any other event and/or cause beyond the Company's control;
- in the event of early termination of the office by mutual consent before the relevant expiry date, the amount to be paid to the Director will be defined based on the circumstances and grounds for termination (with specific reference to **performance** achieved, risks undertaken, and the actual Company Operating Results, so that, in particular, no amount may be paid in the event of gross negligence and wilful misconduct), in any case up to the maximum cap provided in the event of early termination of office without cause.

As for the **components** considered in the calculation of any remunerations paid pursuant to the above, these are calculated based on the remuneration provided for the Directors, which does not include any variable component.

There are **no non-competition agreements** with Directors, and the **maintenance of benefits** or **consultancy agreements** after the termination of the relative office is usually **not** provided.

10.2 Policy applicable to the Managing Director/Group CEO

In terms of **duration** of the contract, the Managing Director/Group CEO currently operates in favour of the Company both under the corporate office as Director (lasting three years, except for any renewals from time to time approved by the Annual General Meeting⁴²) and an open-ended subordinate employment relationship as Executive (“*dirigente*”), governed by the Collective Agreement for Executives of Insurance Companies, which is therefore subject, in accordance with the law, to a **notice** period in case of termination, the length of which is set by the aforementioned collective agreement⁴³.

The current individual contract with the Managing Director/Group CEO - as amended following his renewal as Director (in May 2019) - provides for specific terms applying in case of termination of the relationship.

Specifically (and as already illustrated in the previous Reports), the individual contract provides - in cases of dismissal without cause or resignation for cause from the executive relationship, the latter including the cases of termination of the Director mandate (without cause), failure to renew the mandate and substantial reduction of powers (in the absence of cause) or attribution to other individuals of powers which are substantially equivalent or in any event apt to undermine his top management position - the payment, in addition to the mandatory notice period due in accordance with the law and the collective agreement⁴⁴, of a severance equal to **24 months of Recurring Remuneration** (which includes, as **components** of the calculation, the fixed remuneration and the average annual variable remuneration of the last three years, also including the remuneration received as Director), 40% of which is to be paid upon termination of the employment and the remaining 60% in deferred instalments over a period of five years (with the amount being subject to the malus and clawback clauses provided for in the Remuneration Policy).

The actual amount of the severance, being calculated based on the Recurring Remuneration - which, as illustrated, includes the average of the annual variable remuneration of the last three years - depends on the average **performance** achieved by the Managing Director Group/CEO in the period preceding the termination of employment. Moreover, as noted, severance is subject to the malus clauses provided for by the Remuneration Policy (so that the instalments not yet disbursed may be subject to reduction or zeroing also in the event of a significant deterioration in the Company's financial situation).

The contract also provides for a non-competition agreement

lasting 6 months following termination, in exchange for a payment equal to the fixed remuneration provided for the corresponding reference period and liquidated damages in case of breach of the obligations under the agreement equal to double this amount.

With reference to the **effects of the termination of the employment on incentive plans**, as illustrated in the relevant chapters of this Report:

- as for the annual variable component (STI plans), the relevant payment, unless otherwise determined by the Board of Directors, is subject to the fact that the employment has not terminated before the payment date;
- as for the deferred variable component (LTI plans), based on the individual contract with the Managing Director/Group CEO, (i) in the event of termination of the office of Director as a good leaver⁴⁵ during the three-year mandate, the latter retains the rights acquired under the outstanding plans pro rata temporis while (ii) in case of termination of the office of Director as a bad leaver⁴⁶ during the three-year mandate, the latter loses all the rights connected to the outstanding plans and related to the period of such mandate;
- likewise, as for the additional co-investment share plan linked to the Director mandate, the loss of all rights is provided in the event of voluntary resignation or revocation for cause before the end of the current Board's mandate (while in the other cases the rights accrued pro rata temporis are retained).

The current contract **does not** provide for the execution of **consultancy** contracts or the **maintenance of non-monetary benefits** for a period following the termination of employment⁴⁷ (without prejudice to general provisions regarding also the remaining Relevant Personnel).

10.3 Policy applicable to the other Relevant Personnel

With reference to the category of the remaining **Relevant Personnel** (which also includes the **Managers with Strategic Responsibilities**), there are normally no agreements that govern ex ante the termination of employment (except as specified below with reference to non-competition agreements).

Any payments made in case of termination of employment are therefore determined, from time to time, based on the general rules illustrated below.

In terms of **duration of contracts**, executives belonging to the so-called Relevant Personnel usually operate under an

42. And by nature it does not require for any notice, as mentioned above for non-executive directors.

43. Based on the seniority of the Managing Director/Group CEO, the relevant notice period is currently 9 months.

44. Or to the payment of the indemnity in lieu thereof, calculated according to the law and collective agreement.

45. That is to say different cases than those of bad leavers pursuant to the following note.

46. This means cases of voluntary resignation from office or its revocation without cause.

47. This is with the exception of some payments - such as health care - which by virtue of the provisions of the applicable collective bargaining continue to be applied for a certain period following the termination of employment.

open-ended executive employment contract⁴⁸, governed by the mandatory legal provisions.

Specifically, and by way of example, as concerns executives hired by Assicurazioni Generali and for executives of Insurance Companies in Italy, according to the relevant collective agreement (CCNL) provisions:

- any termination of employment at the Company's initiative must necessarily be communicated⁴⁹ in compliance with a **notice**⁵⁰ period, which, according to the aforementioned CCNL, is equal to 9 or 12 months, depending on the length of service in the Company;
- in case of a so-called “unjustifiable” termination by the Company, the manager is also entitled, based on the mentioned CCNL, to the so-called “supplementary” indemnity, the amount of which is set by the CCNL within a range between a minimum and maximum (based on age and length of service).

That said, in terms of the **criteria to determine any remuneration** for the termination of employment:

- in case of dismissal, the aforementioned mandatory provisions under the law and applicable contract shall necessarily apply - until any future amendments are made to the regulatory framework;
- in case of **mutual termination**, in addition to the mandatory notice period (or to the payment of the indemnity in lieu

thereof), the interested party may be granted a defined amount based on the circumstances and reasons for the termination of employment (with special regard, among other things, to the **performance** achieved, the risks taken and the actual operating results of the Company, so that, in particular, no amount may be paid in the presence of wilful misconduct or grossly negligent conduct), within a maximum amount and calculated based on the Predefined Formula illustrated below (the “**severance**”), without prejudice to the overall maximum cap of 24 months of Recurring Remuneration (also including the consideration for any non-competition agreements)⁵¹.

With particular reference to severance, this is usually quantified using the following Predefined Formula:

[Base Amount] +/- [Predefined Factors]

The Base Amount is calculated in terms of months of Recurring Remuneration (which includes, as **components** of the calculation basis, the fixed remuneration and the average of the annual variable remuneration actually paid to the person in the last three years, or shorter duration of employment), based on the length of service of the manager concerned, according to the following diagram:

Seniority	Up to 3 years	More than 3 years and up to 6 years	More than 6 years and up to 10 years	More than 10 years and up to 15 years	More than 15 years
Number of months	6	8	10	12	15

The Base Amount, quantified as above, can then vary, decreasing or increasing, based on certain predefined factors (the “**Predefined Factors**”), which take into account objective and subjective elements such as:

- age and actual achievement of pension requirements;
- strategic nature of the role/position held;
- risk of litigation/losing in court in the event of unilateral withdrawal;
- relevant individual performance in the period prior to terminating employment;
- solvency levels;
- actual existence of compliance breach.

Following the possible application of the Predefined Factors, the Base Amount may vary downwards to zero and/or up to a maximum of + 60% (without prejudice to the maximum cap

of 24 months of Recurring Remuneration, including any non-competition agreements).

The specific Predefined Factors and the percentage range of impact of each are defined annually by the Board of Directors⁵².

Non-competition, non-solicitation, or confidentiality agreements for a period of time following the termination of employment can be stipulated with the members of Relevant Personnel - both during the recruitment stage and during the employment or at its termination. The consideration for such agreements, in any event of limited duration, is determined based on the time frame and territorial range of the agreement and the prejudice that the Company and/or the Group could incur if the interested party should carry out any activities competing with those of the Company and/or the Group or

48. Currently at Assicurazioni Generali there are no Managers with Strategic Responsibilities hired with a fixed-term contract.

49. Except for in the case of termination for “cause” pursuant to art. 2119 of the Italian Civil Code.

50. A different rule may be applied for members of the Relevant Personnel employed by foreign subsidiaries, as provided for by local legislation (which in turn may prescribe a notice period or other similar instruments or provisions).

51. In case of Relevant Personnel with a fixed-term employment relationship, it is possible to pay an amount defined, on the basis of the circumstances and the reasons underlying the termination of the contract, within a sum determined by considering the remaining months' salary until the natural expiry of the contract (in any event, within the maximum limit of 24 months' salary indicated above; without prejudice to any mandatory legal provisions, the amount thus calculated shall be considered the Base Amount for the purposes of the predefined formula, without prejudice to the possible application of any Predefined Factors which may decrease the amount).

52. Unless modified, the Predefined Factors already approved for the previous year continue to apply.

disclose information that could also harm the Company and/or the Group, also considering the role and responsibilities previously held by the interested party.

In particular, non-competition agreements are currently in place with members of the Group Management Committee (GMC) - and with the Managing Director/Group CEO - for six months following the termination of employment, against a consideration equal to the fixed remuneration for the corresponding reference period and liquidated damages in case of breach equal to twice this amount.

The total amount actually paid in case of mutual termination of employment (in addition to notice, so-called "TFR" and other ordinary severance payments due for by law⁵³), including:

- the actual severance;
- the payment of any non-competition agreements;

may not under any circumstances exceed the maximum cap equal to 24 months of Recurring Remuneration (as defined above).

Any payments agreed upon mutual termination are paid in the context of agreements that provide for a general waiver of the interested party to any right in any case connected, directly and/or indirectly, to the employment with Assicurazioni Generali S.p.A. or with one of the subsidiaries and its termination, as well as to any right, claim and/or action against the other companies of the Group for any reason directly or indirectly connected with the employment relationship itself and with its final accepted termination. The waiver extends to the rights of a compensatory nature pursuant to art. 2043, 2059, 2087 and 2116 of the Italian Civil Code as well as the rights of an economic nature connected to the employment relationship and its termination.

Without prejudice to the limits and conditions defined above, any severance is paid according to the provisions applicable under the IVASS Regulation 38/2018.

In the case of Executive Directors who are at the same time employed Executives, the Company may - instead of applying the two separate severance rules applicable to respectively directorship and subordinate employment relationships - proceed with the application solely of the severance rule

illustrated above for the employment relationship, in this case by calculating - for the purposes of defining the amount that may be paid to the interested party - also the amount received by the individual as an annual fixed and annual variable remuneration (still based on the average of the last three years) for the office (and notwithstanding the right to apply to the entire severance thus determined the payment terms provided for Directors).

With reference to **the effects of the termination of employment on incentive plans**, as illustrated in the relevant chapters of this Report:

- as for the annual variable component (STI plans), the relevant payment, unless otherwise determined by the Board of Directors, is subject to the fact that the employment has not terminated before the payment date;
- in terms of the deferred variable component (LTI plans), the termination of the relationship before the end of the relevant three-year performance period entails the loss of rights under the outstanding plans (unless otherwise decided by the Board of Directors, and except for specific cases of good leaver⁵⁴ prescribed by the detailed rules of the plans, as indicated in the relevant Information Documents).

There are currently **no consultancy contracts** - and normally they are not stipulated - with members of Relevant Personnel for a period following termination of the employment relationship. However, this possibility is allowed, where this meets proven needs to continue to use, in the interest of the Company, for a limited period of time after the termination of employment, the skills and contribution of the manager to perform specific and predetermined activities (with a remuneration appropriately in line with the object and purpose of the requested activity).

Nor are there any current agreements - and these are not normally stipulated - providing for the **assignment or maintenance of non-monetary benefits** for the period following the termination of employment⁵⁵ (except for the possibility of retaining the use of assets such as cars or accommodation or specific services⁵⁶ for a limited period of time following termination, and subject to compliance with the overall maximum cap indicated above, the compliance with which is verified by also calculating the value of maintaining these benefits).

53. That is, other institutions or payments of a similar nature provided for by the legislation applicable to the employment relationship.

54. Including cases of death, disablement, pension, etc.

55. This is with the exception of some payments - such as health care - which by virtue of the provisions of the applicable collective bargaining continue to be applied for a certain period following the termination of employment.

56. Such as, for example, the case of managers with an "expatriate" contract, tax assistance linked to staying abroad.

Chapter 11

Rigour and Transparency for the Protection of All Stakeholders

GOVERNANCE AND COMPLIANCE

11.1 Governance System

The Generali Group bases its governance system, which is responsible for controlling remuneration practices and protecting the interests of stakeholders, on four fundamental principles: **transparency, rigour, independence and accountability**.

These principles guide the process of defining, approving, implementing and subsequently verifying the remuneration policy, which is the responsibility of different bodies and Functions depending on the recipients the Policy is addressed to.

The main actors involved in the governance process are:

- Shareholders' Meeting;
- Board of Directors;
- Board of Statutory Auditors;
- Appointments and Remuneration Committee and Risk and Control Committee;
- Managing Director/Group CEO;
- Group HR & Organisation Function;
- Key Functions.

This chapter details the roles of each body, whose responsibilities are always determined in full compliance with regulations, Group values, and business strategy.

Furthermore, the Generali governance model provides for the Board of Directors to have discretion over the provisions of the Remuneration Policy in exceptional circumstances. This takes place within the Group's strict governance processes, with prior application, where necessary, of the transaction procedure with Related Parties, as required by law, and without prejudice to the compliance with the solvency requirements.

The process of defining, approving and applying the Remuneration Policy follows several steps. Generally, in addition to what is specified in detail for each body below, the proposals related to defining the Policy aimed at corporate bodies and "Relevant Personnel" (as previously defined under "Recipients of the Policy" pursuant to art. 2, paragraph 1, letter m) of IVASS Regulation No. 38/2018) is prepared with the support of the Group HR & Organization Function. The Group's Internal Audit, Compliance, Anti-Financial Crime and Risk Management Functions are also involved in this phase, each for their respective area of competence. Moreover, the Group HR & Organization Function also avails itself of the cooperation of other Group Functions and structures, such as Corporate Affairs, Group Legal Affairs, Group Strategic Planning & Control, collecting and coordinating the related contributions.

Proposals are then submitted to the Managing Director/Group CEO who validates their content and wording. After requesting any additions and amendments, they are submitted to the Board of Directors, which decides on their merits after hearing the opinion of the Appointments and Remuneration Committee or the Risk and Control Committee, with reference to the Relevant Personnel of the Key Functions.

A special procedure is applied for the Remuneration Policy regarding the Managing Director/Group CEO, whose proposal is formulated by the Appointments and Remuneration Committee, with the support of the Group HR & Organization Function, and presented to the Board of Directors for the relative decisions.

Once approved by the Board of Directors, the Policy is then subject to the approval of the Company's Shareholders' Meeting.

The roles of the various parties involved in the remuneration phases are illustrated below.

11.1.1 Shareholders' Meeting

Pursuant to the applicable law and to the Company's Articles of Association, the duties of the Shareholders' Meeting are as follows:

- approve the Remuneration Policy, in favour of the members of the corporate bodies and of the "Relevant Personnel", in addition to remuneration plans based on financial instruments (art. 19.1, lett. d);
- determine the annual gross remuneration due to members of the Board of Directors and Statutory Auditors (art. 19.1, lett. f and e).

Moreover, pursuant to art. 123-Ter, paragraph 6, "TUF", Consolidated Law on Financial Intermediation, the Shareholders' Meeting expresses an advisory vote with reference to information on remuneration paid pursuant to Section II of the Report on Remuneration Policy and Payments.

11.1.2 Board of Directors

Generali's governance model assigns many **duties to the Board of Directors**. This body:

- following a transparent procedure and after consulting the Appointments and Remuneration Committee, **defines and periodically reviews the Remuneration Policy** for members of corporate bodies and Relevant Personnel,

- including remuneration plans based on financial instruments;
- **ensures that this policy is functional to the pursuit of sustainable success** and takes into account the need to deploy, retain and motivate people with the competence and professionalism required by their role in the company;
 - **monitors the concrete application of the Policy** to ensure that the remuneration actually paid is consistent with the principles and criteria set out in the first Section of the Report on Remuneration Policy and Payments;
 - **ensures the correct application** of the Remuneration Policy;
 - **ensures the overall consistency of the Group's Remuneration Policy and practices** and monitors their implementation;
 - **promotes the compliance of Group companies' remuneration with the provisions of the Law**, and in the case of foreign companies the absence of conflict with the local legal framework and industry regulations;
 - **ensures adequate management of significant risks** at Group level related to remuneration aspects of Group companies, ensuring the involvement of Key Functions.

Furthermore, the Board of Directors decides on the Remuneration Policy in favour of Relevant Personnel, and subsequent revisions, to gain the approval of the Company's Shareholders' Meeting, thereby guaranteeing, on an ongoing basis, their updating, consistency with the principles of sound and prudent management, as well as alignment with the interests of stakeholders. To this end, it periodically uses benchmarks prepared both by the competent corporate Functions and by external consultancy companies, especially concerning verification of the remuneration positioning in terms of the markets considered. It can also use external advisors to modify or prepare the Remuneration Policy.

The Board of Directors is also responsible for the correct implementation of the Remuneration Policy approved by the Shareholders' Meeting.

For some categories of recipients, this is done by the Board of Directors **determining** their **remuneration** in accordance with the defined Remuneration Policy. More specifically, the duties of the Board of Directors are set out in the table below.

Duties of the Board of Directors

- **determine**, based on the proposal of the Appointments and Remuneration Committee and having heard the Board of Statutory Auditors, the **remuneration of the Managing Director/Group CEO, of any other Directors with special offices, of the General Manager** as well as, in case the Shareholders' Meeting has not provided for it, the subdivision of the overall compensation owed to members of the Board;
- **determine**, following a proposal from the Appointments and Remuneration Committee and having consulted with the **Board of Statutory Auditors, the remuneration of the Executives and of the other Directors who hold special offices**, including the chairs and the members of the Committees and the Lead Independent Director;
- **decide**, following the proposal from the Appointments and Remuneration Committee, **on the performance goals identification and allocation**, including the ESG Goals, related to the variable component of the remuneration of the Executive Directors and the other Directors who hold special offices;
- **determine**, following a proposal from the Managing Director/Group CEO and after consulting the Appointments and Remuneration Committee (which expresses an opinion on this point) - except as prescribed for Key Functions, where the Risk and Control Committee is heard and whose opinion is binding in the case of the Head of the Internal Audit Function - **the remuneration and the goals related to the variable component (including the ESG Goals) of the remuneration of the General Manager and members of the Group Management Committee (GMC)**;
- **examine and approve the guidelines of the incentive system for the members of the Global Leadership Group (GLG)** on the proposal of the Managing Director/Group CEO and after hearing the opinion of the Appointments and Remuneration Committee;
- **provide annually the Shareholders' Meeting with suitable information**, accompanied by quantitative information, on how the Remuneration Policy is applied.

Moreover, after **the termination of office and/or dissolution of employment with an Executive Director or with the General Manager (where this office is provided), the Board of Directors sends a press release** to the market after **the outcome of the internal processes** leading to the assignment or recognition of any indemnity and/or other benefits, with detailed information on:

- the assignment or recognition of indemnities and/or other benefits, the case that justifies their accrual (for example, due to expiry of the office, revocation from the same or

settlement agreement) and the decision-making procedures followed for this purpose within the Company;

- the total amount of the indemnity and/or other benefits, the related components (including non-monetary benefits, the maintenance of rights connected to incentive plans, the remuneration for non-competition agreements or any other compensation granted for any reason and in any form) and the timing of their payment (distinguishing the part paid immediately from that subject to deferral mechanisms);

- the application of any clawback or withholding (malus) clauses of part of the sum;
- the compliance of the elements indicated in the previous points, compared to what is indicated in the Remuneration Policy, with a clear indication of the reasons and the decision-making processes followed in the event of even partial discrepancies from the Policy itself;
- the procedures that were or will be followed for the replacement of the Executive Director or General Manager terminated.

Finally, the Company's Board of Directors **promotes and adopts the Group Remuneration Internal Policy** – a document containing guidelines on the application of the Remuneration Policy within the Group – with the aim of ensuring the proper and consistent implementation of the Remuneration Policy approved by the Shareholders' Meeting by all Group companies, including those based abroad. This approach ensures that the policy is appropriately calibrated to the characteristics of each company, the requirements of the

local regulatory framework, and compliance with regulatory obligations.

Within this context, it should be noted that Assicurazioni Generali used the consultancy firms Mercer and PwC to prepare the Remuneration Policy and did not use the remuneration policies of other companies as a reference.

11.1.3 Appointments and Remuneration Committee

The Appointments and Remuneration Committee has an advisory, propositional, and investigative role towards the Board of Directors on remuneration matters.

More specifically, the duties of the Appointments and Remuneration Committee are represented in the following table:

Duties of the Appointments and Remuneration Committee
- express its opinion on transactions with Related Parties concerning the remuneration of Managers with Strategic Responsibilities , in compliance with provisions on the procedures for transactions with Related Parties approved by the Board of Directors;
- assist the Board in carrying out the duties assigned to it by the Law and the Corporate Governance Code;
- express opinions and proposals to the Board on determining the remuneration payable to Directors;
- express opinions and proposals related to the Remuneration Policy provided for by art. 123-ter TUF, as well as the remuneration plans based on financial instruments, verifying their correct application;
- perform advisory, propositional and preliminary functions also through opinions to be provided to the Board on the amount of the remuneration to be granted to Executive Directors and to Directors who hold other special offices or have offices in accordance with the Articles of Association; these functions are also carried out to set performance goals, including ESG Goals, related to the variable component of this remuneration and verify the actual achievement of the performance goals: the assessments carried out regarding the Executive Directors are expressed on the basis of a discretionary assessment, conducted taking into account, among other things, the following parameters: <ul style="list-style-type: none"> • relevance of responsibilities in the corporate organisational structure; • impact on Company results; • economic results achieved; • achievement of specific goals, including the ESG Goals, previously indicated by the Board;
- express non-binding opinions and proposals regarding the determination of the amount of remuneration payable to the General Manager (where this office is provided) and to members of the Group Management Committee (GMC) , subject to the proposal of the Managing Director/ Group CEO, according to a discretionary assessment based on compliance with the following criteria: <ul style="list-style-type: none"> • level of responsibility and risks associated with the functions performed; • results achieved in relation to the assigned goals; • services performed for extraordinary commitments;
- periodically assess the criteria adopted for the remuneration of Directors and relevant personnel , using the information provided by the Managing Director/Group CEO, providing general recommendations on the matter to the Board;
- verify the adequacy of the overall remuneration scheme and the proportionality of the remuneration of the Executive Directors, possibly also between them, and with respect to relevant personnel;
- express an opinion on the proposal of the Managing Director/Group CEO related to the incentive system for members of the Global Leadership Group (GLG) ;

Duties of the Appointments and Remuneration Committee

- **express an opinion** on the proposals made by the Managing Director/Group CEO related to the **remuneration of the Chairs, Executive Directors and General Managers** (or members of the Top Management who hold equivalent roles) **of the Subsidiaries** holding strategic importance, as well as of Non-executive Directors, identified among figures outside the Company and the Group;
- **verify the consistency of the remuneration and incentive systems** with the Risk Appetite Framework;
- **monitor** that the **decisions** adopted by the **Board** based on the proposals presented are **applied**, providing the same information on the effective functioning of the Remuneration Policy;
- **periodically verify the Remuneration Policy** in order to ensure their adequacy even if there are changes to the operations of the Company or the Group or the market framework in which they operate;
- **verify** that there are **conditions** for the **payment of incentives** to relevant personnel;
- **identify potential conflicts of interest** and the measures taken to manage them.

While carrying out its functions, the Committee has the right to access the information and Company Functions required to perform the duties it has been entrusted with. The Statutory Auditors are invited to participate in the meetings of the Committee where remuneration issues are discussed while the Chair of the Committee or another member can report to the Annual Shareholders' Meeting on procedures to exercise the functions delegated to the Committee.

11.1.3.1 Composition of the Appointments and Remuneration Committee

The Appointments and Remuneration Committee in office when this Report was drafted was appointed by the Board of Directors which met on 7 May 2019 and will remain in office until the Shareholders' Meeting, which will approve the financial statements at 31 December 2021. This body, made up of non-executive Directors who are mainly independent and possess adequate knowledge of financial matters or remuneration policies – which is assessed by the Board of Directors at the time of appointment – has the following composition at the date of publication of this Report:

Name and Surname	Role	Member of the Committee for matters of remuneration	Member of the Committee for matters of appointments
Diva Moriani	Chair of the Committee Non-executive and independent director	✓	✓
Alberta Figari	Member of the Committee Non-executive and independent director	✓	✓
Lorenzo Pellicoli	Member of the Committee Non-executive and non-independent director	✓	✓
Roberto Perotti	Member of the Committee Non-executive and non-independent director		✓
Ines Mazzilli	Member of the Committee Non-executive and non-independent director		✓



For more details refer to the Report on Corporate Governance and Ownership Structures

If one or more members of the Appointments and Remuneration Committee are directly or indirectly linked to a transaction to be examined by the Committee, the Committee shall be joined by other independent Directors who are members of the Board of Directors, starting with the most senior, but limited to the examination of the transaction in question. In the absence of at least two independent Directors who form the

Appointments and Remuneration Committee, the opinion or proposal is made by an independent expert appointed by the Board of Directors.

Since its inception, Giuseppe Catalano has served as Secretary of the Committee.

If the Chair considers it appropriate, the following people may attend the meetings at his invitation:

- the members of the Group Management Committee (GMC);
- the Head of Group HR & Organization Function;
- the managers and officers of the Company having competence on the matters that are from time to time submitted to the Committee for approval.

Moreover, again in order to avoid conflict of interest, no Director or manager participates or anyhow is present at the meetings of the Committee where the related remuneration is discussed.

Assicurazioni Generali provides that the notice of meeting is sent to the Board of Statutory Auditors, in order to allow the Surveillance Body to participate in the meetings.

Members of the Appointments and Remuneration Committee currently in office receive a gross annual remuneration of € 40,000 for the Chair, € 30,000 for the members and € 20,000 for the members of the Committee only for matters of appointments; in addition, they receive a presence fee for a gross amount equal to € 2,000 per meeting and the reimbursement of expenses incurred to attend the meetings.

At the meeting of the Committee held on February 18, 2022, the same set its spending budget for the year 2021 at € 200,000, which was subsequently approved by the Board of Directors at the meeting of February 16, 2022.

In 2021, **14 meetings** of the Appointments and Remuneration Committee were held in the composition responsible for remuneration with a participation rate of 97.6%. Furthermore, 13 meetings of the Committee were held in the composition responsible for appointments with a participation of 92.3% of the members.

The number of meetings in 2021 has significantly increased compared to 2020, specifically on appointments, with a considerable increase in the average duration, including the discussion of both subjects, which in 2021 was **3 hours and 4 minutes** (compared to approximately 2 hours and 34 minutes in 2020).

In the year 2022, **10 meetings** on remuneration and **15 meetings** on appointments have been held up to the time this Report was released compared to the same period of 2021 (7 meetings on remuneration and 3 meetings on appointments in the first quarter).

Minutes of the meetings have always been drawn up by the Chair and the Secretary of the Appointments and Remuneration Committee and approved in following meetings.

Finally, since 2020, the **Chairwoman of the Appointments and Remuneration Committee** has actively taken part in **more than 35 meetings with institutional investors and proxy advisors** in order to investigate the issues related to the analysis of the outcomes of shareholders' vote and recommendations received and to illustrate the direction of the Remuneration Policy and related rationale.

11.1.4 Managing Director/Group CEO

Among other things, the Managing Director/Group CEO is entrusted with the duty of making proposals regarding the Remuneration Policy guidelines of the Company and the Group based on the powers delegated by the Board of Directors in the area of human resources management and organisation.

The following table summarises the **individual duties assigned to the Managing Director/Group CEO** with regard to remuneration:

Duties	Recipients
MAKE PROPOSALS CONCERNING REMUNERATION POLICY	Managers with Strategic Responsibilities, Chairpersons, Executive Directors, General Managers (or executives with equivalent roles), non-executive directors (if identified among persons external to the Company and the Group), members of the Boards of Statutory Auditors and in any case of similar corporate bodies of Subsidiaries having a strategic importance as defined by the Board of Directors from time to time; The members of the Group Management Committee (GMC), without prejudice to the opinion of the Risk and Control Committee with regard to the Group Chief Risk Officer
DETERMINE REMUNERATION	Other First Reporting Managers that are not members of the Group Management Committee (GMC), in line with the policy defined by the Board of Directors for such persons
DEFINE SALARY COMPENSATION	Personnel at all Company and Group levels, notwithstanding the powers of the Board of Directors

11.1.5 Board of Statutory Auditors and Risk and Control Committee

Pursuant to Article 36.1 of the Articles of Association, the **Board of Statutory Auditors** has the task of expressing opinions on the remuneration of **Directors holding special offices**.

Moreover, the Board also expresses its opinion on the remuneration of the Head of the **Internal Audit** Function.

Conversely, the **Risk and Control Committee** expresses, on the one hand, its binding opinion on the determination of the remuneration of the Head of the **Internal Audit** Function, and on the other, an opinion to be submitted to the Board of Directors concerning the remuneration of the other Heads of Key Functions.

11.1.6 Key Functions and Other Corporate Functions

The internal Functions that are involved and collaborate in various capacities to define and/or subsequently verify the correct implementation of the Remuneration Policy are:

- the **Compliance** Function, which verifies that the remuneration policies follow the goals to respect current legislation on remuneration, including the provisions set forth by the regulatory authorities and by the Articles of Association, the Corporate Governance Code for listed companies and the Code of Conduct, in order to prevent any risks of incurring judicial or administrative sanctions, financial losses, and reputation damage. The function reports to the bodies in charge on the results of the checks carried out, also indicating any corrective measures;
- the **Internal Audit** Function, which, with a view to efficiency and safeguarding the company's assets, verifies the correct application of the Remuneration Policy on the basis of the guidelines defined by the Board of Directors. The Function reports to the bodies in charge on the results of the checks carried out, also indicating any corrective measures;
- the **Risk Management** Function, which ensures that the Remuneration Policy is consistent with the risk appetite. The Risk Management Function has the task of verifying the consistency of the criteria and the relative indicators used for performance assessment with respect to the risk management strategies established by the Board of Directors. It also reports on the adoption of corrective measures to the relevant bodies.

Moreover, the **Anti-Financial Crime** Function is also involved in the internal control process in order to guard against the risk of money laundering and to avoid corporate policies and remuneration practices that conflict with the purpose of preventing the risk of money laundering pursuant to Article 7 of IVASS Regulation no. 44/2019, including countering the financing of terrorism and international sanctions.

The **Group Strategic Planning & Control** and the other Functions headed by the Group Chief Financial Officer are involved in defining the Remuneration Policy to identify and finalise the quantitative parameters related to the strategic goals to be linked to the variable component.

After assessing the relevance of the information received by the Key Functions, the competent bodies are responsible for promptly informing IVASS.

11.1.7 Group HR & Organization Function

The Group HR & Organization Function prepares the support material necessary for the definition of the Remuneration Policy, providing technical support, also in terms of reporting. In particular, the Functions involved are:

- **Group Reward & Institutional HR Governance** for implementation of remuneration systems, analysis of remuneration levels and comparison with the selected markets, and for monitoring remuneration dynamics;
- **Group Organization & Workforce Planning** for the mapping and evaluation of the organisation positions' weight;
- **Group Leadership Development & Academy** to support performance management, calibration, and succession planning processes.

In addition to the above, the Group HR & Organization Function is involved in the process of defining the remuneration of the Managers and First Reporting Managers of the Key Functions. These salaries are first proposed by the Head of each Function and then reviewed by the Group HR & Organization Function. Finally, the Risk and Control Committee assesses the presence of balance and consistency of remuneration within the respective Function. The Group HR & Organization Function is also responsible for preparing the reports presented to the Board of Directors in order to verify the correct implementation of the Remuneration Policy defined for these parties.

11.2 Remuneration Policy for Corporate Bodies

11.2.1 Remuneration Policy for Directors who do not have Executive Powers

The Remuneration Policy related to all Directors without executive powers - with the exception of the Chairman, whose remuneration is detailed below - provides that the remuneration is composed of **three elements: a fixed annual fee, an attendance fee for each meeting of the Board of Directors** where they participate, as well as **reimbursement of expenses incurred** for attending the meetings.

Directors who are also members of Board Committees are paid fees that are additional to those already received as members of the Board of Directors, with the exception of those who are also executives of the Generali Group. The remuneration is established by the Board of Directors pursuant to Article 2389, paragraph 3 of the Italian Civil Code according to both the powers assigned to these Committees and the commitment required for participation in their work in terms of number of meetings and preparatory activities.

Furthermore, in line with regulatory legislation and best international market practices, no variable remuneration is expected.

Starting from the mandate that will begin with the appointment of the Board by the Assembly called, inter alia, for the approval of the statutory financial statements at 31 December 2021 and, in fact, the appointment of the new administrative body, the Remuneration Policy for the Chair provides for the payment of a fixed annual remuneration determined based on comparative analyses with similar national and international figures. Like all Directors without executive powers, the Chair does not participate in the short and medium-long term incentive plans. For this figure, the Remuneration Policy of Assicurazioni Generali also provides for the allocation of some benefits such as, for example, insurance coverage for death and total permanent disability from injury or illness, as well as health care and the availability of a Company car with driver for both private and business use.

For the policy on D&O insurance and compensation in the event of termination (severance provisions), see the specific chapters.

11.2.2 Remuneration Policy in favour of Members of the Board of Statutory Auditors

For these parties, the Policy provides for the payment of a **fixed gross annual remuneration** for the entire duration of the mandate, with an increase of the amount for the Chair of the Board of Statutory Auditors within 50% considering the related coordination activities. There are no variable remuneration components.

The remuneration levels of the members of the Control Body are defined taking into account, among other things, the reference benchmark and the size/complexity of the Company.

The members of the Body are reimbursed for expenses incurred while exercising their functions and the coverages of the D&O insurance policy as illustrated below.

11.2.3 D&O Insurance Policy (Directors' and Officers' Liability Insurance)

The current terms of **the insurance policy covering the civil liability of the Directors and Statutory Auditors of the Company** (Directors' and Officers' Liability Insurance - D&O), as well as the Manager in charge of preparing the Company's corporate accounting documents, are as follows:

- **effective date:** from 1 May 2020 and until 30 April 2022;
- **duration:** 12 months, renewable from year to year, until the authorisation is revoked by the Annual Shareholders' Meeting;
- **ceiling:** € 275 million per claim, in annual aggregate and per coverage period; of these, € 100 million are reserved for the Directors and Statutory Auditors of Assicurazioni Generali S.p.A., as well as the Manager in charge of preparing the Company's corporate accounting documents, € 10 million are reserved for the Directors and Statutory Auditors of Banca Generali S.p.A., while the others refer to members of the corporate bodies and to all managers of the insurance companies of the Generali Group;
- **exclusion of insurance coverage for cases of wilful misconduct.**

D&O coverage includes all insurance and non-insurance companies, within the scope of the Group consolidated financial statements (subsidiaries) as well as all their managers. The Group has adopted a single Policy at worldwide level which takes into account the legal and economic peculiarities of each territory. In line with the experience of the main competitors (worldwide insurance groups), the goal to achieve uniform coverage conditions for the Group's managers and overall cost reduction, thanks to central management of the policy and any claims, was therefore met.



The image features a solid red background. In the upper portion, there is a white, rounded, elongated shape that resembles a stylized arrow or a decorative element. Below this, the text "SECTION II REPORT ON PAYMENTS" is displayed in a bold, white, sans-serif font, arranged in three lines. At the bottom of the image, there is a large, white, rounded shape that mirrors the one at the top, creating a symmetrical, frame-like effect.

SECTION II REPORT ON PAYMENTS



SECTION II

REPORT ON PAYMENTS.....82

PART I84

Remuneration of Non-executive Directors.....84

Remuneration of the Members of the Board of Statutory Auditors85

Remuneration of the Managing Director/Group CEO85

Remuneration of the Managers with Strategic Responsibilities
(not belonging to the Key Functions).....90

Remuneration of Higher-Level Personnel of the Key Functions93

Compliance with Share Ownership Guidelines.....93

PART II94

Tables94

Introduction

REPORT ON PAYMENTS

The year 2021 marked an important milestone for the Group. Even in the unprecedented context of a global pandemic, the results underscore the **solidity and resilience of the Generali Group** in achieving the objectives of the “Generali 2021: Leveraging Strength to Accelerate Growth” strategy precisely by leveraging its strengths: disciplined execution of strategy, focus on technical excellence, a strong distribution network and diversified business model, our brand leadership and focus on sustainability in every business decision. All this was made possible by our primary competitive and differentiating factor: **our people**, who demonstrate **competence, passion, motivation, leadership and empowerment** in the implementation of the strategic plan, as revealed by the results of our 2021 Global Engagement Survey, which saw the best engagement rate ever.

In this scenario, the Remuneration Report comes at the end of an ongoing and fruitful **dialogue with institutional investors and proxy advisors** aimed at continuously aligning our Remuneration Policy and level of disclosure with the highest standards and evolving market expectations.

In this context, and in compliance with regulatory provisions, **detailed information** is provided about the following recipients of the Remuneration Policy:

- the Chair and other members of the Board of Directors;
- the Chair and other members of the Board of Statutory Auditors;
- the Managing Director/Group CEO;
- the Managers with Strategic Responsibilities¹;
- the Heads and First Reporting Managers of the Key Functions.

The 2021 results demonstrate the **strength and resilience** of the Group, which, despite the current unprecedented pandemic, was able to:

- Achieve the **financial targets** set out in the “Generali 2021: Leveraging Strength to Accelerate Growth” strategic plan both in terms of the evolution of earnings per share and the amount of dividends to shareholders;
- Increase the level of **diversification of results** with

an increasing proportion of technical margins and the contribution of Asset Management;

- Reduce **expenses** in European markets in line with expectations;
- Optimise the Group’s **financial structure** by reducing the stock of debt and related interests;
- Achieve **net cash flow targets for the Holding Company** and **capital generation**:
- Boost **capital strength**;
- Employ more than €3 billion of capital in valuable **acquisitions** in Europe and Asia;
- Successfully strengthen **leadership in Europe** by effectively continuing the integration of the acquired companies;
- Accelerate the **digital transformation** and multi-channel distribution by consolidating its **brand leadership** and by reaching the **top position in terms of Relationship Net Promoter Score (RNPS)** compared to European international peers;
- Further strengthen its commitment and objectives in terms of **sustainability** at the heart of the Group’s strategy;
- Exceed all the **ambitions of the 2019-2021 People Strategy** in terms of Diversity, Equity and Inclusion, skills development, and smart-working implementation, achieving the best employee engagement rate ever.

The results achieved are reflected in the Group’s incentive systems, which are able to recognise **excellence, merit and sustainable value creation** in a targeted, selective manner.

In overall terms, the performance levels of the Group’s incentive systems recorded an **average increase of around 30%** in 2021 compared to 2020, considering the highly discontinuous context of last year and the solidity and excellence of the 2021 results at the end of the three-year strategic plan. This is further confirmation of how effective the systems adopted for the remuneration policies are in reflecting merit and performance achieved and adapt to market variables **by clearly aligning remuneration to actual results with respect to predetermined targets** in terms of **pay for effective & sustainable performance**.

1. In the year in question identified in the following roles (in addition to the Managing Director/Group CEO): General Manager; Group Chief Financial Officer; Group Chief Risk Officer; Group Chief Marketing & Customer Officer; Group Chief Insurance & Investment Officer; Group Chief Transformation Officer; Group Chief HR & Organization Officer; Country Manager Italy & Global Business Lines; Country Manager Germany; Country Manager France & Europe Assistance; Austria, CEE & Russia Officer; CEO International; CEO Asset & Wealth Management; Head of Corporate Affairs & Company Secretary; Group Head of Mergers & Acquisitions; Group General Counsel; Group Communications & Public Affairs Director; Head of Group Audit; Group Head of Actuarial Function; Group Compliance Officer and Group Head of Anti-Financial Crime.

Normalised Group Adjusted Net Profit

For 2021, the **Normalised Group Adjusted Net Profit** is equal to ca. € 2,824 mln, versus a Group Adjusted Net Profit of ca. € 2,795 mln, as disclosed in the financial statements. The difference of ca. € +29 mln is due to the net adjustments (both positive and negative, as the case may be) specifically approved, item by item, by the Board of Directors according to the definition of Normalised Group Adjusted Net Profit. In particular for 2021, net adjustments have been approved with respect to the following items:

- **Charge related to a risk provision** for disputes resulting from an M&A transaction (ca. € -35 mln);
- **Extraordinary charge related to Covid-19 in France** (ca. € -3 mln in 2021): exceptional charge imposed at the end of 2020 by the French Government on health insurance policies, to finance the additional costs borne by the social security system as a result of the Covid-19 pandemic;
- **Net impact of some changes in the Group perimeter** (ca. € +8 mln): net impact on the results of some effects which were not included in the target perimeter, in particular for the contribution of the recent acquisition of AXA Insurance S.A. in Greece and for the additional contribution of Società Cattolica di Assicurazione S.p.A following the increase of the Generali stake in the company (net of the extraordinary costs related to the public tender offer).

For the sake of methodological clarity, note that an adjustment related to an item with a positive sign implies a decrease of the Normalised Group Adjusted Net Profit by such amount, while an adjustment related to an item with a negative sign implies an increase of the Normalised Group Adjusted Net Profit by such amount.

In conclusion, the total net impact of the (positive/negative) adjustments listed above is ca. € +29 mln compared to the Group Adjusted Net Profit disclosed in the financial statements, therefore leading to a Normalised Group Adjusted Net Profit of ca. € 2,824 mln.

Further details are illustrated in this Section of the Report, divided into two parts:

- a **first part** that provides a descriptive summary of the payments of the recipients of the Remuneration Policy;
- a **second part** which reports in the form of Tables both the remuneration payments and the shareholdings held by the parties in question, concerning the reference year.

Lastly, information is provided on the Group's 2019-2021 Long Term Incentive share plan. Upon completion of the reference performance period, the Board of Directors, after having assessed the achievement of the three-year goals previously set, quantified in no. **5,524,562** the shares that may be granted, subject to apposite share capital increase, within the terms approved for the plan by the Shareholders' Meeting, against a maximum number of **12,000,000** shares that could potentially be granted. Out of these, no. 37,695 shares are not being granted, at this stage, pending the completion of an assessment by the Internal Audit Function relating to a

Manager with Strategic Responsibilities, for whom the Board of Directors has resolved the termination of the employment contract.

As illustrated hereinafter (and especially in the First Part of this Section), the remuneration paid (and accrued as a variable) is consistent with the Remuneration Policy of the reference year (2021), also and especially in terms of consistency between accrued variable remuneration and the degree of achievement of the goals set. This is further confirmed by the ex post analyses carried out by the Internal Audit Function (which is accounted for in Section III).

With reference to 2021, no temporary derogation has been applied (pursuant to Article 123-ter, TUF) with respect to the Remuneration Policy related to the same financial year nor has any correction mechanism ex post (malus or clawback) been applied - especially related to Directors or Managers with Strategic Responsibilities.

PART I

1.1 Remuneration of Non-executive Directors

The Shareholders' Meeting of 7 May 2019 determined that, for the three-year period 2019-2021, each member of the Board of Directors is entitled to:

- a gross annual fixed remuneration of € 100,000, with an increase of 50% for the members of the Executive Committee, if established;
- an attendance fee of € 4,000 gross for each meeting of the Board of Directors and of the Executive Committee, if established;
- the reimbursement of out of pocket expenses incurred for participation in the meetings.

It should be further noted that there are no agreements in place with Non-executive Directors related to payments in the event of termination (severance provisions).

The members of the Board Committees and the Surveillance Body, in office at the drafting of this Report, are granted pursuant to art. 2389 of the Italian Civil Code the following remuneration:

Role	Annual gross compensation (EUR)	Attendance fee for each meeting (EUR)
Members of the Risk and Control Committee	40,000	2,000
Chair of the Risk and Control Committee	60,000	2,000
Members of the Corporate Governance, Social and Environmental Sustainability Committee	20,000	2,000
Chair of the Corporate Governance, Social and Environmental Sustainability Committee	30,000	2,000
Members of the Investment Committee	30,000	2,000
Chair of the Investment Committee and of the Strategic Operations Committee *	no compensation	no compensation
Members of the Strategic Operations Committee	10,000	2,000
Members of the Appointments and Remuneration Committee **	30,000/20,000	2,000
Chair of the Appointments and Remuneration Committee	40,000	2,000
Members of the Related Party Transactions Committee	20,000	2,000
Chair of the Related Party Transactions Committee	25,000	2,000
Members of the Surveillance Body ***	25,000	0
Chair of the Surveillance Body	35,000	0

* The position of Chair of the Investment Committee and of the Strategic Transactions Committee is held by the Managing Director/Group CEO and does not envisage the payment of remuneration.

** The different remuneration respectively refers to members involved in both appointment and remuneration matters or involved in appointment matters only.

*** The remuneration of a member who is also an executive of Generali is covered by the remuneration paid to them by virtue of their position.

With regard to the remuneration for the **Chair** of the Board of Directors, appointed as of 7 May 2019, the Board of Directors resolved, in line with the previous mandate, to grant him, in addition to the remuneration due to the other non-executive directors, a gross annual remuneration for the powers conferred of **€ 850,000**. This remuneration is in line with the emoluments/remuneration received by both Italian and foreign individuals who hold similar roles in companies comparable to Assicurazioni Generali in terms of size and characteristics.

In addition to the above, the following benefits have been approved:

- insurance coverage related to occupational accidents, illnesses, in the event of death and total and permanent disability;
- supplementary insurance coverage for health care

expenses, with the same characteristics as those provided for Company managers;

- availability of the Company car with driver for both personal and business use.

Finally, the Chair received remuneration and attendance fees associated with the office of Chair of the Corporate Governance and Social and Environmental Sustainability Committee and as member of the Investment Committee.

There is no specific agreement in place with the Chair in terms of payments in case of termination (severance provisions), where therefore, notwithstanding law provisions, the Remuneration Policy in force for the reference year would be applicable in case of office termination.

The payout² level of the annual cash component of the variable remuneration for the Managing Director/Group CEO reflects the 2021 performance in terms of both financial and non-financial/ESG results, thoroughly assessed by the Appointments and Remuneration Committee and the Board of Directors in terms of the challenging expectations of the strategic plan, the actions that led to their achievement, and the global context of reference. More in particular:

- The **financial results** for 2021 marked a fundamental milestone for the Group. Even in the unprecedented global pandemic context, the results highlight **Generali's solidity and resilience** in fully achieving and exceeding the challenging 2021 targets defined in line with the Group's three-year strategic plan, particularly in terms of **Normalised Group Adjusted Net Profit and Return on Risk Capital (RORC)**.
- **Innovation & Digital Transformation:**
 - The Group has greatly accelerated the **digital transformation** process by exceeding all the priorities defined: the **% of digital policies** is 56.9% higher than the 2021 ambition (56.5%) defined in line with the Group's three-year strategic plan, as is the **% of customers registered on the Mobile & Web Hub (Seamless Omnichannel Experience)** at 35.3%, higher than the 2021 ambition (30%). The Group also successfully completed the execution of the **CyberSecurity Transformation Programme**, the launch of the Group "Insurance in a Box" programme for the convergence of the Group IT infrastructure, the definition and approval of the Group Cloud Policy and the extension of the strategic partnership with **Vitality** on innovative digital products.
- **Brand & Lifetime Partner:**
 - The Group consolidated its **brand leadership** achieving the **top position in terms of Relationship Net Promoter Score (RNPS)** compared to its European international peers, in line with the extremely challenging ambition of the Group's three-year strategic plan, despite the significant discontinuity of the pandemic context and thanks to the timely and thorough execution of all best-in-class customer experience priorities identified in the relationship activities with customers and distributors, globally and in each Country of the Group.
- **Sustainability Commitment:**
 - Sustainability is the key factor that shapes all the decisions the Generali Group takes to continue to be a transformative company capable of generating shared value, building a more just and resilient society. This integrated approach is concretely exemplified by the 2021 results which have recorded an increase in particular in **Gross Direct Written Premiums (GDWP) from green and social products** and it stands at +16.1% (CAGR 2018-2021), higher than the 2021 ambition (+7/9%) defined in line with the Group's three-year strategic plan. As per the Group's **decarbonisation strategy**, exclusion from insurance programmes for new mines and power plants was also achieved, resulting in maintaining a premium

threshold associated with these risks of less than 0.1% of P&C premiums, as well as participation in the Net-Zero Insurance Alliance (NZIA) initiative as a founding member along with the world's leading (Re)Insurance Groups.

- **People Value:**

- The Appointments and Remuneration Committee and the Board of Directors verified and assessed the adequate coverage of the **"quality and solidity of the succession plan"** relating to the position of Managing Director/Group CEO and the members of the Group Management Committee (GMC);
- The Group further consolidated the promotion of an inclusive environment and organisational culture, which values all diversity with respect to the priorities monitored via the **Group Diversity & Inclusion Index (D&I Index)**, which currently stands at 115%, higher than the 2021 ambition (114%), defined in a manner that was even more challenging with respect to the Group's three-year strategic plan. The results were achieved thanks to a global and comprehensive program with targeted and specific interventions at Group and country level. The D&I Index measures the progress of the Group compared to Diversity & Inclusion 2021 ambitions, i.e. objectives set internally on gender, generations, cultures and inclusion through indicators relating to female managers, female talent, young talent, Turn to The New Index, talents with international experience, smart working policy and local action plans on disability;
- Furthermore, despite the current context, the 2021 **Global Engagement Survey** recorded a participation rate of 89%, with the best engagement rate ever, equal to 83%, higher than the market benchmark of reference, with an improvement in all results related to the priorities identified in the last edition (meritocracy, bureaucracy and inclusion) thanks to the successful implementation of more than 450 targeted actions at Group and local levels.

1.3.3 Deferred Component in Shares of the Variable Remuneration - Long Term Incentive (LTI)

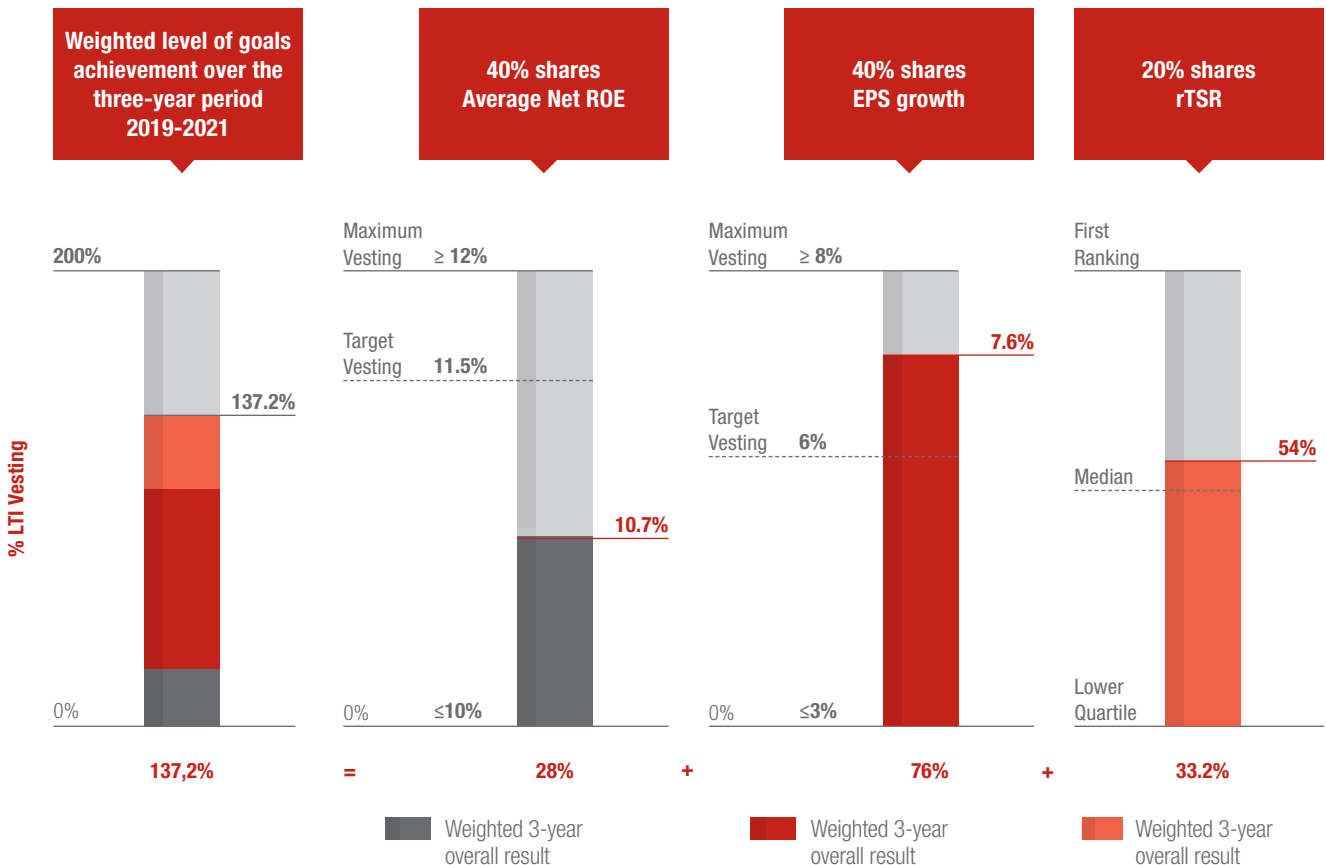
The remuneration package of the Managing Director/Group CEO provides for a deferred part in shares of the variable component of the remuneration where, after the achievement of the assigned goals, he can be granted a maximum total amount equal to 200% of the fixed remuneration, from the 2019-2021 LTI plan.

At the end of the performance period of the 2019-2021 LTI plan, in view of the plan's rules and based on the level of achievement of the targets defined for the 2019-2021 three-year period of **137.2%** compared to a maximum of 200% (as a reference, in the previous year the performance level was 162% compared to a maximum of 250%), it was resolved to allocate the shares to the Managing Director/Group CEO

2. The table shows the reference data for calculating the annual cash component of the variable remuneration for the Managing Director/Group CEO (weight, goals, measurement vs budget or other strategic KPIs, result, weighted payout). The payout level of each goal calculated with respect to the actual result (before weighting based on the assigned weight) is equal to: 121.6% for Normalised Group Adjusted Net Profit; 126.3% for Group RORC; 200% for Innovation & Digital Transformation; 200% for Generali 2021 Enablers. The overall weighted payout is **153.907413%**.

in two tranches, in April 2022 and April 2024. Specifically, **91,546 shares** are expected to be allocated in April 2022, including the additional shares granted under the dividend equivalent mechanism, while the remaining 76,970 shares, net

of the additional shares granted under the dividend equivalent mechanism, could potentially be allocated in April 2024 (subject to the plan terms). The shares granted are subject to the lock-up periods provided for in the plan.



1.3.4 Co-Investment Share Plan related to the Mandate

The Managing Director/Group CEO participates in a special co-investment share plan related to the 2019-2021 mandate, already approved by the Shareholders' Meeting in 2020, whose prerequisite is the maintenance for the entire duration of the mandate of a significant, direct and personal initial co-investment. In view of this, the plan provides for a first tranche of shares to be granted in **July 2022**, only in case of positive achievement, to be verified at the end of the plan, of extremely challenging performance goals linked to completing and exceeding the three-year strategic plan targets and to the return expectations of Shareholders.

No payments were made in connection with the plan in 2021 or in prior years.

The plan encourages a direct **alignment with the investors' perspective** on the part of the Managing Director/Group CEO given the significant level of personal exposure associated with the initial co-investment, as well as the performance and return indicators for the Shareholders it is linked to. In fact, the actual assignment of the shares is provided only after **reaching and exceeding the goals that reflect value creation measured over the three-year term** of the mandate, so that the plan rewards the achievement of unprecedented Group strategic and transformation ambitions in terms of size, business, and capitalisation.

Conversely, in the event of failure to achieve, the co-investment mechanism exposes the Managing Director/Group CEO to the **risk of a significant personal financial loss** fully aligned with the market perspective, as already recorded during the period.

The plan provides for the maintenance, by the Managing Director/Group CEO, starting from September 2019 and until the end of the current three-year term as Director, of an **initial co-investment of 550,000 Generali shares** at a reference price defined at the start of the plan equal to € 16.56.

The **goals** of the plan, independent of each other, are assessed over a three-year time period and provide for reaching and exceeding indicators with specific targets in relation to the goals of the strategic plan. They are defined in terms of:

- **Absolute Total Shareholder Return (TSR)**, calculated in the period 20 June 2019 – 20 June 2022, weighing 50%;

- **Earning per Share (EPS) Growth** in the 2019-2021 period, weighing 50%.

The plan is subject to exceeding the minimum threshold of the Regulatory Solvency Ratio defined for the incentive system.

The **maximum number** of shares which may be granted is equal to **550,000**; the **actual number** of shares which will be allocated is determined **based on the achievement of the goals** according to the following Table:

KPI	LEVEL OF ACHIEVEMENT	FREE SHARES
TSR	≥ 46%	275,000
	Between 22% and 46%	137,500 – 275,000
	< 22%	0
EPS Growth	≥ 8%	275,000
	Between 6% and 8%	137,500 – 275,000
	< 6%	0

For intermediate results, the actual number of shares to be granted will be calculated by linear interpolation.

The following chart, illustrating how the plan operates, highlights the market risk associated with the personal co-investment of the Managing Director/Group CEO.



The actual allocation of any free shares accrued, depending on the level of achievement of the defined goals, will take place in two tranches over a total period of 7 years similar to the other Group plans:

- the first tranche (50% of the shares) will be granted in July 2022 at the end of the three-year performance period;
- the second tranche (50% of the shares) will be allocated in July 2024, being subject to a further deferral for a period of two years.

Additional shares, determined based on the total amount of dividends distributed in the reference period (e.g. during the performance period and the two years of further deferral), may also be allocated according to the so called “dividend equivalent” mechanism.

1.3.5 Benefits

Benefits of the Managing Director/Group CEO include:

- supplementary pension: as per the national collective bargaining agreement and individual contract, with a contribution paid by the Company equal to 16.5% of the fixed remuneration and an annual gross supplement by the Company equal to € 107,452.22;
- supplementary health care;
- guarantees in case of death and permanent partial and total disability due to illness or professional or extra-professional injury;
- additional benefits defined in line with the provisions of the Remuneration Policy (e.g. Company car, accommodation, expenses related to travel and national and international mobility).

The details of the compensation of the Managing Director/Group CEO for the year 2021 are shown in Table 1; Tables 3A and 3B refer to the incentive plans while Table 4 shows the shares held.

In terms of the detailed information related to the long-term variable component, please also refer to the Information Documents prepared pursuant to art. 114 bis of the TUF on the Company's website in the "Governance, Remuneration" section.

1.3.6 Other Provisions

- Non-competition agreement: the contract also provides for a non-competition agreement lasting 6 months following termination with a payment equal to the fixed remuneration provided for the corresponding reference period and a penalty equal to double such amount;
- Severance: in line with what is defined by the guidelines and the limits set by the Group Policies³;

- **Share Ownership Guidelines** which provide that the Managing Director/Group CEO shall hold for the entire term of office a minimum number of Generali shares of equivalent value to 300% of the annual recurring gross fixed remuneration.

The more detailed contents of the individual agreement of the Managing Director/Group CEO in relation to severance and the non-competition agreement are illustrated in the dedicated chapter in Section I.

1.3.7 Actual 2021 Pay-Mix of The Managing Director/Group CEO

The Table shows the composition of the actual remuneration package of the Managing Director/Group CEO, considering the remuneration actually vested in 2021.

	EURO	%
Fixed remuneration	1,700,000	29%
Annual cash component of variable remuneration (STI 2021)	2,616,426	44%
Deferred component in shares of variable remuneration (LTI 2019-2021)	1,615,329	27%
Total	5,931,755	100%

REMNERATION

- Fixed
- Annual variable
- Deferred variable

The amount reported for the deferred share component (LTI 2019-2021) represents the value of the n. 91,546 shares to be granted at the end of the plan performance period at the price per share of € 17.645 at the time of the assignment resolution by the Board of Directors on 14 March 2022 (as reported in Table 3A).

With reference to the co-investment share plan related to the mandate, during 2021 no allocation of shares was made in favour of the Managing Director/Group CEO.

In fact, unlike the "rolling" LTI plans the Managing Director/Group CEO is the recipient of - which provide for grants on an annual basis - the co-investment share plan related to the mandate provides for a single allocation valid for the entire three-year term of the mandate. Any actual allocation of free shares can only take place in July 2022, depending on the level of achievement of the goals and the other conditions of the plan.

3. In particular, severance including the indemnity in lieu of notice as per applicable contract provisions plus 24 months of recurring remuneration (also calculated on the Director remuneration based on the criteria illustrated in Section I). The payment is due in cases of dismissal without cause or resignation for cause, the latter including the cases of termination of the office (without cause), failure to renew the office and substantial reduction of powers (without cause) or assignment to other individuals of powers which are substantially equivalent or in any event apt to undermine his or her senior position. As regards the effects of the termination on the rights assigned under the share incentive plans, the contractual agreements in place provide that, in the event of termination of the employment relationship with the Managing Director/Group CEO at the initiative of the Company (also as a result of non-renewal) without cause, he maintains the right acquired under the outstanding plans (subject to the achievement of the relative performance goals and all other terms and conditions referred to in the relative regulations). Starting from the 2019 LTI plan, the contractual arrangements with the Managing Director/Group CEO provide that, in the event of termination of the office during the three-year mandate as a good leaver, he will retain the rights acquired under the outstanding plans pro rata temporis (subject to achieving the goals and subject to the additional terms and conditions of the relative regulations). Conversely, in the so-called "bad leaver" case, he will lose all the rights deriving from outstanding plans and related to the period of such mandate. "Bad leaver" includes cases of voluntary resignation from the office during the three-year mandate or revocation of the same for cause. "Good leaver" includes all other cases of termination.

1.3.8 Variation In the Remuneration of the Managing Director/Group CEO, Employees and Company Performance

The Table shows the variation in the total remuneration of the Managing Director/Group CEO, the average total remuneration of employees, and the main performance indicators of the Group in the last three years.

The ratio between the total remuneration of the Managing

Director/Group CEO and the average total remuneration of employees is also indicated.

It has to be reminded that in 2020, at the onset of the Covid-19 pandemic, the Managing Director/Group CEO decided, on a voluntary basis, to reduce by 20% his fixed remuneration from April to the end of the year, sharing and appreciating the support of the Generali Group to specific initiatives for the benefit of the community, aimed at dealing with the emergency.

Name and surname or category	2019-2020 ^(a)	2020-2021 ^(a)
Employees	+1.7%	+0.6%
Philippe DONNET Managing Director/Group CEO	-28.6%	+38.8%
Generali Performance (Group)		
Adjusted Net Profit	-12.7%	+45.1%
Operating Result	+0.3%	+12.4%

Legend

The total remuneration includes the fixed and variable annual cash components and the fair value of the share-based incentive plans (for the part reported in the financial statements for the relevant year based on international accounting standards).

The perimeter of "employees" considered corresponds to the employees of the Issuer (Assicurazioni Generali S.p.A.) with the exception of the Managing Director/Group CEO and takes into account the variable remuneration granted during the financial year (where not available, the variable remuneration pertaining to the financial year and the full time equivalent remuneration).

(a) The total remuneration takes into account the **voluntary reduction of remuneration in the context of solidarity initiatives linked to the Covid-19 emergency**.

Moreover, the ratio between the total 2021 remuneration of the Managing Director/Group CEO compared to the average remuneration of employees (so-called **pay ratio**) is equal to **60:1**.

The total remuneration includes the fixed and variable annual cash component and the fair value of the share-based incentive plans (for the part reported in the financial statements for the relevant year based on international accounting standards).

The perimeter of "employees" considered corresponds to the employees of the Issuer (Assicurazioni Generali S.p.A.) with the exception of the Managing Director/Group CEO.

An **analysis of market trends involving the main peers of reference** found that the average ratio of CEO remuneration to employee remuneration stands on average at around 60:1 within a range of 33:1 to 92:1. Note that the calculation and analysis methods used by the various peers are not uniform in terms of employee perimeter and remuneration elements considered.

As for the variation in the remuneration of all the other people for whom the disclosure on remuneration is nominative (Directors, Auditors), the data are shown in the appropriate Chart at the bottom of Table 1 of Part II of Section II.

1.4 Remuneration of the Managers with Strategic Responsibilities (not belonging to the Key Functions)

During 2021, the managerial turnover for the financial year in question resulted in the overall presence, during the year or part thereof, of 17 people in the category of Managers with Strategic Responsibilities (not belonging to the Key Functions).

In line with the 2021 Remuneration Policy, the Managers with Strategic Responsibilities received the following remuneration in the reference year.

1.4.1 Fixed remuneration

The overall fixed remuneration was **€ 9,022,114** gross. In particular, a salary adjustment for 4 persons was provided in 2021, taking into account market benchmark evidence and according to the defined governance.

1.4.2 Annual Cash Component of the Variable Remuneration - Short-Term Incentive Plan (STI)

The remuneration package for the Managers with Strategic Responsibilities provides for an annual cash component of the variable remuneration (STI) linked to the achievement of annual goals, which can reach an average maximum level of ~170% of the fixed remuneration in the event of over-performance (cap). The total amount of the annual part of the variable component for the year 2021 is **€ 9,885,530** gross, on average equal to ca. **122%** of the fixed remuneration of the parties in question

(as reference, in the previous year the average amount was equal to ca. 70%).

This amount was determined based on:

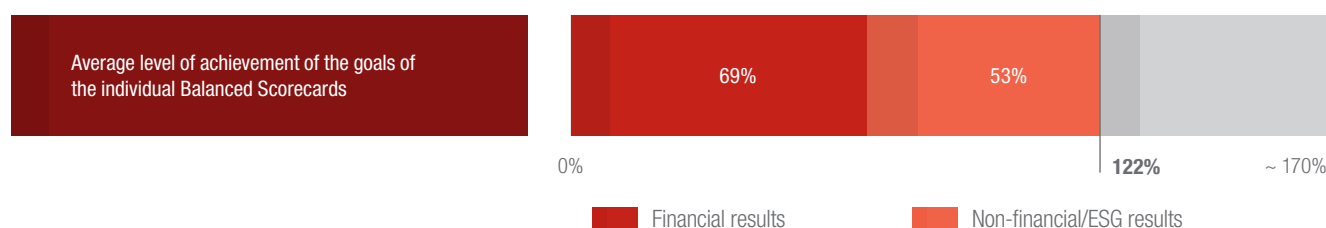
- **the overall Group Funding Pool** for the Managers with Strategic Responsibilities and other staff belonging to the Global Leadership Group (GLG) - excluding Key Functions - equal to **123.8%** in 2021, based on the levels of Normalised Group Adjusted Net Profit and Group Operating Result (as shown below). The Funding Pool mechanism guarantees the complete alignment of the performance and individual incentives with the Group overall results (as reference, the Funding Pool in the previous year was equal to 83.6%);

% vs. budget		Group Operating Result			
		< 85%	85%	100%	≥ 120%
	< 80%	0%	0%	0%	0%
Normalised Group Adjusted Net Profit *	80%	0%	60%	75%	90%
	100%	0%	100%	115%	130%
	≥ 120%	0%	120%	135%	150%



* Group Adjusted Net Profit reported in the financial statements, normalised by excluding any extraordinary items not predictable (due to, by way of example only: amortisation/goodwill depreciation, significant legal/regulatory/legislative changes, and significant impacts resulting from changes to tax treatment, gains/losses from M&A) and approved by the Board of Directors upon the recommendation of the Appointments and Remuneration Committee.

- **the payout level connected to the degree of achievement of the financial and non-financial/ESG goals**, as calibrated by the Board of Directors based on the predefined individual Balanced Scorecards, on average equal to ca. 122% of the fixed remuneration in 2021 compared to a maximum average level of 170%.



Pursuant to the provisions of the plan rules, no bonus is paid to a Manager with Strategic Responsibilities for whom the Board of Directors has resolved the termination of the employment contract.

variable component of the remuneration where, after the achievement of the assigned goals, they can be granted a total amount up to 200% of the fixed remuneration for the members of the Group Management Committee and of 175% for the Managers with Strategic Responsibilities.

1.4.3 Deferred Component in Shares of the Variable Remuneration - Long Term Incentive (LTI)

The remuneration package for the Managers with Strategic Responsibilities provides for a deferred part in shares of the

At the conclusion of the performance period of the 2019-2021 LTI plan, in light of the plan's rules it was resolved to grant shares based on the level of achievement of the goals defined for the three-year period 2019-2021, equal to:

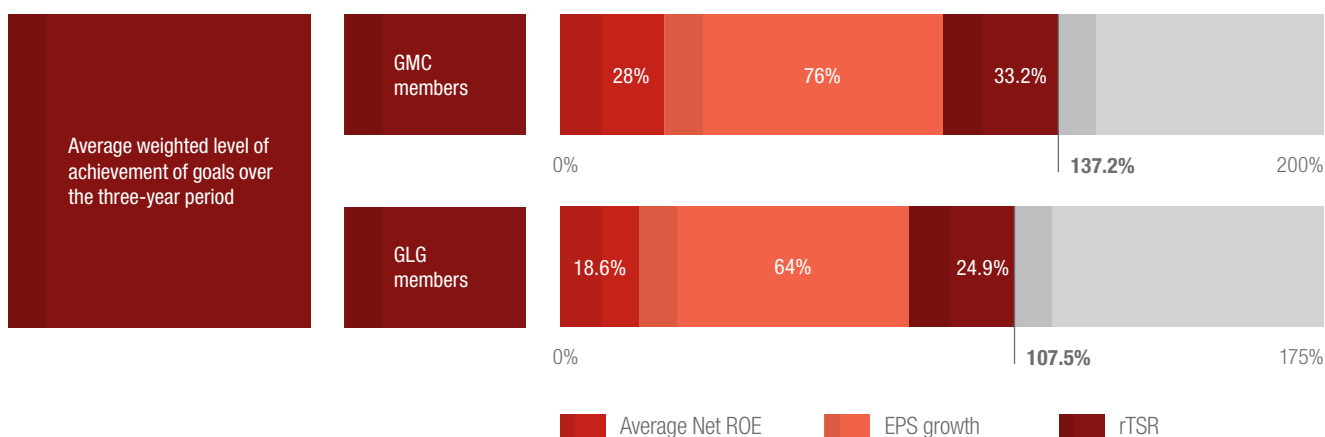
- **137.2%** compared to a maximum of 200% (as a reference, in the previous year the performance level was 102.3% compared to a maximum of 175%), with allocation to the

members of the Group Management Committee in two tranches, in April 2022 and April 2024. Specifically, 50% of the shares are expected to be allocated in April 2022, including the additional shares granted under the dividend equivalent mechanism, while the remaining 50%, net of the additional shares granted under the dividend equivalent mechanism, could potentially be allocated in April 2024 (subject to the plan terms). The shares granted are subject to the lock-up periods provided for in the plan;

- **107.5%** compared to a maximum of 175% (as a reference, in the previous year the performance level was 102.3% compared to a maximum of 175%), with allocation to **other**

Managers with Strategic Responsibilities in a single tranche in April 2022, including additional shares allocated according to the dividend equivalent mechanism. The shares granted are subject to the lock-up periods provided for in the plan.

The total number of shares to be granted is n. **440,615**. Out of these, n. 37,695 shares are not being granted, at this stage, pending the completion of an assessment by the Internal Audit Function relating to a Manager with Strategic Responsibilities for whom the Board of Directors has resolved the termination of the employment contract.



The payments in the event of termination for the Managers with Strategic Responsibilities in force are defined on the occasion of the termination of the relationship, in accordance with the relevant Policy for the year of reference, according to which an amount of maximum 24 months of recurring remuneration can be granted (gross annual salary increased by the average of the amounts received as a short-term remuneration in the last three years) in addition to the notice period due by law and collective agreement. There are currently no agreements with the Managers with Strategic Responsibilities that predetermine ex ante the payments due in the event of future termination of employment.

In 2021, the relationships with two Managers with Strategic Responsibilities were terminated and therefore the relevant provisions of the contract and applicable Remuneration Policy were applied, resulting in their loss of the rights connected to the existing incentive system, whose performance period had not yet ended at the date of termination, in accordance with the provisions of the plans' rules.

As communicated to the market via a press release dated 27 January 2021, as a result of the new organisational structure the role of General Manager ceased as of 1 February 2021 and the Group CIO & Wealth and Asset Management CEO stepped down as of 1 March 2021. As Managers with Strategic Responsibilities and therefore a related party of the

Company, the conditions for termination were examined by the Appointments and Remuneration Committee and were considered to be in line with the Group's Remuneration Policy approved by the Shareholders' Meeting, and in any case do not exceed the materiality thresholds set out in Article 4, paragraph 1, letter a) of CONSOB Regulation no. 17221/2010. At the date of the press release, the General Manager held 66,922 shares in Assicurazioni Generali Spa, while the Group CIO & Wealth and Asset Management CEO held 61,293 Company shares.

A total of € 4,235,657 gross was paid as severance, and € 800,000 gross as part of a non-competition agreement to be paid in several instalments throughout the duration of the agreement.

Details of the compensation of Managers with Strategic Responsibilities for the year 2021 are shown in Table 1; Tables 3A and 3B refer to the incentive plans while Table 4 shows the shares held.

In terms of the detailed information related to the long-term variable component, please also refer to the Information Documents prepared pursuant to art. 114 bis of the TUF on the Company's website in the "Governance, Remuneration" section.

1.5 Remuneration of Higher-Level Personnel of the Key Functions

During 2021, the managerial turnover for the financial year in question resulted in the overall presence, during the year or part thereof, of 28 people in the category of higher-level personnel of the Key Functions (comprising the Heads of the Key Functions included among the Managers with Strategic Responsibilities).

As already stated in last-year Report on Remuneration Policy and Payments, starting from 2014, a dedicated remuneration scheme is provided for these roles, in line with specific regulatory requirements. Starting from the 2015 financial year, this system was also extended to the higher-level personnel of the Actuarial Function.

For the year in question, the Heads and First Reporting Managers of the Key Functions were paid the following remuneration, in line with the previous financial year.

	Remuneration (in Euro)						Severance indemnity for end of office or termination of employment	
	Fixed remuneration ⁽¹⁾	Bonus and other incentives		Other remuneration and non monetary benefits	Total			
		Bonus of the year						Bonus of the previous years
		Upfront	Deferred ⁽²⁾					Deferred ⁽³⁾
Heads and higher-level personnel of the Key Functions	5,175,781	1,534,482	1,022,988	1,720,806	283,022	9,737,080	700,000	

(1) It should be noted that the remuneration packages of 8 incumbents in the category of managers of the Key Functions have been adjusted in the light of the evidence emerging from benchmark studies carried out by external consultants and in light of specific regulatory requirements for the correct balance between fixed and variable remuneration (as described above) subject to assessment by the Risk and Control Committee.

(2) Deferral in accordance with the provisions of the regulations subject to and proportional to the verification of the continuity and sustainability of the 2021 performance.

(3) The amount relates to the monetary settlement scheduled for 2022 and 2023 of the bonuses related to the 2019-2021 and 2020-2022 LTI plans, originally assigned in shares (as amended as part of the revision of the remuneration package, which took place following the transfer of some individuals to the higher-level category of Key Functions).

The details of the compensation of Managers with Strategic Responsibilities belonging to the Key Functions for the year 2021 are included in Table 1; Table 3B reports on the incentive plans.

During the 2021 financial year, no terminations of employment for the Managers with Strategic Responsibilities of the Key Functions were defined.

1.6 Compliance with Share Ownership Guidelines

As detailed in Section I of this Report, the Group's Remuneration Policy envisages specific guidelines on share ownership equal to 300% of the annual recurring gross fixed remuneration for the Managing Director/Group CEO and equal to 150% of the annual recurring gross fixed remuneration for Managers with

Strategic Responsibilities belonging to the Group Management Committee (GMC).

By setting minimum levels of share ownership for top management to be achieved within five years of appointment and to be maintained throughout their office, the Group further aligns management's interests with those of shareholders.

As at 31 December 2021⁴, the Managing Director/Group CEO's shareholding, expressed as a multiple of annual recurring gross fixed remuneration, is 11.79 (1,179%), while the average shareholding of the Group Management Committee members holding shares, expressed as a multiple of the annual recurring gross fixed remuneration, is 3.49 (349%).

Overall, the total number of Assicurazioni Generali shares associated with all outstanding equity-based plans compared to the share capital at the date of publication of this Report was about **2.14%**.

4. Considering the average price of Generali shares in December 2021, equal to €18.48.

PART II

2.1 Tables

Table 1 – Payments to members of the Administrative and Control Bodies, to General Managers and to other Managers with Strategic Responsibilities

Person Name and surname	Office held	Period for which office was held	Office expiry	Emoluments (in Euro)						Total	Fair value equity	Severance indemnity for end of office or termination of employment
				Emoluments for the office held		Non-equity variable remuneration						
			Fixed emoluments	Fees for participation in committees	Bonus and other incentives	Profit sharing	Non monetary benefits	Other remuneration				
Emoluments within the company that prepares the financial statement												
Gabriele GALATERI DI GENOLA			Total	1,010,000	110,000			9,266		1,129,266	--	--
Chair of the Board of Directors	1.1-31.12.2021	Approved f.s. 2021	850,000	76,000			9,266			935,266		
Member of the Board of Directors	1.1-31.12.2021	Approved f.s. 2021	100,000							100,000		
Chair of the Corporate Governance, Social and Environmental Sustainability Committee	1.1-31.12.2021	Approved f.s. 2021	30,000	14,000						44,000		
Member of Investments Committee	1.1-31.12.2021	Approved f.s. 2021	30,000	20,000						50,000		
Francesco Gaetano CALTAGIRONE			Total	180,000	102,000	--	--	--	--	282,000	--	--
Member of the Board of Directors	1.1-31.12.2021	Approved f.s. 2021	100,000	64,000						164,000		
Member of the Appointments and Remuneration Committee	1.1-31.12.2021	Approved f.s. 2021	20,000	16,000						36,000		
Member of the Corporate Governance, Social and Environmental Sustainability Committee	1.1-31.12.2021	Approved f.s. 2021	20,000	8,000						28,000		
Member of Investments Committee	1.1-31.12.2021	Approved f.s. 2021	30,000	4,000						34,000		
Member of the Strategic Operations Committee	1.1-31.12.2021	Approved f.s. 2021	10,000	10,000						20,000		
Philippe DONNET			Total	1,700,000	--	2,616,426	--	242,862	--	4,559,288	3,003,584	--
Managing Director/Group CEO ⁽¹⁾	1.1-31.12.2021	Approved f.s. 2021	1,700,000		2,616,426		242,862			4,559,288	3,003,584 ⁽²⁾	
Member of the Board of Directors	1.1-31.12.2021	Approved f.s. 2021								--		
Chair of Investments Committee	1.1-31.12.2021	Approved f.s. 2021								--		
Chair of the Strategic Operations Committee	1.1-31.12.2021	Approved f.s. 2021								--		
Lorenzo PELLICCIOLI			Total	170,000	136,000	--	--	--	--	306,000	--	--
Member of the Board of Directors	1.1-31.12.2021	Approved f.s. 2021	100,000	76,000						176,000		
Member of the Appointments and Remuneration Committee	1.1-31.12.2021	Approved f.s. 2021	30,000	36,000						66,000		
Chair of Investments Committee	1.1-31.12.2021	Approved f.s. 2021	30,000	14,000						44,000		
Member of the Strategic Operations Committee	1.1-31.12.2021	Approved f.s. 2021	10,000	10,000						20,000		
Clemente REBECCHINI			Total	218,849	182,000	--	--	--	--	400,849⁽²⁾	--	--
Member of the Board of Directors	1.1-31.12.2021	Approved f.s. 2021	100,000	76,000						176,000		
Member of the Appointments and Remuneration Committee	1.1-9.12.2021	Approved f.s. 2021	18,849	24,000						42,849		
Member of the Corporate Governance, Social and Environmental Sustainability Committee	1.1-31.12.2021	Approved f.s. 2021	20,000	14,000						34,000		
Member of Investments Committee	1.1-31.12.2021	Approved f.s. 2021	30,000	18,000						48,000		
Member of the Strategic Operations Committee	1.1-31.12.2021	Approved f.s. 2021	10,000	14,000						24,000		
Member of the Risk and Control Committee	1.1-31.12.2021	Approved f.s. 2021	40,000	36,000						76,000		

Person Name and surname	Office held	Period for which office was held	Office expiry	Emoluments (in Euro)							Total	Fair value equity	Severance indemnity for end of office or termination of employment
				Emoluments for the office held			Non-equity variable remuneration						
				Fixed emoluments	Fees for participation in committees	Bonus and other incentives	Profit sharing	Non monetary benefits	Other remuneration				
Alberta FIGARI			Total	190,000	160,000	--	--	--	--	350,000	--	--	
	Member of the Board of Directors	1.1-31.12.2021	Approved f.s. 2021	100,000	76,000					176,000			
	Chair of the Risk and Control Committee	1.1-31.12.2021	Approved f.s. 2021	60,000	38,000					98,000			
	Member of the Appointments and Remuneration Committee	1.1-31.12.2021	Approved f.s. 2021	30,000	46,000					76,000			
Sabrina PUCCI			Total	160,000	146,000	--	--	--	--	306,000	--	--	
	Member of the Board of Directors	1.1-31.12.2021	Approved f.s. 2021	100,000	76,000					176,000			
	Member of the Risk and Control Committee	1.1-31.12.2021	Approved f.s. 2021	40,000	38,000					78,000			
	Member of the Appointments and Remuneration Committee	1.1-31.12.2021	Approved f.s. 2021	20,000	32,000					52,000			
Romolo BARDIN			Total	180,000	138,000	--	--	--	--	318,000	--	--	
	Member of the Board of Directors	1.1-31.12.2021	Approved f.s. 2021	100,000	72,000					172,000			
	Member of the Related party transactions Committee	1.1-31.12.2021	Approved f.s. 2021	20,000	10,000					30,000			
	Member of the Appointments and Remuneration Committee	1.1-31.12.2021	Approved f.s. 2021	20,000	24,000					44,000			
	Member of Investments Committee	1.1-31.12.2021	Approved f.s. 2021	30,000	18,000					48,000			
	Member of the Strategic Operations Committee	1.1-31.12.2021	Approved f.s. 2021	10,000	14,000					24,000			
Diva MORIANI			Total	160,000	132,000	--	--	--	--	292,000	--	--	
	Member of the Board of Directors	1.1-31.12.2021	Approved f.s. 2021	100,000	76,000					176,000			
	Member of the Related party transactions Committee	1.1-31.12.2021	Approved f.s. 2021	20,000	10,000					30,000			
	Chair of the Appointments and Remuneration Committee	1.1-31.12.2021	Approved f.s. 2021	40,000	46,000					86,000			
Paolo DI BENEDETTO			Total	145,000	96,000	--	--	--	--	241,000	--	--	
	Member of the Board of Directors	1.1-31.12.2021	Approved f.s. 2021	100,000	72,000					172,000			
	Chair of the Related party transactions Committee	1.1-31.12.2021	Approved f.s. 2021	25,000	10,000					35,000			
	Member of the Corporate Governance, Social and Environmental Sustainability Committee	1.1-31.12.2021	Approved f.s. 2021	20,000	14,000					34,000			
Roberto PEROTTI			Total	171,205	142,000	--	--	--	--	313,205	--	--	
	Member of the Board of Directors	1.1-31.12.2021	Approved f.s. 2021	100,000	76,000					176,000			
	Member of the Appointments and Remuneration Committee	9.12-31.12.2021	Approved f.s. 2021	1,205	8,000					9,205			
	Member of the Risk and Control Committee	1.1-31.12.2021	Approved f.s. 2021	40,000	38,000					78,000			
	Member of Investments Committee	1.1-31.12.2021	Approved f.s. 2021	30,000	20,000					50,000			
Ines MAZZILLI			Total	160,000	122,000	--	--	--	--	282,000	--	--	
	Member of the Board of Directors	1.1-31.12.2021	Approved f.s. 2021	100,000	76,000					176,000			
	Member of the Risk and Control Committee	1.1-31.12.2021	Approved f.s. 2021	40,000	36,000					76,000			
	Member of the Related party transactions Committee	1.1-31.12.2021	Approved f.s. 2021	20,000	10,000					30,000			
Antonella MEI-POCHTLER			Total	140,000	100,000	--	--	--	--	240,000	--	--	
	Member of the Board of Directors	1.1-31.12.2021	Approved f.s. 2021	100,000	76,000					176,000			
	Member of the Corporate Governance, Social and Environmental Sustainability Committee	1.1-31.12.2021	Approved f.s. 2021	20,000	14,000					34,000			
	Member of the Related party transactions Committee	1.1-31.12.2021	Approved f.s. 2021	20,000	10,000					30,000			

Person Name and surname	Period for which office was held	Emoluments (in Euro)									Severance indemnity for end of office or termination of employment
		Emoluments for the office held					Non-equity variable remuneration				
		Office held	Office expiry	Fixed emoluments	Fees for participation in committees	Bonus and other incentives	Profit sharing	Non monetary benefits	Other remuneration	Total	
Carolyn DITTMEIER		Total	180,000	--	--	--	--	--	180,000	--	--
Chair of the Statutory Auditor	1.1-31.12.2021	Approved f.s. 2022	180,000						180,000		
Lorenzo POZZA		Total	130,000	--	--	--	--	--	130,000	--	--
Statutory Auditor	1.1-31.12.2021	Approved f.s. 2022	130,000						130,000		
Antonia DI BELLA		Total	130,000	--	--	--	--	--	130,000	--	--
Statutory Auditor	1.1-31.12.2021	Approved f.s. 2022	130,000						130,000		
Other Managers with Strategic Responsibilities ⁽³⁾		Total	10,860,629	--	11,110,477	--	1,138,410	--	23,109,516	6,695,941^(*)	5,035,657
Total ⁽³⁾			15,885,684	1,566,000	13,726,903	--	1,390,538	--	32,569,124	9,699,525	5,035,657

(1) For the incidence of the components of Director and Employee, refer to what is described in Part I of Section II with reference to the remuneration of the Managing Director/Group CEO.

(2) The remuneration is paid directly to Mediobanca.

(3) During the 2021 financial year, there were 22 Managers with Strategic Responsibilities (including the Heads of Key Functions). The amounts shown in the table consider the total remuneration paid to all Managers with Strategic Responsibilities (including the Heads of Key Functions). Pursuant to the provisions of the plan rules, no bonus is paid to a Manager with Strategic Responsibilities for whom the Board of Directors has resolved the termination of the employment contract. The data include the compensation from subsidiaries and associates.

(*) Sum of the fair value relating to the shares attributable and potentially attributable in the future (as part of the long-term Incentive plans subject to the achievement of the goals and compliance to the terms and conditions set out in the respective plans, please refer to the following tables for further details) for the part recognized in the financial statements 2021 on an accrual basis according to international accounting standards.

The Table represents the variations over the last 3-year period to the remuneration of the parties for whom the disclosure on remuneration is nominative, to the performance of the Company, and to the remuneration of employees.

The representation takes into account also the voluntary reduction of remuneration for solidarity initiatives tied to the Covid-19 emergency.

Name and surname or category	2019-2020 ^(a)	2020-2021 ^(a)
Gabriele GALATERI di GENOLA ^(b)	-28.6%	+6.4%
Francesco Gaetano CALTAGIRONE ^(b)	+12.5%	-2.1%
Philippe DONNET Managing Director/Group CEO	-28.6%	+38.8%
Lorenzo PELLICCIOLI ^(b)	-30.0%	+70.0%
Clemente REBECCHINI ^(b)	-2.8%	+23.0%
Alberta FIGARI ^(b)	+10.8%	+11.5%
Sabrina PUCCI ^(b)	-0.3%	+23.4%
Romolo BARDIN ^(b)	+2.0%	+17.3%
Diva MORIANI ^(b)	-8.1%	+33.9%
Paolo DI BENEDETTO ^(b)	+6.4%	+6.2%
Roberto PEROTTI ^(b)	+7.9%	+9.5%
Ines MAZZILLI ^{(b) (c)}	+47.5%	+14.6%
Antonella MEI-POCHTLER ^{(b) (c)}	+58.9%	+8.1%

Name and surname or category	2019-2020 ^(a)	2020-2021 ^(a)
Carolyn DITTMEIER ^(b)	+13.3%	+5.9%
Lorenzo POZZA ^(b)	+20.0%	+8.3%
Antonia DI BELLA ^(b)	+20.0%	+8.3%
Employees	+1.7%	+0.6%
Generali Performance (Group)		
Adjusted Net Profit	-12.7%	+45.1%
Operating Result	+0.3%	+12.4%

Legend

The total remuneration includes the fixed and variable annual cash components and the fair value of the share-based incentive plans (for the part reported in the financial statements for the relevant year based on international accounting standards). The perimeter of "employees" considered corresponds to the employees of the Issuer (Assicurazioni Generali S.p.A.) with the exception of the Managing Director/Group CEO and takes into account the variable remuneration granted during the financial year (where not available, the variable remuneration pertaining to the financial year and the full time equivalent remuneration).

(a) The total remuneration takes into account the voluntary reduction of remuneration in the context of solidarity initiatives linked to the Covid-19 emergency.

(b) Fixed emoluments and fees for participation in committees.

(c) 2019-2020 change affected by the tenure in office for a period of less than one year during 2019 (7 May - 31 December).

Table 2 – Stock options granted to the members of the Board of Directors, General Managers and other Managers with Strategic Responsibilities

A	B	Options held at the start of the financial year							Options assigned during the financial year			Options exercised during the financial year		Options expired during the financial year		Options held at the end of the financial year		Options related to the financial year
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15) = 2+5-11-14	(16)	
Name and Surname	Office	Plan	Number of options	Exercise price	Possible exercise period	Number of options	Exercise price	Possible exercise period	Fair value at assignment date	Assignment date	Market price of the shares at the assignment of options	Number of options	Exercise price	Market price of the shares at the assignment date	Number of options	Number of options	Fair value	
(I) Emoluments in the company that prepares the financial statement																		
(II) Emoluments from subsidiaries and associates																		
(III) Total																		

This table has not been completed because there are no outstanding stock option plans.

Table 3A – Incentive plans based on financial instruments, other than stock options, in favour of the members of the Board of Directors, General Managers, and other Managers with Strategic Responsibilities

A	B	Financial instruments assigned during previous years and not vested during the year			Financial instruments assigned during the year				Financial instruments vested during the year and not assigned		Attributable financial instruments vested during the year		Financial instruments relevant to the year	
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	
Name and surname	Office	Plan	Number and type of financial instruments	Vesting period type (*)	Number and type of financial instruments	Fair value on assignment date	Vesting period (*)	Assignment date	Market price upon assignment	Number and type of financial instruments	Number and type of financial instruments	Value on maturity date	Fair value	
Emoluments within the company that prepares the financial statement														
Philippe DONNET Managing Director/ Group CEO		LTI 2019-2021 (resolution of the Shareholders' Meeting May 7, 2019)	76,970 shares potentially granted ^(a)	2019-2023						70,391 shares not granted ^(b)	91,546 shares to be granted ^(c)	€ 1,615,329	€ 240,916	
		LTI 2020-2022 (resolution of the Shareholders' Meeting April 30, 2020)	192,025 shares potentially granted ^(a)	2020-2024									€ 447,754	
		LTI 2021-2023 (resolution of the Shareholders' Meeting April 29, 2021)				227,258 shares potentially granted ^(a)	€ 3,813,389	2021-2025	29.04.2021	€ 16,780				€ 691,571
		Co-investment share plan linked to the mandate (resolution of the Shareholders' Meeting April 30, 2020)	550,000 shares potentially granted ^(a)	2019-2024										€ 1,623,343
Other Managers with Strategic Responsibilities (**)		LTI 2019-2021 (resolution of the Shareholders' Meeting May 7, 2019)	233,172 shares potentially granted ^(a)	2019-2023						299,382 shares not granted ^(b)	440,615 shares to be granted ^(c)	€ 7,774,652	€ 1,115,501	
		LTI 2020-2022 (resolution of the Shareholders' Meeting April 30, 2020)	823,379 shares potentially granted ^(a)	2020-2024									€ 1,991,160	
		LTI 2021-2023 (resolution of the Shareholders' Meeting April 29, 2021)				1,161,854 shares potentially granted ^(a)	€ 19,495,910	2021-2025	29.04.2021	€ 16,780				€ 3,589,280
Total			1,875,546		1,389,112					369,773	532,161	€ 9,389,981	€ 9,699,525	

(a) Maximum number of shares potentially granted at the end of the additional two years of deferral (in 2024) subject to compliance to the terms and conditions set out in the plan rules. Furthermore, as stated in the plan rules and as described in the 2019 Remuneration Report, beneficiaries could receive an additional number of shares based on the total amount of dividends distributed over the first three-year performance period and the additional two years of reference deferral (so-called dividend equivalent principle).

(b) Total number of shares not to be granted in relation to the performance actually achieved in the first three years.

(c) Number of shares to be granted in April 2022 as per the resolution of the Board of Directors of Assicurazioni Generali at the end of the first three-year plan performance period and based on the level of achievement of the goals defined for the three-year period 2019-2021, including the number of additional shares determined on the basis of the total amount of dividends distributed over the three-year period (so-called dividend equivalent). No. 37,695 shares are not being granted, at this stage, pending the completion of an assessment by the Internal Audit Function relating to a Manager with Strategic Responsibilities for whom the Board of Directors has resolved the termination of the employment contract. The total share value at the vesting date was reported considering the closing price of the share on 14 March 2022, the date on which the Board of Directors of Assicurazioni Generali was held, which verified the level of achievement of the three-year goals and resolved the free capital increase.

(d) Maximum number of shares potentially granted at the end of the first three-year performance period and the additional two years of deferral (2020-2024) subject to the achievement of the defined goals and compliance to the terms and conditions set out in the plan rules. Furthermore, as stated in the plan rules and as described in the 2020 Report on Remuneration Policy and Payments, beneficiaries could receive an additional number of shares based on the total amount of dividends distributed over the first three-year performance period and the additional two years of reference deferral (so-called dividend equivalent principle).

(e) Maximum number of shares potentially granted at the end of the first three-year performance period and the additional two years of deferral (2021-2025) subject to the achievement of the defined goals and compliance to the terms and conditions set out in the plan rules. Furthermore, as stated in the plan rules and as described in the 2021 Report on Remuneration Policy and Payments, beneficiaries could receive an additional number of shares based on the total amount of dividends distributed over the first three-year performance period and the additional two years of reference deferral (so-called dividend equivalent principle).

(f) Maximum number of shares potentially granted at the end of the first three-year performance period and the additional two years of deferral (2019-2024) subject to the achievement of the defined goals and compliance to the terms and conditions set out in the plan rules. Furthermore, as stated in the plan rules and as described in the 2020 Report on Remuneration Policy and Payments, the beneficiary could receive an additional number of shares based on the total amount of dividends distributed over the first three-year performance period and the additional two years of reference deferral (so-called dividend equivalent).

(*) Overall period including the first three years of performance and any additional two years of deferral subject to verification of additional conditions.

(**) The data includes remuneration from subsidiaries and associates.

Table 3B – Cash incentive plans in favour of members of the Board of Directors, General Managers and other Managers with Strategic Responsibilities

A	B	(1)	(2)			(3)			(4)	
			Bonus of the year			Bonus of the previous years				Other bonuses
			(A)	(B)	(C)	(A)	(B)	(C)		
Name and surname	Office	Plan	Payable/ Paid	Deferred	Deferment period	No longer payable	Payable/ Paid	Still deferred		
Emoluments in the company that prepares the financial statement (€)										
Philippe DONNET	Managing Director/ Group CEO	STI 2021 (resolution of the Board of Directors - March 10, 2021)	2,616,426							
		STI 2021 (resolution of the Board of Directors - March 10, 2021)	10,021,055	1,105,100	2024					
		STI 2020 ^(a) (resolution of the Board of Directors - March 12, 2020)					494,121	319,650		
Other Managers with Strategic Responsibilities ^(a)		STI 2019 ^(c) (resolution of the Board of Directors - March 13, 2019)					145,301	98,000		
		LTI 2019-2021 ^(d) (resolution of the Shareholders' Meeting May 7, 2019)	450,000							
		LTI 2020-2022 ^(e) (resolution of the Shareholders' Meeting April 30, 2020)							450,000	
		Other bonuses							-	
Total			13,087,481	1,105,100			639,422	867,650	0	

- (a) During the 2021 financial year, there were 22 Managers with Strategic Responsibilities (including the Heads of Key Functions). The amounts shown in the Table consider the total remuneration paid to all Managers with Strategic Responsibilities (including the Heads of Key Functions). Pursuant to the provisions of the plan rules, no bonus is paid to a Manager with Strategic Responsibilities for whom the Board of Directors has resolved the termination of the employment contract. The data includes remuneration from subsidiaries and associates.
- (b) The amount relates to the deferred 2020 bonuses provided by the incentive scheme for Key Functions and other Group Functions with payments in cash and partly linked to the trend in the value of fund shares.
- (c) The amount relates to the deferred 2019 bonuses provided by the incentive scheme for Key Functions and other Group Functions with payments in cash and partly linked to the trend in the value of fund shares.
- (d) The amount relates to the monetary settlement scheduled for 2022 of the bonus related to the 2019-2021 LTI plan originally assigned in shares (as amended as part of the revision of the remuneration package, which took place following the transfer of some individuals to the higher-level category of Key Functions).
- (e) The amount relates to the monetary settlement scheduled for 2023 of the bonus related to the 2020-2022 LTI plan originally assigned in shares (as amended as part of the revision of the remuneration package, which took place following the transfer of some individuals to the higher-level category of Key Functions).



Table 4 – Shareholdings of members of the Administrative and Control Bodies, of General Managers and other Managers with Strategic Responsibilities

Name and surname	Investee Company	Number of shares held at the end of the previous year	Number of shares acquired	Number of shares sold	Number of shares held at the year-end
Gabriele GALATERI DI GENOLA <i>Chair of the Board of Directors</i>	Assicurazioni Generali	34,700			34,700
Francesco Gaetano CALTAGIRONE <i>Member of the Board of Directors</i>	Assicurazioni Generali	84,500,000 ⁽¹⁾	43,245,000 ⁽²⁾	615,000 ⁽³⁾	127,130,000 ⁽⁴⁾
Philippe DONNET <i>Managing Director/Group CEO</i>	Assicurazioni Generali	916,822	167,325 ⁽⁵⁾		1,084,147
Romolo BARDIN <i>Member of the Board of Directors</i>	Assicurazioni Generali	3,000			3,000
Paolo DI BENEDETTO <i>Member of the Board of Directors</i>	Assicurazioni Generali		100,000 ⁽⁶⁾		100,000 ⁽⁶⁾
Other Managers with Strategic Responsibilities ⁽⁷⁾	Assicurazioni Generali	1,416,057	545,084 ⁽⁸⁾	80,362	1,880,779

(1) Of which 84,385,000 shares held through an intermediary legal person.

(2) Through an intermediary legal person, including the purchase of 1,000,000 shares by an associated company.

(3) Of which 500,000 shares through an intermediary legal person.

(4) Through an intermediary legal person, including the holding of 1,000,000 shares of an associated company.

(5) Shares granted under the 2018-2020 LTI plan.

(6) Through companies of which he is the sole director.

(7) During the 2021 financial year, the number of Managers with Strategic Responsibilities was equal to 22 (including the Heads of Key Functions), 18 of whom were holders of Generali shares as at 31 December 2021.

(8) Shares granted under the 2018-2020 LTI plan.

As at 31 December 2021⁵, the Managing Director/Group CEO's shareholding, expressed as a multiple of annual recurring gross fixed remuneration, is 11.79 (1179%), while the average shareholding of the Group Management Committee members holding shares, expressed as a multiple of annual recurring gross fixed remuneration, is 3.49 (349%).

5. Considering the average price of Generali shares in December 2021, equal to €18.48.



The background is a solid red color. At the top, there is a white outline of a rounded, elongated shape. At the bottom, there is a large white shape that is rounded on the right side and tapers to a point on the left. The text is centered in the middle of the page.

SECTION III KEY FUNCTIONS VERIFICATIONS



GENERALI

GENERALI 190 1831-2021

SECTION III

KEY FUNCTIONS VERIFICATIONS.....104

Verification of the Compliance and Risk Management Functions104

Ex post verifications of the Internal Audit Function106

Chapter 1

KEY FUNCTIONS VERIFICATIONS

1.1 Verification of the Compliance and Risk Management Functions

1.1.1 Introduction

The IVASS Regulation no. 38/2018 provides that the definition and implementation of the remuneration policies adopted by the Company are subject, at least annually, to a review by the Key Functions, according to their respective areas of competence.

The Compliance Function, in particular, pursuant to art. 58 of the aforementioned IVASS Regulation no. 38/2018, has the task of verifying that the aforementioned policies comply with the rules on the remuneration and incentive policy referred to in Part II, Chapter VII of IVASS Regulation no. 38/2018, the Articles of Association, any codes of ethics or other standards of conduct, as well as indications provided by the Italian and European Supervisory Bodies applicable to the Company, in order to prevent and contain legal and reputation risks.

The Risk Management Function, on the other hand, has the task of contributing to ensuring the consistency of the remuneration policies with the risk appetite, also by defining risk indicators and verifying their correct use.

1.1.2 Verification of the Remuneration Policy

With specific reference to the Remuneration Policy, the Compliance Function and the Risk Management Function have examined ex ante, for the aspects of their respective competence, the text that will be submitted, after review by the Board of Directors, for approval by the next Annual Shareholders' Meeting.

In particular, the following aspects were assessed:

- the alignment of the recipients of the Policy with the organisational changes occurred as well as the identification of the staff in the scope of Group's remuneration policies;
- the use - in terms of size characteristics, geographical presence and business model - of the reference peer panel for the 2022 remuneration benchmarking, to confirm the consistency of ratio between fixed and variable remuneration applied by the Generali Group towards the reference insurance market;
- the link between remuneration and risk, with the confirmation of the Regulatory Solvency Ratio and the Return on Risk Capital (RORC) as key indicators of the Group's incentive system. In addition, the definition of the structure of the incentive plans with the provision of access thresholds related to the Company's financial situation and risk management, as well as risk indicators and malus and clawback mechanisms;
- the balance between fixed and variable remuneration as well as the provision of maximum limits for variable remuneration. Especially:
 - the fixed remuneration is determined and adjusted over time considering duties, the responsibilities assigned, and the roles held, taking into account the experience and skills of each recipient. The weight of the fixed remuneration is such as to remunerate adequately to attract and retain resources and sufficient to remunerate the role correctly, even if the variable remuneration is not paid following the failure to achieve the individual, Company or Group goals so as to reduce the chance of behaviours that are not proportionate to the Company's degree of risk appetite;
 - the variable remuneration consists of an annual cash component (STI) and a deferred component in shares (LTI). The annual cash component is paid upon achievement of financial, economic and operational and non-financial/ESG goals defined in the individual Balanced Scorecards and set in terms of sustainable value creation, risk adjusted profitability, implementation of strategic initiatives, sustainability and people value, while the goals of the deferred component in shares are linked to the strategy and business priorities of the Group, such as issues related to climate change and diversity;
 - there is a limit to the amount of individual bonuses. In particular:
 - with reference to the annual cash component of the variable remuneration, the bonus linked to the achievement of the annual goals can reach up to 200% of the fixed remuneration for the Managing Director/Group CEO and on average up to 170% of the fixed remuneration for the Managers with Strategic Responsibilities, excluding those belonging to Key Functions, who participate in the specific plan dedicated to them, with a maximum cap with respect to fixed remuneration of 75%;
 - with reference to the deferred component in shares of the variable remuneration, the maximum potential bonus to be paid in shares corresponds to 200% of the fixed remuneration of participants in the plan for the Managing Director/Group CEO and for members of the Group Management Committee, 175% for the Managers with Strategic Responsibilities, the remaining relevant staff, and members of the GLG, and 87.5% for the other beneficiaries, talents and other Group key roles;
 - the composition and deferral period of the variable remuneration of the remuneration packages. In detail:
 - with reference to the annual cash component of the variable remuneration (STI):
 - its composition consists of cash bonuses;
 - payment is expected at the end of an assessment

- process of the achievement of financial, economic, operational and non-financial/ESG goals;
- with reference to the deferred component in shares of the variable remuneration (LTI):
 - its composition consists of shares;
 - the deferral period is differentiated in terms of overall duration for two different categories of beneficiaries:
 - a. for the Managing Director/Group CEO and members of the Group Management Committee (GMC), a payout structure is provided through an overall time frame of 7 calendar years;
 - b. for the other Managers with Strategic Responsibilities, the remaining relevant staff, the other members of the GLG, the talents and other Group key roles, a payout structure is provided through an overall time frame of 6 calendar years;
 - the definition of the results to be achieved in order to obtain recognition of the variable component. In detail:
 - with reference to the annual cash component of the variable remuneration (STI):
 - there is a reference threshold, to which the Funding Pool of the STI plan is subordinated, identified in a specific minimum level of Regulatory Solvency Ratio (RSR) equal to 130% - the limit set considering the «hard limit» defined in the Group Risk Appetite Framework;
 - a process is provided to define the conditions and assign the annual cash component of the variable remuneration, with a detailed description of the various steps involved in the process (Funding Pool, individual performance, calibration, and payout);
 - the minimum and maximum values of the Funding Pool are determined in relation to the degree of achievement of the Group's performance levels;
 - the maximum number of goals of the Balanced Scorecard, based on 2 perspectives:
 - A. the first is based on risk-adjusted financial, economic and operational performance, weighs for 70/80%, and refers to KPIs relating to the Normalised Adjusted Net Profit, the RORC, strategic initiatives and projects;
 - B. the second perspective concerns non-financial/ESG KPIs referred to the Strategy's priorities and has a weight of 20/30%. It is based on specific performance indicators (KPIs) relating to:
 - "Brand & Lifetime Partner", with priority on multi product customers and Relationship Net Promoter Score (RNPS);
 - "Sustainability Commitment", with priority on Group/local initiatives with a focus on GDWP annual growth of sustainable solutions, new green and sustainable investments and Security Maturity Score;
 - "People Value", with priority on the quality and solidity of the succession plan and focus on digital skills and diversity (% upskilled employees, % women managers);
 - with reference to the annual cash component of the variable remuneration for the Managing Director/Group CEO, the individual Balanced Scorecard includes risk-adjusted financial performance goals and non-financial/ESG performance indicators defined by the Board of Directors and provides for financial, economic and operational goals including a risk indicator (i.e. Normalised Group Adjusted Net Profit, Group Return on Risk Capital - RORC - and Innovation, Digital & Business Transformation) and non-financial/ESG goals (Brand & Lifetime Partner, Sustainability Commitment, People Value), in line with the expectations of the strategic plan;
 - with reference to the deferred component in shares of the variable remuneration (LTI):
 - the three-year access threshold was confirmed;
 - clusters of potential beneficiaries were confirmed;
 - the following performance indicators have been defined:
 - the relative Total Shareholder Return (rTSR), with vesting and attribution of the shares starting from the median positioning (with a weight of 45%);
 - the Net Holding Cash Flow (NHCF), as main driver of cash generation (with a weight of 35%);
 - internal and measurable ESG goals linked to the Generali 2022-2024 strategy (with a weight of 20%) relating to issues of climate change and diversity (New Green & Sustainable Bond Investments and % women in strategic positions);
 - the maximum number of shares that can be granted to the recipients was defined as 10,500,000;
 - the link between remuneration and sustainability risk as required by EU Regulation 2088/2019 obtained through the provision of specific ESG indicators in the annual cash and deferred share components of variable remuneration, as well as in the provisions related to the remuneration of intermediaries and service providers;
 - the suitability of the remuneration systems to ensure compliance with legal, regulatory and statutory provisions, obtained through:
 - the consistency of the variable remuneration with the objective to reach full compliance with the internal and external regulatory provisions of the Group;
 - specific ex ante (malus) and ex post (clawback) adjustment mechanisms that allow to reduce/set to zero or request the return of all or part of the variable remuneration in the event of (i) failure to achieve the results (ii) significant deterioration of the patrimonial or financial situation of the Company (iii) results that have proved to be non-lasting or effective as a result of wilful or grossly negligent conduct or in the event of violation of the Code of Conduct and in the event of non-compliance with the internal and external regulatory provisions applicable to the scope of the activities managed, in particular those for the protection of policyholders, for the processing of personal data, and in the field of anti-money laundering and countering the financing of terrorism, and of international sanctions;
 - the provision of special agreements - included in the contractual documents governing the incentive plans - aimed at prohibiting the use of personal or insurance hedging strategies (so-called hedging) that could alter or invalidate the risk alignment effects part of the variable remuneration mechanisms;
 - the composition of the remuneration of directors without executive powers and of the control bodies. In both cases,

- the assignment of variable components is not provided;
- the structure of the remuneration for the relevant personnel of Key Functions, which provides for remuneration payment mechanisms in line with the assigned duties, independent of the results achieved by the operating units subject to control and linked to the achievement of goals related to the effectiveness and quality of the control activity. The variable remuneration is also structured in such a way as to provide for a deferred cash payment over three years;
 - the presence of conditions and procedures where it is possible to temporarily derogate from specific elements of the Policy in the event of the exceptional circumstances referred to in art. 123-ter of the Consolidated Law on Finance (TUF);
 - the presence of conditions and caps for the definition of the remuneration in the event of termination, with specific provisions aimed at defining the related economic terms based on the circumstances and reasons for the termination, with particular reference to the performance achieved, the risks taken, and the actual operating results of the Company;
 - the consistent application within the Group of the principles of the Policy through the preparation of a Group Remuneration Internal Policy as a tool to ensure the overall consistency and application of the remuneration policies by all Group companies, in conformity with the characteristics of each Company and in compliance with the limits set by the local and/or sector regulatory framework.

Within this context, the Risk Management Function verified the consistency of the identified criteria and the relative indicators used for performance assessment with respect to the risk management strategies established by the Board of Directors, with special reference to the Risk Appetite Framework and the Recovery Plan.

1.1.3 Conclusions

Following the evaluations:

- the Compliance Function believes that the remuneration system described in the Remuneration Policy complies with the provisions of the Delegated Acts issued to implement

the Solvency II Directive, the IVASS Regulation n. 38/2018, the Consolidated Finance Act regarding the Report on the Remuneration Policy and Payments, the EU Regulation 2088/2019 related to the disclosure on sustainability in the financial services sector, the Articles of Association, the Corporate Governance Code of listed companies, and the Group Code of Conduct, as well as the indications provided by the Italian and European Supervisory Authorities. The remuneration system provided by the Policy is therefore consistent with sound and prudent management and in line with the strategic goals, profitability and balance of the Company in the long term;

- the Risk Management Function, with special reference to the criteria and parameters adopted for determining the variable remuneration, believes that the new remuneration system is consistent with the Group's risk management strategies.

1.2 Ex post verifications of the Internal Audit Function

Pursuant to art. 58 and 93 of the IVASS Regulation n. 38/2018, the Internal Audit function verified the correct application of the Remuneration Policies based on the guidelines established by the Board of Directors for the sake of efficiency and safeguarding of Company and Group assets. These activities integrate the assessments carried out by other control functions (Compliance and Risk Management).

The function verified, for recipients of the Remuneration Policy, both the correct settlement and payment of the fixed and variable components attributed based on the 2020 Policy, which were paid in 2021, and the correct implementation of the 2021 Policy. Both types of checks were subsequent and consequent to the various resolutions taken on the subject by the Shareholders' Meeting on 29 April 2021.

The results of these checks, based on data analysis and a sample of transactions, did not reveal any notable exceptions such as to be mentioned in this report.

INFORMATION NOTE PURSUANT TO ARTICLE 84-BIS, PARAGRAPH 5, OF THE CONSOB REGULATION

Remuneration plans based on financial instruments – assignment of shares/rights under the 2021-2023 and previous Long Term Incentive plans

With reference to the 2019-2021 Long Term Incentive plan approved by the Shareholders' Meeting on 7 May 2019, the Board of Directors of Assicurazioni Generali S.p.A., on 14 March 2022, upon proposal of the Appointments and Remuneration Committee, after assessing that the performance conditions provided by the plan have been met, quantified in no. **5,524,562** the Generali shares to be granted to a total of 474 beneficiaries (already including the number of additional shares determined based on the total amount of dividends distributed in the three-year reference period so-called dividend equivalent). Out of these, no. 37,695 shares are not being granted, at this stage, pending the completion of an assessment by the Internal Audit Function relating to a Manager with Strategic Responsibilities for whom the Board of Directors has resolved the termination of the employment contract.

With reference to the 2021-2023 Long Term Incentive plan approved by the Shareholders' Meeting on 29 April 2021, the Board of Directors of Assicurazioni Generali S.p.A., on

23 June 2021, upon proposal of the Appointments and Remuneration Committee, decided to implement this plan. Approximately n. 600 beneficiaries were identified and assigned, with effect from 2021, the right to receive a total of up to n. 12,100,000 Generali shares, which may be granted at the end of the three-year performance period according to percentages and deferral times varying by cluster of beneficiaries, subject to the conditions set out in the plan being fulfilled.

Furthermore, as required by the plan rules and stated in last year's Report, the beneficiaries may be paid a number of additional shares determined based on the total amount of dividends distributed in the three-year reference period (so-called dividend equivalent).

For more details on the 2019-2021 Long Term Incentive Plan and the other Long Term Incentive plans, please refer to the information documents available on the issuer's website www.generali.com.



Table 1, Section 1 - Instruments relating to currently Valid Plans approved based on previous Board Decision

A	B	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Name and surname or category	Office	Date of meeting resolution	Type of financial instrument	Number of financial instruments	Assignment date	Instrument purchase price (if applicable)	Market price upon assignment	Vesting period (*)
Philippe DONNET	Managing Director/ Group CEO	LTI 2019-2021 (resolution of the Shareholders' Meeting May 7, 2019) ^(a)	Assicurazioni Generali ordinary shares	91,546 shares to be granted	07.05.2019		€ 17.13	2019-2023
		LTI 2020-2022 (resolution of the Shareholders' Meeting April 30, 2020) ^(a)	Assicurazioni Generali ordinary shares	192,025 shares potentially granted	30.04.2020		€ 13.02	2020-2024
		Co-investment share plan linked to the mandate (resolution of the Shareholders' Meeting April 30, 2020) ^{(a) (b)}	Assicurazioni Generali ordinary shares	550,000 shares potentially granted	30.04.2020	€ 16.56	€ 13.02	2019-2024
Other Managers with Strategic Responsibilities (**)		LTI 2019-2021 (resolution of the Shareholders' Meeting May 7, 2019) ^(a)	Assicurazioni Generali ordinary shares	440,615 shares to be granted	07.05.2019		€ 17.13	2019-2023
		LTI 2020-2022 (resolution of the Shareholders' Meeting April 30, 2020) ^(a)	Assicurazioni Generali ordinary shares	823,379 shares potentially granted	30.04.2020		€ 13.02	2020-2024
Other Managers (**)		LTI 2019-2021 (resolution of the Shareholders' Meeting May 7, 2019) ^(a)	Assicurazioni Generali ordinary shares	4,992,401 shares to be granted	07.05.2019		€ 17.13	2019-2021
		LTI 2020-2022 (resolution of the Shareholders' Meeting April 30, 2020) ^(a)	Assicurazioni Generali ordinary shares	6,450,504 shares potentially granted	30.04.2020		€ 13.02	2020-2022

(a) Number of shares to be granted in April 2022 as per the resolution of the Board of Directors of Assicurazioni Generali at the end of the first three-year plan performance period and based on the level of achievement of the goals defined for the three-year period 2019-2021, including the number of additional shares determined on the basis of the total amount of dividends distributed over the three-year period (so-called dividend equivalent). No. 37,695 shares are not being granted, at this stage, pending the completion of an assessment by the Internal Audit Function relating to a Manager with Strategic Responsibilities for whom the Board of Directors has resolved the termination of the employment contract.

(b) Maximum number of shares potentially granted at the end of the first three-year performance period and the further two years of deferral (2020-2024) subject to the achievement of the defined goals and compliance to the terms and conditions set out in the plan rules. Furthermore, as stated in the plan rules and as described in the 2020 Report on Remuneration Policy and Payments, beneficiaries could receive an additional number of shares based on the total amount of dividends distributed over the first three-year performance period and the further two years of reference deferral (so-called dividend equivalent principle).

(c) Maximum number of shares potentially granted at the end of the vesting period (2019-2024) subject to the achievement of the goals and compliance to the terms and conditions set out in the plan rules. Furthermore, as stated in the plan rules, a number of additional shares may be paid, determined on the basis of the total amount of dividends distributed in the first three-year performance period and the additional two years of reference deferral (so-called dividend equivalent).

(d) Reference price (i.e. average price of the three months preceding the approval of the Plan by the Board of Directors) of the 550,000 shares already held by the Managing Director/Group CEO at the beginning of the Plan (due to purchases and previous assignments) and which he undertook to maintain for the entire duration of the Plan.

(*) Overall period including the first three years of performance and any additional two years of deferral subject to verification of additional conditions.

(**) The data includes remuneration from subsidiaries and associates.



Table 1, Section 2 - New Allocation Instruments, based on the Decision:

- of the Board of Directors proposal for the Meeting
- of the competent body to implement the decisions of the Board

A	B	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Name and surname or category	Office	Date of meeting resolution	Type of financial instrument	Number of financial instruments	Assignment date	Instrument purchase price (if applicable)	Market price upon assignment	Vesting period (*)
Philippe DONNET	Managing Director/ Group CEO (*)	LTI 2021-2023 (resolution of the Shareholders' Meeting April 29, 2021) ^(a)	Assicurazioni Generali ordinary shares	227,258 shares potentially granted	29.04.2021		€ 16.78	2021-2025
Altri Dirigenti con Responsabilità Strategiche (**)		LTI 2021-2023 (resolution of the Shareholders' Meeting April 29, 2021) ^(a)	Assicurazioni Generali ordinary shares	1,161,854 shares potentially granted	29.04.2021		€16.78	2021-2025
Altri manager (**)		LTI 2021-2023 (resolution of the Shareholders' Meeting April 29, 2021) ^(a)	Assicurazioni Generali ordinary shares	7,810,901 shares potentially granted	29.04.2021		€ 16.78	2021-2023

(a) Maximum number of shares potentially granted at the end of the first three-year performance period and the further two years of deferral subject to the achievement of the defined goals and compliance to the terms and conditions set out in the plan rules. Furthermore, as stated in the plan rules, a number of additional shares may be paid, determined on the basis of the total amount of dividends distributed over the first three-year performance period and the further two years of deferral (so-called dividend equivalent principle).

(*) Overall period including the first three years of performance and any additional two years of deferral subject to verification of additional conditions.

(**) The data includes remuneration from subsidiaries and associates.



GLOSSARY

Accessibility Gap to Variable Remuneration between Females and Males

Percentage difference between the access rate to variable remuneration between females and males within the entire organisation.

Adjusted Net Profit

It is the result of the period adjusted for the impact of gains and losses from acquisitions and disposals.

Appointments and Remuneration Committee (ARC)

Company Appointments and Remuneration Committee, set up in line with the CG Code (articles 5 and 6).

Articles of Association

The Company's Articles of Association.

Board Committees

From May 7 2019, Board Committees are RCC, RPTC, ARC, GSC, IC and SOC.

Board or Board of Directors

Company Board of Directors.

Board of Statutory Auditors

Company Board of Statutory Auditors.

Business Unit

The Business Unit is part of the Group's organisational structure. Business Units promote entrepreneurship and local autonomies and provide international control through the geographical areas and global lines. The 6 Business Units are: the 3 main countries (Italy, France, Germany); the Austria & CEE conglomerate; the International unit; Group Asset & Wealth Management.

Chair

The person who holds the office of Chairperson of the Board of Directors of the Company.

Corporate Governance Code (CG)

The Corporate Governance Code approved in December 2019 by the Corporate Governance Committee, promoted by Borsa Italiana S.p.A., ABI, ANIA, Assogestioni, Assonime and Confindustria, and published on the www.borsaitaliana.it website on 31 January 2020, whose principles and recommendations the Company adopted in full as of 1 January 2021.

Climate Changes

ESG factor material to the Group's strategy and considering stakeholders' expectations; it refers to global warming due to the emissions of greenhouse gases coming from human activities, which is intensifying extreme natural events such as floods, storms, rise in sea level, drought, wildfire and heat waves, with repercussions on the natural ecosystems, human health and the availability of water resources. The policies and efforts required to limit global warming to below 1.5°C through the decarbonisation of the economy will lead to radical changes in the production and energy systems, transforming especially carbon-intensive activities, sectors and countries and encouraging the development of clean technologies. As effective as these efforts may be, some changes will be inevitable, therefore making strategies to adapt and to reduce the vulnerability to the changing climate conditions necessary.

Company (also Assicurazioni Generali, Generali, and Company)

Assicurazioni Generali S.p.A.

CONSOB

"Commissione Nazionale per le Società e la Borsa", National Committee for Italian Companies and the Stock Exchange.

Consolidated Law on Finance (TUF – Testo Unico Finanza)

The Legislative Decree no. 58 of February 24, 1998, "Consolidated Law of the provisions on financial intermediation, pursuant to articles 8 and 21 of Law no. 52 of February 6, 1996", in the formulation in force at the date of this Report.

Corporate Governance, Social and Environmental Sustainability Committee (GSC)

Company Committee for Corporate Governance and Social and Environmental Sustainability.

Director (or Directors)

Members of the Company's Board of Directors.

Diversity & Inclusion Index (or D&I Index)

It measures the progress of the Group compared to Diversity & Inclusion 2021 ambitions, i.e. objectives set internally on gender, generations, cultures and inclusion through eight indicators: female managers, female talent, talent under the age of 35, new hired employees with average age less than 30 years, Turn to The New Index¹, talents with international experience, organisational entities with smart working policy, and organisational entities with local action plans on disability.

Employees

All the Group direct people at the end of the period, including managers, employees, sales attendants on payroll and auxiliary staff.

Earning per Share

It is equal to the ratio of the Group Net Profit and to the weighted average number of ordinary shares outstanding.

1. The training effort offered to employees by the Group is measured through the Turn to The New Index.

ESG

Acronym for Environmental, Social and Governance, which qualifies aspects related to the environment, social and corporate governance and refers to the three central criteria in the evaluation of sustainability.

Equal Pay Gap

Difference between females' and males' median remuneration for comparable roles, comparing females and males belonging to the same job function and organisational level. It is calculated applying a Group common methodology as a percentage of the difference between females' remuneration minus males' remuneration for comparable roles, divided by the males' remuneration. If the result is positive, the gap shows that the gender female is the most compensated; vice-versa, if the result is negative, the gap shows that the gender male is the most compensated.

Gender Pay Gap

Difference between females' and males' median remuneration across the entire organisation regardless of the roles. It is calculated applying a Group common methodology as a percentage of the difference between females' remuneration minus males' remuneration, divided by the males' remuneration. If the result is positive, the gap shows that the gender female is the most compensated; vice-versa, if the result is negative, the gap shows that the gender male is the most compensated.

Generali (also Company or Parent Company)

Assicurazioni Generali S.p.A.

Global Leadership Group (GLG)

The team of Company and Group Top Managers who cover the roles with the highest organisational weight and impact on results and on the process of declining, cascading, implementing and guiding the strategy and transformation of the business, such as the CEOs of greater subsidiaries, the main Branch Managers, strategic positions within countries, business lines, and Group Head Office positions with a global impact on the Group's results.

Green and Sustainable Investments

Investments that support green and/or social projects, with the explicit aim of creating a positive impact and contributing to the United Nations Sustainable Development Goals.

Group

The Company and the subsidiaries under Italian and foreign law subject to its control, pursuant to Article 93 of the Consolidated Law on Finance.

Group Management Committee (GMC)

The team of Company and Group Top Managers supporting the Managing Director/Group CEO, who meet to discuss essential decisions for the Group, verify proposals to be submitted to the Board, whose adopted decisions and guidelines are conveyed within the Group.

Independent Director (or Directors)

The Company Directors complying with the independence criteria, as verified by the Board of Directors, pursuant to the CG Code.

Investment Committee

The Company's Investment Committee.

Investment and Strategic Operations Committee (IC)

Committee for Investments and Strategic Operations.

Italian Civil Code /c.c.

The Italian Civil Code.

IVASS

The Italian Institute for Insurance Surveillance. Body that supervises the Italian insurance market, to guarantee its stability and adequate protection of insured consumers.

IVASS Regulation 38/2018

IVASS regulation no. 38 of 3 July 2018 concerning corporate governance systems pursuant to ss. 29-bis, 30, 30-bis, 30-quater, 30-sexies, 30-septies, 215-bis, of legislative decree no. 209 of 7 September 2005 – Private insurance code.

Key Functions

The Internal Audit, Compliance, Risk Management and Actuarial functions.

Lock-up

It imposes the unavailability of the shares assigned with respect to some incentive plans (or a specific share) for a specific time horizon as defined by any individual plan.

LTI Plan

The share-based Long-Term Incentive plan, part of the Company and Group Remuneration Policy, through which the beneficiaries are assigned a deferred variable remuneration conditional upon the attainment of pre-set goals set out in the Remuneration Report.

Manager in charge of Accounting Reporting

The Manager in charge of accounting reporting of the Company, pursuant to s. 154-bis of the Consolidated Law on Finance (TUF).

Managing Director/Group CEO

The main person in charge of the management of the Company and the Group, to whom specific powers have been delegated by the Board of Directors pursuant to s. 2381 Italian Civil Code.

Net Holding Cash Flow

Net cash flows available at the Parent Company level over a given period, after holding expenses and interest costs. Its main components, considered from a cash point of view, are: remittances from subsidiaries; the result of centralised reinsurance; interest on financial debt, expenses and taxes paid or reimbursed at the Parent Company level.

Normalised Adjusted Net Profit

Group Adjusted Net Profit reported in the financial statements, normalised by excluding any extraordinary items not predictable (due to, by way of example only: amortisation/goodwill depreciation, significant legal/regulatory/legislative changes, and significant impacts resulting from changes to tax treatment, gains/losses from M&A) and approved by the Board of Directors upon the recommendation of the Appointments and Remuneration Committee.

Operating Result

The Operating Result corresponds to the profit for the period before tax, gross of interest expense related to financial debt, some net financial income and non-recurring costs and revenues.

Parent Company

Assicurazioni Generali S.p.A. as Holding Company.

Pay-mix or Annualised Pay-mix

It is the composition of the remuneration package in terms of percentage ratio of each component of the remuneration (fixed, annual variable cash and deferred variable in shares) versus the total target and maximum remuneration calculated ex ante, on an accrual and annual basis, including, with regard to the annual variable cash remuneration, the incentive potentially awardable within the STI plan launched in the reference year and, with regard to the deferred variable in shares remuneration, the entire incentive that could potentially be awarded under the three-year LTI plan launched in the reference year, in case of so-called rolling LTI plans, or a third of such incentive, in case of participation in a unique LTI plan for the entire three-year reference period.

Regulatory Solvency Ratio

Ratio between Eligible Own Funds and the related Group Solvency Capital requirement, both calculated according to the definitions of the Solvency II regime. Eligible own funds are determined net of proposed dividend. The indicator is to be considered preliminary as the Regulatory Solvency Ratio will be communicated to the Surveillance Body according to the deadlines set by the Solvency II regulations on official reporting.

Related Party Transactions Committee (RPTC)

The Company's Committee for Related Party transactions.

Relative Total Shareholder Return (rTSR)

Total return on investment to the shareholder calculated as a change in the market price of the shares, including distributions or dividends reinvested in shares against a selected list of peers.

Relevant Personnel

The General Managers, Managers with Strategic Responsibilities, and higher-level personnel of the Key Functions and the other categories of personnel whose activities may have a significant impact on the Company's risk profile as provided by IVASS Regulation n. 38/2018, art. 2, paragraph 1, letter m.

Policy (also Remuneration Policy)

The provisions on the Company's remuneration policy included in Section I of this Report.

Report

This "Report on the Remuneration Policy and Payments" adopted by the Board of Directors on March 14, 2022, drafted in compliance with the provisions of art. 123-ter of the Consolidated Law on Finance (TUF), and with art. 41 of IVASS Regulation no. 38/2018.

Relationship Net Promoter Score (or Relationship NPS)

It is an indicator calculated from customer research data. A pre-defined market representative sample is surveyed on a quarterly base. Specifically, customers are asked to assess their likelihood to recommend Generali to their friends, colleagues and family members, using a scale from 0 to 10. Thanks to this feedback, the company is able to identify detractors (rating from 0 to 6), passives (rating of 7 or 8) and promoters (rating of 9 or 10). In order to calculate the RNPS, the percentage of detractors is deducted from the percentage of promoters. The RNPS is not expressed as a percentage but as an absolute number. At each wave, at least 200 Generali customers and as many customers of our European international peers (AXA,

Allianz and Zurich) are surveyed per market to guarantee the robustness of the data surveyed.

Return on Risk Capital (RORC)

Return on Risk Capital (RORC) is a risk-adjusted performance indicator that is the ratio between business profitability and the risk generated. RORC is calculated as the ratio between the Normalised Group Adjusted Net Profit and average Solvency Capital Requirement (SCR).

Risk and Control Committee (RCC)

Company Risk and Control Committee, set up in compliance with the CG Code (Article 7).

Shares

The shares issued by the Company.

Shareholders

The Company Shareholders.

Shareholders' Meeting

The Meeting of the Company's Shareholders.

Solvency II

The set of legislative and regulatory provisions introduced following the issue of Directive n° 2009/138/EC of the European Parliament and of the Council of 25 November 2009, on the taking-up and pursuit of insurance and reinsurance activities, published in the Official Journal of the European Union of 17 December 2009.

Stakeholders

Individuals or groups with rights or interests in a company and its operations, present and future. The concept embraces a variety of categories with relations with the Company and the Group, subdivided into "internal stakeholders" (e.g., the employees, shareholders and managers) and "external stakeholders" (e.g., institutions, governments, suppliers, clients, industrialist associations, trade unions and other social groups active in the community in which the organisation operates).

Statutory Auditor/s

Either statutory or alternate auditor/s of the Board of Statutory Auditors of the Company.

Strategic Operations Committee (SOC)

The Company's Committee for Strategic Operations.

Subsidiary (or Subsidiaries)

The company/companies controlled directly or indirectly by Assicurazioni Generali S.p.A., as defined by the applicable legislation. In this context, the term strategic subsidiary identifies the companies for the appointment of the Group top managers. For these purposes the following companies are classed as strategic: Generali Italia

S.p.A., Generali France S.A., Generali Deutschland Holding A.G., Generali CEE B.V., Generali China Life Insurance Co. Ltd., Generali España Holding de Entidades de Seguros S.A., Generali Insurance Asset Management SGR S.p.A., Banca Generali S.p.A., Generali Real Estate S.p.A., Generali (Schweiz) Holding AG and Generali Versicherung AG (Austria).

Surveillance Body (SB)

Company's Surveillance Body, pursuant to the Decree 231/01.

Sustainable Development Goal (SDG)

17 objectives contained in the 2030 Agenda for sustainable development, launched by the United Nations.

Total Remittance

Dividends and equivalent permanent or medium-long term transactions (capital reductions, debt repayments, loans to the Parent Company not to cover life reserves) measured in cash and approved by the Group Head Office and/or by the relevant corporate bodies in agreement with the Group's internal regulations.

Website

The Company's institutional website www.generali.com.

We SHARE Plan

The "Share Plan for Generali Group employees", known as We SHARE.

CONTACTS

Group Integrated Reporting

integratedreporting@generali.com

Manager: Massimo Romano

AG Administration, Finance and Control

bilancioindividualecapogruppo@generali.com

Manager: Nicola Padovese

Corporate Affairs

corporateaffairs@generali.com

Manager: Giuseppe Catalano

Group Media, Content and Channels

media@generali.com

Manager: Roberto Alatri

Group Reward & Institutional HR Governance

group_reward@generali.com

Manager: Giovanni Lanati

Group Sustainability & Social Responsibility

csr@generali.com

Manager: Lucia Silva

Investor & Rating Agency Relations

ir@generali.com

Manager: Giulia Raffo

Shareholders & Governance

governance@generali.com

Manager: Michele Amendolagine

Editing

**Group Reward & Institutional HR
Governance**

Coordination

**Group Communications
& Public Affairs**

This document is available at

www.generali.com

Photos

**Salvatore Bocchetti, Daniele Braidà,
Alessandra Chemollo, Giuliano Koren,
LaPresse/Marco Alpozzi, Schirra/Giraldi,
Ettore Spezza**

Printed by

Lucaprint S.p.A.

Concept e design

Loud Adv

