

Assicurazioni Generali Sustainability Report



Generali Group
Sustainability Report 2004
173rd year

Assicurazioni Generali

Generali Group
Sustainability Report 2004
173RD year

Sustainability Report



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an image of the agricultural estate,
recently purchased
by Genagricola in Romania

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letter from the Chairman

The Generali Group is pleased to present its first Sustainability Report, designed to provide greater clarity and direct information for our stakeholders.

This Sustainability Report has given our Group the opportunity to analyse and understand to what extent our operations have been conducted in accordance with business ethics and corporate relations since our origins. Furthermore, it provided an opportunity to reflect on the process of

growth and change we have embarked upon since drawing up the first Three-Year Plan for 2003-2005.

We remain deeply committed to creating a strong Group identity based on shared managerial values and behaviour geared towards the concept of social responsibility. With a view to implementing these values on an everyday basis, we have launched, and will continue to do so, a series of specific initiatives both within and outside our organisation.

This approach has led to a more determined rationalisation effort of the Group's organisational structures, so as to increase its working capacity and the effectiveness of its operations.

In today's complex market scenario, which is undergoing rapid and constant change, tackling business challenges requires taking into account the environment we operate in and the needs of our stakeholders.

Consequently, our strategies and policies tend to combine increased profits with the generation of long-lasting values, as part of a “sustainable” growth logic.

This Sustainability Report is intended to increase the visibility of the Group’s social function and the involvement of our stakeholders in this continuing commitment, particularly with regard to our role, as insurers, in the field of care and additional security. Due to the insurance mechanisms in place, we are actually “solidarity providers”, enabling those who have suffered from damage of any kind to deal with the situation thanks to contributions made by the more fortunate.

In the awareness that our Group has its roots in professionalism and timeless ethical values, making it a unique business entity in Italy, we are determined to continue along this road, working hard in the interest of our shareholders and stakeholders.

Antoine Bernheim



methodological notes

companies included in the 2004 Sustainability Report area

Generali Assurances Iard
 Generali Assurances Vie
 GPA Vie
 GPA Iard
 La Fédération Continentale
 L'Equité
 Européenne de Protection Juridique
 Generali Finances
 Generali Immobilier
 GFA Caraïbes
 Prudence Créole
 Prudence Vie
 Trieste Courtage
 La France Assurances Courtage
 Generali France Holding
 Generali Ressources Humaines (GIE)
 Generali Services (GIE)
 Generali Systèmes Informatiques (GIE)
 Generali Communication
 Europ Assistance France

France

Aachener und Münchener Lebensversicherung
 Aachener und Münchener Versicherung
 AMB Generali Holding
 AMB Generali Informatik Services
 Central Krankenversicherung
 Cosmos Lebensversicherung
 Generali Lebensversicherung
 Generali Versicherung
 Volksfürsorge Deutsche Lebensversicherung
 Volksfürsorge Deutsche Sachversicherung

Germany



Banco Vitalicio de España
 La Estrella S.A. de Seguros y Reaseguros
 Gruppo Generali AIE
 Europ Assistance España

Spain

Alleanza Assicurazioni
 Assicurazioni Generali
 Assitalia
 F.A.T.A.
 Generali Vita
 Genertel
 G.G.L.
 G.G.S.
 INA Vita
 Europ Assistance Italia

Italy

Figure shows the companies taken into consideration in the analytical reporting

Objective

This Report is the outcome of Executive Management taking the decision to devote increasing attention to the social and environmental impacts of its business operations, in particular by ensuring sustainable product innovation, and building a sustainability reporting system that is consistent across the Group. Executive Management also intends to maintain and enhance reporting over time.

Social issues have always featured prominently in the Generali Group's history, which has been highlighted in the historical notes in this report and is the main focus of the two documents enclosed to the 2003 Financial Statements that directly deal with stakeholder relations. The first is "Generali's Social Commitment", a report on the Group's main operations within the community, while the "Corporate Governance Report" describes the Group corporate governance policies as a result of amendments to the Company By-laws to include the information required by the Preda Code. With this first Sustainability Report (S.R.), the Generali Group is taking another step forward in terms of social and environmental policy and related communication activities.

Sustainability Report area

The Sustainability Report aims at reporting on the Generali Group as a whole. However, given the large number and the variety of companies of the Group (106 insurance companies, 52 holding and financial companies, 18 real estate companies, and 7 companies operating in the service sector), the focus in this first edition will be on the main companies with a view to providing detailed information on individual stakeholder categories. The companies included in this Report have been identified on the basis of the following criteria:

- their contribution to the core business, i.e. insurance and closely related services;
- company size, with a minimum threshold of 250 employees, which is the standard applied by the European Commission to identify large companies;
- focus on countries that, due to a combination of the insurance market size and the market share held by the Group, are particularly relevant to the Generali strategy: Italy, Germany, France and Spain.

In the case of France, a number of companies with less than 250 employees have been featured in the Sustainability Report area, thus providing readers with a comprehensive overview of all the Group companies operating in that country.

market size and shares held by the Group in the main operating countries

consolidation area; 2004



Awareness of sustainability issues was extended, as a result of this decision, to a large share of the Group employees and other staff members, so much so that the Sustainability Report includes companies covering over 64.9% of total staff members and total aggregate premiums amounting to 73.1% of the Group aggregate premiums.

Figure shows the relation between the size of the insurance market and total share held by Group companies for each country, highlighting that the countries selected in this Report are the most geographically important ones for the Group.

It must be noted that the Group intends to progressively extend the number of countries and companies covered by the Sustainability Report in the future.

Readership

This Report is intended for use by stakeholders within and outside the Group. A number of sections are specifically aimed at catering for the information needs of the following individual categories:

- employees and other staff members;
- shareholders and institutional investors;
- clients;
- suppliers and partners;
- communities;
- institutions.

Reference guidelines

This Report has been drafted in compliance with the most widely recognised international standards which include:

- the September 2002 Guidelines and the Financial Service Supplement of the Global Reporting Initiative (GRI) in relation to drafting principles and structure and contents of the Report. The Italian Sustainability Report compilation principles drawn up in 2001 by the Sustainability Report Study Group (GBS) were also used.
- AccountAbility1000 (AA1000) standards, developed by the Institute of Social and Ethical Accountability, designed to ensure the correctness, relevance and reliability of the information gathered, the data collection process and the drafting of the Report.

Process implementation

The reporting process was supervised by a Generali Group in-house work team, coordinated by a Guiding Committee comprising some members of the Group's Executive Management. Tasks were divided into the following steps:

- definition of the reporting area;
- identification of the main stakeholders and performance indicators for each stakeholder category and drafting of a reporting plan;
- collection of data and information for 2003;
- review of the reporting plan and document structure;
- collection of data and information for 2004;
- drafting of the final report.

The drafting of the Report generated an intense exchange of views with stakeholders and a detailed overview of the methodology and periods that these took place is provided in the document, highlighting the involvement of staff members, clients, agents, investors and the community.

Temporal perspective

While the Sustainability Report contains information for the 2004 financial year, it was deemed important in a number of cases to include data and comment regarding the 2005 financial year, with a view to rendering the report more complete and relevant. In these cases, care has been taken to clarify the period to which data refers. In a number of cases, comparisons have been made with 2003 financial year data. When it was deemed that such a comparison was not significant or when data proved to be excessively difficult to find, it has been omitted. More information enabling period-on-period comparisons will be provided in subsequent editions.



PART ONE

the Group

the Generali Group Worldwide

Principal markets of operation

Italy

- Assicurazioni Generali
- Generali - Direzione Italia
- Generali Vita
- Allianza
- Ina Vita
- Intesa Vita
- Assitalia
- GenerTel
- UMS Generali Marine
- Generali Properties
- Banca Generali
- Generali Asset Management

Germany

- AMB Generali Holding*
- Aachen Münchener
- Volksfürsorge
- Generali Versicherungen
- CosmosDirekt
- Dialog Lebensversicherungs
- AMBCGenerali Pensionskasse
- Central Kranken
- Advo Card
- AMB Generali Immobilien
- Badenia Bausparkasse
- AMB GeneraliAssetManagers

France

- Generali France*
- Assurances France Generali*
- Generali Assurances
- La Fédération Continentale
- GPA Assurances
- Europ Assistance
- Prudence Vie
- L'Équité
- Generali Immobilier
- Generali Finances

Austria

- Generali Holding Vienna*
- Generali Versicherung
- Europäische Reise
- Generali Rueckversicherung
- Generali Immobilien
- Generali Bank

Switzerland

- Generali (Schweiz) Holding*
- Generali Personen
- Generali Allgemeine
- Fortuna Lebens (Vaduz)
- Fortuna Rechtsschutz
- Fortuna Investment
- BSI

Spain

- Generali España Holding*
- Vitalicio Seguros
- La Estrella Seguros
- Cajamar Vida

Israel

- Migdal Insurance & Financial Holdings*
- Migdal Insurance
- Migdal Investment Management

Central Eastern Europe

Poland

- Generali Zycie T.U.S.A.
- Generali T.U.S.A.
- Generali PTE

Slovak Rep.

- Generali Poistovna
- VUB Generali

Czech. Rep.

- Generali Pojistovna

Slovenia

- Generali Zavarovalnica

Croatia

- Generali osiguranje
- Generali zitovno osiguranje

Romania

- Generali Asigurari

Hungary

- Generali Providencia
- Európai Utazási

Asia

China

- Generali
- China Life
- Hong Kong Branch

Thailand

- Generali Thailand Assurance
- Generali Thailand Insurance

Philippines

- Generali Pilipinas Life Assurance
- Generali Pilipinas Insurance

Americas

Argentina

- Caja de Seguros
- Generali Corporate

Brazil

- Generali do Brasil

Mexico

- Seguros Banorte Generali
- Pensiones Banorte Generali

U.S.

- Generali USA Life Reassurance

Guatemala

- Aseguradora General

Ecuador

- Generali Ecuador

Colombia

- Generali Colombia
- Generali Colombia Vida

Panama

- Sucursal de Panamá

Other Countries

Belgium

- Generali Belgium

Netherlands

- Generali Verzekeringsgroep

Greece

- Generali Hellas
- Generali Life

United Kingdom

- UK Branch

Portugal

- Generali Vida
- Delegação em Portugal

Turkey

- Generali Sigorta

Guersney

- Generali Worldwide
- Generali International

Ireland

- Generali Paneeurope

- Companies operating (predominantly) in the life business
- Companies operating (predominantly) in the non-life business
- Companies operating in both the life and non-life business
- Branch
- Real estate companies
- Companies operating in the asset management

* holding to which the various companies refer

mission

The Generali Group has always had a strong international vocation and now operates in 40 different countries, having established itself as one of the world's top insurance groups.

Its importance has grown in Western European markets, its main area of business, where it is a major player in Germany, France, Spain, Austria, Switzerland and Israel. Over recent years, it has boosted its operations in Central and Eastern European countries and has begun expansion into major Far Eastern markets, including China. Over the last decade, the Group has widened its field of operations from the insurance business to include the entire range of financial and asset and savings management services. It has recently updated its strategies in the property sector, in which it has historically operated with conspicuous assets.

The Group Parent Company is Assicurazioni Generali S.p.A., a leading Italian insurance company, founded in Trieste in 1831.

The Generali Group aims to develop the personal and small/medium business market:

- by pursuing a distribution strategy that primarily focuses on agency networks with a multi-brand and multi-local approach, acting as a local operator in all the markets in which it is present and promoting its main local brands;
- positioning itself amongst market leaders, for profit, in the European countries that are the Group's main business areas;
- being placed with the key players in countries with strong potential for development.

an image of the agricultural estate, recently purchased by Genagricola in Romania



The Generali Group's capacity for development lies in sharing a system of values that actually constitutes its "identity card". These values have always characterised the Company throughout its history, while others have emerged more recently as a means of better guiding operations in the increasingly dynamic and competitive insurance market.

1. Creating value for shareholders

The Group is committed to ensuring fair, effective and efficient business operations, ensuring profit levels in keeping with investors' expectations of returns.

2. Professional skills and human resources

The Group is dedicated to developing learning, making the most of the experience of its employees and the organisation as a whole, enabling it to develop industry-specific and distinctive expertise. The Group is aware that human assets are a major competitive factor in the insurance business, which has led to carefully assessing organisational requirements and grasping special situations and changes when they arise. In addition, protecting and developing the key skills of managers and professionals and increasing loyalty of key resources, while attracting the best talents on and entering the industry, designing suitable career paths in Italy and internationally.

3. Sustainable development

Whilst carrying out its business mission, the Group aims to provide total customer satisfaction and develop a harmonious relationship with the many stakeholders that it deals with on a daily basis. In line with this goal, the Group therefore supports numerous social, cultural and sports events and projects, building close relationships with the various local and national communities within which it operates.





4. Fairness and responsibility

The Group makes it a top priority to comply with the rules in its relations with all stakeholders, taking full responsibility for decisions made within the sphere of its authority and responsibility.

5. Transparency and communication

The Group makes every concerted effort to ensure that the information it provides to institutional investors and all stakeholders is comprehensive, clear and accurate. It believes that this is essential in earning the consensus and trust of its customers, personnel and the community as a whole.

6. Openness to the future and flexibility

In today's competitive climate, the Group recognises the need to push forward along the road to generating innovation, driving research seeking new and better solutions and applying the principle of being open to recognising and harnessing change with the ability to rapidly adapt to the changing business landscape.

7. Pride in being part of the Group

The Group promotes amongst its employees and other staff members a deep feeling of being part of a successful organisation with a great reputation that is rooted in the key value of every person being important.

8. Integration

The Group encourages reciprocal listening and the open, constructive exchange of different ideas, essential for self-growth and for guaranteeing company development and results.

9. Environmental protection

The Group undertakes to safeguard the environment, which it sees as a primary asset. Compatibility between economic goals and environmental requirements is not only pursued by means of complying with current regulations, but also by encouraging Group companies, customers and suppliers adapt their behaviour taking into account the most recent advances in scientific research and learning from ecological experiences.

Group history and its social commitment

Company history

Development of commitment toward stakeholders

1831

"Assicurazioni Generali Austro-Italiche" is founded in Trieste on 26th December

1832

the Company adopts a double management structure: the Head Offices in Trieste area were responsible for developing business in the Austrian Empire, while the Veneto Offices were responsible for operations in the Lombardy and Veneto areas and in the rest of Italy

1848

the Company changes its name to "Assicurazioni Generali"

1838

Assicurazioni Generali Austro-Italiche made the inception of Trieste's Fire Service possible thanks to a fire-fighting contract stipulated with the Municipality of Trieste

1831

the Company was founded with a capital of two million Austrian florins, ten times more than the average capital of other Trieste-based insurance companies

1851

Assicurazioni Generali begins the huge job of reclaiming the agricultural estate of Ca' Corniani (Venice). It then goes on to institute the telegraph office, school, nursery school and labourers' houses

1882

the Generali Group is founded with the setting-up of the Erste Allgemeine Unfall und Schadens-versicherung, the first subsidiary insurance company, based in Vienna

1857

the Company was listed for the first time on the Trieste Stock Exchange, where it remains until the early '90s

1880

the first issue of "Mittheilunghen", a German language newsletter for employees and other staff members, is published

1893

the first issue of "Il Bollettino", an Italian language Company magazine for staff members working in Italy, was published

1854

the Company set up the pensions fund for agents and employees

1924

Assicurazioni Generali S.p.A., with a share capital of 40 million Lire subdivided into 80,000 shares worth 500 Lire each, was listed on the top Italian Stock Exchange, the Milan Stock Exchange

1919

Assicurazioni Generali obtains Italian company status to all effects

1909

the Company's articles of association undergo radical changes, and the number of board members and directors increased

1946

Mutua Generali, was founded; a cooperative of Assicurazioni Generali employees with aims of self-finance and pursuing a policy of solidarity and equality amongst employees and other staff members, is founded

1945

Trieste's particular situation, under Allied administration, leads Assicurazioni Generali to move its registered office to Rome, transferring it again in Trieste in 1990. The end of the war entails the loss of the Group's entire organisation and assets in Central and Eastern Europe

1937

an electronic accounts department, equipped with modern Hollerith machines, was set up at the Head Offices accounting department

1954

CRAL was set up and, with the Company's contribution, began providing employees with a number of services and entertainment, cultural and artistic

1958

the Gruppo Lavoratori Anziani d'Azienda is founded, with the objective of maintaining active links with retired colleagues and providing assistance to those in need

1969

With a view to strengthening relations with shareholders, a decision introduced sending them a six-monthly report to keep them up to date on the progress of business

1971

Assicurazioni Generali got a name make-up and the brand name was shortened to "Generali"

1975

following the unification of the Venice and Milan branches with the Head Offices, Generali is the first company in Italy to adopt a forecast and budgetary control system

1978

the first of a series of two-yearly meetings organised by Generali is held with Confindustria at the Villa Manin in Passariano, in order to discuss matters of joint interest

1970

the Public Relations Institute awards the Company the Accounts Oscar Prize for the publication of the Group's first consolidated financial statements and a message from the Chairman on the progress of business for first half year (a totally new approach at the time)

1981

on Generali's 150th birthday, the "Fondazione Assicurazioni Generali" is founded with a capital of 2 billion Lire, in order to encourage and disseminate scientific progress, and promote cultural relations

1989

after the fall of the Berlin Wall, Generali is the first Western insurance company to start a joint venture in Eastern Europe: AB – Generali Budapest

1994

Genertel was founded: the Generali Group was the first to launch over-the-phone insurance in Italy.

1997

Generali took over Migdal, Israel's top insurance company. Following the agreement with Allianz and AGF, Generali took over the German group AMB and three French companies, significantly increasing its operations in the two markets

1998

Generali purchases BSI – Banca della Svizzera Italiana. Banca Generali begins operation, designed to offer cost-effective and innovative banking services

2000

the purchase of INA was finalised. Generali became the number one life insurance company in Europe

2004

The Generali Group Ethical Code was published

2002

the Associazione Azionisti Assicurazioni Generali was founded to bring together and look after the interests of small scale shareholders in the Company

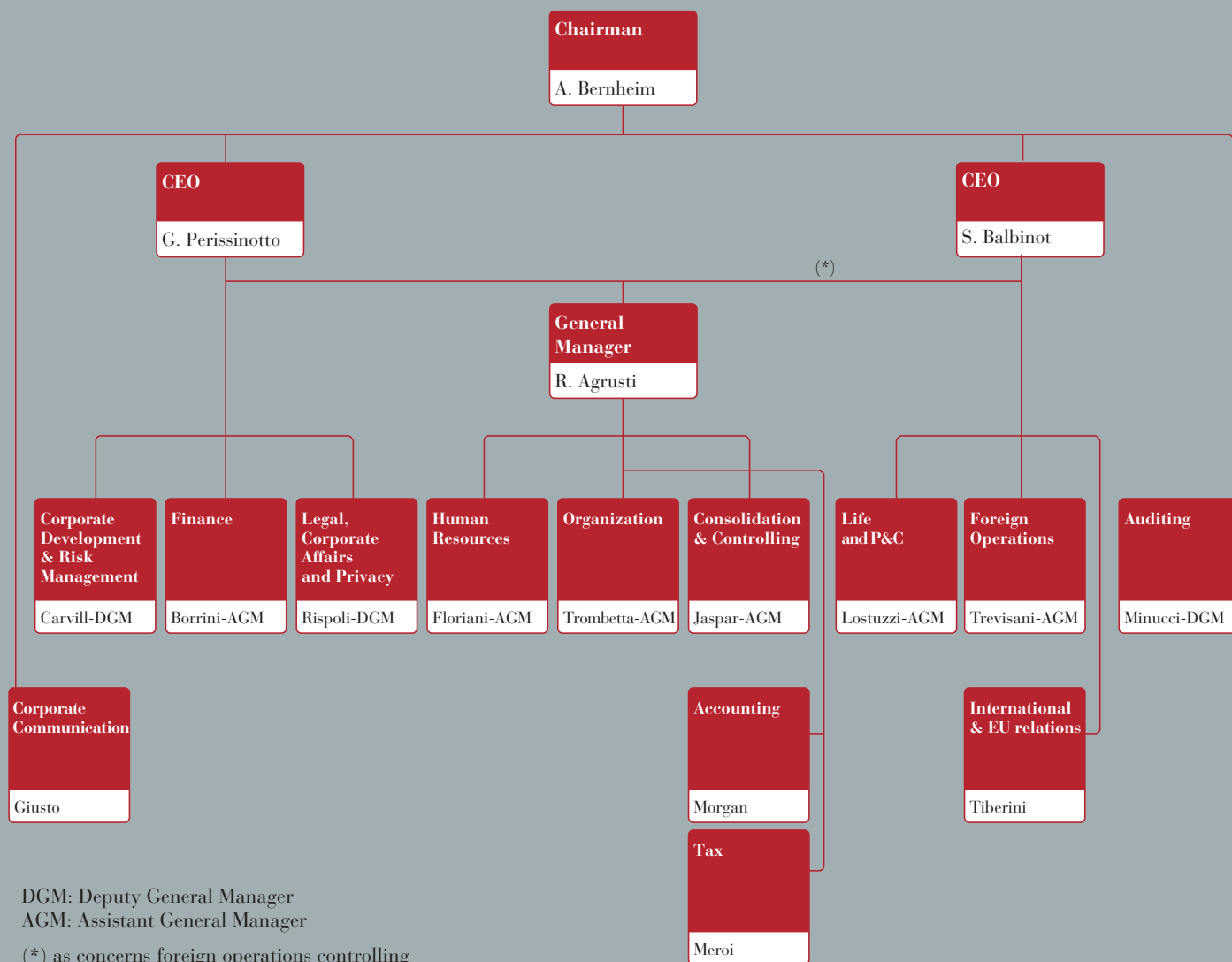
2005

the first Group Sustainability Report was published for 2004



organisational structure
and system of governance

Corporate Centre



Group organisation - Corporate Centre

Assicurazioni Generali has adopted a multi-local and multi-brand business model, increasing country/company level management responsibilities and giving the Corporate Centre a directing, coordinating and controlling role for country/company operations.

The Corporate Centre is also directly involved in managing Italian operations, supporting the Country Manager administering IT service, claim settlement and administrative companies, managing the organisation and human resources, providing legal, corporate and fiscal consultancy and coordinating the technical/insurance operations and strategic marketing.

Parent Company structure - system of governance

As a joint-stock company governed by Italian law and compliant with the self-regulatory Code of Conduct (“the Preda Code”) since 30th October 1999, the corporate structure of Assicurazioni Generali includes the following main corporate bodies:

- **Shareholders’ Meeting:** the body that expresses shareholders’ wishes through its rulings;

- **Board of Directors:** vested with the broadest management powers for the furtherance of corporate objectives. It is appointed on a three-yearly basis by the Shareholders’ Meeting and appoints a **Chairman**, one or more **Vice-Chairmen** and an Executive Committee. The Board may furthermore appoint one or more **Managing Directors**. The Board determines powers and remuneration of all these positions. The following Committees exist within the Board of Directors and are made up of its members:

• **Executive Committee:** a body entrusted with important Group management functions;

• **Internal Control Committee:** has a predominantly consulting and recommendatory role. It has the task of assisting the Board of Directors in performing the obligations connected with the internal control system. It is also called upon to assess the adequacy of the internal control system, express its opinion on the “Internal Audit Plan” and the “Report on Internal Audit”, and assess proposals for appointing the audit company;

• **Remuneration Committee:** has a predominantly consulting and recommendatory role. It has the task of expressing its opinion and make nonbinding proposals to the Board of Directors on the determination of the remuneration payable to the Chairman of the Board of Directors, Vice-Chairmen, Managing Directors and General Managers.

- **Board of Auditors:** has the task of ensuring that the Law and the Articles of Association are complied with and supervising management activities. It does not have auditing functions; these are ascribed to a chartered audit company, member of the Association of Chartered Auditing Companies.

The Group bodies also include the **Management** and those, **in keeping with the Company Articles of Association, provided powers to represent the Company.**

There is also a **General Council**, a high advisory body which concerns itself with the best way to pursue the Company purpose, with particular regard to the territorial expansion of the Company and to international insurance and financial issues. It includes, as of right, the members of the Board of Directors and the Company's General Directors, in addition to the members elected by the Shareholders' Meeting, varying from 15 to 35 in number.

In addition to the **Management Committee**, which has a general coordinating and decision-making role for operational purposes and comprises the Managing Directors, General Managers and Deputy General Managers, two further committees have also been created recently in order to provide support to the **Managing Directors** in their respective roles, whilst reporting back to the Board of Directors:

- **Group Risk Committee**, which has the task of supporting the **Managing Directors** in establishing and monitoring the Group risk profile and the related economic capital levels, as well as establishing any corrective strategies;
- **Group Investment Committee**, which has the task of supporting the **Managing Directors** in establishing and monitoring Group investment policies, as well as establishing any corrective strategies.

The features and operating methods of the various corporate bodies are governed by Law, by the Company's Articles of Association and by the decisions made by the relevant bodies.

Please see the appendix for further details on the Board of Directors, the Board of Auditors and the self-regulatory code.

Ethical Code

The Generali Group Ethical Code was approved on 11th May 2004, and by the end of August 2005 it had been adopted by 41 companies in Italy and 19 companies abroad, including all main Italian and foreign companies. It is aimed at introducing harmonised ethical and conduct standards across the whole Group.

Harmonised adoption and application of the ethical principles are ensured by the Internal Group Auditing Office, which receives reports of any breach of the code from individuals representing or working for a Group company. In order to encourage reporting of this kind, two email accounts have been activated, one for messages in Italian and one for messages in English, in addition to the traditional communication channels.

Reports of infringements, or alleged violations, must be sent in writing and must be signed so that they can then be assessed by the Internal Group Auditing Office, which will take steps to inform the Executive Management of the company in which the alleged infringement took place, so that appropriate measures can be taken.

The Internal Control Committee or, when this does not exist, the Director entrusted with internal control matters, is responsible for ensuring that the necessary measures in Group companies are adopted. The competent body will receive assistance from the Internal Group Auditing Office in the above operations.



main contents of the Code

Relations with clients

In addition to confirming that the principles behind the Code also apply to relations with clients, the importance attributed to the quality of the services offered and Group customer satisfaction is also highlighted.

This objective is achieved, *inter alia*, by ensuring an effective management of internal procedures and information technology.

Shareholders

The Code states that the optimisation of the available resources and an increase in competitiveness and financial solidity guarantee an adequate economic return for shareholders. In order to ensure that they receive sufficient information, the Group also provides presentations to institutional investors and analysts on the main financial deadlines and any financial operations, as well as the instruments prescribed under the law.

Employees and other staff members

After affirming that human assets are the Group's key resource, recruiting and maintaining highly qualified personnel is a top priority. With this in mind, particular care is taken in handling issues

such as motivation and specific training requirements of each individual. Value is attributed to the potential of every employee and to the creation and preservation of the conditions for an inspiring, gratifying and non-conflictual work environment.

Relations with suppliers and other contractual partners

By recognising that cooperation with partners makes it possible to carry out its business on a daily basis, the Group undertakes to treat them fairly and respectfully, recognising their legitimate expectations to receive clear instructions regarding the nature of the undertaking as well as correct settlement regarding that which is due. Moreover, when selecting partners, the Group guarantees that only criteria linked to the objective competitive advantage of the services and products offered and their quality are applied.

Relations with public institutions and other external subjects

The code governs relations between the Group and Public Institutions, installing principles of correctness, transparency, cooperation and non-interference between their reciprocal roles.

At the same time, the Group states its commitment to support scientific research into curing serious illness, to contribute to cultural events, to recognise the educational role of sport, in particular in ensuring the healthy development of young people, and attributing great importance to financial education and training.

It also guarantees that it will not support events or initiatives for solely or predominantly political ends, abstaining from all direct or indirect pressure on political exponents and contributions to trade union organisations or other organisations with which a conflict of interests may exist.

Relations with the press and external communication

The fundamental role played by the media in providing information to the public and investors in particular is recognised. To this end, the Group undertakes to collaborate fully with the media, instituting press offices in each company and at a Group level, centrally editing publications of general interest and creating institutional web sites and guaranteeing completeness, effectiveness and coherence with market expectations.

internal control system

The internal control system consists of all the directives, procedures and techniques used to plan and then check the execution of the Company operations. The Internal **Audit Department** is responsible for monitoring and evaluating the effectiveness and efficiency of the internal control system. Amongst other things, it is also responsible for checking the Company management processes and organisational procedures, the regularity and functionality of information flows between Company sectors, the adequacy and reliability of the information systems, the correspondence of the administrative/accounting processes to correct, regular accounting procedures and the functionality of the information system used by the Parent Company.

In compliance with the regulatory standards in place for the insurance sector, the notion of internal control adopted by Assicurazioni Generali particularly focuses on the internal control system **process**, which is divided into two different types of inspections within the Group:

- **first level controls**, comprising all the control operations performed by the individual operating units or Group companies on their processes. These activities are primarily the responsibility of the operational management and are considered an integral part of all company processes;
- **second level controls**, essentially designed to identify and contain company risks of all kinds, by means of auditing performed by the Internal Audit Department on Group company processes.

The body responsible for the internal control system is, in any case, the Board of Directors, which has the task of setting guidelines on the subject and periodically checking the adequacy and effectiveness of the system. The Top Management, on the other hand, has the task of identifying the main company risks and implementing the strategic guidelines. The Parent Company Board of Directors has delegated the Company Chairman to take responsibility for internal controls.

The Internal Control Committee, which is part of the Parent Company Board of Directors and comprises four independent, non-executive directors, has a consultation and recommendatory role.

The internal audit manager, identified as the person in charge of internal control, must provide information on his/her work to the Board of Auditors, the Internal Control Committee - which he/she is invited to participate in - and the Chairman of the Company.

The **Group Company process library** (BPAG) is a computer archive that represents the company processes, highlighting the responsibilities, relative steps and checking points, certified by the organisational units responsible for their execution, the organisation office, and the internal audit as regards aspects under their authority (control effectiveness, efficiency and quality). This library is the main tool used by the internal control system, inasmuch as it contains the basic elements for the execution

of first and second level controls. All the Group's main Italian companies have had their processes mapped and included in the Group Company Process Library.

Internal audit department

The main task of the Internal Audit Department is to encourage the diffusion of the control culture within the Group. For this purpose, in addition to carrying out internal auditing in the Parent Company and main Italian subsidiaries by means of specific outsourcing contracts, the Internal Audit Department also guides and coordinates other similar internal auditing structures, where present. In order to carry out the aforementioned operations, the Internal Audit Department counts on 35 resources spread across the Group's main Italian offices, and on a team of specialists in EDP (electronic data processing) auditing. Another group of resources is also specialised in guiding and coordinating the internal auditing structures of foreign companies, where a knowledge of foreign languages and the specific insurance legislation of the main foreign markets is of particular importance.

Internal auditing operations carried out during 2004 also entailed planning tasks, primarily related to recent legislative innovations, such as the definition of an organisation and management model in accordance with Legislative Decree no. 231/01 and the new complaints handling processes as per ISVAP Circular no. 518/D. The companies that attributed the auditing operations to the Parent Company's Internal Audit Department changed during 2004, partly due to extraordinary company operations, and due to the arrival of the insurance companies from the Europ Assistance Italia group.

Relations with external audit companies

The Internal Audit Department maintains close relations with the auditing companies of the entire Group, providing them with support and the collaboration of audited companies, as well as free access to company information and data that are required to carry out audits.

The Parent Company Internal Audit Department contributes to monitoring and guaranteeing compliance with accounting control and auditing regulations.

Legislative Decree no. 231/01

During 2004, the project for the definition of the principles and characteristics of the organisation and management Model pursuant to the Legislative Decree no. 231/01 was completed, introducing the administrative responsibility of legal persons into our rules and regulations as a consequence of certain crimes - such as crimes against the Public Administration, crimes against public faith, corporate crimes, etc. - being committed by the company management or staff members, if these crimes are committed in the interests or to the advantage of the company itself. The aforementioned model was approved by the Parent Company Board of Directors on 9th February 2005.



strategy and operations

insurance background

In 2004, the Generali Group's main operating countries reported a fall in growth rates in the non-life line of business, due to the end of the expansion trend due to rises in premium rates that characterised previous financial years. In particular, the slowdown in the motor division was caused by increased competition. On the other hand, in the life line of business, significant increases were achieved in certain areas, although difficulties in increasing the volume of business were recorded in other countries. In the Euro zone, France and Spain achieved significant growth in both the life and non-life lines of business, while growth was more contained in Germany and Italy. Very positive progress was also made in Eastern European and Far Eastern insurance markets, following major expansion of the relative economies, while the signs of a revival which began in 2003 were confirmed in South America.

A brief description of the insurance markets in the Sustainability Report area countries is provided below.

In **Italy**, the life insurance market underwent a significant reduction in its development in 2004, due to a major slowdown in collection by banks and fluctuations in that by financial agents, while traditional channels achieved positive sales results.

A reduction in the growth rate was recorded in the non-life lines of business, which were affected by uncertainty deriving from the economic crisis. The slowdown was more evident in the motor line of business, due to increased competition.

In **Germany**, the development of the life line of business in 2004 was affected by the new fiscal regime. During the first part of the year, uncertainty regarding the terms of the reform slowed sales down, whilst they resumed strongly over the last months of 2004, especially the policies which would have their fiscal benefits cut from

from the left our offices in Italy,
France, Germany and Spain



1st January 2005. As part of the logic designed to increase supplementary pensions, fiscal incentives were maintained for products related to the welfare system. Against the backdrop of animated disputes regarding the future of the national health service, the health insurance saw sustained development, while the other non-life lines of business, especially the motor division, saw a slowdown due to an increase in competition.

In **France**, 2004 was a satisfactory year for the insurance market, driven by the life line of business thanks to a strong revival in sales of unit-linked policies and the good progress made by traditional ones. The PERPs (Plans d'épargne-retraite populaire) were launched in April, designed to compensate for cuts in public pensions. They began to achieve immediate good sales results. The non-life divisions showed signs of a slowdown, with the exception of the health and accident sector, which continued its progress, partly due to the 2004 public health reform.

In **Spain**, the life insurance market showed signs of a revival in 2004 following a 2003 that had suffered from the effects of the completion of the outsourcing process, namely the transfer of retirement benefit funds accrued for employees in company accounts to an external pension fund or collective policy. Growth was ensured thanks to the recovery made by traditional policies and the positive expansion of the PPA (Planes de previsión asegurados), security plans equated to pension funds, but that, unlike the latter, guarantee a minimum ensured return and offer additional coverage for death and invalidity.

Whilst once again confirming their role as the driving force behind the sector in 2004, the non-life insurance saw a further slowdown in all the main lines of business. The most significant evolution was achieved by the multirisk insurance, followed by the health insurance.



Group profile

main
countries
of operation

Italy
Germany
France
Austria
Switzerland
Spain
Israel

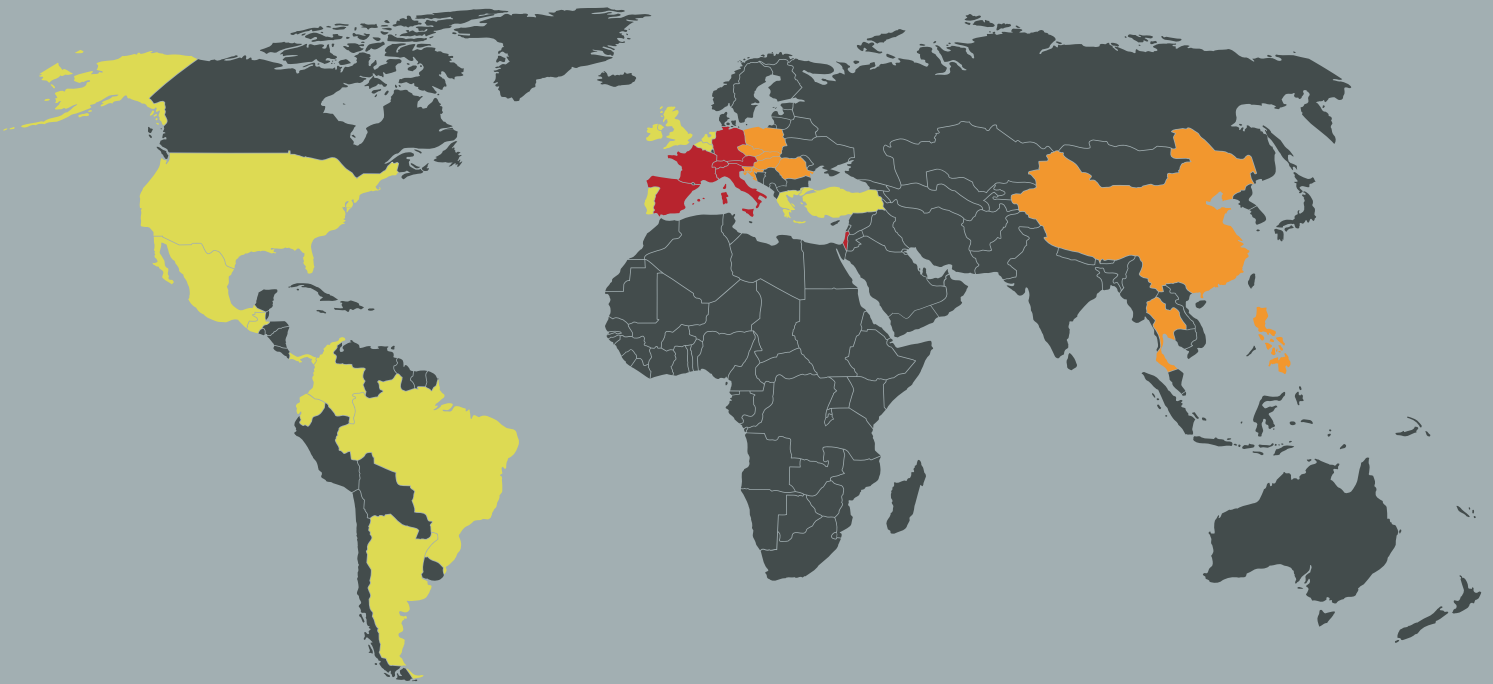
countries of interest
to the Group
having great
potential for growth




Poland
Czech. Rep.
Slovak Rep.
Slovenia
Croatia
Romania
Hungary
China
Thailand
Philippines

other countries
in which the
Group
operates

Belgium
Netherlands
Greece
United Kingdom
Portugal
Turkey
Guernsey
Ireland
Argentina
Brazil
Mexico
U.S.
Guatemala
Ecuador
Colombia
Panama

Group presence at international level



-  main countries of operation
-  countries of interest to the Group having great potential for growth
-  other countries in which the Group operates

essential business plan features

The Generali Group Business Plan, approved by the Board of Directors in January 2003, sets out the performance objectives, the strategic guidelines, the new organisational structure and the management operations necessary for the implementation of the Plan itself over the three-year period from 2003-2005.

The Group proposes to:

- establish itself amongst the European leaders in terms of profitability, by focusing on the insurance business in the personal and small business segments;
- strengthen its position in its main areas of business and develop its position on markets characterised by a strong growth potential, such as Central and Eastern Europe and the Far East;
- generate value for shareholders.

The main objectives contained in the Plan regard performance indicators, cost reduction, the composition of the profit and loss account and improvements in the overall technical profits.

The adopted commercial strategy is based on a number of brands and distribution channels, primarily comprised of sole agents, financial advisers and bank counters. The Plan provides for the development of new strategic partnerships, which also include insurance product distribution agreements with banks or other institutions with large client numbers. It also makes provision for the use of direct channels as another tool for distributing the Group's insurance products.

Asset management is seen as a functional part of insurance operations. The Group intends to manage this area using its own available skills, which are particularly well structured in Italy, Germany and France. Property investment is seen as an important form of asset diversification, which has already demonstrated its validity over the years and different economic cycles.

Strategic planning and control duties are entrusted to the new corporate organisation structure. This structure has an essential role within the Group, with a decentralised organisational balance based on strong local presence in terms of management and brand. In keeping with its multi-local approach, the Group expects to promote its main local brands, characterising them on the basis of the reference target clients, the range of products offered and the distribution channels, acting as a local operator on all the markets in which it operates and focusing on distribution strategies that are more in line with the characteristics of the individual countries.

Human resource management and training policies are promoted and coordinated at a corporate level. This is vital to strengthening the Group's competitive position. The Plan provides for numerous operations regarding various aspects including head-

hunting, career planning and development, and training and implementation of a bonus system linked to achieving objectives, involving suitable incentives. International programmes also feature highly for training and development, with a view to enhancing the exchange of experiences and professional growth.

Group highlights

(millions of euros)

	2004	2003
Gross premiums	56,339.2	49,603.4
Change on equivalent terms	11.9%	4.8%
Acquisition and administration costs	8,704.2	7,937.2
Impact on premiums	16.2 %	16.9%
Life gross premiums	36,941.2	31,435.1
Change on equivalent terms	16.9%	5.6%
Acquisition and administration costs	4,167.3	3,679.0
Impact on premiums	11.4%	11.9%
Non-life gross premiums	19,398.0	18,168.3
Change on equivalent terms	3.4%	3.6%
Acquisition and administration costs	4,536.9	4,258.2
Impact on premiums	26.1%	26.5%
Non-life loss ratio	74.8%	76.8%
Non-life net combined ratio	100.9%	103.3%
Current financial result	10,592.6	9,925.1
Technical provisions	243,924.4	223,520.0
Investments	252,104.6	230,087.6
Capital and reserves	8,022.1	7,484.1
Net profits	1,314.6	1,015.1

underwriting business

With consolidated inflows of over 56 billion euros, over 65% of which is comprised of life premiums, the Generali Group is one of the biggest international insurance companies, occupying significant positions:

- in Italy, where it is the top insurance group in terms of total premium inflows;
- in Germany, where it ranks third as regards overall premium volume and second in terms of life insurance;
- in Spain, where it is the second group in terms of overall premium inflows;
- in France, where it is in fourth place as regards total premium inflows.

Direct business premiums totalled 55,327.7 million euros (+12.1% on 2003), of which 36,436.7 million euros were generated by the life line of business (+16.7%) and 18,891 million euros by the non-life line of business (+4.2%). New underwriting in the life line of business reached 20,830 million euros, up 31.3% on the previous year.

Reinsurance inflows totalled 1,011.5 million euros (+2%), with 504.5 million euros in the life line of business (+33.4%) and 507 million euros (-18%) in the non-life line of business. The contribution made by reinsurance remains marginal overall, as the Group policy focuses on direct business.

Figure at the top right shows how direct business premiums were distributed between countries and illustrates the relative market shares.

In Italy, the Group share is equivalent to 22.1% of overall premium volume, with over a quarter of life insurance premiums. It also holds a significant market share in Germany, once again with the life sector predominant.

In France, on the other hand, despite the Group's life inflows far exceeding that achieved in the non-life lines of business, the market shares are both approximately 7% due to the greater development of the life line of business in this country.

Lastly, in Spain, where the Group has an overall share of 4.5%, its premium inflows are higher in the non-life lines of business than in the life line of business.

Figure at the bottom right provides information on the technical profitability of business underwritten in the individual countries.

The combined ratio of the non-life line of business, or rather the ratio of claims and technical expenses (acquisition and administration) on the total premiums is close to 100% in all countries apart from Spain, where the ratio is particularly low.

The last column indicates the percentage ratio of the overall costs (acquisition and administration) to life and non-life premiums, highlighting a particularly high figure in Germany and, by contrast, very contained levels in Italy and France.

direct business premiums and market shares by country

(Sustainability Report area; 2004) (millions of euros)

	life		non-life		total	
	value	market share	value	market share	value	market share
Italy	16,489	25.2%	5,619	16.4%	22,108	22.1%
France	7,543	11.1%	4,521	5.5%	12,064	8%
Germany	7,706	7.4%	3,637	7%	11,343	7.3%
Spain	771	4.1%	1,248	4.8%	2,019	4.5%

main indicators by country

(Sustainability Report area; 2004)

	loss ratio non-life	combined ratio non-life	expense ratio life and non-life
Italy	76.5%	99.5%	11.0%
France	74.3%	99.7%	12.5%
Germany	66.3%	99.7%	25.1%
Spain	63.6%	89.6%	17.6%

investments

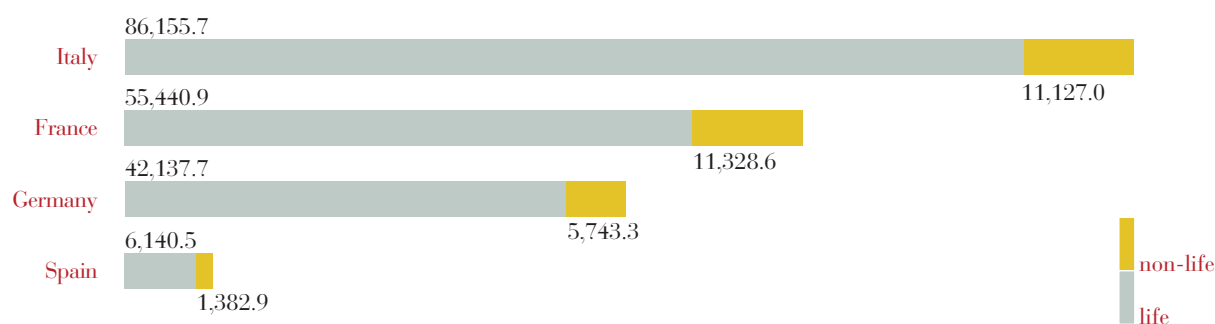
The Group's overall statement of assets and liabilities on 31st December 2004 shows investments worth 252,104.6 million euros - including those where financial risk is borne by policyholders - up 22,017 million euros (+9.6%) on 2003.

Figure shows that bonds account for 66.2% of the overall portfolio, shares for 8.7%, direct loans for 13%, property for 5.5%, shareholdings in Group companies for 3.5% and other forms of investment for 3.1%.

investments (consolidation area; 2003-2004) (millions of euros)		2004	2003	change
Land and buildings		12,001.3	11,963.0	0.3%
Investments in Group companies		7,565.0	8,298.3	-8.8%
Fixed-interest securities		143,838.4	128,011.0	12.4%
Shares		18,812.9	14,916.1	26.1%
Loans		28,195.4	30,020.6	-6.1%
Other investments		6,925.1	6,137.7	12.8%
Total		217,338.1	199,346.7	9.0%
Investments where financial risk is borne by life policyholders		34,766.5	30,740.9	13.1%
Total		252,104.6	230,087.6	9.6%

Due to the special nature of the life line of business with respect to the non-life line of business, and because of its predominance within the Group, the distribution of investments by area of business sees greater weight being attributed to the life line of business. The division of investments by country corresponds to the extent of Group commitments and interests in the various countries.

investments by line of business and country (Sustainability Report area; 2004)





shareholder's funds

The Parent Company's shareholder's funds amounted to 9,336.7 million euros (8,499.2 million euros in 2003). Minority shareholders' interest in capital and reserves totalled 2,050.2 million euros, while minority shareholders' interest in the result for the year amounted to 438 million euros.

Shares in the Parent Company held by the Company itself or by other Group companies numbered 8,984.462, with a nominal value of 1 euro, and account for 0.7% of the share capital.

commercial strategy

In its main markets, the Generali Group offers insurance products for all risk types, advocating itself forward as a global operator, able to provide a comprehensive response to its customers numerous requirements, especially its retail customers, offering a wide range of insurance and savings options under its asset management products, created and tailored to suit its various target groups.

Its product offerings and relative marketing operations are designed on the basis of market macro-segmentation (corporate and retail) and further segmentations - especially within the retail sector - in order to cater for the specific needs of each individual target.

In some cases, specific beneficiaries also have specific distribution channels dedicated to them, in addition to products developed in order to meet their requirements.

The Generali Group has a multi-channel distribution strategy, mainly centred on agents, a traditional channel that has always been one of the Group's strong points, and including independent sellers, financial advisers and bank counters.

The Group also includes direct sales companies (Genertel in Italy and Cosmos in Germany) which carry out their operations exclusively over the telephone and Internet (Genertel also has an agreement with a network of financial advisers for household and health product sales).

The most innovative distribution channels include the special agreements made in Italy in 2004 with car manufacturers and consumer credit companies. In France, it is primarily L'Équité that has special agreements with car companies and dealerships and with mail order companies.

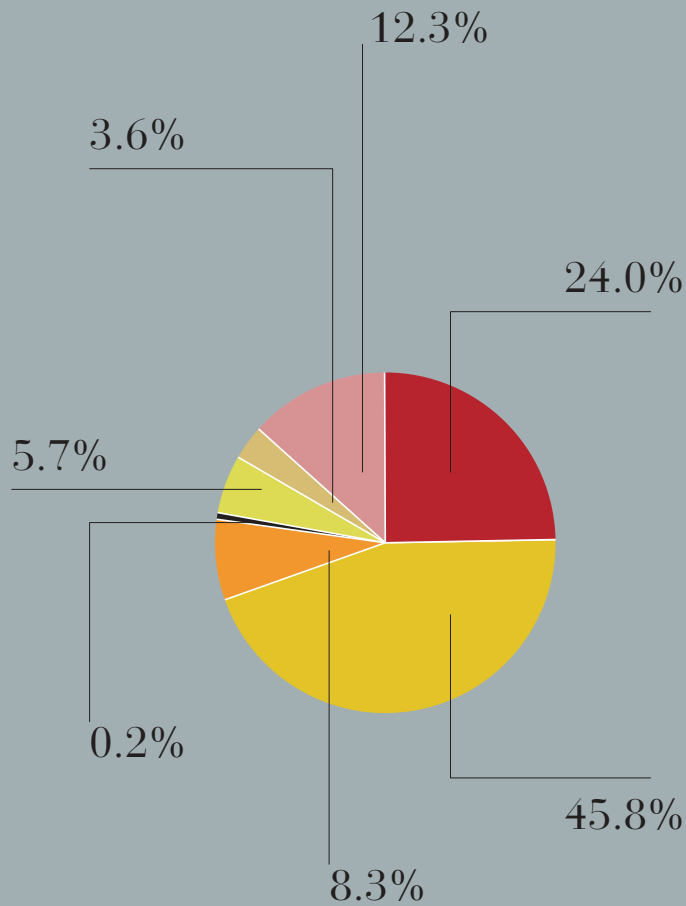
Europ Assistance functions differently: in addition to banks - which offer Europ Assistance services to their credit card holders - Europ Assistance also uses special sales points, such as travel agencies and car dealerships.



added value

added value distribution

consolidation area; 2004



The Global Added Value (GAV) can be deduced from the reclassification of the consolidated balance sheet and it expresses the wealth generated by the Group's operations over the year for the various stakeholder categories.

The GAV is identified as the difference between the underwriting value - consisting of net premiums purchased and net technical, capital and financial profits - the costs due to the services provided and the acquisition of goods and services, plus accessory and extraordinary items.



The GAV does not account for all wealth generated and transferred outside the Group: it cannot highlight the benefits that investments bestow on the economy and the environment in question. However, the GAV can be described as a significant measurement of wealth generated and, thanks to the analysis of its distribution, it provides an insight into how the benefits produced by the Group's operations are distributed among the various stakeholders.

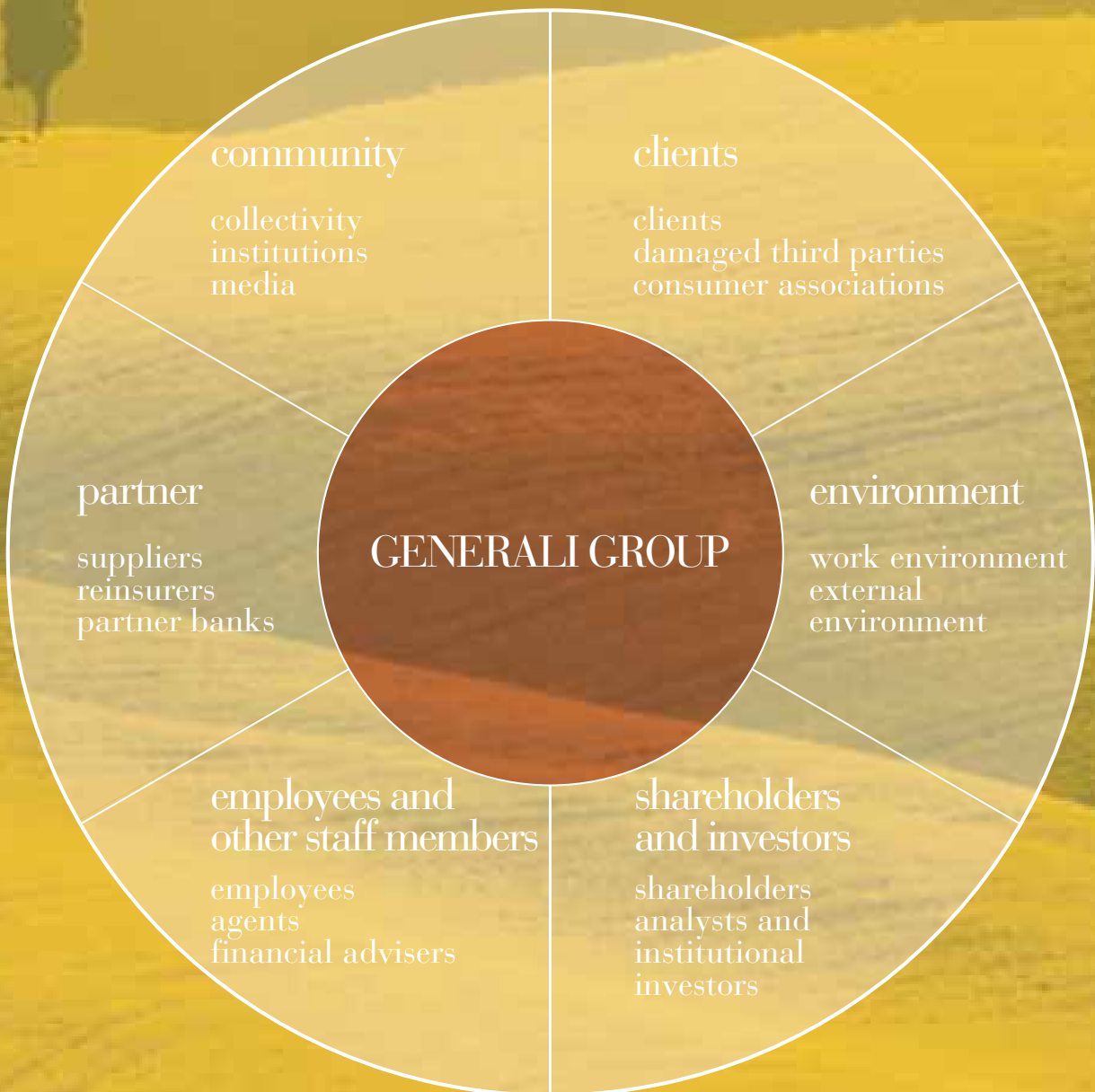
In this first edition of the Sustainability Report, in spite of difficulties due to the size and the compound structure of the Group, the GAV and its distribution has nevertheless been assessed, starting with the analysis of some of its components and its distribution, in particular in order to take into account companies currently not included in the Sustainability Report.

The Global Added Value for the Generali Group in 2004 exceeded 10 billion euros and its distribution among the main stakeholders is outlined in the previous page.



social report

stakeholders' map



employees and other staff members

The Generali Group believes that the opportunity for achieving and maintaining a leading role in the global market is linked to skilled, motivated men and women who work hard to ensure the complete satisfaction of all stakeholders and customers in particular.

To ensure that this comes about, they must share the Company's fundamental values, even before endorsing its business and market vision.

People are therefore the main competitive lever in the insurance industry and therefore the Generali Group places top priority on:

- constantly examining changing organisational requirements;
- increasing loyalty amongst key resources;
- developing its capacity to attract the best people working in the market;
- protecting and developing the skills of its employees and independent staff members;
- recognising the real contribution made to the Company results by each employee or agent.

staff members

Staff size

The Group's total staff numbers approximately 60,000 people. Employee numbers underwent a slight reduction between the years 2003 and 2004 (-3.8%) due to a number of reorganisation processes affecting some of the most important countries where the Group operates.

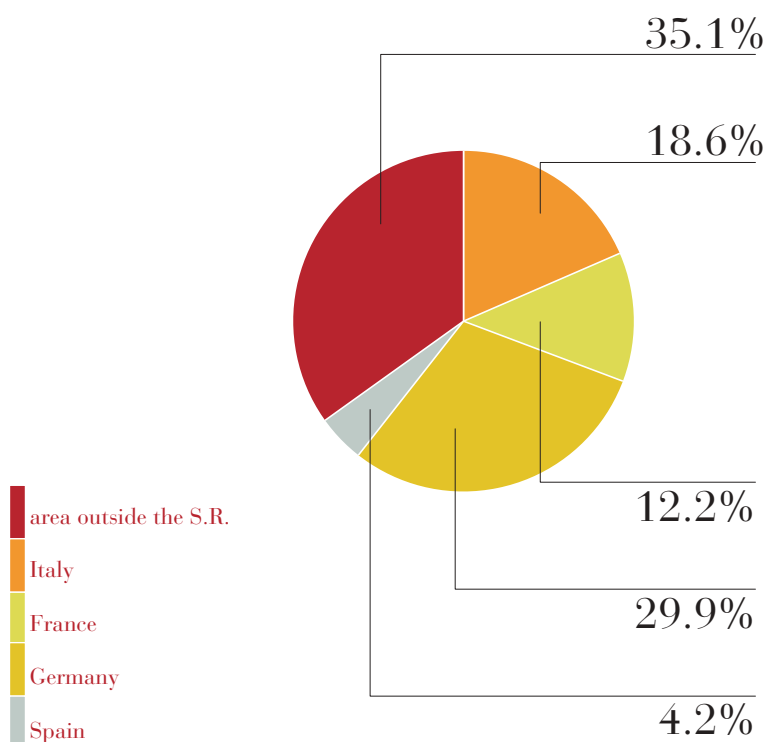
Staff members in the Sustainability Report area

In the Sustainability Report area, the staff remained essentially stable: the increase recorded in Italy (4.7%) was compensated by the reduction in Germany. Staff in the Sustainability Report area account for approximately 65% of the Group total, with a net majority in Germany, which accounts for around 30%.

Staff members by level

Overall, the staff employed at the various levels is essentially stable. It can be observed that Germany has a considerably lower percentage of managers and middle managers than the other three countries. This reflects the different hierarchical structure typical of the industry at a national level.

staff members by country (consolidation area; 2004)



Group staff members

(consolidation area; 2003-2004)

	2004	2003	change
Managers	1,981	2,061	-3.9%
Employees	37,999	39,750	-4.4%
Other	18,374	18,827	-2.4%
Total	58,354	60,638	-3.8%

Group and Sustainability Report area staff members

(consolidation area; 2003-2004)

	2004	2003	change
Italy	10,841	10,354	4.7%
France	7,099	6,995	1.5%
Germany	17,476	18,154	-3.7%
Spain	2,436	2,470	-1.4%
Sustainability Report area	37,852	37,973	-0.3%
Area outside the Sustainability Report	20,502	22,665	-9.54%
Total	58,354	60,638	-3.8%

staff members by level (Sustainability Report area; 2003-2004)

	managers		middle managers		employees		sale force on payroll		other		total		change
	2004	2003	2004	2003	2004	2003	2004	2003	2004	2003	2004	2003	
Italy	179	178	1,079	1,062	5,087	5,127	4,079	3,589	417	398	10,841	10,354	4.7%
France	273	272	2,023	1,922	2,432	2,391	2,371	2,410	0	0	7,099	6,995	1.5%
Germany	31	30	175	186	11,418	11,620	5,680	6,115	172	203	17,476	18,154	-3.7%
Spain	77	79	173	160	1,758	1,780	428	445	0	6	2,436	2,470	-1.4%
Total	560	559	3,450	3,330	20,695	20,918	12,558	12,559	589	607	37,852	37,973	-0.3%

Staff turnover

The effects of the reorganisation process in Germany emerge clearly in the figure dedicated to staff turnover. It shows how the rationalisation process, provided for under the 2003-2005 Business Plan, led to an overall reduction of almost 9% over the two years in question. However, it should be clarified that this reduction in resources was obtained by reducing staff turnover and by turning to the social welfare institutes in the various countries.

The number of new employees taken on in France and Italy in 2004 is significant: in total, the two countries employed almost 3,000 new members of staff. In addition, it should be clarified that the high staff turnover also depends on the fact that the number of people employed and people leaving their jobs also included employees with temporary contracts and people employed to work on specific projects.

staff turnover (Sustainability Report area; 2003-2004)

	2002		2003			2004			
	staff situation 31/12/2002	recruitment	terminations	change	staff situation 31/12/2003	recruitment	terminations	change	staff situation 31/12/2004
Italy	10,330	1,554	1,530	24	10,354	1,779	1,292	487	10,841
France	6,986	1,195	1,186	9	6,995	1,219	1,115	104	7,099
Germany	19,161	n.a.	n.a.	-1,007	18,154	n.a.	n.a.	-678	17,476
Spain	2,426	292	248	44	2,470	278	312	-34	2,436
Total	38,894	3,041	2,964	-930	37,973	3,276	2,719	-121	37,852

Staff education

Graduates account for around one quarter of the entire Group staff. The number of graduates is particularly high in Spain (42.4%) and Italy (29.3%). The graph in the next page shows that these percentages are increasing over time.

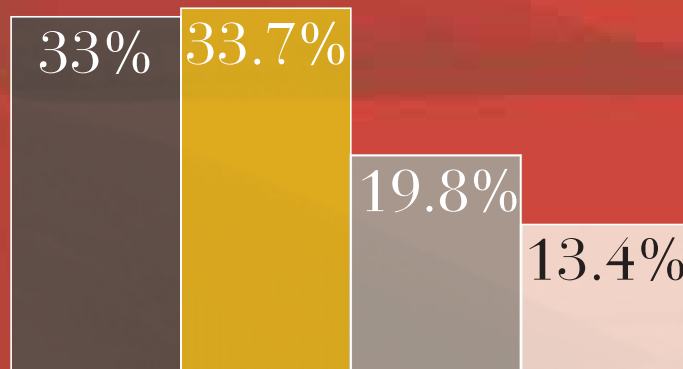
percentage of graduates in staff members

Sustainability Report area; 2003-2004

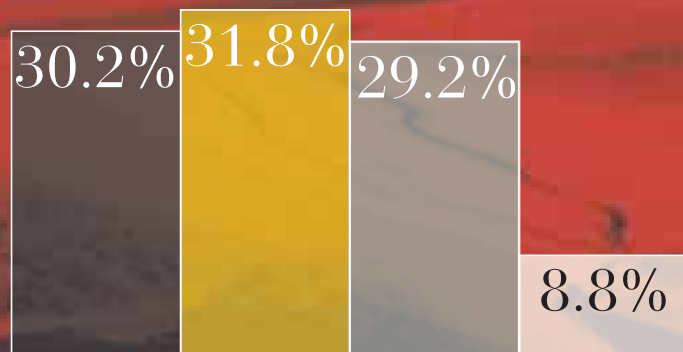
	Italy	Germany	Spain	Total
2004	29.3%	17.3%	42.4%	24.8%
2003	26.8%	15.2%	40.7%	22.4%

staff members by age bracket

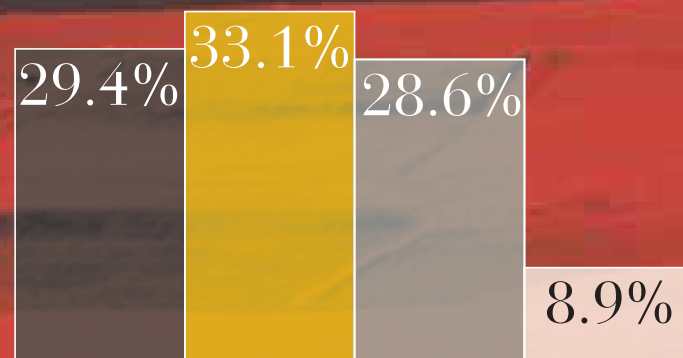
Sustainability Report area ; 2004



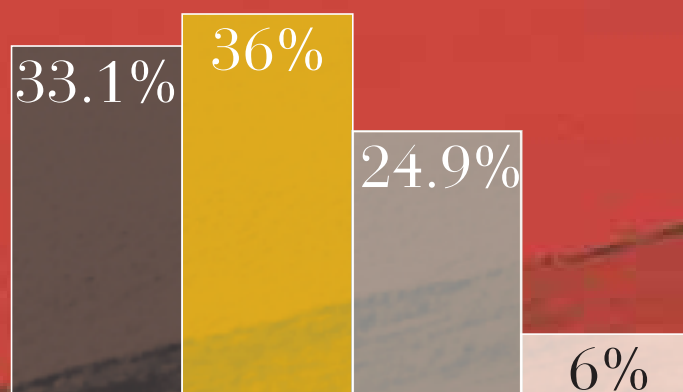
Italy



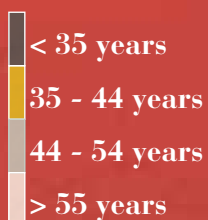
France



Germany



Spain



Staff members by age bracket. As regards the subdivision of staff members by age, the situation remained essentially stable between 2003 and 2004.

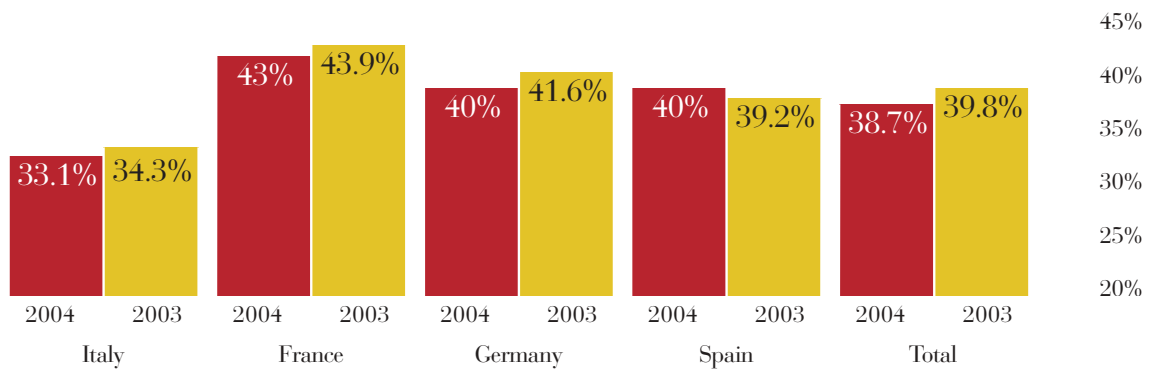
64% of personnel are aged under 45.

Italy has a higher percentage (13.4%) of staff members aged over 55, although this figure is down on the previous year.

staff members by age bracket (Sustainability Report area; 2003-2004)

	< 35		35-44		44-54		> 55	
	2004	2003	2004	2003	2004	2003	2004	2003
Italy	33.0%	31.5%	33.7%	32.9%	19.8%	21.3%	13.4%	14.2%
France	30.2%	31.2%	31.8%	31.3%	29.2%	29.8%	8.8%	7.7%
Germany	29.4%	30.5%	33.1%	33.1%	28.6%	27.6%	8.9%	8.8%
Spain	33.1%	33.4%	36.0%	35.8%	24.9%	24.8%	6.0%	6.0%
Total	30.8%	31.1%	33.2%	32.9%	26.0%	26.2%	10.0%	9.9%

percentage of women by country (Sustainability Report area; 2003-2004)



percentage of women by level (Sustainability Report area; 2003-2004)

	managers		middle manager		employees		sale force on payroll		other		total	
	2004	2003	2004	2003	2004	2003	2004	2003	2004	2003	2004	2003
Italy	2.8%	5.1%	15.5%	14%	45.1%	44.8%	30.3%	26.7%	4.1%	5.3%	34.3%	33.1%
France	37%	35.7%	47.6%	47.6%	72.9%	72.6%	16.1%	14.9%	0%	16.1%	43.9%	43%
Germany	0%	0%	2.6%	2.8%	53.6%	51.7%	17.4%	17.7%	67.2%	0%	41.6%	40%
Spain	5.2%	5.1%	22%	23.1%	49.9%	51.2%	9.3%	8.8%	0%	0%	39.2%	40%
Total	19.4%	19.7%	33.5%	32.6%	53.5%	52.3%	21.1%	19.4%	11.8%	5.2%	39.8%	38.7%

disabled people (Sustainability Report area; 2003-2004)

	2004	2003
Italy	604	630
France	151	126
Germany	628	753
Spain	9	9
Total	1,392	1,518

Female staff numbers. Overall, women account for almost 40% of the staff covered by the Sustainability Report.

Female staff members are concentrated in the employee category, where they exceed 50% of total.

The sales force on payroll is mainly male. It can be seen that, for this category, Italy has a significantly higher female presence than the other countries, reaching 30.3%. The number of women in management positions is just below 20%. France stands out from the others with 37%, while levels are low in Italy (2.8%) and nil in Germany, highlighting the differing work cultures of the various countries.

This Report does not include a **trade union membership** rate, as no information is available on France and Germany. In France, under law, companies are prevented from asking their employees about trade union membership; in Germany, companies do not have such information, as they have no direct contact with trade unions and membership is through external channels.

Disabled people. In keeping with Italian, German, French and Spanish law, the Group has around 1,400 disabled employees.

The figures have fallen over the last year, primarily due to personnel reduction policies implemented in Germany.

In November 2004, Generali France stipulated an agreement with four trade unions (CFDT, CFE-CGC, CFTC and CGT) in which it undertakes, from January 2005, to:

- hire at least nine disabled people on a permanent basis over the next 3 years;
- encourage the introduction of disabled people into the professional workplace by means of fixed-term contracts;
- favour temporary-employment agencies that have a disabled people integration policy;
- develop partnerships with bodies that work towards introducing disabled people in the workplace.

Working hours and leave. Different working hours are in place in the various countries, in keeping with the respective national category contracts.

In Italy, working hours amount to 37 hours per week, 8 hours a day from Monday to Thursday and 5 hours on Friday, while working hours are respectively 38 and 35 hours per week in Germany and Spain.

French members of staff can choose between three different weekly working hour regimes, varying from 35 hours and 50 minutes to 38 hours and 50 minutes.

However, since the law provides for 35 working hours per week, employees and other staff members make use of paid leave for over-time work.

Members of staff are allowed leave as provided for by law, collective national category contracts and supplementary company contracts. It should be mentioned that - with the differences from country to country - Group companies often apply more favourable conditions than those provided for by law or the national contract in relation to certain types of leave such as that for weddings or the death of a family member, maternity leave, paternity leave, child sickness, caring for disabled relatives and blood donations.

Irrespective of the differences between countries - which are at times quite significant - looking at the breakdown of the type of leave, the average number of days of absence per employee is quite similar. Data for leave and absences highlights a total absence of strikes in France, Germany and Spain; the number of strikes was very low in Italy.

days of absence and strikes (Sustainability Report area; 2003-2004)

	paid days off	paid leave	unpaid leave	illness and accident	maternity leave	strikes	total
Italy	187,242	45,154	7,157	96,233	33,662	1,990	371,438
France	124,228	5,772	576	89,978	16,177	0	236,731
Germany	342,453	4,137	416	198,143	11,967	0	557,117
Spain	50,226	1,984	2,452	10,144	6,048	0	70,854
Total	704,149	57,047	10,601	394,498	67,854	1,990	1,236,140

human resources policies

Recruiting and employment policies

Business diversification, the number of foreign countries involved and the very nature of the insurance sector require contributions from skilled, dynamic members of staff, ready to learn and able to engage with an international environment. In keeping with these requirements, the Group places its trust in young people who are open to change and desirous of establishing their careers, entrusting them with duties of increasing responsibility.

The fairness and correctness of the staff recruiting and employment process is ensured by compliance with the policies put in place by the Parent Company. As a general rule, when there is a position vacant, the first solution involves looking for a person to fill it from inside the Group. Whenever it is necessary to turn elsewhere, potential candidates are identified by means of spontaneous applications, relations with universities and company databases, turning to specialist companies when necessary. Whilst linked to the nature of the position to be filled, the recruiting process is based on some common basic requirements: a good education with a good degree; good knowledge of at least one foreign language; moreover, where present, a master's degree is another desirable qualification.

The Group generally looks for graduates in economics, whose education is an essential requirement for jobs such as planning, finance and control. However, the Group also consider those with a degree in technical subjects and the humanities in order to support the other Company roles.

Business and development systems

A Management Review process was implemented for the first time in 2004 for all the European countries.

Every Area Manager/Company Manager discussed matters of salary policy, development plans and managerial continuity succession tables, human resource performance indicators and strategic plans for personnel for 2005 with Executive Corporate Management (Managing Director, General Manager, Human Resources Manager).

Evaluation, remuneration and motivation systems

Equal pay. The Group's salary policies aim to ensure internal equality and a balance within the national markets, whilst also following specific salary criteria and methods. As part of its drive towards in-house and outside market equality, all the Group company directors and part of the management are evaluated using the "Hay method". This involves those directly responsible being asked to periodically evaluate the results obtained by a person on the basis of three different factors:



- work performance in terms of qualitative and quantitative results, commitment, punctuality and behaviour;
- development of knowledge and skills;
- professional development, also harnessing observations and suggestions for identifying professional goals and future training opportunities.

The salary policies linked to the “Hay method” and other projects undertaken are designed to establish a curve representing fixed salaries for each role and area of fluctuation, so as to guarantee equality whilst also allowing room for discretion, making it possible to reward individual commitment.

Some of the most significant projects implemented are described below. Since 2004, this method has been flanked by a specific experimental skills evaluation system, known as the “Skill Project”. This project aims to survey and develop personal core skills, subdivided into managerial (defined at Group level and common to all management), business (specific to the company’s area of business) and technical (concerning processes, tools, markets, products and typical of each professional profile).

In 2004, Assitalia also started up the “Job Description Project” to help manage internal mobility and professional growth, as well as to provide incentives for the development of variable salary systems linked to the “Management By Objectives” (MBO) systems that recognise, together with the evaluation obtained by the Hay method, the contribution made by each individual to the achievement of company objectives.

Moreover, in 2004, the “Balanced Scorecard” project was also adopted. It was initially tested with a number of employees and other staff members, assigning personal objectives featuring by minimum, middle and maximum targets, the attainment of which was linked to a variable salary system. By sharing financial objectives, the “Balanced Scorecard” aims to structure Group strategy in terms of individual objectives linked to four different areas of the tool: financial, customer-related, internal process-related and development and growth-related.

Companies operating in France evaluate their employees and other staff members using the methods provided for by the National Collective Employment Contract for the insurance industry. The national agreements require every member of staff to be classified in one of the seven salary levels, by means of annual interviews and on the basis of five set criteria (training and experience, problem identification and solving ability; interpersonal skills, autonomy and significance of contribution made).



Certain benefits are provided in every country as part of the salary package.

Incentives. The adoption of an additional security plan has been a feature of the Group for many years.

All the managers participate in an annual bonus scheme on the basis of measurable qualitative objectives achieved and budgets agreed upon with the Parent Company. An analogous system is in place for all employees.

No stock option plans were active in Group companies in 2004. Some German companies implemented share distribution programmes for all employees as part of a logic of sharing the company's success and increasing the loyalty of its employees and other staff members.

For non-managerial positions, the basic salary is closely related to the National Collective Employment Contract, but various different short-term incentive schemes are in place in each country, designed to make it possible to exploit the particular features and organisational model of every single Group company.

Benefits. The Group offers its employees and other staff members various benefits, in the belief that this policy is an extremely important factor in developing the sense of belonging. The benefits can be divided into four categories:

- a. additional security;
- b. healthcare;
- c. other benefits for employees and their families;
- d. social and recreational activities.

a. Additional security. The adoption of an additional security plan has been a feature of the Group for many years. According to current provisions, all Group employees who have been working for the Group for a set period of time (generally at least six months) are entitled to additional security. In general, this is provided by means of local pension funds, partly financed by the companies and partly by the staff. Those entitled have the right to receive guaranteed benefits - in form of annuities, lump-sums or both - when they retire.

b. Healthcare. The Generali Group has been preparing a number of insurance tools for many years, designed to guarantee its employees and other staff members the possibility of making use of quality health services at no or very low cost.

In Italy, the Group takes on the cost of a number of insurance policies for employees by means of the Healthcare Fund that offers cover for accidents in the workplace, cover for hospital admissions due to illness, accidents, surgery or childbirth; life insurance, implying temporary cover in the event of death; and cover for major surgery. In addition to covering hospital admission and surgery costs, the latter also refunds the costs sustained for diagnostic tests, examinations, drugs, medical and nursing services, and physiotherapy and post-surgery treatments. Healthcare coverage - extended to employees and their direct family is particularly significant, reimbursing costs sustained for dental care, consultant visits and diagnostic tests, healthcare and specialist outpatient services prescribed by a consultant and cancer treatment. In France too, employees benefit from additional healthcare coverage paid for by their companies, while in Spain this benefit is reserved for managers only.

c. Other benefits for employees and their families. In 2004, a project was launched with the objective of gathering systematic information on benefits other than the insurance benefits offered to Group company employees and other staff members. Initial results showed that the situation differed from country to country and company to company. Thus, an opportunity was initially identified in restoring the balance in salary policy.

Depending on the company in question and the position of employees, of course, generally, the following benefits are offered that include canteen, luncheon vouchers, free tax assistance, company car, study grants for children and reimbursement for relocation costs.

To increase loyalty amongst employees, German companies pay out one-off cash sums and award additional holiday upon reaching a certain number of years in the company's employment (25, 40 and 50 years), in addition to awarding a cheque for one month's salary from 10 years onwards. In Italy with 20 years of service or more is recognised and awarded.

Many companies in the Sustainability Report area offer their employees and other staff members the possibility of access loans at discounted rates for certain purposes, such as purchasing, renovating or building their home or buying a car.

Generally speaking, employees enjoy discounts and/or more favourable contractual conditions on numerous types of life and non-life policies and on Group or partner company banking services.

In France, with the relocation to Saint-Denis, numerous initiatives were implemented ensure that employees settled into their the new office location. In addition to contributions made towards the move and loans at discounted rates for buying a car, various services and recreational activities were also put in place.

d. Social and recreational activities. The Group is also aware of the recreational, sports and cultural requirements of its employees and other staff members:
- in Italy, Assicurazioni Generali and Alleanza make contributions to the respective Company Staff Recreational Groups (CRAL) for sports, recreational and educational purposes (study grants for employees' children);

- in France, the Group funds social and cultural activities, trips, leisure activities and fitness, contributing 1.8% of outlay. An association has been created in Saint-Denis in order to allow employees to enjoy numerous sports and cultural activities such as swimming, tennis, horse riding, football, choral singing, chess, visits to exhibitions, etc. In collaboration with the Université de Tous les Savoirs, the Group has also founded a club that allows managers to attend conferences with top speakers from economic, social, academic, scientific or political areas on subjects linked to insurance and the evolution of social and geopolitical risks;
- in collaboration with the Association du Parc des Barbanniers, Europ Assistance France organised the “Olympiades”, an activity that brought various Group companies together for a multi-sports event;
- in Germany, Central Krankenversicherung supports two company groups involved in promoting tennis and jogging, organising competitions and other events on a company level.

Assicurazioni Generali also supports the Senior Company Staff Group, whose members number around 2,500 pensioners and widows of former Company employees and 1,200 employees who are still in office today but have worked for the Company for over 20 years. The main objectives of this project are to maintain links between retired colleagues - by organising social and cultural events, trips and, above all, the annual Seniors Festival - and to provide assistance to those who find themselves in need. In addition to direct funding, the Company also provides healthcare insurance and assistance coverage.



number of participants (Sustainability Report area; 2003-2004)

	management skills		technical skills		language skills		IT skills		newly employed people		total	
	2004	2003	2004	2003	2004	2003	2004	2003	2004	2003	2004	2003
Italy	734	530	1,149	1,315	352	137	965	1,813	734	156	3,934	3,951
France	1,111	n.a.	2,199	n.a.	153	n.a.	901	n.a.	1,111	95	5,475	n.a.
Germany	2,613	4,048	2,644	2,004	24	58	4,326	5,358	2,613	317	12,220	11,785
Spain	243	191	691	1,001	252	285	525	337	243	287	1,954	2,101
Total	4,701	n.a.	6,683	n.a.	781	n.a.	6,717	n.a.	4,701	n.a.	23,583	n.a.

training hours (Sustainability Report area; 2003-2004)

	management skills		technical skills		language skills		IT skills		newly employed people		total	
	2004	2003	2004	2003	2004	2003	2004	2003	2004	2003	2004	2003
Italy	14,154	8,631	13,905	23,110	12,140	4,078	48,676	69,833	7,875	10,211	96,750	115,863
France	12,851	n.a.	47,891	n.a.	6,588	n.a.	11,068	n.a.	12,627	n.a.	91,024	n.a.
Germany	26,327	37,448	30,738	30,881	339	1,074	42,524	47,242	706	887	100,634	117,532
Spain	4,400	6,442	11,865	21,384	8,504	7,928	4,875	5,150	7,031	11,071	36,675	51,975
Total	57,732	n.a.	104,399	n.a.	27,571	n.a.	107,143	n.a.	28,239	n.a.	325,083	n.a.

training activities

The Group believes that making the most of human resources is an important feature of its identity. By means of intense, regular training, it aims to promote individual abilities and encourage personal and professional growth. Its training policies provide for a number of different courses designed to meet the requirements of different profiles.

Personnel involved in training

In 2004, over 23,500 employees (62.3% of staff) were involved in training activities. The activities primarily involved the managerial, specialist technical and IT areas. Courses for new employees grew in importance in 2004. It should, however, be clarified that the training provided for new employees follows set standards that may have a different effect in different years, in relation to the distribution of the new employees (the company normally waits until there is a suitable number of new employees before starting the planned training courses).

Number of training hours

While there was an increase in the number of employees involved in training between 2003 and 2004, there was a change in the total number of hours of training provided by the Group training centres.

The reduction in the number of hours primarily concerned the management, technical and IT areas. It should also be observed that, in many cases, this is the result of the optimisation of training programmes in relation to Company requirements, carried out on the basis of experience gained in previous years. In other cases, the programmes are not distributed regularly over the years and come to an end once they have been attended by all the relative personnel.

Training programmes

To foster the development of a new managerial generation, able to take on roles of responsibility in the future, the Group developed the “**Generali Corporate Managerial Training and Development**” programme. This training project is the same across the whole Group. Young managers involved in the programme are given an opportunity to improve their skills in the fields of management, problem solving, communication, interpersonal skills and leadership. So far the project has involved a total of 358 resources, including 143 managers and 215 middle managers. The seminars, which involve 20 days of training spread over 8 months, are held in Italy, at the Mogliano Veneto Group school. They are taught by teachers of international standing and key specialists from within the Group itself.

To facilitate the professional development process for **newly employed staff members**,

the Group offers courses, conferences, exchange programmes and work experience at its various companies. The logic behind this, is that of accompanying the professional development of these employees, guaranteeing growth in keeping with the Group's values, behavioural styles and operating approaches from the time that they join the company, increasing their sense of belonging to a major international corporation.

The “**Managing for Value**” **workshop** was created with the goal of implementing the strategic profitability objectives. It aimed to share with participants the need for business based on working towards objectives. The initiative, set up for managers, middle managers and specialists of the Group companies at an international level, was launched in 2003, involving around 130 people.

Central Krankenversicherung has set up a “**Summer Academy**”. In summer 2004, it offered a range of educational activities designed to develop IT, interpersonal and company communication skills. The initiative, open to all company employees on a voluntary basis, was extremely successful, recorded a high participation.



relations with trade unions

From January 2004, operations inherent to the industrial relations of Generali Group companies in **Italy** were grouped together under a specific department within the Parent Company. This centralisation had the objective of developing a uniform approach and system of relations with trade unions and understandings with the Management/Resources of the companies involved.

Over recent years, relations with trade unions have been particularly intense in relation to problems linked to integration between the former INA group and the Generali Group.

Thanks to the Group trade union agreement, reached in 2000 and renewed over the following years, certain “framework” rules have been agreed upon with the trade union representatives of the various companies with a view to establishing: levels of information, procedures and processes to be followed when implementing said projects. By agreeing that the purpose of the integration process is the optimum development for the Generali Group, the parties emphasised the importance of making the most of the Company’s professional skills in a context that harmonizes business and staff’s requirements.

Working in this direction, the Group has committed itself to re-qualifying personnel forced to change jobs following company and inter-company changes by means of training, as well as with dealing with any excess personnel by using voluntary redundancy schemes wherever possible.

A new collective agreement was reached in **Spain**, designed to take a considerable step forward towards bringing the work conditions and pay into line in all Group companies in the country.



In **Germany** there are no direct contacts between the company and trade union organisations. Negotiations relative to the national employment contract for employees in the insurance industry are made via the Federation of Employees.

In **France**, the management has built stable, profitable links with the trade union organisations, introducing a new policy designed to create a coherent, united group throughout France.

Working in this direction, agreements have been reached and signed by trade union organisations representing 90% of staff members, which made it possible to draw up a list of rules common for all employees, except those employed in sales, given the specific nature of their work.

labour disputes

On 31st December 2004, the Group was involved in 498 labour disputes (relating to administrative staff, sale force on payroll and agents) in the countries in question, for a total value of 15 million euros, calculated on the basis of the claims made by the opposing party.

value and number of labour disputes

(Sustainability Report area; 2004)

	value (thousands of euros)	number
Italy	10,882	212
France	3,000	29
Germany	842	250
Spain	318	7
Total	15,042	498

2005 objectives



- Development of the salary policy harmonisation process at a nationwide level and across the Group as a whole.
- Expansion of the “Skills project” to other Group companies in Italy and abroad.
- Introduction of the Balanced Scorecard in Europe, with the definition of the economic and intangible asset performance indicators.
- Increase in the Group school operations, with the foundation of the Generali Group Innovation Academy.
- Launch of personal development plans based on the adopted skills model.
- Launch of the “Being a leader” training project for all Italian company directors.
- Launch of e-learning.

agency networks

The main distribution channel for Generali Group products is the **agency networks**, mainly consisting of contracting agencies managed by independent agents, who have been granted the authority to manage and develop the Group's insurance portfolio in an area assigned exclusively to each agency. To carry out their activities in this area, the contracting agencies may set up their own organisation, essentially consisting of professionals such as sub-agents and self-employed workers. While the latter have underwriting as their sole task, sub-agents - who normally operate in one or more municipalities within the agency's territory - are also responsible for management of the part of the agency's portfolio regarding the municipality. In each case the agency itself is responsible for organisation and manages the commission offered to each of its collaborators in complete autonomy. Each Group company normally has its own agency network.

The **company agencies**, by contrast, are managed by Group employees. This organisation is typical of Alleanza Assicurazioni in Italy and Volksfürsorge in Germany. Assicurazioni Generali too, alongside an extensive network of contracting agencies, has five company agencies which generally deal with corporate clients.

The Group's agency channel is characterised not only by its consolidated, traditional professional approach, but also by its widespread geographic presence, held to be an indispensable element in successfully tackling the challenges posed by an increasingly demanding, competitive market.

As of 31st December 2004, there were 13,624 Group agencies in the four countries of the Sustainability Report area, a fall of 155 units compared to the previous year due to the reorganisation of the sales structure, aimed at optimising geographic presence. In some areas especially, this fall has led to the creation of more structured, organised points-of-sales, which are able to compete more effectively on the market and offer a more comprehensive customer service, resulting in a trend towards increased agency size. At the end of 2004, most sales points in almost all countries fell into the under-four-million-euro premium bracket. The exception was Italy, where agencies were more evenly distributed over the three premium brackets considered, with the strongest presence in the over-six-million-euro premium bracket. At the end of 2004, over 136,300 sellers worked in the sales networks belonging to the Group companies. 16,750 were **agents** working in collaboration with over 97,000 sub-agents. The latter included more than 90,000 part time agents (who are quite common in the German market) working for the companies in Germany and about 15,000 self-employed agency co-operators, of whom 13,000 were Alleanza Assicurazioni self-employed representatives - independent business brokers with the role of signalling deals and new clients and collecting premiums, predominantly at the clients' home.

The number of sales representatives also includes around 7,500 forming part of the **employed sales team** of Group companies using this channel. In Italy, the use of a sales force of employees combined with an agency network is typical of Assicurazioni Generali and Generali Vita. The sales force on payroll is, however, common in Germany, where it is used by all the main Group companies, especially Volksfürsorge, while in France, GPA is the only one of the Group using this channel solely for the distribution of its products.

The sales force on payroll channel is mainly dedicated to retail products. In Italy, this team, as well as comprising a basic sales force, has the important strategic function of ensuring the necessary and continuous turnover of agents. New Assicurazioni Generali agents are all chosen from the ranks of employed representatives and Management Inspectors (discussed later on in this chapter), after a suitable training period and after proving adequate sales and organisational skills. Alleanza's general agents are also all trained in-house, and before becoming such have moved through all career stages, from simple external consultants to agency managers. In other cases, new agents and employed sales staff members are recruited by applying a structured, precise recruiting process aimed at verifying the suitability of candidates flagged by agents or specialist companies, who have responded to classified recruitment advertisements or spontaneously applied for the position.

agencies by premium bracket (Sustainability Report area; 2003-2004)
(millions of euros)

	< 4		4-6		> 6		total	
	2004	2003	2004	2003	2004	2003	2004	2003
Italy	442	548	394	343	551	514	1,387	1,405
France	1,153	936	23	15	11	7	1,187	958
Germany	7,904	8,392	3	3	1	1	7,908	8,396
Spain	3,068	2,952	16	12	58	56	3,142	3,020
Total	12,567	12,828	436	373	621	578	13,624	13,779

In France, the only intermediaries authorised to offer products, whether life or non-life insurance, to all client categories are the sales force on payroll. In all countries, the sales structure described above is coordinated at the level of the individual company through a dedicated management structure with the task of defining commercial strategies, whose diffusion and implementation are generally entrusted to specific operating units. Network control and support is often implemented through a structure separated into macroareas, into which the country is divided; area managers supervise the various units providing technical and administrative support to agencies or carry out controls on the agencies assigned to them. In Assicurazioni Generali, the Management Inspector plays a key part in managing the sales network, in that his joint role of direction and coordination of the employed sales teams operating in the various companies enables him to perform all operations aimed at achieving the Company's commercial policies to the full.

The sales organisations described above are flanked by **self-employed representatives** and **brokers** - especially for dealings in the corporate affairs sector - and, in Germany, the **multi-mandate agents**.



In contrast, **branch offices**, spread over the whole country for offering commercial and administrative support to agents and brokers, are typical of Spain.

To improve and complete the quality of the consultancy service offered to customers, recent years have seen the implementation of a policy of skills growth for the sales network beyond the insurance sector in its strictest sense, giving the opportunity to achieve the position of **financial adviser** firstly to agents and then employed representatives, and subsequently sub-agents.

As the sales force - in its role as the main point of contact with customers - is one of the most important value creation tools with customers and through these, for investors, it forms a strategic asset in which the Group invests to increase its value. With the aim of achieving a highly qualified, specialised sales staff, broad use is made of tools such as training, remuneration schemes and suitable incentives, supplying all the necessary support and assistance (agency premises, computer tools such as PCs and demonstrative and simulation software, information and advertising material on the company and its products, technical consultancy, etc.).



number of trained people

(Sustainability Report area; 2004)

	courses for new employees	courses on products	technical commercial courses	other courses	total
Italy	483	2,978	7,379	1,270	12,110
France	960	5,366	1,783	3,038	11,147
Germany	15,102	6,717	18,454	11,499	51,772
Spain	958	3,255	638	1,297	6,148
Total	17,503	18,316	28,254	17,104	81,177

hours of training

(Sustainability Report area; 2004)

	courses for new employees	courses on products	technical commercial courses	other courses	total
Italy	14,978	3,610	82,043	3,094	103,725
France	22,205	49,216	17,557	32,527	121,505
Germany	312,320	80,379	316,986	180,703	890,388
Spain	57,785	48,103	17,314	4,404	127,606
Total	407,288	181,308	433,900	220,728	1,243,224

agents by seniority of service (Sustainability Report area; 2003-2004)

	< 2		2-10		10-20		> 20		total	
	2004	2003	2004	2003	2004	2003	2004	2003	2004	2003
Italy	337	321	849	880	632	609	383	367	2,201	2,177
France	328	177	412	400	355	322	219	209	1,314	1,108
Germany	2,791	3,387	3,512	3,385	1,068	1,044	618	627	7,989	8,443
Spain	4,018	3,884	2,593	2,547	1,491	1,494	487	496	8,589	8,421
Total	7,474	7,769	7,366	7,212	3,546	3,469	1,707	1,699	20,093	20,149

Sales force training activities

In **Italy**, training of the sales network of agents is managed by specific services. In 2004, training was again aimed at broadening the non-life product knowledge of agents and the sales force on payroll, historically more targeted towards the life line of business. Training support for the examination for admission to the Register of Financial Advisers was also offered, with the aim of increasing the number of sales representatives able to offer customers “global” consultancy in both the insurance and financial field. Training activities for the companies’ new agents and employees were also promoted, to guarantee that, right from the start, such operators have achieved a professional level enabling them to supply responses increasingly in line with the growing demands of consumers. Intense training was also provided for claim settlement experts in GGL.

In Genertel, sales contact centre staff members are trained from the beginning of their employment. Training is provided by in-house staff members and also managed by the temporary employment agencies involved in the employment of Contact Centre staff members. Subsequent technical and commercial specialisation courses are held by in-house experts and coordinated by the Training Department.

In **Germany**, commercial training focuses particularly on communication, with specific courses for sales staff members based on telephone communication techniques to contact potential clients.

In **France**, an e-learning tool called “Galileo” has been developed: this is an innovative interactive method enabling agents and brokers, their co-operators and all Group Employees involved in the sales process to discover the new product range and familiarise themselves with implementing management systems. The training programme, which has now been extended to all aspects of commercial training, is provided through a specialised platform enabling each participant to be followed individually, with very satisfactory results.

In **Spain**, a training programme known as “Elite Agents” is in place, aimed at instilling an entrepreneurial approach in agents. This has the objective of transforming the agency into a company.

Figures summarise the Group’s overall training activities for the Sustainability Report area countries, divided by the type of course held to satisfy the various user needs.

The sales force is characterised by strong loyalty; this is especially true of agents, but also of sales force on payroll, confirming their satisfaction with the Group’s

commitment towards them. The agents' seniority of service is very high: on average, around 26% exceed ten years. Agent loyalty to the Group's companies is particularly strong in Italy, where around 46% of agents have more than ten years' service. This is in contrast with the situation in Spain, where 46% of agents have been in service for less than two years, reflecting the recent expansion of the Group's agency network in this country.

other distribution networks

As stated, in addition to agents the Group also makes use of other channels to distribute its products.

Financial advisers have particular importance in Germany, where overall there are more than 36,000 of them. The main network is that of DVAG, with approximately 32,000 consultants, alongside two minor networks (OVV and FVD). To a lesser extent, the Group also resorts to the cooperation of financial advisers from other national networks. In Italy, the Group makes use of Banca Generali's 5,000 financial advisers, including 2,800 insurance/financial advisers working in agencies and 100 Relationship Managers in the private banking division, specialised in offering their services to the most exclusive clients. In France, around 2,100 independent financial advisers distribute Fédération Continentale products.

In Italy, almost 3,000 **bank counters** now offer the Group's insurance products. 2,460 are counters of Banca Intesa, in partnership with which the company Intesa Vita was set up to reorganise insurance shareholdings and distribution agreements between the two groups. The company has been operational since 1st January 2004. In Germany the Group's main banking partner is Commerzbank, which sells exclusively Volksfürsorge policies through its 700 national counters. In addition, AMB Generali has signed numerous distribution agreements with regional banks, operating in the south-west of the country with around 500 counters. In Spain, the life insurance and pension products of Cajamar Vida, a recently set-up bancassurance company controlled jointly by Generali España and the Cajamar Credit Institute, are distributed through the bank's 730 counters. Finally, in France, Fédération Continentale has some distribution agreements with important banks.

2005 objectives

- Improve training activities and support provided by the companies to sales networks, with a view to technology innovation, with the aim of achieving a comprehensive and coordinated management of customers' relations.





shareholders and institutional investors

The Group considers optimization of its shareholders' investment to be a priority, driven to implement an industrial policy which guarantees them an adequate long term financial return. The Group also guarantees that investors will be provided with all the information they need to base their investment decisions on a correct evaluation of corporate policies, management progress and the forecast profitability of invested capital.

Share capital, shares and shareholders data are given below, together with a description of the Investor Relations Department's activities. For a better evaluation of the results, in this section only the time period has been expanded from two to three years.

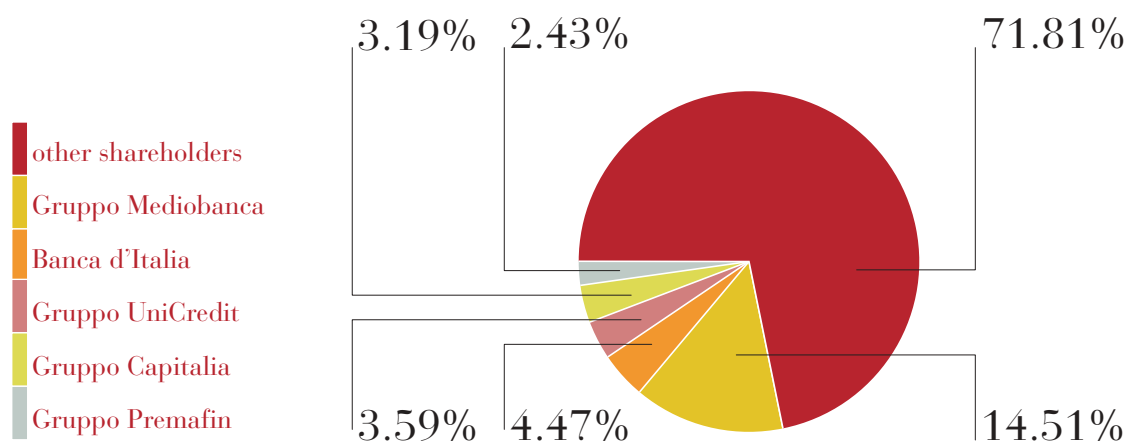
shareholders

At the end of the 2004 financial year the share capital of Assicurazioni Generali S.p.A. amounted to 1,275,999,458 euros, divided into an equivalent number of shares each with a nominal value of 1 euro. At the same date, the Company had 249,419 shareholders.

The main shareholders' agreement used is that whose undersigning was authorised on 13th March 2003 by the decision-making bodies of **UniCredit Banca S.p.A.**, **Monte dei Paschi di Siena S.p.A.** and **Capitalia S.p.A.** This agreement commits the parties to meet regularly and, in any case, seven days before each Assicurazioni Generali S.p.A. meeting, to discuss any topic of common interest regarding the Company. The agreement's signatories have declared that it does not constitute a constraint to the exercising of rights deriving from the possession and/or ownership of Generali shares which include each party remaining free to exercise such rights according to the party's own independent decisions. Currently, the shares held by signatories to the agreement amount to a total of 8.438% of the Assicurazioni Generali capital and are distributed as follows: UniCredit 3.589%, Banca Monte dei Paschi di Siena 1.658% and Capitalia 3.191%.

Main shareholders are those who, directly or indirectly, including through third parties, trustees and/or subsidiary companies, hold shares to the value of more than 2% of the share capital. According to the Register of Shareholders and communications received under the law, the main shareholders are those indicated in the table below:

main shareholders: percentage of capital (Assicurazioni Generali; 2004)



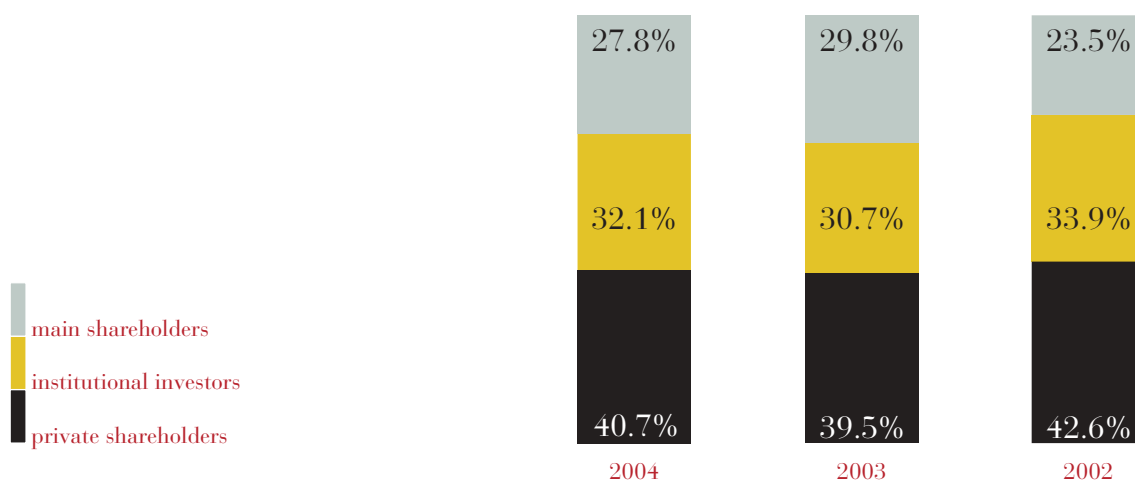
main shareholders (Assicurazioni Generali; 2004)

data at 14 February 2005

	number of shares	percentage of share capital
Mediobanca	185,133,951	14.509
Banca d'Italia	57,077,828	4.473
Gruppo UniCredit	45,791,037	3.589
Gruppo Capitalia	40,715,240	3.191
Premafin	30,995,700	2.429

At the end of 2004, approximately 60% of the share capital was held by institutional investors - more than a quarter by the main shareholders - while the remaining 40% was in the hands of private shareholders.

shareholders by type (Assicurazioni Generali; 2002-2003-2004)



The division of institutional investors holding Generali shares by investment style (for descriptions of the various styles, see box below) demonstrates the strong prevalence of investors adopting a strategy aimed at favouring investments in companies with large or moderate capitalisation, characterised by a good potential for increased future share value (Growth).

institutional investors by investment style

(Assicurazioni Generali; 2003-2004)

	2004 (data at 31 March 2005)	2003
Garp	18.3%	20.8%
Growth	41.3%	37.5%
Index	12.2%	12.3%
Value	13.9%	18.3%
Hedge	n.a.	n.a.
Other	14.2%	11.1%

investment styles

GARP. (Growth At Reasonable Price) Institutional investors adopting an investment style focused on the purchase at a reasonable price of shares with a high growth potential.

Growth. Growth is the category of investors who adopt a strategy aimed at favouring investments in companies with large or medium capitalisation which, having historically achieved the maximum earnings performance in their sector, offer good potential for future share capital value growth.

Index. This includes investors whose investment style aims to achieve a share portfolio replicating the composition of a given market index taken as reference.

Value. Value institutional investors favour companies which are undervalued by the market in absolute terms with respect to their level of dividends, profits and book value.

Hedge. Hedge investors are characterised by great flexibility in defining investment strategies and significant use of derivative instruments. They prefer absolute performance targets, unconstrained by references to market indexes, enabling investments in counter-tendency to market trends and for furthering the pursuit of speculative earnings.

Generali shares

Generali shares

Figure shows the progress of Generali shares in comparison to a number of the main reference indexes. In the period considered, it can be seen that Generali's performance was considerably better than that of DJ Euro Stoxx Insurance and DJ Euro Stoxx 50, while the difference was less marked with respect to the Italian Stock Exchange Index.

share progress compared to the main Stock Exchange indexes

(Assicurazioni Generali; 2004)

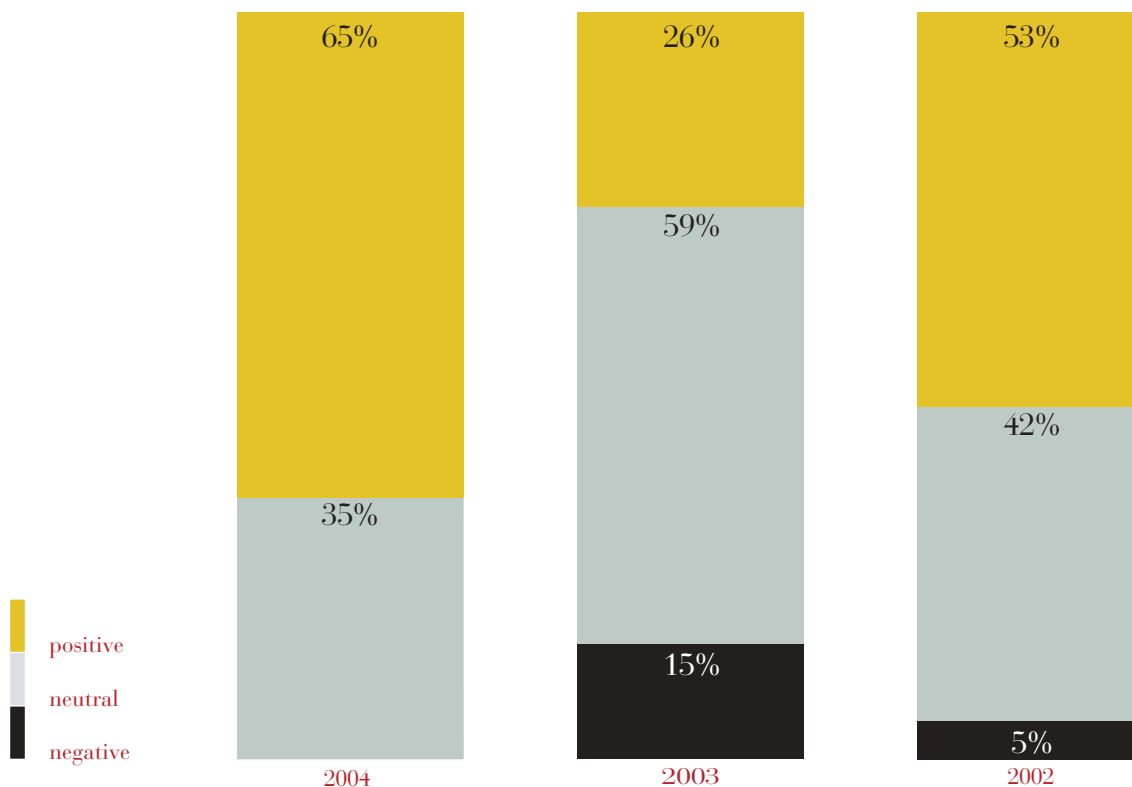


The Company's market capitalisation at the end of 2004 was 31,863 million euros, an increase of 18.9% over the 26,796 million euros at the end of 2003. The embedded value - representing the Company's intrinsic value, equal to the corrected equity and the portfolio value - was 23,503 million euros at the end of 2004, i.e. 18.42 euros per share, an increase of 7.1% over the 21,938 million euros (17.20 euros per share) at December 2003.

The Company's assessment by financial analysts in 2004, in particular, showed a significantly improved consensus, with no negative opinion recorded and as many as 65% rating positive opinions.

Generali is listed in 56 stock exchange indexes. The table on the top of the next page highlights the percentage impact on the main stock exchange indexes over the last three years. The table considers the Italian stock exchange and the main reference indexes of companies listed in Europe and in the insurance sector.

consensus development (Assicurazioni Generali; 2002-2003-2004)



percentage impact on the main stock exchange indexes (Assicurazioni Generali; 2002-2003-2004)		
	2004	2003
Mibtel	5.508	n.a.
Mib 30	7.24	n.a.
FTSE Eurotop 100	0.925	0.8398
DJ Eurostoxx 50	1.793	1.6768
DJ Eurostoxx	1.135	1.0798
DJ Eurostoxx Insurance	14.172	13.5210

In recent years, a trend towards increased return in the form of dividends paid out to shareholders can be noted. The share of earnings distributed to shareholders (pay out ratio) has increased, with a rise in both the dividend per share and dividend yield, i.e. the ratio of the last dividend per unit to the last share price.

dividend policy (Assicurazioni Generali; 2002-2003-2004)		
	2004	2003
dividends (millions of euros)	548.5	420.9
dividend per share (euros)	0.43	0.33
dividend yield (%)	1.7	1.6
pay out ratio (%) dividend on consolidated profit	42	41.5

Investor Relations activities

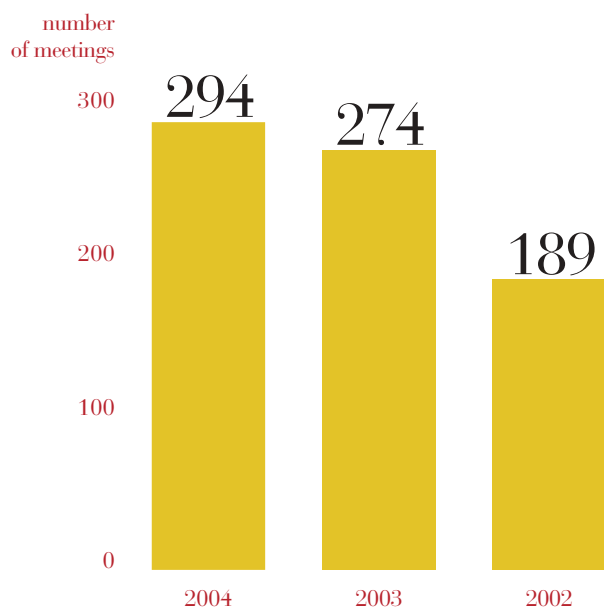
As noted, around 40% of shares are held by private shareholders, and the rest by institutional investors. To provide a more comprehensive service and better information, better targeted to specific requirements, any requests from private shareholders are dealt with by the Shares Office, while the Investor Relations Office deals with financial analysts and institutional investors, the latter both via analysts and directly.

Shareholders may also contact the Company directly through the dedicated section of the Company website (<http://www.generali.com>), on the page "Investor Relations". In this section, they will find contact details for the above departments and all necessary information on the shareholders' meeting, corporate governance and more generally on the Company's economic and financial progress, as resulting from the annual budgets and interim reports.

The general Shareholders' meeting is traditionally held in Trieste, in the meeting room of the Company's Head Office, on the last Saturday in April. The Assicurazioni Generali S.p.A. annual meeting is one of the most attended meetings of the companies listed in Piazza Affari: 1,697 shareholders representing almost 37.12% of the share capital attended the most recent meeting on 30th April 2005.

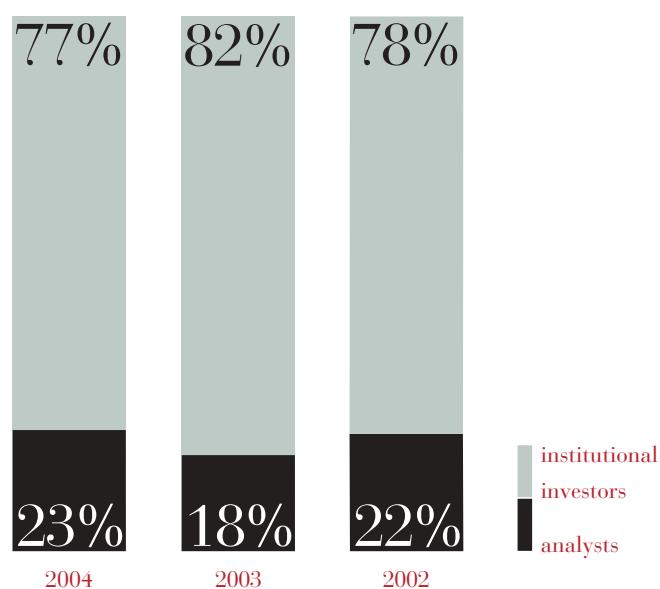
Investor Relations Department meetings

(Assicurazioni Generali; 2002-2003-2004)



meetings by group

(Assicurazioni Generali; 2002-2003-2004)



Meetings with the financial community

Within the financial community, the Investor Relations Department mainly has contacts with institutional investors, whether existing or potential Company shareholders. In general, contact with these investors is not direct, but takes place through “sell-side” independent financial analysts, who conduct public research on the companies listed on the various financial markets and issue recommendations to buy, keep or sell the various shares.

If the main contact is the sell-side analyst, there are also two other forms of contact, both directly dependent on target institutional investors; the “buy-side” analyst, who works directly for the institutional investor’s management Company, and the managing agent, who makes the Company’s investment choices directly.

The graph beside shows the number of meetings held over the last three years by the Investor Relations Department with the three categories described above. These figures are then broken down into the number of meetings with sell-side analysts and the number with institutional investors, which includes the buy-side analysts directly dependent on them.

The growing importance of Investor Relations activities for the quoted companies has brought about increasing involvement of Executive Management.

Specifically, the Managing Directors of the Parent Company were involved in various meetings over the last year, the most important being a meeting with analysts to present the annual consolidated results, held in London. Each one also attended at least two of the sector conferences organised by the main international financial institutions as well as at least three road shows covering the most important European and North American financial markets. Finally, both met numerous institutional investors at the Company’s premises.

2005 objectives

- Improve information to private shareholders, using appropriate means and tools with a view to providing this large public with a better insight into the Company development, in particular on the impact of the transition from the old to the new accounting standards.



Generali Group believes that client satisfaction is utmost, because only in this way can loyalty and appreciation of products and services be maintained and reinforced over time. Achieving client loyalty is one of the primary objectives. For this reason, the Group:

- constantly monitors on-going developing insurance cover needs;
- strives to improve and develop its product range and, as a result, offer an effective response to such needs;
- supplies highly qualified professional help to finding the best solutions to individual needs.

client's categories

In the Sustainability Report area the Group, including both life and non-life lines of business, had over 32.5 million customers in 2004. In the tables below, it should be noted that the sum of customers in the various lines of business exceeds this figure: this is due to client overlap in the various lines of business.

Comparing the number of policies with the number of customers, it can be seen that on average, customers have signed more than one contract with the Group's companies. Customers with more than one policy are particularly numerous in the life line of business, where on average each client has two policies.

Only 4% of Generali Group customers are medium-large companies, due to the strategic choice to focus insurance activities on personal and small enterprises.

number of clients per line of business (Sustainability Report area; 2004)

	life	health	motor	other non-life
Italy	3,973,052	386,420	3,626,163	9,601,043
France	2,500,000	135,000	1,700,000	1,900,000
Germany	4,697,028	1,592,776	1,363,680	3,096,373
Spain	476,268	45,166	755,085	1,054,175
Total	11,646,348	2,159,362	7,444,928	15,651,591

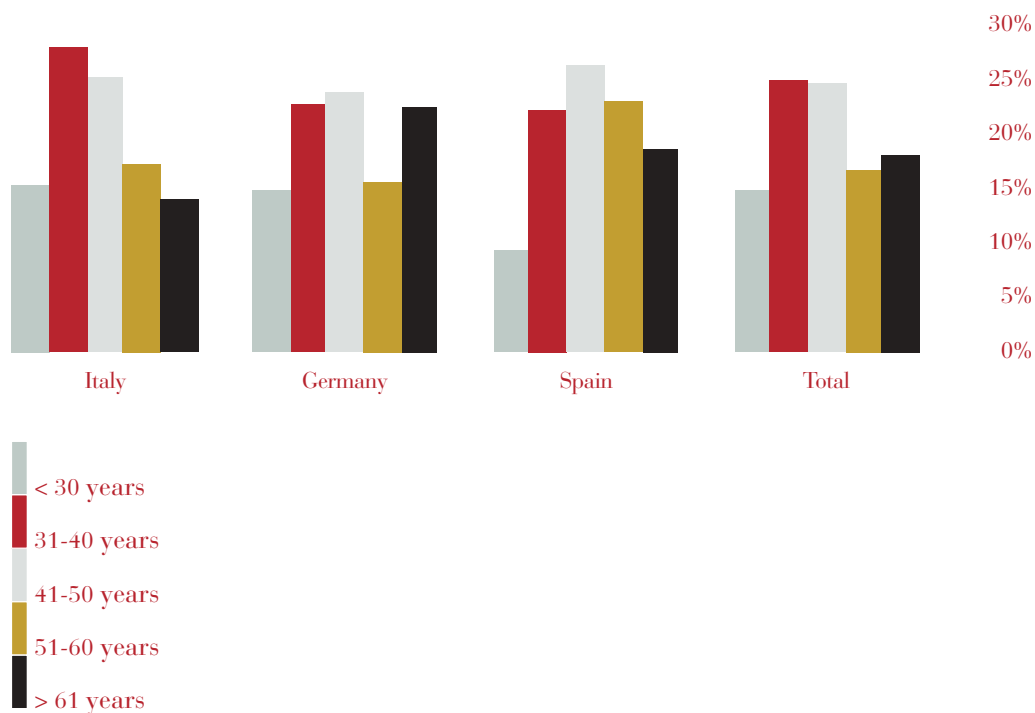
number of policies per line of business (Sustainability Report area; 2004)

	life	motor	non-motor	total
Italy	7,784,727	4,496,896	4,368,172	16,649,795
France	2,800,000	1,700,000	3,135,000	7,635,000
Germany	11,785,103	4,963,021	11,503,568	28,251,692
Spain	479,314	1,020,114	1,459,087	2,958,515
Total	22,849,144	12,180,031	20,465,827	55,495,002

Clients by age bracket

Customers can be segmented by age. The largest age bracket is 31-40 years (25.2%), primarily all due to the structure of the portfolio in Italy, in which younger age brackets carry a greater weight: 15.5% under 30 and 28% aged 31-40. In Germany and Spain the largest age bracket is 41-50 (23.9% and 26.4%); this is an older client bracket in general, with 38.4% and 41.7% respectively aged over 50.

percentage of clients by age bracket
(Sustainability Report area; 2004)



services available in agency

The agency network is extensive, with potential user catchment areas (populations) per agency particularly limited in Germany.

The number of customers per agency varies significantly, from almost 7,000 customers in Italy to just 700 in Spain. In fact, agencies may also be of very different sizes, and as can be seen in the section on employees and other staff members, they are on average larger in Italy than in other countries.

Generally speaking, customers can visit the agency to sign policies, pay premiums but - most importantly - to receive specialist advice aimed at finding the most suitable option, often personalised, to their cover and savings management needs. The agencies of the Group's major companies have financial advisers able to provide expert guidance on a wide range of financial products able to meet every customers' need.

size of agency network (Sustainability Report area; 2004)

	agencies	population	clients	population per agency	clients per agency
Italy	1,387	57,520,829	9,665,937	41,471	6,969
France	1,187	61,785,810	6,000,000	52,052	5,055
Germany	7,908	82,786,201	14,588,633	10,469	1,845
Spain	3,142	41,127,473	2,330,694	13,090	742
Total	13,624	243,220,313	32,585,264	117,082	14,610

on line and telephone services

Most Group companies, whether in Italy or abroad, have call centres which offer client services such as quotes, reporting of complaints and requests for general information. Some companies also offer the possibility of accepting notification of claims. The Internet is generally used to establish initial contact with customers, except for direct sales companies (Genertel in Italy and Cosmos in Germany) and Europ Assistance, which use the Internet and telephone to distribute their products and deliver their services.

In **Italy**, Assicurazioni Generali does not issue on line contracts. However, it has tested an initiative which gave the right to a discount on the “Valore Casa Plus” policy following on line filling out of the quote application form. On the Genertel site, customers can access all their contracts and quotes and perform all operations related to the contract’s life in a self-service mode.

GGL, which works on the management and settlement of damages on behalf of the Group’s Italian companies, manages a call centre through Datel S.r.l., a company specifically set up for this purpose, to accept telephone notification of claims and provide information on claims in progress.

In **France**, Generali Assurances has created dedicated websites to promote its brand and products and supply a whole range of services to agents and brokers. There are also “virtual agencies”, where each agent can customise their home page and thus present customers with their own range of products and services. The virtual agency offers customers the opportunity to initiate contact by email and provides the information required to identify the nearest agency. Customers can access a reserved area to display their contracts, expiry dates, relative premiums and so on.

Fédération Continentale has created something similar to virtual agencies, developing a mainframe that can be adapted to the needs of each partner. Furthermore, the company has constructed a specific module on its website dedicated exclusively to financial advisers, which offers a wide range of products and services. To simplify and improve purchase of services, a selection of supplier names are recommended (operating in the area of real estate, banking services, legal services, etc.) with whom the company has set up commercial agreements with specific discounted rates.

In **Germany**, a customer service system is active on all weekdays over a wide time range, outside of which an automatic response service is activated or requests are diverted to Europ Assistance.

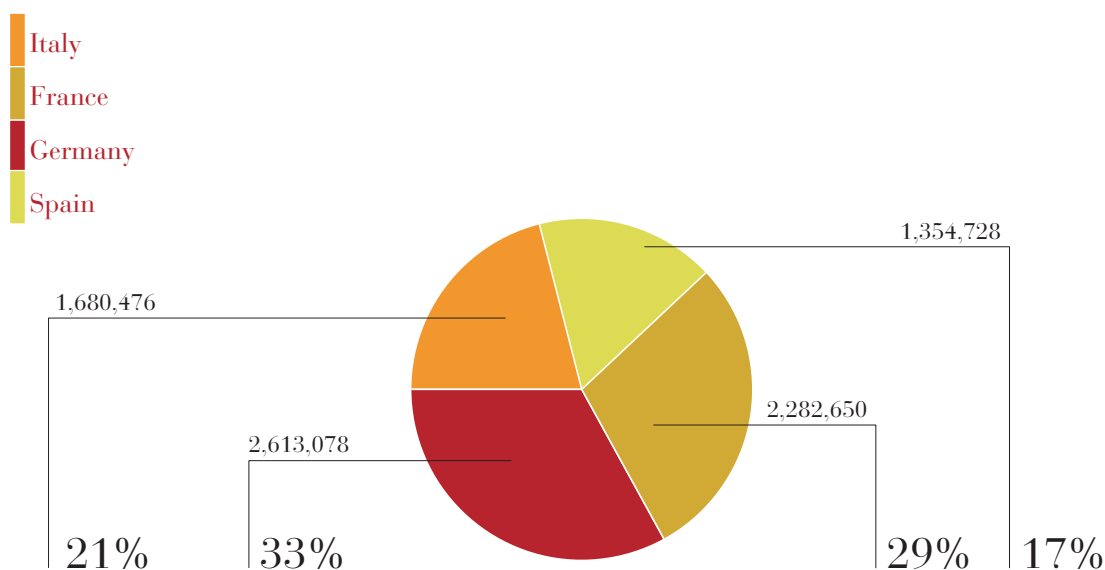
In **Spain**, the Banco Vitalicio call centre offers a 24-hour claim service all over the year, with all activities carried out with an electronic document management system. In contrast, Estrella's call centres are used above all to draw up quotes and for the presentation of claims.

Management of non-life claims

In relationships with the customer, the crucial moment, where both the efficacy of the purchased product and the efficiency of the company's service are measured, is on settlement of damage claims. This underpins the importance of the organisation in place for efficiently managing the processing of claims and ease of access for claimants.

In all Sustainability Report area countries, excluding Germany - where each company has its own settlement network - the Generali Group is equipped with common facilities for the management and settlement of claims. Call centres are common, used to accept the notification of claims and provide information and assistance on existing claims to both customers and injured third parties. For an idea of the size of this activity, it is suffice to consider, that in 2004 there were close to 8 million reported events in the countries of the area considered.

number of claims (Sustainability Report area; 2004)



Settlement times. One of the elements most influencing client/third party satisfaction at the time of claim settlement is the speed with which the compensation is received. Figure at the top right gives some indications on this respect at Group level.

It reports the speed of claim settlement, an indicator giving the percentage of claims reported and not withdrawn in a given year (here 2004) and settled in the same year. It should be noted that in addition to the differing efficiencies of service of the local companies, the index is also affected by the type of insurance cover, which can differ considerably from one country to another. The nature of the insured risk and thus the nature of the claims to be settled can therefore require longer times to quantify the damage.

In any case, it can be seen that on average the Generali Group companies settle almost all health insurance claims, 70% of motor insurance claims and around 60% of fire and general third party liability claims within the year of claim.

The settlement speed for motor insurance claims in Italy, considerably lower than that seen in other countries, can be explained by a higher incidence of personal injury and the presence of a high case load related to their investigation, in the absence of the legal evaluation mechanisms existing in other countries.

The greatest variability in settlement times among countries is seen in the accidents and general third party liability lines of business, due to the differing composition of the insured party portfolio, which accompanies the considerably different times necessary for stabilisation of the injury and quantification of damages.

Sums paid - life lines of business

In the life lines of business, total payouts to insured and injured parties exceeded 15 billion euros, most of which involved expiring life policies, for which a total of 8.5 billion euros was paid out. Payments for claims, for a total of around 1 billion euros, involved insurance policies for death or permanent disability due to illness.

speed of claim settlement (Sustainability Report area; 2004)

	accidents	health	fire	motor	GTPL
Italy	51.57%	83.98%	62.20%	54.95%	38.40%
Germany	24.33%	99.94%	65.89%	78.32%	78.92%
Spain	85.03%	95.91%	59.38%	71.85%	46.27%
Total	41.91%	96.04%	63.03%	69.55%	61.08%

value of payments on life policies (Sustainability Report area; 2004)

	claims	expiring life policies	
		lump-sums	annuities
Italy	192,764	3,602,746	40,600
France	297,114	621,465	184,071
Germany	477,870	3,081,423	334,967
Spain	62,707	199,156	454,393
Total	1,030,454	7,504,789	1,014,032

Generali Group companies are not only quick to react to market changes, but are also often promoters of innovative experiences in the insurance sector, with the objective of offering clients an ever wider and complete choice, aiming to satisfy continuously evolving demand not only in insurance against all types of risk, but also in the life insurance and savings area.

In developing individual and collective **life products**, great importance is given to those with a high security content, investment and savings management products - above all unit and index-linked contracts, recently characterised by a minimum guaranteed return - and products aimed at protecting family income (specific cover against premature death, the onset of severe illness or loss of self-sufficiency).

With respect to the development of **non-life products**, the trend is towards multi-risk policies able to cover a multitude of different risks (fire, theft, third party liability, etc.) with a single contract, to the client's obvious advantage. These policies are structured in modular sections, each dedicated to covering a specific type of risk, and enable the client to decide which and how many sections to purchase, according to his specific needs. At the moment, such products regard above all the cover of house-related risks and, relative to the small and medium business market, are aimed at shopkeepers, craftsmen, professional studios, etc.

Motor insurance products are generally distinguished by a highly accentuated personalisation of tariffs, in order to achieve the most suitable guarantee/price combination.

Products with social value

The Generali Group feels struck by the need for a suitable response to the needs of consumer protection, especially those related to the profound social and economic changes taking place in recent years, the first of which is the ageing of the population. In a context in which the State is unable to deal with the expansion of its citizens' welfare needs, the Group's companies offer numerous products which, although in line with business interests, by their nature aim to respond to the needs particularly evident at a social level.

Life products. To protect the insured party and their family against **severe illness** and **non-self-sufficiency**, numerous Group companies offer the so-called Dread Disease and Long Term Care insurance policies.

Dread Disease cover is normally combined with death insurance, but may also be offered independently. It involves the payment of a fixed capital sum (or annuity) on the onset of one of the serious diseases indicated in the policy. The financial support provided helps, for the rest of the insured party's life, to face the necessities deriving from the need for greater care and possible inability to continue working, with a consequent income reduction.

In contrast, Long Term Care policies provide a lump-sum or regular annuity paid for the rest of the insured party's life, on the onset of the insured party's lack of self-sufficiency in performing daily activities (eating, washing, getting dressed and undressed, moving around, care of personal hygiene).

The Group also offers products aimed at accompanying schoolchildren throughout their education. An example is an INA Vita policy, which to encourage educational commitment offers a bonus to the insured capital if an Italian high school leaving certificate is awarded with a mark of not less than 90/100 or a degree with a mark above 106/110.

Companies of various countries also have life insurance policies with discounts for non-smokers. Banco Vitalicio in Spain and Cosmos Lebensversicherung in Germany offer specific products with a reduction in premiums for non-smokers. In Italy, two Alleanza Assicurazioni products enable non-smokers to sign up to the optional "serious diseases" cover at discounted premiums.

Non-life products. In 2003, under a project of collaboration with the Italian Cancer League (Lega Italiana per la Lotta contro i Tumori), Assicurazioni Generali launched a special **accidents and health** policy, reserved for League members, with the aim of promoting and enhancing concepts such as prevention and the definition of healthy life styles. A special tariff was designed and implemented for this policy, which differentiates not only the more traditional parameters such as age and sex, but also the different insurance cost of smokers and non-smokers.

In the health and accident lines of business, there are many other products with social value, involving - for example - a life annuity following a severe disability, or cover for organ transplants, treatment of cancer, highly specialised diagnostic and therapeutic services, expense borne with respect to hospitalisation (diagnosis, consultant visits, etc), and basic and/or post-operative home assistance. Other packages of services offer a series of home medical aids to the insured party, including telemedicine services, to supplement the cover given by the national health service.

Of these, it's worth highlighting an Assicurazioni Generali product which includes Second Opinion, i.e. the chance for the insured party to verify his doctor's diagnosis by consulting Stanford University (San Francisco), using modern long-distance data and image transmission systems through the Europ Assistance medical operational centre.

In Spain, Estrella was the first insurance company to launch on its national market a policy which insures medical and hospital treatment following serious illness, as well as the search for the best possible treatment possibilities at world level and various medical opinions. The company also offers insured parties the possibility of renewing health insurance even on reaching the age of 70 (the limit set by the national market for this type of cover) for services offered by its partnership network of doctors and

hospitals, consisting of more than 3,000 doctors and hospitals spread over the whole country.

With respect to other contract types, the Italian company FATA offers **accident and general third party liability** cover to voluntary associations at discounted rates.

Finally, in the area of **property protection**, it is worth mentioning an Assicurazioni Generali policy aimed at the over sixties and pensioners to cover losses from pickpocketing and robbery, as well as burglary. This initiative takes the form of a special package of cover, which can be combined with a multi-risk house insurance policy.

complaints

Regulation

a. Italy. ISVAP Circular no. 518/D of 21st November 2003 introduced the obligation for all insurance companies authorised to operate in Italy to set up, from 31st March 2004, an electronic register to record complaints received and requests for information from ISVAP in relation to them.

To respond to these requirements, the Parent Company initiated a project to define and implement a new complaint management system in all the Italian Group's main insurance companies, supported by specially developed computer tools with the objective of:

- promoting compliance with relevant regulations;
- ensuring the prompt and continuous visibility of any procedural and/or organisational gaps emerging during the complaint process with top management;
- identifying, together with the competent bodies, any actions proposed to resolve any gaps encountered, with the intention of improving user satisfaction.

In introducing the obligation to keep an electronic complaint register, the ISVAP Circular also underlined the responsibilities inherent to its management and relations with the Supervisory Institute, specifying that the manager of the Internal Audit Department must take charge of the complaint register and any problems concerning complaint management.

For reasons related to the effectiveness and efficiency of the management of user complaints, the process adopted by the Group also led to the identification in each

company of an organisational unit responsible for management of the filing, analysis and administration of complaints.

The three-monthly report specified by the Circular is prepared by the Internal Audit Department, which forwards it to the Top Management of each company. The latter then presents it to their respective Board of Directors and Board of Auditors, which formulate observations according to their competences. The report and any observations are then sent to the Supervisory Institute by the specified deadline.

b. Abroad. In **France** and **Germany**, national laws specify solely the need to develop an adequate complaint management process, but establish nothing with respect to reporting activities or the compulsory maintenance of a complaint register. However, all Group companies in these countries prepare a regular report for Executive Management and thus keep evidence of received complaints and their outcome.

In **Spain**, legislation in some aspects is similar to Italy, with specific obligatory annual reporting. However, the Group's companies prepare more frequent reports, to keep Executive Management constantly informed and promptly take any necessary corrective actions.

Complaint management

The data in the following table on complaints received by the insurance companies in the area of this report highlight their low impact on the portfolio of policies active in this observation period, which is reduced even further when only accepted complaints are considered.

percentage of number of complaints to policies (Sustainability Report area; 2004)		
	received	accepted
Italy	0.04%	0.014%
France	0.03%	0.004%
Germany	0.04%	0.020%
Spain	0.10%	0.014%

insurance disputes and sanctions

On 31st December 2004 in the countries examined, the Group was involved in 88,294 insurance disputes generated by its insurance activities, almost all of which in the role of the defendant, for an overall value of 2.8 billion euros, determined on the basis of the opposite party's requests. The main lines of business involved were motor insurance and general third party liability, with lawsuits to an overall value of around 2 billion euros.

For Italy, in 2004 the caseload for requests for partial reimbursement of motor third party liability premiums, in relation to the well known Antitrust Provision asserting the presumed existence of a no-competition agreement between insurance companies - including Assicurazioni Generali and Assitalia - underwent a noticeable increase in 2004 over the previous year, with more than thirty thousand summons before the Justices of the Peace and more than forty thousand extrajudicial requests for reimbursement. However, it should be observed that the verdicts issued in these suits - which were concentrated in some Italian regions - were generally favourable to the companies, testifying to the fact that their behaviour had not been injurious to the insured parties.

Antitrust and Insurance Supervisory Authorities

In 2004, neither the European Union nor the national antitrust authorities took any measures against any Group company. However, in Italy alone the insurance supervisory authorities issued fines of approximately 1.8 million euros, almost all with respect to motor TPL insurance, as a result of a specific legislation specifying terms which in some areas of activity the companies are unable to respect.

value of insurance disputes

(Sustainability Report area; 2004) (thousands of euros)

	total	of which motor	of which general T,P,L.
Italy	2,192,721	455,489	1,194,743
France	286,087	127,948	4,499
Germany	47,526	14,394	2,138
Spain	328,657	221,292	46,706
Total	2,854,991	819,123	1,248,086

number of insurance disputes

(Sustainability Report area; 2004)

	total	of which motor	of which general T,P,L.
Italy	46,045	31,670	10,770
France	4,568	1,772	96
Germany	7,078	4,960	1,048
Spain	30,601	16,045	6,380
Total	88,292	54,447	18,294

Insurance activity by its very nature involves the processing of personal data of third parties (insured and injured parties, potential and actual clients, employees, agents, etc). In consequence, the Group's companies have always adopted the measures needed to guarantee the confidentiality and security of processed information.

In recent years, the Group's companies, in Italy and the other countries considered, have assumed the necessary measures to respond adequately to the requirements of the respective national laws on privacy.

As a principle, only the personal data strictly necessary to carry out the required services and achieve the aims declared in reports is collected, with particular attention to the so-called "sensitive data", which is collected and processed only in the case of an actual and confirmed impossibility of using anonymous data.

Even if there is no specific privacy protection body in every country, in general there is a Group coordination at national level, aimed at the search for common solutions to the various issues. To this end, but also to inform and raise the awareness of staff members on new legislation and its implementation, both regular and specific meetings are held in Italy and Germany with the participation of the persons in charge of privacy within the Group companies. There is also a constant connection with IT experts, given the implications that data protection has on the computer system; in fact in Spain, personal data processing is managed by the department in charge of computer security, with the support of the Legal Department.

All Group employees are informed on the fundamental principles and their duties with respect to protection of processed data. The Intranet is widely used for constant update of employees and other staff members on legislation in this area, to supply contact details for the people responsible for privacy, and for training activities with self-learning courses.

All Group contract documentation reports the specific clauses on personal data protection in conformance with the regulations of the laws in force. In Germany, the documents were formulated in cooperation with the privacy protection authorities and the GDV (Association of German Insurance Companies). In Spain, privacy protocols have been underwritten with Group co-operators, such as brokers, agents, sector professionals, etc.

In Italy, the Parent Company conducts a careful activity of assistance, consultancy and cooperation with all Group companies for the correct implementation of legislation and especially for the annual drafting of the General Security Document; the Parent Company also performs surveys on the privacy activities conducted in the individual companies for this purpose.

On the implementation of Legislative Decree no. 196/2003 on 1st January 2004, bringing important innovations in both general principles and the regulations and security measures for data processing, the Parent Company promptly undertook an analysis of the new laws and the update of the privacy material in use, to ensure its timely availability to the Group. A census of the personal data processing conducted by the companies was also carried out, identifying processing which falls into the category subject to notification.

On employment, all new employees undergo a self-learning course on privacy. In harmony with legislation, the Group Privacy Department also activated a classroom corporate training and refresher programme both at the Parent Company and at subsidiary and associated companies. At the end of December 2004, the Group Privacy Department could count a total of 149 classroom courses held, in which 1,310 employees and other staff members participated for a total of 113 days.



2005 objectives

- Improve relationships with insured and injured parties, above all with respect to companies response, especially in the claim settlement phase, even in the framework of legislative reforms which may lead to direct compensation.
- Further develop assistance and welfare products, to offer solutions ever-closer to consumer needs deriving from the reforms affecting these sectors in various countries.



relationships with suppliers

In the countries in the Sustainability Report area, Generali Group has relationships with over 77,000 suppliers, divided as below:

- 28,631 suppliers of goods (paper, energy, machinery, furnishings, stationery, books, etc.)
- 41,714 suppliers of goods related to core business (surveys, professional consultancies, training, typography, translations, etc.)
- 7,285 suppliers of support services (cleaning, maintenance, transport, etc.)

It can be seen that the sum of suppliers of the three categories is greater than the total number, as some of them are included in more than one category (for example, companies which supply machinery, maintenance/assistance services, and training courses).

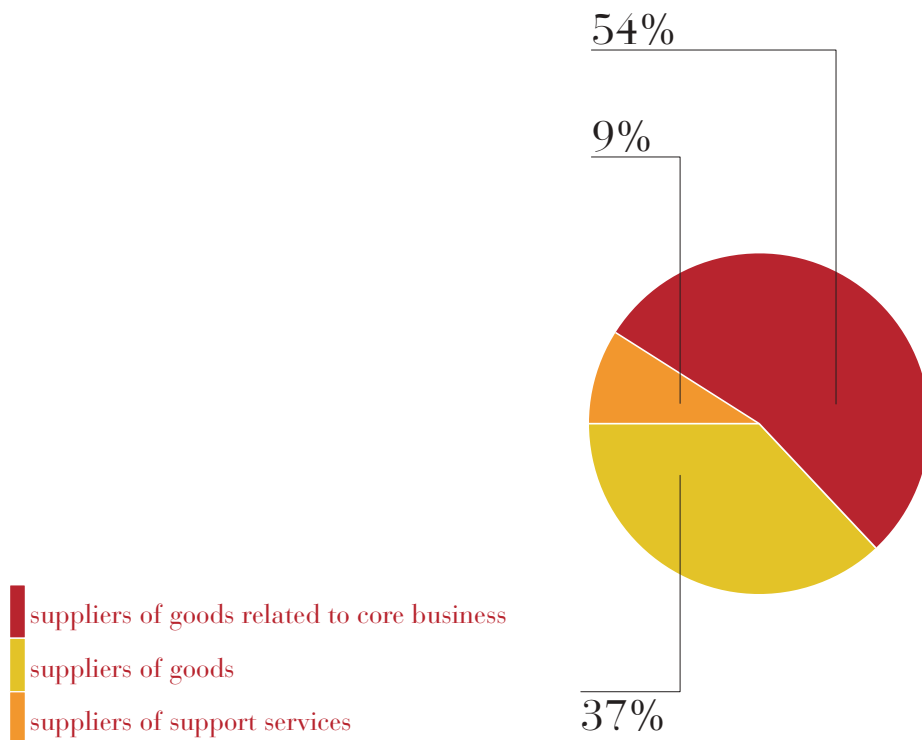
number of suppliers (Sustainability Report area; 2004)		2004
Italy		10,337
France		6,846
Germany		32,869
Spain		27,128
Total		77,180

In all countries included in the Sustainability Report area, all supplier relationships were recently centralised in a single department, from the initial supplier search step to stipulating contracts. The only exception is Germany, where the supplier relations system is managed over two levels of responsibility: the Group's strategic purchases are entrusted to AMB Generali Holding, while the individual companies deal directly with general operational purchases.

Since 2005, in Italy, a single warehouse has been set up in which all stationery, printing, business gift purchases etc. and relative stock management are centralised. This was effected to rationalise and harmonise the purchasing procedures for goods and services aimed at covering the requirements of all Group companies, achieving a cost reduction which has also led to a significant reduction in the number of suppliers.

number of suppliers by type

(Sustainability Report area; 2004)



selection criteria

Given that priority is given as far as possible to the products and services offered by businesses within the Group under competitive conditions, the remaining suppliers are selected under the following criteria:

- financial reliability, verified through suitable checks with competent bodies (Chamber of Commerce and other bodies);
- technical and qualitative reliability, ascertained through verification of references;
- careful verification, especially with respect to suppliers of services and manpower, that the workforce used is regularly employed by the supplier or an authorised sub-contractor. For the most “at risk” manpower activities (cleaning, maintenance, etc.), a copy of the entry in the company’s employee register is requested;
- on the basis of competitions which guarantee the maximum transparency in supply assignment, for this purpose also using on-line competitions as much as possible.

In compliance with these conditions, supply contracts are assigned impartially, by searching for the best quality/price conditions of products and/or services, also through periodic review of the suppliers’ association.

In general, estimates are requested from three suppliers for each order; the estimates are then attached to the order sheet with an indication of the reasons for the final choice. The documentation is acquired by scanning and remains available for subsequent checks.

Contract stipulation is always based on correct and fair procedures and the established payment terms and conditions are respected.

In France, a clause is inserted into supplier contracts which makes them automatically null and void if any breach of labour rights or environmental laws by the supplier is discovered.

2005 objectives

- Approval and dissemination of the “Buyer’s Code” - whose principles are inspired by those of the Group’s Ethical Code - by which all purchasing managers must abide.
- Introduction of maximum limit for the impact of the supplier’s turnover with respect to Group companies on its total turnover.



working environment

The Group's Italian companies, in conformance with Legislative Decree no. 626/94 and subsequent amendments and integrations, have an organisational structure that manages issues relating to accident prevention and safety protection in the workplace. Furthermore, in compliance with art. 52 of the National Collective Insurance Employment Contract, the companies bear the costs of eye tests for employees working significantly and continuously on electronic equipment with monitors and of hearing tests for printing room staff members.

Similarly, the foreign companies included in the Sustainability Report area are also compliant with national laws on health and safety.

In all Group companies, staff members are informed of the regulations in force and the various health and safety initiatives through specific educational material such as brochures, information leaflets, notice boards and via Intranet.

In France, all new employees are given a videotape and a complete guide containing advice on health, i.e. on the correct body posture at the workstation, the distance to be kept from the computer monitor, and other suggestions such as how to work in shared working environments.

All Group companies have organised the various sites to: protect staff members safety, improve the comfort of working conditions and increase the efficiency and reliability of man-machine systems. Ergonomic specialists have been consulted for this purpose.

The new Saint-Denis office in France, in particular, was built respecting all modern concepts of a welcoming environment: the lighting, noise limitation in work places, heating and air conditioning systems were specially designed to guarantee adequate comfort for the staff members. Even the canteen has programmes with special menus providing healthy food and ensuring correct nutritional value; in addition, special foods for people with specific diets may be cooked on request.

Included in various initiatives launched in the area of staff and workplace health and safety is the contract signed by Ina-Assitalia with Medital for the management of health emergencies. If needed, Medital guarantees the prompt intervention of an equipped ambulance and doctor.

Finally, Europ Assistance France organises an annual first aid course, coordinated by Red Cross volunteers, for all its employees.

protection against harm from smoking

In compliance with article 51 of law no. 3 of 16th January 2003, smoking has been banned in all Group companies in Italy since 10th January 2005.

The problem is also receiving considerable attention on an international level:

- in France, smoking is prohibited in all offices and workplaces, although smoking areas are provided;

- in Germany, anticipating the entry into force of the obligation to protect non-smokers from the harm of second-hand smoke, suitable measures are being considered; already, smokers and non-smokers work in separate offices and, where this is not possible, smoking is prohibited to protect non-smokers;

- in Spain, smoking will be banned in the workplace from 2006; while companies are adjusting their sites to the new legislation, the current laws, aimed at protecting the most vulnerable workers (i.e. pregnant women), are being complied with. In Europ Assistance España, smoking is prohibited.

Group companies in all countries encourage and help employees who wish to stop smoking, offering specific programmes coordinated by doctors, psychologists and experts.



external environment

During 2004, the Group pursued its commitment made with art. 9 of the Ethical Code: *“The Group is committed to safeguarding the environment as a primary asset. For that purpose, the Group shall make its decisions ensuring that economic initiatives are compatible with environmental requirements, not only in compliance with current legislation but also taking into account the latest developments of scientific research and best experiences recorded on the matter.”*

Organisational structure

The implementation of an organisational structure consisting of the following organs has started:

Group Environmental Manager

All environmental policies will be managed by the Corporate Centre General Manager.

Eco-Committee

This decision-making body, accountable to the General Manager, will be made up of representatives from the main departments involved in the management of environmental impact - Safety, Building Management, Sustainability Report - and an expert on environmental issues. The Committee will have the task of defining: environmental policies, performance indicators to be monitored, objectives related to said indicators, management systems aimed at achieving the environmental performances, results monitoring systems and all other environmental aspects at Group level.

Within the Eco-Committee, a Manager will be appointed who will be responsible for the organisation and direction of internal committee activities and coordination with the General Manager.

Environmental Managers for individual countries

An environmental Manager will be appointed in each country involved, who will report directly to the Eco-Committee, especially to the Manager. The Manager's task will be to foster the implementation of the Eco-Committee's environmental policies and decisions.

In 2004, the environmental impact of the Group's core activity, i.e. insurance, was analysed, distinguishing between:

- direct impact, i.e. related to the performance of the Group's activities (process ecology);
- indirect impact, i.e. associated with: purchasing processes (procurement ecology), whereby the environmental responsibility of suppliers may be influenced; planning and supply activities for insurance products and investments (product ecology), through which eco-compatible behaviour is induced in the various segments of the Group's clients.

To begin with, only Italy has been involved, so that the measures to be taken can be identified more rapidly. Following this, other countries in which the Group operates will gradually become involved, starting with those included in the area of this Report.

Process ecology

International organisations concerned with environmental protection and eco-compatible development take the following areas into consideration: air, climate, energy, water, soil and waste. The first three of these are inter-dependent: the Italian energy balance is around 80% dependent on oil products and methane. Electricity is obtained from the combustion of these substances, and this very process is the major cause of the greenhouse effect and atmospheric pollution.

As far as the Generali Group is concerned, only two areas are relevant: energy and waste, as the impact of insurance activities on water and soil is negligible.

Energy. This is the main action area, where significant results are likely to be achieved through targeted actions focused on environmental protection. These may include:

- actions aimed at saving energy in the running of managerial buildings, through detection systems, sensors and control centres equipped with state-of-the-art software;
- actions to limit mobility, transport and business travel.

Waste. Various actions can be implemented in the different stages of waste management. The adoption of measures to protect the environment includes the selection of a waste disposal company among a group of highly professional and reliable companies.

Another action likely to reduce both energy consumption and the quantity of waste produced is the launching of an informative and awareness-raising programme on environmental themes. This initiative is aimed at inducing virtuous behaviour in employees and other staff members. For instance, attempts are made to increase the awareness on the need for employees to discontinue paper filing, and to introduce IT filing instead without printing all materials on paper, save as for documents which have to be printed under the law.



Product ecology

With respect to the planning and supply of insurance products that may induce eco-compatible behaviour in the Group's various client segments, a clear distinction must be made - in the non-life line of business - between products for the retail sector and those for the corporate sector.

As far as retail products are concerned - with a fixed tariff -, the induction of eco-compatible behaviour is a rather marginal aspect, as an increase in the excess (i.e. the percentage of damages to be borne by the policyholder) is envisaged in only two cases (Valore Commercio and Valore Attività products), should the insured party's non-observance of compulsory safety standards be ascertained at the claim-settlement stage.

However, with products aimed at the corporate sector (medium and large companies) - for which there is no standard tariff, and the risk rate is calculated on a case by case basis by the competent Technical Inspectors or Head Office - the chances of inducing eco-compatible behaviour in the client companies are much higher. The Company's policy on the assumption of property risks and general third party liability operates in two directions:

- on the one hand, a "preventive consultancy" is provided during the risk evaluation phase. The aim is to help clients to set up or improve safety measures to effectively reduce the conditions of risk, which are translated into more favourable rates for that risk;
- on the other hand, the risk rate and thus the premium required to the client are increased if formal and/or substantial gaps in the adoption of suitable preventive measures are found. The absence or insufficiency of said measures may even lead the Company to refuse to provide insurance cover.

A specific mention should be made of third party liability insurance.

With respect to liability for employees, the "insurance conditions" specifically provide that the employer is covered only in case the employee is regularly employed and workplace safety legislation is complied with.

Furthermore, pollution third party liability is an extremely complex, delicate area, both from a technical/underwriting point of view and with respect to the severe environmental effects which may result from any accidents. It is therefore essential

that companies working in this field not only constantly update and broaden their necessary technical skills, but also (and mostly) contribute to raising awareness of environmental themes and “risk prevention culture” through the businesses involved.

Assicurazioni Generali is the leader in third party pollution insurance on the Italian market and can boast a high level of technical skill.

The Company belongs to a “Pollution Pool” set up within the ANIA (Italian Association of Insurance Companies), which provides co-insurance mechanisms among member companies and re-insurance for insurance capital exceeding given limits. This structure - which also involves some re-insurers - has contributed to the diffusion of a more uniform knowledge of this risk sector among companies.

Within the framework of the “insurance conditions” practiced by the Company, specific regulations exist that aim at encouraging behaviour and actions to prevent environmental damage. These may include compensation of expenses for emergency or temporary actions to prevent or limit claimable damage, as well as the exclusion of damage caused by the intentional non-observance of legal provisions or intentional non-prevention of damage. The Company thus expresses its clear intention to involve the insured business in observance of the law (on environmental protection, in this case) and real risk prevention, subjecting insurance cover to these conditions.

Finally, the Company promoted an agreement between ANIA and Confindustria, under which, assuming that “... environmental protection is an important factor of competitiveness at an international level, and sustainable development is an objective shared by the major industrialised countries...”:

- ANIA undertakes to sensitise insurance companies so that tariff conditions adopted when drawing up insurance policies for pollution TPL are in favour of companies adhering to the Confindustria system and eco-certified under standards ISO 14001 and EMAS;
- Confindustria undertakes to inform member companies of ANIA’s activities in the area of environmental issues.

This agreement very effectively illustrates the business partnership strategy adopted by the Company (and more generally by ANIA) in the sector of environmental protection.

The indicators system

The following indicators have been identified to measure some direct effects on the environment:

- “kilowatt-hours per employee”, calculated from the number of kilowatt-hours of electricity consumed over the year, taken from the energy companies’ invoices, and dividing it by the number of employees on 31st December;
- “annual km travelled by car per employee”, calculated from the total number of kilometres travelled over the year as reported on employee expense sheets and dividing it by the number of employees on 31st December;
- for waste: “tonnes of paper per employee” ; “tonnes of other waste per employee”.

A monitoring system will be introduced for these indicators, obtaining information useful for observing the efficiency of environmental policies in both absolute terms and in terms of annual improvement, favouring the development of a benchmarking activity with other operators in the sector.



Mobility management

The Group's attention to environmental issues also extends to mobility, with a view to reducing atmospheric pollution.

In **Italy**, mobility management schemes have been implemented since the Assicurazioni Generali offices moved from Venice to its Mogliano Veneto premises, in 1989. The Company shuttle service ensuring the connections with the office of Mogliano Veneto, provides around 30 trips a day on 8 coach routes to and from Mestre, Venice, Marghera and Mogliano Veneto at the start and end of each working day.

In Rome, on the transfer of a GGS operational office to another area of the city in 2003, a shuttle service was set up for GGS staff members, the costs of which are borne entirely by GGS. The service has a double form:

- connection via small shuttle buses (14-18 seats) between the new GGS offices and two underground stations at the start and end of working hours;
- connection between the branches with a small shuttle bus for any service needs arising during working hours.

In **France**, the decision to transfer the offices of the Group's operational companies to Saint-Denis was made after carefully studying the services offered by the various sites considered. Saint-Denis was chosen precisely because it is well served by public transport. To promote employees use of public transport, the Group subsidises 60% of the cost of the annual season ticket paid by employees for public transport in the Paris area.

In **Germany**, there is a shuttle service between the two Volksfürsorge sites in Hamburg, used mainly for service needs, such as the distribution of post, packages and other materials; in fact, the vicinity of the two sites makes the service of little importance in transporting people. An agreement has also been reached with a local taxi service and employees, upon request, may receive coupons with which to pay the fare.

2005 objectives

- Start monitoring selected indicators to measure direct environmental impact, calculating kWh per employee and kms travelled per employee over the 2005 financial year.
- Choose the most suitable ways to monitor business travel with other means of transport (train, plane), to be launched in 2006.
- Launch an activity in the area of supply ecology, adopting the following measures:
 - in choosing suppliers, the Group will give preference to businesses with environmental certification or adherence to EMAS regulation, as long as all the necessary requirements of financial and technical reliability and observance of regulations protecting the human rights of staff members are met;
 - with respect especially to waste disposal companies, self-certification of the company's respect of the disposal procedures established by laws and regulations will be required. To guarantee compliance with environmental laws, a clause specifying termination of contracts for the supply of services in the case of their non observance shall be included;
 - begin a survey to identify the type of waste and relative methods for management and monitoring of indicators; this survey will first be conducted for the main sites of Trieste and Mogliano Veneto, and then extended to the main offices of Rome and Milan;
 - indicators will be monitored, such as the existence in each Group company of processes aimed at requiring suppliers' environmental certification or adherence to EMAS regulations, and the percentage of suppliers which have actually adhered to an environmental management standard.
- Begin gathering indicators for the assessment, in each company, of the various manifestations of policies directed at product ecology, such as: the offer of favourable conditions to clients with ISO 4001 and EMAS environmental certification and/or which adhere to safety standards; the percentage of clients which have adhered to an environmental management standard.
- Identify environmental system supervisors in each of the Group's main countries of operation.
- Develop training and information events through courses, Intranet and internal publications to ensure that each employee is aware of the environmental issues connected to corporate activities.



asset management
policy

The Generali Group is aware of the significant role it can play in protecting the environment and human rights, and in social issues in general, through direct involvement but, more significantly, through activities in its capacity as institutional investor.

asset management criteria

The specific nature of insurance transactions - consisting of taking on risks - dictates that the companies adopt a cautious approach to investing. Hence, the companies choose investment options with an extremely limited risk factor. If this principle is valid as a general rule, it is even more true with regard to investments for technical reserves, which are none other than funds allocated to cover the contractual obligations entered into with policyholders, the value of which needs to be guaranteed over time. Therefore, provisions for investment of technical reserves are always subject to comparatively strict regulations, introducing criteria on security, duration and consistency; in particular assets and the corresponding maximum thresholds for the use of such provisions have to be disclosed. In this context, the Generali Group asset management policy, has always focussed on the principles of the issuer's security and reliability; thus anticipating some of the working practices underlying the concepts of Socially Responsible Investing. Purely speculative practices are rejected, and investments imposing excessively high risks, in particular on the environment or in other social issues, are avoid.

In particular, the Group is sensitive to social issues, and considers as grounds for non-investment:

- violation of human rights legislation;
- lack of clear rules pertaining to corporate governance;
- exploitation of child labour.

In case of investments in companies that operate in states where the respect of human rights is regularly undermined, preference is accorded to those companies that:

- provide a comprehensive report of their policies and operating practices in the State in question;
- embrace a code of ethics or policy statement regarding human rights.

By contrast, moral issues are not deemed generally as constituting grounds for non-investment, in that they are frequently the subject of debate and equally changeable over time (suffice to mention the utilisation of genetic engineering or nuclear power or the production of alcoholic drinks, etc.). With regard to these sectors, the Group opts to assess the position of the individual companies on the basis of the above-mentioned criteria . However, a number of principles regarding general acceptability tend to exclude certain categories of investments, for example in activities associated with

pornography or in companies involved in animal experimentation for purposes other than medical research.

Similarly, while entire industrial sectors are not precluded on the basis of environmental issues, in the case, for example, of nuclear power production, investments are not made in companies that do not comply with legislation and regulations pertaining to this area or that are deemed as constituting a high risk in causing permanent and irreversible damage to the equilibrium of ecological systems. Likewise, companies that demonstrate that they take effective action to protect the environment will be accorded preference on the basis of:

- suitable reporting of their environmental policies and practices;
- policies adopted to reduce pollution (for example, waste recycling, utilisation of renewable energy and projects seeking more efficient energy use);
- policies aimed at safeguarding biodiversity.

From an operational standpoint, in recent years, the choice of investing in securities integrating the evaluation of the financial aspects with those of an environmental and social nature has led the Generali Group to adopt a communications policy within Group companies geared to promoting amongst employees an operating style in line with the principles mentioned above.

Over recent years, these guidelines have led the Group to increase its investments in bonds and equities issued by major banking institutions, public utility companies, telecommunications and motorway toll companies, contributing to increasing capital for infrastructures available to the community.

Around 80 percent of bonds feature those with ratings higher than AA; the majority are bonds issued by the State, which are thus destined to finance, amongst other things, welfare, health and education, all of which come under the State budget.

Overall stock market exposure exceeds 13% of the total portfolio and includes investments in strategic shareholding interests.

2005 objectives

- Invest in companies engaged in areas that are socially beneficial to the community; specifically, in research and development in the biomedical field, thereby providing tangible support for projects of proven merit and public utility.

By choosing to sustain these companies through participation in their share equity rather than through a policy of liberal action, it is possible to share in the management choices, gearing them, where possible, towards areas that have an affinity with the insurance business. Furthermore, by ensuring that these types of investments meet specific objectives and that corporate resources are managed efficiently, the legitimate expectations of shareholders of the Company can be safeguarded, i.e., the attainment of a return on their investment over time, even if this timescale is the medium-long term.



community

relations with the community

Establishing cordial and positive relations with the community they belong to has always been a top priority for the companies of the Generali Group, that look to play out this role by pursuing sustainable industrial growth.

Serving clients is already inherent in the nature of the business of insurance companies, offering relief via protection and indemnity mechanisms from the effects of damaging events which they may experience and, in recent years, increasing their role in the areas of pensions, health and welfare, where they have been called on to work alongside the State in responding to the increasing need for supplementary plans as a result of the progressive reduction of benefits provided by state welfare systems.

However, in addition to this role, the companies in the Group have a longstanding tradition of tangible and profitable relations with the communities in which they have developed.

To start with, it is worth recalling how the Parent Company throughout its development has always held in high esteem the local community's contribution to business from the point of view of market knowledge; as a result, the establishment and growth of operations in every country has been a growth factor for local economies. In addition, the presence of Generali has enhanced the main towns and



cities in Italy and, likewise other European cities with palazzos and historic buildings, which still serve as administrative and operational quarters for the Group's activities and which lend a characteristic and elegant mark to historic city and town centres.

Above all, however, ongoing awareness exists of the needs of the community in question. As stated under Paragraph V, sub-section 3 of the Ethical Code: *“The Group acknowledges, as a matter of principle, the moral duty of contributing to the improvement of the Society in which it operates. Such duty shall be ensured through the organization of cultural events, the promotion of sports and, most importantly, by demonstrating attention towards those suffering hardships and financial straits.”*

Thus, contributions privilege:

- social needs in the strictest sense of the term to alleviate situations of hardship and distress;
- support of high-profile cultural and artistic events, with a view to disseminating knowledge and values such as freedom, tolerance, solidarity, equity and transparency;
- education and raising of social awareness, to which a significant number of events primarily directed at youth are geared;
- support and promotion of sport and, specifically, that involving non-professionals and youth.

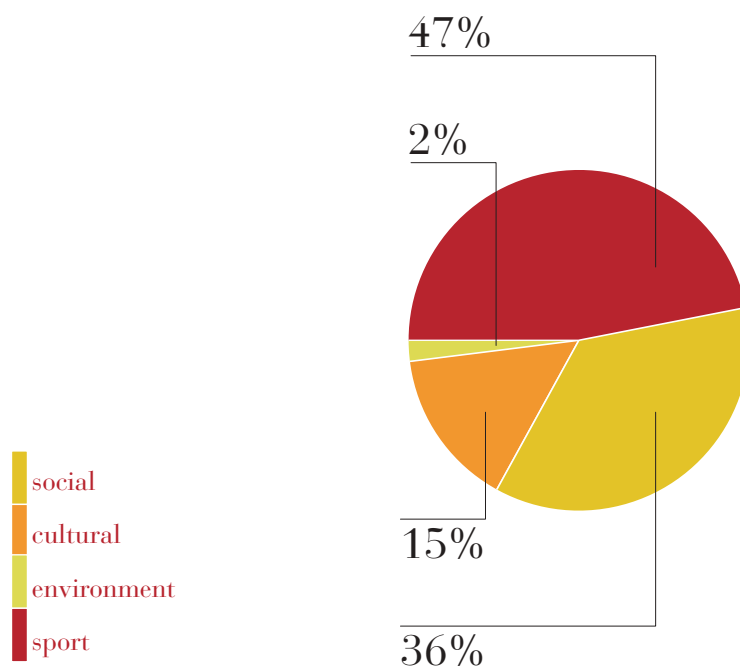
These initiatives are complemented by others that focus on making a concrete contribution, as previously described, to the Group's commitment to protecting the environment.

The decision-making process adopted by the Group to identify initiatives and events deserving of support entails the application of specific criteria for each of the above areas. The allocation of funds to the diverse initiatives that come under consideration thus takes into account their social value and careful assessment of the promoters and organisers from a moral and professional standpoint; however, on conclusion of each initiative, a check is carried out to ensure that earmarked funds have been used effectively and correctly. Within the scope of this common view, individual companies in the Group make independent choices that, in some cases, may focus on one or a few larger-scale projects that are often organised over a number of years whereas, in other cases, they may opt to allocate funds to a larger number of small-scale and variously articulated projects.

the events of 2004

The following table details the main projects funded during 2004. It should be noted that, because of the significance of projects benefiting the community undertaken by the Group companies, a wider area was taken into account as compared to the Sustainability Report, including Austria, Switzerland, Israel and Eastern and Central Europe.

In 2004, in the countries, overall around 15 million euros were allotted to community projects, of which 1.8 million by the Parent Company. The pie-chart shows the project-split by area:





the events of 2004

	sub-area	main projects
Social	aid	Eurasolidale, Price-Brody, Elem Association, "Wheel House", Schweizerischer Samariterbund, SOS-Kinderdörfer, Saint-Denis, Civil Defende Activities (I)
	scientific research	Telethon, Vollaro Fondation, European Institute of Oncology, CERBA Fondation, FARO Fondation, AISM, "Pension Forum" Bocconi University, BSI GAMMA Foundation, German Association for Insurance Sciences (DVfVW)
	education/training	RTWH Aachen, Mus-e Association, United World College of Trieste, MIB Consortium, a book on "Life Insurance", insurance magazine, BOI-Insurance Information Centre (HU), Tlalim
	raising social awareness	"Non uccidere" campaign, "Mela e limone", "Szimba", Generali Car Hunting Cup, the San Patrignano Rehab Community, The Alster River steamers, Forum pour la Gestion des Villes, Found for the Holocaust victims
	volunteering activities	ASPFI, SOS-Kinderdörfer, Tlalim, Hapoel Migdal
Cultural	exhibitions/restoration	Generali Foundation, "387 d.C. Ambrogio e Agostino - le sorgenti d'Europa", exhibition of Tiepolo, exhibition "Arte e Architettura"
	arts/literacy awards	Campiello literacy prize, Media prize AM, FATA exhibition of photographs
	music/dance	Orpheum, STEPS Dance Festival, La Fenice Theatre (Venice), Santa Cecilia Academy (Rome), Maggio Musicale Theatre (Florence), Verdi Theatre (Trieste), "Thalia" e "Alma Hoppe" Teathers in Hamburg, Palau de la musica, Aachen Karnevals Verein, Aachen Kultursommer, Wiener Musikverein and "Gustav Mahler" Orchestra concerts, Pavel Šporci
Environment	outdoors events	"Cammino dell'alleanza", Fitwalking Tour, Outdoor guides, FAI, sponsorship of two ambassadors for sustainable development
Sport	youth	Integrated Sport Association, Disable Training Raid Vittel
	professional	Generali Open Kitzbühel, Davis Cup (RO), CSIO, CHIO, Nations' Cup, Generali Solo, 8° Easter regatta - Vodice (HR), 6-day cycling events in Munich, Barcolana, Bavisela, International Equestrian Sport Federation, Hapoel Migdal Jerusalem, Aryeh Zeevi, CETURSA - Sierra Nevada



social area

a. Aid

The commitment of the Group in this area was fairly generalized, and in many cases it has involved supporting numerous small-scale projects aimed at meeting the primary needs (above all hot meals) of the less fortunate, homeless and of those on the fringes of society.

- Particularly significant was the effort made by Europ Assistance Italia, which, through the **Eurasolidale** project in 2004, chose to support the activities of the “Fondazione Bambini in Emergenza”, a non-profit organisation that set up a pilot centre in Romania for treating, providing assistance and researching the HIV virus that affects most abandoned children. Support is provided via two types of intervention:

- the first is a direct contribution, with welfare services being provided utilising the operational resources and equipment made available by the company, including a dedicated phone line that is manned 24 hours a day by qualified medical staff;
- the second is an indirect input, via donations which have in part been raised thanks to initiatives involving employees, clients and sales channels.

- Also Migdal, a Group company operating in Israel, has a strong involvement with social issues and has proven particularly sensitive to the numerous serious problems that afflict the troubled region in which it operates. Through the **Price-Brody** project, organised in collaboration with the University of Tel Aviv, it has distributed hot meals to school children living in the most rundown suburbs of Jaffa and delivered various services to the community (legal aid, dental treatment, higher education, social programs for old people, etc.). In addition, the company has supported the **Elem Association**, which helps teenagers at risk in a variety of manners and organises youth anti-social behaviour recovery and prevention programs, and via the “**Wheel House**” project, it has helped around 260 children and 40 adults with serious physical disabilities to become part of the community and work world.

- In Switzerland, the Generali Group has continued to provide wide support to the activities of the **Schweizerischer Samariterbund**, an association that carries out socially beneficial work that is closely linked to the insurance business, by providing a series of services connected with first aid (in Switzerland, a first aid course is a mandatory requisite for obtaining a driving licence) and accident prevention.

- In Austria, the Group has been active for many years in supporting **SOS-Kinderdörfer**: each regional management centre “adopts” a shelter home for children, providing direct aid. In September 2004, the company was also involved in organising a charity concert of the Wiener Musikverein and the Vienna Philharmonic Orchestra in favour of a newly opened SOS-Kinderdorf centre in the Austrian capital.

- The Group also donated overall one million euros to the South-East Asian countries hit by the tsunami in December 2004, partly raised from employees who had the option of making a voluntary contribution of ten euros. The funds were allotted to the **Italian Civil Defence Corp** for work in the countries hit by the disaster.

Relocation to Saint-Denis

During the course of 2004, the offices of the French companies were relocated to the new facilities at Saint-Denis, on the outskirts of Paris. The transfer went hand in hand with a series of initiatives benefiting employees in the first instance but also with the aim of building a positive social image for the Generali Group and to ensure that the welcome from the local community would be a friendly one.

- Any furniture and computer equipment that was no longer needed was offered for sale to employees at discounted prices; the proceeds were given to five different associations involved in social activities chosen by employees through a poll.

• The “reste du coeur” association, that provides hot meals to the homeless and poor.

• An association that helps needy families providing them with baby and infant foods.

• An association researching treatments and cures for heart disorders.

• A volunteer fire-fighting unit based in Saint-Denis.

• The “secours populaire” association that supports local projects in the Seine - Saint-Denis department.

- The Group's art collections were put on exhibition to be viewed by the public and numerous students were invited to visit the exhibition organised at Saint-Denis - originally meant for the Group's employees - that feature real-size reproductions of Giotto's frescos on the life of Saint Francis in the Upper Church at Assisi. A long-term sponsorship agreement was entered into to sponsor the Saint-Denis Music Festival, which takes place each June; the Group's employees were also invited to a number of concerts that were featured as part of the festival program.

b. Scientific research

Similarly, in this area, the Group has made an extensive and significant commitment, especially in the field of medical research, considering its close links with the insurance business; particular attention has been given to projects studying cancer-related diseases as well as other disorders such as heart disease, Alzheimer and muscular dystrophy, etc.

- In 2004, INA-Assitalia renewed its commitment in favour of scientific research, once more becoming a **Telethon** partner. It became a fund raiser, introducing this year two methods promoting this scope that featured:

• a direct contribution from the company amounting to five euros for each life policy taken out between 15 November and 31 December 2004;



- the distribution of 80,000 five and ten euro Telethon cards at Generali agents and INA-Assitalia points of sale.

In addition, the company took the decision to finance research on nerve cell-related genetic disorders being studied by a researcher as part of the Telethon Dulbecco Institute project.

- The Parent Company began a three-year commitment in 2004 with the **Vollaro Foundation** in Lugano with the aim of providing medical research scholarships at the European Institute of Oncology (**IEO**) of Milan. In addition, it continued its support of the work of this institute, of which the Company is one of the founding members. As is well known, the institute directed by Prof. Veronesi carries out clinical research against cancer and, through the Department of Experimental Oncology, research aimed at improving preventive systems and treatment of cancers, publishing many highly-regarded scientific journals. In addition, in its capacity as promoter and shareholder of the EIO, Assicurazioni Generali has become part, as founding member and with a significant initial contribution, of the **CERBA Foundation - European Centre for Advanced Biomedical Research**. The Foundation aims to set up a multi-disciplinary centre studying various disorders (commencing with the three main illnesses of this century: cancer, heart disease and neurological disorders) that integrate experimental and clinical research. This means that, in Europe as in the United States and Japan, projects can finally be co-ordinated, thus preventing resources from being wasted. BSI too, in Switzerland, supports research and innovation in oncology through the **FARO Foundation (Foundation for Advancement of Radiation Oncology)**, of which it is a founding member.

- The Parent Company, via the Generali Foundation, Ina-Assitalia and Estrella has financed projects for care and **research into Alzheimer Disease**. In Spain, in particular, the project which is chaired by H.R.H. Queen Sofia has also undertaken a campaign to raise awareness of families and, above all, young people by publishing a book and producing a CD and by organising a concert in which the best known Spanish singers took part.

- In 2004 Banca Generali also decided to support **AIMS - Italian Multiple Sclerosis Association, sponsoring the International Symposium of the Association**. During the event, two bank current accounts were launched, which can be managed and used by people which have difficulty in getting out of the house or are housebound (for example, access to their current account by phone or the Internet) and other favoured conditions such as limitless free ATM withdrawals and no fees charged for handling and managing security dossiers. In addition to making a donation, Banca Generali

also launched a campaign targeting all employees and inviting them to make a voluntary donation to AISM.

Moreover, there is an on-going interest, primarily in Italy and Germany in research being carried out in the economic and financial sectors, especially in areas that are of interest to insurance.

- In Germany, the Group is particularly active in supporting the sciences in general, and specially those within the scope of insurance. In 2004, financial support was offered to the **German Association for Insurance Sciences (DVfVW)** and the Association for the promotion of Insurance Sciences, in addition to a number of scientific companies and Munich and Passau Universities;

- Generali Vita is part of the **Pension Forum** of the Milan Bocconi University that is engaged in research for the development of pension funds.

- In Switzerland, on the occasion of its 125th anniversary in 1998, BSI founded "**BSI GAMMA Foundation**" (Global Asset Management Methods and Applications), a private-sector foundation aimed at fostering theoretical and empirical research on asset management, the results of which are presented in a special conference and published; the foundation also promotes workshops and courses as well as participation and support to similar initiatives implemented by other leading organisations.

c. Training/Education

In this area, there are numerous initiatives that bear witness to the role played by the Group companies in the regions and communities where they operate on the one hand, and sensitivity to the needs of those that are less fortunate on the other - such as the sick, the disabled and immigrants - with a view to promoting their integration in the education system and society. Furthermore, particular attention is focused on training and education in the insurance field and, more generally, dissemination of the insurance culture.

- In Germany, AMB Generali focussed its resources for the community in a donation to **RWTH of Aachen** (the local university specialising in technical and scientific subjects) financing the building and equipping of a new services centre for students that will make it an excellence university. This effort underpins the commitment to the city and, specifically, to the local university, with the Group having made a significant contribution to its founding (in 1870) and subsequent development. The donation was made via the charity Foundation - set up back in 1825 and financed by the Group - whose purpose is to support public and scientific institutions as well as socially-related projects and the creation of jobs.

Tlalim

Tlalim is an initiative of Migdal, an Israeli company part of the Group, which aims at offering support to ill children who are absent from school for more than three weeks. In 2004 our company's intervention included:

- increase in the weekly support hours envisaged by the Ministry of Education, namely 2-4 hours for ill children that are in year 1 to 6 and 4-6 hours for those in year 7 to 12. Thanks to Migdal's intervention, the hours per week have been increased to 6 and 8 respectively;
- virtual school: forty e-learning courses are now available in Tlalim for students starting from nursery school up to secondary school final examination;
- call centre: a call centre was set up in 2004 to answer youngsters' questions; it is made up of teachers who speak Hebrew and Arabic;
- Eye-contact project: it allows children to stay in contact with their teachers and school friends by means of closed circuit television connections with the classroom.

Awards

- For three years Tlalim has won the competition of the Ministry of Education. In 2004 in Rome, it received the first prize in an international e-learning competition in which 600 projects from 70 countries took part.



- Assicurazioni Generali is also particularly active in training/educational field and, in 2004, was a major player in a number of significant projects:
 - with the **Associazione Mus-e** of Rome - a city that is fast becoming multiethnic and is therefore experiencing problems linked to the integration of ethnic groups within the community - it supported a project aiming to foster the integration of immigrant children in the school environment via music and sports activities;
 - it continued its long-term commitment supporting the activities (through scholarships) of the **United World College of Duino** (Trieste), an international institution offering young people from around the world the opportunity of getting to know and interacting with the community hosting them;
 - likewise, through scholarships but also with the participation of numerous Company employees giving guest lectures, it supported the **MIB Consortium** (Master International Business) postgraduate master's degree;
 - the publication of the new edition of the book "**L'assicurazione sulla Vita**" (Life Insurance) (the first two editions were published in 1981 and 1987, respectively), significantly revising and updating the text - an important reference work for academics and industry operators - and using plain language where possible with the aim of making the subject accessible to a wider readership. The volume provides a comprehensive account of the high level specialist skills and professional expertise accrued across the various disciplines by Company experts.
- In addition, the Group also edits "**Assicurazioni**", the historic, Italian journal of law, economics and private insurance administration published with the aim of disseminating insurance culture.
- In Hungary, Generali-Providencia supports the **National Centre for Insurance Scholarship (BOI)**, since its incorporation in 2001.

d. Raising social awareness

In this area, significant attention has been focused on issues that are akin to insurance activities, primarily concerning driving safety; this commitment is especially evident in Central and Eastern Europe.

- An exceptionally important contribution has been made by the social campaign "**Non uccidere**" (Don't kill) shot by a major photographer in 2004 for the Italian insurance company Genertel; stark and essential visuals with the words "Don't kill" featured prominently in red and figures for road accident deaths. The objective was to make people think about risks, the role of personal responsibility and the possibility of reducing risks by driving safely. The important social value of the campaign was confirmed by the cooperation proffered by the Police and the Observatory for road safety education of the Emilia-Romagna Regional Administration.

- As previously mentioned, numerous projects have been organised for many years by Group companies in Central and Eastern Europe regarding issues to raise social awareness.



- “**Mela e limone**” (Apple and Lemon) is an annual road safety education campaign targeted at adults and children organised in cooperation with the state police over a month or a few months of the year in various cities in the Czech Republic, Hungary and Slovakia. The children give an apple as a prize to those who drive safely and a lemon to those who break the road safety code;
- “**Szimba**” - is the name of a famous cartoon lion cub character and has also become the symbolic name of an insurance product for pupils marketed by Generali-Providencia - a project that is in its seventh year in Hungary and which targets pre-school children and primary school pupils getting them to take part in a competition concerning themes such as health, healthy life-styles, sport and road safety. Each year around 400-500 schools take part in the project, with 100 schools winning prizes;
- **Generali Car Hunting Cup** is an event that focuses on crime prevention on the streets and, each year, brings together civil volunteers, the police and Generali-Providencia for two or three days to track down stolen vehicles around the country. This sponsorship is covered by funds from the Generali Foundation for security.

The companies in the Group are also committed to and involved in raising awareness about serious social problems such as drug addiction and the management and restoration and promotion of regional areas.

- Assicurazioni Generali has continued its long-term support of the **San Patrignano Rehab Community**, which, for the past two years, has focussed on organising an event called “Squisito” (“Exquisite”), an original and multifaceted project that aims to raising awareness of the problem of drug addiction. It is an Italian food and wine show that includes many projects that have been created and set up by the young people in the Community’s learning centres and is tangible proof that it is possible to defeat serious problems such as drug addiction and isolation.
- The Volksfürsorge has signed a three-year agreement until 2006, to sponsor the white **River Alster Steamers**, a Hamburg tourist attraction that deserves being maintained. The contribution consists of covering the costs of producing advertising materials (posters, brochures, etc.).
- Europ Assistance France sponsored the **Forum pour la Gestion des Villes** in 2004, an association that is involved in promoting cooperation between public administration and private enterprise in managing cities.
- Assicurazioni Generali’s commitment to the **Fund honouring the victims of the Holocaust** is ongoing in Israel, and consists of a 12-million-dollar donation to be used over a 12-year period primarily funding organisations and institutions that perpetuate the memory of the Holocaust, in addition to providing aid to victims of the Holocaust and their families.



e. Volunteering activities

A number of the initiatives in which the Group companies are engaged are not just limited to financial donations but include an active role played by company staff members. There are some initiatives where a number of company employees do voluntary work, while in other cases, the companies play a role in getting others (partners and clients) to take part in projects.

- Companies of the Europ Assistance Group make their organisational skills available and raise funds from partners, clients and distributors for the various projects: also INA-Assitalia raised funds from clients supporting the Telethon event.

- For a number of years, Assicurazioni Generali has been working with **ASPFI**, a non-profit organisation that promotes the integration of people with disabilities in school, work and community environments via the use of technology. The project is particularly complex and envisages achieving a series of goals which include the transfer of knowledge and skills acquired with the aim of enhancing positive fallout. In addition to subscriptions, Assicurazioni Generali takes part in a specific audiology screening project in collaboration with local health authorities (Local Health Units and Provincial authorities) in which a Company employee is directly involved for a couple of days every week. In 2004, this project that has the aim of training teachers using speech therapists who have been trained for this purpose and who receive hardware and software supports, involved nursery schools in a number of Veneto region provinces.

- The project supporting the **SOS-Kinderdörfer**, which in Austria has meant that each regional headquarter has “adopted” a children’s home, also involves a direct participation and - as stated previously - means that a number of Group employees are personally involved.

- The **Tlalim** project in Israel also makes use of around 25 employees of the Migdal Group as voluntary staff members who personally take on home visits to sick children not only to make sure that they keep up with school work while they are unable to attend school, but also to show them and their families kindness, a sense of caring and hope. In 2004, the project was decorated by the President of Israel.

- Once again in Israel, there is the sponsorship of the Jerusalem basket ball team **Hapoel Migdal** in its fourth year and which is linked to an extensive range of social events promoting sport around the country. Players and Group employees take an active part in social projects for marginalized and sick children of the poorest social classes in Jerusalem.



cultural area

The Group has always shown a great interest for, and support of various projects in the field of the arts as a way of contributing to the community.

In 2004, numerous and varied projects received support from the Generali Group. A number of these represent a consolidated relationship that has grown up over the years such as the **Campiello Literary Prize**, sponsored by the Parent Company and the prize that AM Versicherung has been awarding for the last eight years to articles published regarding insurance issues. The prize this year was awarded to five journalists who wrote about private retirement pension schemes. Another customary event is the Photography Competition, which focuses on different aspects of the farming world and is sponsored by FATA (Group company with a leading position in the farming risk insurance in Italy). The second edition of this event received the support of the Ministry for agricultural and forestry affairs as recognition for the special social contribution that this event makes to promoting and disseminating the knowledge of agriculture.

The majority of projects relating to the arts in which the Group took part involved organising exhibitions and supporting the performing arts of music and dance.

a. Exhibitions

- In this area, it is worth mentioning the contribution of the Austrian Group, which, in 1988 set up the **Generali Foundation**, a non-profit association with the objective of promoting contemporary art and building up a collection that primarily featured photography, film and video works hosted in an ex-hat factory that was redeveloped for this purpose. The funds allocated are used to buy new works which each year are used to create three international exhibitions and that then become part of the permanent collection.

- Alleanza Assicurazioni's contribution to the area of the arts is also very significant. It was one of the main partners of the exhibition entitled "**387 A.D. Ambrose and Augustine - the origins of Europe**", held at the Diocesan Museum of Milan from December 2003 to May 2004. The exhibition featured itineraries, archaeological finds and manuscripts relating to Saint Ambrose and Saint Augustine.

- Assicurazioni Generali has also given its support to numerous prestige art exhibitions, amongst which the **Tiepolo** Exhibition at the Cini Foundation in Venice and the exhibition "**Art and Architecture**" held at Palazzo Ducale in Genoa must be singled out.



b. Music and dance

The Group has a strong and extensive commitment to supporting prominent events and the activities of major academies and schools for the performing arts. Special attention is dedicated to initiatives involving young artists.

- The Swiss holding is particularly active in this area and has given its support to the **Orpheum Foundation**, which provides support for emerging young classical soloists. A significant contribution is also made to **STEPS**, a dance festival that includes a series of shows held in different Swiss cities over a month-long period.
- Numerous **theatres** are sustained by the Group. The companies that make the largest contribution to this area include:
 - Assicurazioni Generali, which has a long-term relationship in sustaining the activities of a number of the most important opera houses in Italy: the “Fenice” in Venice, which reopened in 2004 after the prolonged closure for restoration work made necessary following the fire that broke out in 1996, the Saint Cecilia Academy in Rome, the Maggio Musicale theatre in Florence and the Giuseppe Verdi theatre in Trieste;
 - Volksfürsorge sustains the State Opera in Hamburg, the “Thalia” theatre and the satirical theatre “Alma Hoppe”.
- AM Versicherung also plays an important role across the region in supporting entertainment events. 2004 was the first year that AM Versicherung launched its three-year sponsorship of the **Aachener Karnevals Verein**, the association that organises the Aachen carnival, and also financed the **Aachen Kultursommer**, an annual event held between June and September during which over a hundred theatrical, literary, music and dance performances are organised in the city’s theatre, museums, churches and public squares.
- Since 2002 the Banco Vitalicio has been giving its support to “**Palau de la Musica**”, an association with the objective of promoting music and which attempts at the same time to enhance the city of Barcelona’s image as a culture and music centre.
- Many concerts benefit from sponsorships by companies of the Group, amongst which the three annual concerts of the **Wiener Musikverein** held in Austria and the “**Gustav Mahler**” **Youth Orchestra** concert in Hungary and Slovakia are worthy of mention. In 2004 in the Czech Republic, Generali Pojistovna sponsored the performances of the renowned violinist **Pavel Sporci**.



environment

Other initiatives that underpin awareness and support of environmental issues have been undertaken by:

- Assicurazioni Generali, that for many years has sustained **FAI** (Italian Environment Foundation), a non-profit private organisation that is active in the field of environmental protection, preservation and promotion of artistic and environmental heritage in Italy. In 2004, the Company contributed to the organisation of a charity concert, whose proceeds were devolved to the Foundation.
- Generali France, that sponsored two young graduates that embarked on a year-long mission around the world as **ambassadors of sustainable development**. With Generali France's support, they were able to interview important businessmen and executives who, within the ambit of their activities, contributed to sustainable development. Those interviews were then published in a book entitled "80 men who would like to change the world".

Alleanza Assicurazioni promoting the environment

For a good number of years now, Alleanza has chosen to be an active supporter of major environmental projects and events such as "Il cammino dell'Alleanza", a project promoting the conservation of Italian natural heritage that was launched in 1998, on the occasion of the company centenary celebrations. Together with the Italian Walking Federation (FIE), that oversaw the design of maps and walking itineraries, Alleanza set itself the goal of reviving around 800 kilometres of walks across Italy that were suitable and safe for amateur walking enthusiasts. Over recent years, 19 walks have been recovered, in various areas of the country, making them once again available for use by the community and making sure that they are properly maintained. The company's web site features an area dedicated to this project, where a description of the itineraries can be found and a free copy of the walk guides can be requested. This project has received various national acknowledgements for its social merit. The "Cammino dell'Alleanza" project was but the first of a series of projects focussing on the health and nature theme, all of which have the merit of being enjoyed by the community in a simple and direct way. Since 2002, Alleanza has been the main sponsor of the "Fitwalking Tour", a series of events-ideas aimed at drawing attention to a sport that can be enjoyed by everybody. Fitwalking is the "art of walking", a sport that was launched by the Damilano brothers (Maurizio Damilano was Olympic champion of the walk at the Moscow Olympics) to promote sport walking as a factor contributing to both physical and mental wellbeing. In Spring 2003, the first guides were published under the title "Guide Outdoor - Alleanza DeAgostini", a collection of itineraries in particularly scenic areas, offering undisturbed natural beauty and steeped in history providing all the details regarding hospitality, health and sport options that can be pursued in the area. Six regional guides and three monographs, all containing detailed maps of itineraries, have been published to date.



sport

The projects undertaken in this area are numerous and meet different criteria. Firstly, a distinction should be made between sponsorship of professional teams or major sport events and those activities and sport events that involve children and teens. In the first case, the primary motivation of the sponsor is commercial although linked to various kinds of community interests, while in the latter case, social aspects are the prime reason.

a. Youth sports

This area is characterised by a multitude of small sponsorships that help many children and their clubs playing a variety of sports such as tennis, skiing, handball, football, canoeing and many others, while enjoying a valuable life experience.

Included in the many projects that are worthy of mention, there are:

- the support provided by Assicurazioni Generali to the **Association “Integrated Sport”** established at the Carducci Secondary School of Trieste, which promotes a project now become a pilot scheme also in other schools in Italy and abroad, involving disabled students to take part with other students in sports activities such as skiing, sailing, athletics and team sports such as volley, basketball and football.
- The contribution given by Assicurazioni Generali to the athletic **training of a disabled** student of the Anshaf club of Trieste. This remarkable athlete was world champion in the long jump in 2002, silver medallist at the European Championships in 2003 in the long jump and 100 metres and won the silver medal at the Paralympics in Athens in 2004, as well.
- The participation of Europ Assistance France was also evident in organising **Raid Vittel**, an adventure/sports competition held in Sri Lanka and reserved for women with orienteering, canoeing, kayaking and archery; medical support was provided during the competition and a team of employees competing in events was also sponsored.

b. Professional sports and major sporting events

The Group companies have always been extremely active in this type of sponsorship, taking on a high profile role in the areas where they operate. Their contribution, which harvests returns from a commercial and image standpoint, helps local communities attract major national and international events with positive fallout for the local economy and image of the host city. In developing markets these events are without doubt a factor contributing to significant economic growth. Sponsorships of top teams and athletes also have a positive effect in encouraging young people to take up sports that are practised by their favourite champions.

During 2004, the main projects undertaken by the Group companies were:

- **Professional events** at an international level such as tennis tournaments including



the Kitzbühel Generali Open (sponsored by Generali Austria and Generali Providencia Hungary) and the Davis Cup in Romania, equestrian events such as CSIO (the Swiss holding company) and CHIO (Aachen und Münchener), sailing events such as the Nations' Cup in Trieste (Assicurazioni Generali), "Generali Solo" (Generali France), the 8th Easter Vodice regatta (Generali Croatia) and the 6-day cycling event in Munich (AMB Generali).

- **Major sporting events** such as Trieste's "Barcolana" regatta and the 3rd European Marathon "Bavisela" (Assicurazioni Generali).
- **Federations**, in whose sponsorship Generali France is particularly active as it sponsored the International Federation of Equestrian sports and the National volleyball, softball and cricket federations; Assicurazioni Generali, by contrast, chose to sponsor the International Bridge Federation.
- **Local football clubs** (AM Versicherung, AMB Generali and Generali Slovenia), basketball teams (Migdal and Genertel), handball and volleyball teams (Genertel) and top **athletes** such as judoka Aryeh Zeevi who won bronze medal at the Athens Olympics (Migdal).
- The CETURSA **ski resort** in Sierra Nevada (Banco Vitalicio).

2005 objectives

- Maintain a close tie with major research centres and universities, firm in the belief that it is of primary importance to establish a profitable relationship with the academic world and the promotion of learning in the insurance field.
- Further support of culture in those areas where the companies of the Group operate.
- In the area of sports, the aim is to increasingly shift the focus to youth sports and those sporting events involving people with disabilities, with the scope of making a tangible contribution to those who strive to offer the young generations leisure opportunities and healthy interests.

As a leading active financial institution in an international context, historically recognised for its reliability and solidity, the Generali Group has developed a media communication policy based on transparency and a commitment to guaranteeing accessible, clear and accurate information.

Generali attributes a fundamental role to the media, as they convey information and news to its stakeholders, especially its clients, and to the economic/financial community.

The media relations department, responsible for managing relations with the media, focuses on compliance with the most recent regulations on the diffusion of information, especially as regards price sensitive news, in terms of methods, timing and completeness.

Moreover, over recent years, the widespread and rapid diffusion of information on a global level has made it increasingly necessary to promote exchange and coordination amongst the press office and the various company offices in the different Group companies. In this sense, a coordination process has been developed for the diffusion of information so as to ensure coherence with the Group's strategic orientation and communication policies, guaranteeing a clear and unambiguous flow of information. This activity is carried out through the integrated use of various tools (press releases, interviews, press meetings/events, one-to-one relations between the management and journalists) in order to ensure effective communication, structured on several levels. In the same view, the www.generali.com site, which was totally renewed in 2004, features a press information section named "Media & Communication", where it is possible to quickly access complete economic/financial data and the main information relative to the Group and its operations. A detailed press review, accessible via the Company Intranet, is provided on a daily basis in order to ensure a complete information flow from the outside into the Company and *vice versa*, while periodical reviews of the national and international press agencies are performed throughout the day for the top management.

In 2004, the main national and international publications dedicated around 1,500 articles to the Generali Group (climbing to over 8,500 articles mentioning Assicurazioni Generali or other Group companies). To this the news published on a daily basis by national and international press agencies can be added.

In addition to daily contact with the information operators, over 250 press releases were issued by the Generali Group in 2004, 41 of which released directly by the Parent Company, whilst 40 interviews were given by the Top Management of Generali and other Group companies. To this the statements and comments of a financial nature or relative to the insurance business, and in-depth comments requested by journalists can be added. It should also be remembered that a meeting is organised during the Assicurazioni Generali shareholders' meeting in the Trieste head offices, between Italian and overseas press representatives and the Company's top management. The media are also encouraged to attend events organised by the Company top management for the financial community on the occasion of the presentation of the economic/financial data.



integrated
communication

In an international group such as Generali, integrated communication is of fundamental importance since it contributes to the consolidation and development of the Company skills and culture, as well as to the name and reputation of the business amongst external contacts.

The main communication objectives are:

- supply institutional information on Group companies;
- diffuse the Group's image, culture and guide values;
- provide information on the Group's commercial and promotional initiatives;
- motivate employees and increase their sense of belonging to the Group;
- promote and nurture a good organisational working climate;
- encourage and facilitate the exchange of information between the various Group sectors and offices;
- improve cooperation between employees.

This integrated communication is targeted at clients, shareholders and institutional investors, employees, agents and other intermediaries and society as a whole. A number of different, suitably combined tools are used to reach them. In this field, company magazines (periodical publications targeted at all or specific categories), web sites and other tools can be highlighted.



Company magazines

Virtually all the main Group companies publish a magazine in their local language - on a periodical basis varying between one and three months - providing institutional information, details on commercial and promotional initiatives and coverage of other, miscellaneous topics. Generally speaking, the periodicals have a circulation of several thousand copies and are often distributed to a wider public, as well as employees: agents, brokers, organisations and sometimes even shareholders. These magazines are also published on the company web site.

The following publications deserve a special mention:

- “Il Bollettino”, a widely appreciated magazine published by the Parent Company on a monthly basis since 1893; particularly worthy of mention is the Christmas edition - entitled “Almanacco” and published in Italian and English - containing significant articles and in-depth studies on various topics.

- “Vita dell’Alleanza”, published by Alleanza Assicurazioni for the last 40 years; it is unique in that it is published in two separate editions, one for clients and one for employees, and also includes a supplement for young people.

In France, a large number of periodicals are published by the various Group companies for specific categories of stakeholders, clients and the sales network, some including technical contents (accounting, legal, fiscal, organisational and sales). These especially include “Fréquence Groupe”, published in French six times a year by Generali France and targeted at employees, sales networks and general agents, for the diffusion of news - on strategy, markets, personnel policy, specific initiatives, etc. - regarding the Group in France and the rest of the world.

Magazines such as “GenerAzione”, distributed to the Assicurazioni Generali and Generali Vita sales organisation in Italy and “Synergies” and “Le chant du coq”, respectively published by Generali Assurances and GPA in France, have the specific objective of keeping the sales network informed of and up-to-date about new products and commercial initiatives, regulations, new client approaches, best practice, etc.

Group News, a two-monthly information newsletter on the Generali Group, edited by the Parent Company, has a place of its own amongst the magazines. This periodical is written in English and has a circulation of approximately 5,500 copies, 60% of which amongst overseas Group companies and 40% in Italy.

Investor’s Info is a six-monthly bulletin for Assicurazioni Generali shareholders. Published in Italian and English, it has a circulation of approximately 70,000 copies, 90% of which are distributed on the occasion of the shareholders’ meeting. The bulletin is also published on the web site on the occasion of the presentation of the six-monthly report, in September. It contains information of a technical nature: consolidated financial data and results.

Web sites

All the countries mentioned in this Sustainability Report have an institutional site that presents the Group and its history, providing a detailed description of its main subsidiaries. Specific sections are dedicated to institutional investors and the press, where press releases, financial reports and other useful documents - such as the Ethical Code, periodical company publications and institutional brochures - are duly published. The site also contains links to the individual companies, leading to sites that are more client-oriented, presenting the range of products on offer, commercial initiatives and the sales organisation.

Generali.com is the Group's institutional site. In April 2004, the graphics and contents were completely renewed and updated. The new site is more informative and easier to browse. The new configuration bore in mind the W3C (World Wide Web Consortium) guidelines on facilitating disabled site accessibility through the use of colours and flash elements.

There is also a subscription system through which users may request to receive email notification of the publication of press releases, Investor's Info and financial reports. The graphic guidelines used by the Group in order to ensure an adequate level of information in all Group sites have been prepared and will shortly be distributed.

Alleanza, Fata and - in Spain - Banco Vitalicio, have created their own sites, bearing in mind the needs of disabled people, checking compliance and obtaining relative recognition from national and international bodies, such as the Unione Italiana Ciechi and "Watchfire Webact".



Other “integrated communication” operations

The Parent Company produced an **institutional video** in Italian and English in 2004, presenting the main characteristics of the Group itself. This video was distributed to the main Group companies in DVD format, together with a video on the most significant sponsorship deals and the national advertising campaign.

2005 objectives

- Greater use of computer tools for communication with employees, with the aim of reducing paper publications, such as “Il Bollettino”.
- Further improvements of internal communications within the individual companies and the Group as a whole.





stakeholder engagement

employees and other staff members

The Generali Group is aware of the fundamental importance of stakeholders' engagement in a business model that includes CSR, in terms of evaluating operations and results, and of obtaining information on procedures and objectives to be adopted to continue improving over time. This logic encompasses certain listening initiatives designed to pick up on the opinions and expectations of some of the main stakeholders.



employee satisfaction surveys in Italy

For the first time in the history of the Group in Italy, a survey was carried out in May 2005 to create a clear picture of the Company's employee satisfaction and the commitment of Generali's staff members to strategic business objectives.

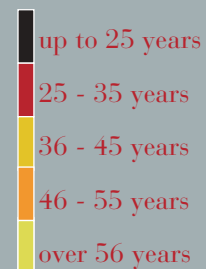
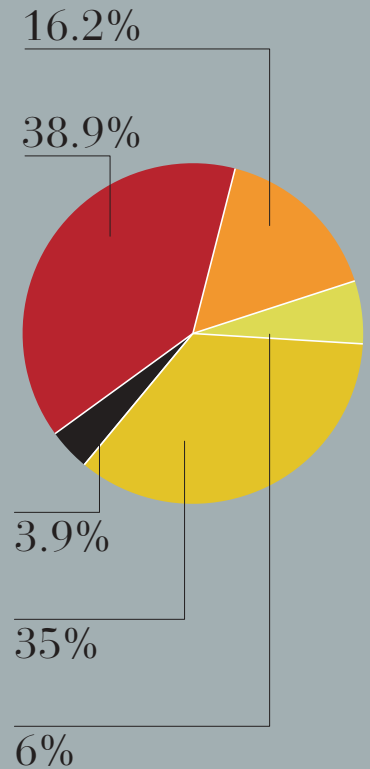
All Assicurazioni Generali S.p.A., Generali Vita, Gruppo Generali Servizi, Genertel and La Venezia Assicurazioni employees of all levels, accounting for a total of over 2,933 people, were invited to participate in this first edition of the project, conducted over the Intranet by an external consultancy company in order to ensure the confidentiality of the answers. Participation was voluntary and 54% of the population involved completed the questionnaire - a positive result if we consider the "novelty" of the experience.

The results highlighted that age is a key differentiation factor in terms of participation; in fact, almost 74% of respondents were aged between 25 and 45 years, with a greater impact than that of the entitled parties. Distribution by gender, on the other hand, substantially reflects that of the persons invited to take part.

The analysis focused on themes relevant to the evolution of the professional Generali model: strategy alignment, innovation, communication, leadership, teamwork and human resource policies.

The factor judged most positively was personal commitment, followed by decision-making processes, strategic orientation and the perception of being in a phase of change. It also emerged that the communication of strategies and objectives has a direct impact on personal commitment and involvement: the Group therefore intends to work towards further increasing the alignment and participation of all members of staff in the creation of the strategic plan, so as to be able to make the most of others' commitment. The survey also confirmed how it is necessary to work on more direct connections, at different company levels, between individual responsibilities and contributions and the payment system.

Improvement objectives were identified on the basis of the results, published in a special newsletter sent out to all Company employees involved in the project.



Foreign Group companies regularly carry out surveys **measuring employee satisfaction** on the workplace, possibilities for development, internal communication system efficiency, especially amongst the company top management and employees. Individual companies also organise annual meetings open to all employees and other staff members, in order to present their main results and future objectives, provide information about Group strategy and further motivate employees in regard to the targets to be achieved.

- Dialogue is particularly well developed in France, where it also covers specific subjects such as the importance attributed by employees to the various **sponsorship initiatives**. These surveys also involve the general agents, inasmuch as the main sponsored events are often associated with customer loyalty schemes. To this regard, we should mention the French initiative of organising various seminars in the Group headquarters on chosen sponsorship programmes, targeted at collaborators, but also at external persons involved in the individual operations in some way. Particular attention is paid to **internal communication**. A series of interviews were carried out in 2004 in order to analyse strong points and areas for possible improvement in the various methods of information diffusion (newsletters, Intranet sites, Internet, meetings). This survey was carried out in addition to that carried out regularly (every two months), upon the publication of every new issue of the “Fréquence Groupe” newsletter.

- At Europ Assistance France, the lunch break is used for weekly focus groups between staff members and management with the aim of optimising communication and the transmission of information.

- Again in France, an internal consultancy mechanism has been set up which has involved a representative sample of about one hundred employees of the Group companies with the objective of identifying the common corporate values by means of round tables. A similar initiative which, however, has been extended to all employees has been set up in Italy by Europ Assistance.

- In Germany, the introduction of listening methods for the employees of the Group companies was set up in 2004 as an element in the definition of the corporate model. In the first months of the year surveys were carried out on the satisfaction level of staff members, followed by a number of workshops with the aim of developing the model which was later presented to all co-operators. Some decisions taken with the adoption of the new model include, in certain companies, **meetings of groups of managers and staff members with the Management Board** with a one to three month interval.

- In 2005 in Spain it was established that an employee satisfaction survey must be carried out once a year.

sales networks

In all the countries studied, various **systematic coordination activities** with agents and sale force on payroll are carried out to share opinions on the budgets, the annual business reports, to face and solve the most frequent operational problems, present new products and the most significant sales and marketing initiatives.

- As already mentioned, agents and the sales force in France are also involved in studies on communication and sponsorship initiatives.
- In particular, in 2004 in Italy the Communication Plan for the marketing sector of the Group completely reviewed the form and contents of internal communication with various initiatives aimed at creating moments of cohesion based on dialogue and closeness between the companies and the sales networks. In September, the Sales Management of the Parent Company organised a **Road Show**, where it was possible to meet in different Italian towns the entire agents' network and sale force on payroll. On this occasion and in the months beforehand **focus groups and individual interviews** were organised with agents and underwriting inspectors; the main topics discussed were the products, the support offered by the Company, the relation between the Company and the network.



clients

Abroad the Group has been regularly carrying out for years, in France since 1997, studies on **customer satisfaction** to check the level of satisfaction of clients in relation to the services supplied by the different operating units.

- Said studies are particularly frequent and wide-ranging in the companies of the Europ Assistance Group because of the importance that service quality has in the assistance activity: EA France carries out through an external company 6,000 interviews per year with clients that requested assistance in the month before the survey. In 1991, EA España started to carry out weekly customer satisfaction studies on the service provided.
- In France, two national studies have been launched to monitor the evolution of important themes related to the insurance sector, such as pension plans and in particular corporate plans. In cooperation with an external company and a Group partner association for personal pension policies, interviews are carried out every six months with a representative sample of 1,000 people, to learn about the fears of the French as regards Welfare and their expectations in relation to personal and corporate pension savings plans.
- In Germany, besides frequent surveys on customer satisfaction level, we would like to point out the “**Arena dei clienti**” initiative by COSMOS, in which some clients are invited to describe directly to the management and the employees their experiences and impressions. The initiative took place twice in 2004 and will be proposed again on a yearly basis over the next years.
- Numerous activities have been implemented in Spain:
 - **Study on injured clients:** telephone interviews with motor and household policyholders are carried out through ICEA (research centre for insurance companies) and other prestigious external research institutes to know in detail (15 parameters are measured) their perception of the service received in the handling of the claims, but also their company loyalty and expectations, etc;
 - **Quality Committee:** every three months the Marketing Department and the managers of the claims management centre meet to evaluate the results of the quality studies and to identify measures to improve the service;
 - **Call Centre Reports:** daily survey of the level of answer and of the service offered by the call centre in terms of speed and availability in handling clients, agents and administration offices.

In **Italy**, the introduction of customer satisfaction surveys is a relatively new phenomenon that has been stimulated by the entry into force of the ISVAP regulations (supervisory body for private insurance) which state the obligation of keeping a claims register.

- Recently various companies have established, often within the Marketing Department or the Administration and Portfolio Area the **Customer Service** function, an operational structure with the task of monitoring the level of quality of the services offered to clients. Said studies, which are carried out directly through *ad hoc* questionnaires and telephone surveys or which are outsourced, focus mainly on the management of claims but also cover all other customer requirements from a customer satisfaction point of view. Results obtained have been analysed to define and implement measures to improve the quality of the service.
- Two-three times a year, Genertel sends a questionnaire to evaluate the level of satisfaction of its customers in relation to the product sold and the service offered in terms of staff courtesy and professionalism.
- In the first few months of 2005 the Sales Department of the Parent Company organised quality **focus groups** on the perception of communication (also of the competitors), on the background of the brand and the relation with the agents; these groups also involved clients from other insurance companies.
- Learn some lessons from the customer satisfaction of its own customers.

investors

In addition to the aforementioned activities, which include institutional meetings with the financial community and meetings between top management and investors, for a better understanding of what the community of investors' expectations are from Generali, perception studies of the Group's policies and activities are carried out on an irregular basis. In 2004, a **perception survey** of ten institutional investors was carried out by an external specialised company.

The questions included in the survey, prepared in conjunction with the Group's Investor Relations Department, concerned the corporate management and targets, the renovation programmes, the purchasing operations, the share progress and the positioning of the Group among its major competitors. Below is a summary of the survey results:

- All the investors acknowledged the good work carried out by the management during 2004. The Corporate Governance proved to be improving.
- With regard to the renovation operations, the investors identified certain areas in need of reorganisation.
- The majority also had a positive opinion of any future acquisitions in the new markets, especially the emerging markets of Central and Eastern Europe, where the Generali Group already has a significant position.

Hamburg Forum - a Volksfürsorge Forum

In 2000, the Volksfürsorge Group launched an initiative under the name of “The Hamburg Forum - A Volksfürsorge forum”. It was namely a discussion forum about themes of great importance to both the whole of Germany in general and to the city of Hamburg in particular. At a time of important changes and great challenges for the economy, the State and the Company, Volksfürsorge introduced this forum to promote dialogue and a change in the mentality and actions of all the entities involved.

Six forums have been organised to date, during which a variety of topics have been discussed, ranging from the transformation of the Hamburg metropolis in terms of change/renovation/future to the new law on building construction, from the services provided by the city (Hamburg) to companies, from the situation of the city in light of its candidature to host the 2012 Olympic games, from the company’s responsibility (and in particular fund-raising at such an economically critical time), to Hamburg, the media capital, which was the theme of the last forum held in May 2004. The debates, which were all high-profile and on extremely topical events, saw the participation of experts and leading figures such as university professors, managers from important private companies, politicians, public administrators, and the like.

2005 objectives

- **Staff members:** next year, it has been suggested that the employee satisfaction survey be extended to the entire Group in Italy, with the aim of verifying the usefulness, using this tool and in particular via focus groups, of investments into some of the key projects underway in the human resources sector, such as the Skill Project, the relaunching of the Group school, the HR portal and the development of in-house communication.

- **Agents:** in Italy, the initiatives implemented in 2004 will be repeated and reinforced, increasing the number of focus groups and interviews among the network, and creating opportunities for contact and dialogue during the Road Show and at other times; multimedia tools will also be used for on-line surveys. In 2005, research is expected to be carried out on the field, involving an appropriate number of agencies and sales representatives, to investigate the relationship between the Company and the network and the relations between agents and the staff reporting to them.

- **Clients:** over the course of 2005, the Generali Group will extend its research on the perception of communication, on the brand and on the relationship with agents, which started up in Italy with the organisation of focus groups.

- **Investors:** as part of the perception survey, a few questions on CSR topics will be added.



appendix

Structure of the Board of Directors and of Committees (1)					n° of other offices		Internal Control Committee		Remuneration Committee		Executive Committee (if any)	
Office	Members	executive	non- executive	independent	***	*	**	***	**	***	**	***
Chairman	Antoine Bernheim	X			100%	13					X	100%
Vice-chairman	Gabriele Galateri di Genola		X		100%	6			X	100%	X	100%
Managing Director	Sergio Balbinot	X			100%	7					X	100%
Managing Director	Giovanni Perissinotto	X			100%	16					X	100%
Director	Tito Bastianello		X	X	40%	2						
Director	Luigi Arturo Bianchi		X	X	100%	2	X	100%				
Director	Ana Patricia Botin		X	X	75%	2			X	100%		
Director	Gerardo Brogгинi		X	X	80%	5	X	100%			X	100%
Director	Claudio Consolo		X	X	75%	1						
Director	Laurent Dassault		X	X	100%	1						
Director	Diego Della Valle		X	X	50%	6			X	100%		
Director	Enzo Grilli		X	X	100%	2						
Director	Piergaetano Marchetti		X	X	60%	1					X	100%
Director	Klaus-Peter Müller		X	X	60%	2						
Director	Alberto Nicola Nagel		X		100%	1					X	100%
Director	Alessandro Ovi		X	X	100%	2	X	100%				
Director	Alessandro Pedersoli		X	X	100%	4	X	100%				
Director	Reinfried Pohl		X		40%	4						
Director	Vittorio Ripa di Meana		X	X	100%	2						
Number of meetings held in the reference financial year		Board: 5		Internal Control Committee: 5			Remuneration Committee: 1		Executive Committee: 3			

* This column shows the number of Director or Auditor offices held by the person in other firms listed on Italian or foreign regulated markets, in financial, bank, insurance or large companies. The report on corporate governance contains a complete list of offices.

** "X" in the column indicates that the member of the Board belongs to the Committee.

*** This column shows the percentage of meetings of meetings of the Board and of the Committees attended by Directors.

(1) On 24 April 2004, the new Board of Directors of the Company was appointed, which will be serving in the financial years 2004-2006. The Directors listed in this table are those in office as of that date. In the percentage of attended meetings, for the newly-appointed Directors only meetings attended after their appointment were calculated; for the other, previous ones were also taken into account, starting 1 January 2004.

Board of Auditors Office	Members	Number of other offices**	Percentage of meetings of the Board of Auditors attended
Chairman	Gianfranco Barbato	–	100%
Permanent Auditor	Paolo D'Agnolo	–	100%
Permanent Auditor*	Gaetano Terrin	2	86%
Substitute Auditor*	Maurizio Comoli	–	–
Number of further meetings attended during the financial year	7 (1 in shareholders meetings, 3 in the Board of Director, 3 in the Executive Committee)		
Indicate the quorum required for the submission of lists by minorities for the election of one or more permanent auditors (pursuant to Art. 148 TUF)	3/100 of the share capital		

* An asterisk marks an auditor who has been chosen from lists submitted by the minority.

** This column shows the number of Director or Auditor offices held by the person in other firms listed on Italian regulated markets. The report on corporate governance contains a complete list of offices.

provisions of the Voluntary Self Regulatory Code	Yes	No	Brief explanation of the reasons for any inobservance of the recommendations of the Code
Proxies and operations with related parties			
Has the Board of Directors assigned powers and defined their:			
a) limits	X		
b) performance modalities	X		
c) and frequency of reporting?	X		
Has the Board examined and approved most significant economic, financial and asset operations (including operations with related parties)?	X		
Has the Board defined guidelines and criteria for the identification of "significant" operations?	X		
Are the above mentioned guidelines and criteria described in the report?	X		
Has the Board defined precise procedures for examining and approving operations with related parties?	X		
Are the procedures for approving operations with related parties described in the report?	X		
Procedures applying to the most recent appointment of Directors and Auditors			
Were the lists of candidates for the office of Directors submitted at least 10 days before the Meeting?			The Board of Directors has not deliberated on the issue yet
Were all Director candidate recommendations accompanied by exhaustive information?			As above
Were all Director candidate recommendations accompanied by an indication of eligibility as independent actors?			As above
Were the lists of candidates for the office of Auditors submitted at least 10 days before the Meeting?	X		
Were all Auditor candidate recommendations accompanied by exhaustive information?	X		
Meetings			
Has the Company approved any Meeting Regulations?	X		
Are the Regulations attached to the report or is there an indication of where to obtain/download them from?	X		
Internal Control			
Has the Company approved any Meeting Regulations?	X		
Are those persons hierarchically independent of the persons responsible for operational sectors?	X		
Organizational department entrusted with internal control (pursuant to Art. 9.3 of the Code)			Person entrusted with the Group's Internal Audit
Investor relations			
Has the company appointed persons entrusted with Investor relations?	X		
Organizational department and contacts of the person entrusted with Investor relations			Investor relations - Ms. Silvia Baretini - piazza Duca degli Abruzzi, 2 - 34132 Trieste Ph. +39 040 671876 - Fax +39 040 671260 mail silvia_baretini@generali.com



glossary

AccountAbility1000 (AA1000)

Standard developed by the Institute of Social and Ethical Accountability (ISEA) to promote adoption of CSR principles, thus providing suitable guarantees for stakeholders pertaining to the quality of accounting, auditing and reporting of the social and ethical activities of an organisation.

Additional security

Form of saving for added security, designed to create income to supplement pensions paid out by the public pension system during retirement.

Analytical Reporting area

See Sustainability Report area

ANIA

Italian Association of Insurance Companies (Associazione Nazionale fra le Imprese Assicuratrici).

Annuity

Sum of money paid out periodically by the insurer to the life insurance holder.

Asset management

Management and administration of third-party (and other) financial investments.

Atmospheric emissions

Any solid, liquid or gaseous substance that is emitted into the atmosphere and that may pollute the atmosphere.

Auditing

Certification of financial statements and, by extension, all inspections performed within a company.

Balanced Scorecard (BSC)

Method used for strategic checking of a multi-dimensional structure developed by Robert Kaplan and David Norton at the beginning of the 1990s. This tool translates the mission and the strategy into a series of measurements for gauging performance that constitute a strategic measurement and management system based on 4 focus points: finance, clients, internal processes and learning and growth.

Bancassurance

Insurance product sales (mainly life insurance) over bank counters.

Benchmark

A standard by which the performance of a company can be measured or judged in relation to comparable standards used by other companies.

Blue-chip shares

These are the guide shares in the share price list, where the greatest amount of trading takes place. These shares, thirty in total, form the Mib30 and Comit30 indexes.

Claim

Event insured against in the contract.

Combined ratio

The impact expressed as a percentage of the cost of claims in relation to the premiums paid during the financial year. The combined ratio corresponds to the sum of the expense ratio and the loss ratio.

Consob

The Italian Stock Exchange Commission for listed companies and securities (Commissione Nazionale per le Società e la Borsa).

Consolidated financial statements

Document that sets out the financial and property-related situation, economic results and changes in the net finances of a group of companies seen as a single economic entity. It derives from the aggregation of the financial statements of the companies making up a group, net of values relative to relations and transactions occurring within the group.

Consolidation area

An aggregate of the companies obtained using the

«integral consolidation» method and included in the consolidated financial statements.

Core business

The main business operation of a company.

Corporate centre

The body of the Group that is responsible for managing, coordinating and controlling activities within the ambit of the general guidelines established by the Board of Directors of the Parent company.

Corporate Citizenship

A commitment on the part of companies to promoting an integration between market and new social responsibility needs in the pursuit of their strategies and operations.

Corporate Governance

A governance system consisting of various bodies and committees (various levels, composition and areas of responsibility, etc.) and by a series of rules which govern the relations between them (voting rights, granting of powers, etc.).

Corporate Social Responsibility (CSR)

«A concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis. [...] Being socially responsible means not only fulfilling legal expectations, but also going beyond compliance and investing 'more' into human capital, the environment and the relations with stakeholders.» From the Green Paper published by the European Commission entitled «Promoting a European framework for Corporate Social Responsibility».

Country Manager

Manager responsible for a country/area.

Customer satisfaction

A learning process identifying the perceptions and expectations of customers in relation to the provision of a service or product. It is used to compare the level of satisfaction expressed in relation to a certain product or service.

Customer Service

Ensemble of services provided to the client.

Direct business (premiums)

Premiums obtained through insurance contracts.

Disputes

Pending cases with the legal authorities.

Dividend

Part of a joint-stock company's net profits distributed to shareholders on an annual basis.

Dow-Jones Euro Stoxx Insurance

A weighted index based on capitalisation that measures the performance of insurance stocks in States that are members of the European Monetary Union.

Dow-Jones Stoxx 50 Index

A weighted index based on the capitalisation of the 50 blue-chip shares listed in States that are members of the European Monetary Union.

EMAS (Eco Management and Audit Scheme)

The Eco Management and Audit Scheme pursuant to European Community Regulation no. 761/01 establishes the rules for the voluntary adoption of environmental management systems and the drafting of Environmental Policy Statements.

Embedded Value

Stands for the intrinsic worth of an insurance company and corresponds to the sum of the adjusted net worth and portfolio worth.

Environmental aspects

The elements of an activity, product or service of an organisation that may interact with the environment.

Environmental impact

Any positive or negative change to the environment, caused wholly or in part by the activities, products

or services of a company.

Environmental monitoring

Checks that are carried out using surveying and measurement techniques over a period of time of a number of indicators pertaining to the environment.

Environmental policy

A statement made by an organisation regarding its intentions and the principles adopted in relation to its global environmental performance.

Ethical Code

The Ethical Code is a document drawn up on voluntary basis. It expresses the company's commitments to internal and external contacts. Moreover, the company is able to use the Ethical Code to orient its own behaviour as regards major environmental, social and economic issues. This is particularly important when operating in countries with no protection in place in terms of human rights, employment and the environment.

Expense ratio

The ratio expressed as a percentage of the underwriting and administration expenses in relation to figure for premiums paid in during the financial year.

GRI (Global Reporting Initiative)

An institution set up by UNEP and CERES (Coalition for Environmentally Responsible Economies) in 1997 with the aim of developing and disseminating guidelines for the voluntary reporting of economic, environmental and social performance of corporate activities.

Hay Method

Developed by the Hay Management Group, this method enables an analysis and detailed assessment of all management positions with the aim of establishing a salary system based on a number of pre-established factors such as technical skills, management expertise and the scope of responsibility required to cover these areas.

Hazardous waste/non-hazardous waste

Pursuant to Legislative decree no. 22/97 waste is defined as any substance or object whose holder shall, has decided to or is under the obligation of disposing of. Hazardous waste is defined as such when it exhibits any one of the 14 hazardous properties established in relation to the risks it poses to human life and the environment in accordance with standards laid down by EU regulations.

Holding

Financial or shareholding company owning the majority of share capital of other companies or being a part of another company of which it controls the Board of Directors.

ILO

Specialist UN agency founded in 1919. It promotes social justice and the universal recognition of human rights in the workplace. It comprises a tripartite structure of: Governments, Business and Staff members.

Indirect environmental impact

Changes to the environment caused by the activities of third parties that are responsible for them in that their activities are linked to those of the main organisation.

Intangible assets

All business resources that are non-material in form but are important factors in terms of competitive advantage, such as know-how built up over the years.

Intangible resources

Intangible assets to which a financial value can be attached, which have an independent equity value and can generate financial benefits (patents, trademarks, reputation, organisational structures). International Organization for Standardization (ISO) A worldwide Federation made up of national technical standardisation agencies. The most

important standards that have been issued include ISO 14001 (concerning environmental management systems) and ISO 9000 (concerning quality assurance systems).

Intranet

The internet network whose access is restricted to corporate personnel.

ISO 14001

A standard concerning environmental management systems issued by the International Organization Standardization - ISO.

This standard establishes the requisites of an environmental management system, thus enabling a company to draw up policies and establish objectives, taking into account legislative provisions and any other information that concerns major environmental impact factors.

ISO 9001

This standard certifies the quality assurance system that has been attained by the corporate structure, certifying that all production and manufacturing processes from the design and development steps through procurement and production, testing and installation and finally, after-sales conform to the standard.

ISVAP

The supervisory body for private insurance (Istituto per la Vigilanza sulle Assicurazioni Private e di Interesse Collettivo).

Loss ratio

The ratio expressed as a percentage of the cost of claims paid out during the financial year compared to the figure for premiums accrued during the financial year.

Management by Objective (MBO)

A management approach that advocates the setting of specific and measurable objectives and goals for each operating activity, so that operating efforts can be targeted at attaining such goals, also by deploying financial incentives.

Management system

Part of an overall corporate management system that includes the organisational structure, chain of responsibility, practices and procedures and the resources for establishing and implementing policies in the field of the environment and health and safety of staff members.

MIB 30 index

A weighted index including the top 30 stocks in terms of market capitalisation managed by the Italian Stock Exchange.

Mibtel

A weighted index based on the capitalisation of all stocks traded on the Milan Stock Exchange computerized trading market.

Mission

A statement that outlines the reason for being of a company and the main objectives that it is pursuing.

Multi-brand

Marketing approach based on the use of a number of brands.

Multi-local

Marketing approach that aims to act as a local operator on all the markets in which the Group is present.

Multiple sales channels

The offering of products and services via traditional retail channels as well as via computerized ones. This definition takes into account the type of distribution channel used to deliver a product or service as well as the methods used by customers to access such channels.

Outsourcing contract

Contract by means of which a company delegates an operation to an external organisation.

Pension funds

The main form of additional security. It primarily supplies security in the form of lifelong income throughout retirement.

Performance indicators

Specific indicators chosen on the basis of company information requirements and used to monitor business. They may be of a financial, productive, commercial, environmental or social nature, or regard more than one aspect.

Policy

Insurance contract.

Preda Code

The self-disciplinary code of practice of listed companies.

Premium

That due from the contractor (who signed the contract) to the insurer. Basically, this is the insurance «price».

Premium rate

Rate, generally calculated on the basis of the insured sum, used to calculate the premium required from the insurer for the guarantee issued.

Price sensitive news

Information that may have an influence on share prices.

Private banking

Customised savings management service reserved for the wealthiest clients of banks or other financial traders.

Reinsurance business (premiums)

Premiums obtained through reinsurance contracts.

Renewable energy

Energy produced from any energy source that derives from the activities of the sun, including any indirect activities. The categories of renewable energy thus include solar, wind, water, biomass, geothermal and wave energy sources.

Retail

A category of clients that principally includes private individuals, professionals, trades people and small businesses.

Road show

A series of encounters with institutional investors that take place at the main international stock market centres.

S&P/Mib index

A performance index that measures 40 listed shares on the Italian Stock Exchange and has the objective of providing the picture for the performance of the sector for the entire market. All listed shares on the Stock Exchange and Nuovo Mercato may be candidates for inclusion in the panel. Market capitalisation of the companies making up the S&P/MIB index is calculated using the criterion of stocks on the market.

SA8000 (Social Accountability 8000)

An international certification standard regarding labour rights that certifies that companies in the pursuit of their business goals endeavour to enhance working conditions and the work environment to reduce the risk of accidents and to improve the company's reputation.

Savings under management

Financial resources entrusted by individual savers and organisations to professional operators. They comprise common investment funds, asset management and savings in the form of security and insurance.

Socially Responsible Investment (SRI)

Asset management that is carried out applying criteria of environmental and social responsibility.

Speed of settlement for claims

The percentage of claims filed within the financial year and settled within the same financial period.

Staff

The total number of people whose services are engaged by the company regardless of the type of work contract and whether they work full or part time.

Stakeholder Engagement

Forms of interaction with company stakeholders in order to improve relations, gather consensus, collect suggestions, increase support for the company, anticipate and handle disputes.

This can be done in various ways. For example, by means of: surveys and questionnaires (to be filled in on paper or over the phone), one-to-one interviews (in physical presence or at a distance), meetings with individual stakeholder groups, dialogue with several stakeholder groups at the same time (forums, focus groups, workshops, etc.), participation in public events involving dialogue with stakeholders, on-line dialogue, and activation of a free-toll phone number.

Stakeholders

Individuals or groups that can influence the success of a company or that have a stake or interest in the decisions taken by a company; they include shareholders, staff members, clients, suppliers, state institutions, competitors, local communities, pressure groups and the mass media, etc.

Stock options

Option contracts for purchasing shares of a company issued with an increase of capital for this purpose that grant the right to purchase these shares at a set price within an established period of time. They are used as a means to supplement salaries and as a loyalty tool offered to individual employees or special categories or, in some cases, to all corporate staff members.

Sustainable development

«Development that meets the needs of the present without compromising the ability of future generations to meet their own needs.» (extract from the Brundtland Report, World Commission for Economic Development, 1987).

Sustainability Report Area

The companies included in the Sustainability Report.

Sustainability Report Study Group

A committee set up in October of 1998 with the goal of contributing to establishing the contents and the methods for drawing up the Sustainability Report.

Trade Union membership ratio

The percentage of staff members of the Company that are members of a Trade Union.

Triple Bottom Line

An integrated approach that, from the standpoint of sustainable development, takes into account all of the business and financial, social and environmental aspects.

Turnover

An index that indicates staff turnover that is due to staff resigning, retiring, death or other grounds that make it necessary to hire a new employee to replace the one that is no longer with the company.

Value added

The difference between what a product or service generated by a company is worth and the value of those products and services that is attributed by those outside; it is the wealth created by corporate operations benefiting the surrounding community.

Value-based management (VBM)

A management approach that is based on the possibility of dynamically measuring the value of a company in terms of business alternatives and with a view to ascertaining the market value of a company.

Vision

A statement that succinctly identifies the identity that a company wishes to pursue over the medium-long term period, taking into consideration the expected competitive and social scenario.



gri identification table

1. vision and strategy

- 1.1 Statement of the organisation’s vision and strategy regarding its contribution to sustainable development.
- 1.2 Statement from the Chairman describing key elements of the report.

Yes	19	G
Yes	7	G

2. profile

organisational profile

- 2.1 Name of reporting organisation.
- 2.2 Major products and/or services.
- 2.3 Operational structure of the organisation.
- 2.4 Description of major divisions, operating companies, etc.
- 2.5 Countries in which the organisation’s operations are located.
- 2.6 Nature of ownership.
- 2.7 Nature of markets served.
- 2.8 Scale of the reporting organisation.
- 2.9 List of stakeholders, key attributes of each and relationship to the reporting organisation.

Yes	12	SRA
Yes	100	SRA
Yes	19	G
Yes	19	G
Yes	38	G
Yes	12	SRA
Yes	36	SRA
Yes	19	SRA
Yes	52	SRA

report scope

- 2.10 Contact person(s) and data for information on the report.
- 2.11 Reporting period.
- 2.12 Date of most recent previous report (if any).
- 2.13 Boundaries of report.
- 2.14 Significant changes in size, structure, ownership, or products/services that have occurred since the previous report.
- 2.15 Basis for reporting on joint ventures, subsidiaries, etc.
- 2.16 Explanation of the nature and effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement.

Yes	176	SRA
Yes	12	SRA
Yes	12	SRA
Yes	12	SRA
next issue		
Yes	12	G
next issue		

report profile

- 2.17 Decisions not to apply GRI principles or protocols in the preparation of the report.
- 2.18 Criteria/definitions used in any accounting for economic, environmental, social costs and benefits.
- 2.19 Significant changes from previous years in the measurement methods applied to key economic, environmental, and social information.
- 2.20 Policies and internal practices to enhance and provide assurance about the accuracy, completeness, and reliability of the sustainability report.
- 2.21 Policy and current practices with regard to providing independent assurance for the full report.
- 2.22 Sources for additional information on economic, environmental, and social aspects of the organisation’s activities.

Yes	12	SRA
Yes	167	G
next issue		
Yes	12	SRA
next issue		
Yes	150	G

3. governance structure and management systems

structure and governance

- 3.1 Governance structure of the organisation.
- 3.2 Percentage of the Board of Directors that are independent, non-executive directors.
- 3.3 Process for determining the expertise Board members need to guide the strategic direction of the organisation.
- 3.4 Board-level processes for overseeing the organisation’s identification and management of economic, environmental, and social risks and opportunities.
- 3.5 Linkage between executive compensation and achievement of the organisation’s goals.
- 3.6 Organisational structure and key individuals responsible for oversight, implementation, audit of economic, environmental, social, and related policies.
- 3.7 Mission and values statements, and status of implementation.
- 3.8 Mechanisms for shareholders to provide recommendations or direction to the Board of Directors.

Yes	28	G
Yes	appendix	G
next issue		
next issue		
Yes	63	SRA
Yes	32	G
Yes	20	G
No		

stakeholder engagement

- 3.9 Basis for identification and selection of major stakeholders.
- 3.10 Approaches to stakeholder consultation.
- 3.11 Type of information generated by stakeholder consultations.
- 3.12 Use of information resulting from stakeholder engagement.

Yes	52	SRA
Yes	154	G
Yes partially	154	G
Yes partially	154	G

overarching policies and management systems

- 3.13 Explanation of whether and how the precautionary approach or principle is addressed by the organisation.
- 3.14 Externally developed, voluntary economic, environmental, and social charters, sets of principles, or other initiatives to which the organisation subscribes or which it endorses.
- 3.15 Major memberships of the organisation in industry and business associations.
- 3.16 Policies and/or systems for managing the supply chain.
- 3.17 Reporting organisation’s approach to managing indirect economic, environmental, and social impacts resulting from its activities.
- 3.18 Major decisions made during the reporting period regarding the location of, or changes in, operations.
- 3.19 Objectives, programmes and procedures pertaining to economic, environmental, and social performance.
- 3.20 Status of certification pertaining to economic, environmental, and social management systems.

Yes partially	12	G
next issue		
Yes	118	SRA
Yes	115	G
Yes	115	G
Yes	28	G
Yes	40	G
Yes	121	G

economic performance indicators

monetary flow indicators

customers

EC1 Core	Net sales.	Yes	41	G
EC2 Core	Geographic breakdown of markets.	Yes	38	G
EC3 Core	Cost of all goods, materials, and services purchased.	Yes	41	G
EC4 Core	Percentage of contracts that were paid in accordance with agreed terms, excluding agreed penalty arrangements.	No		
EC5 Additional	Supplier breakdown by organisation and country.	Yes partially	109	SRA
EC5 Core	Total payroll and benefits.	Yes partially	48	SRA
EC6 Core	Distributions to providers of capital.	Yes	89	G
EC7 Core	Increase/decrease in retained earnings at end of period.	Yes	89	G

public sector

EC8 Core	Total sum of taxes of all types paid broken down by country.	No		SRA
EC9 Core	Subsidies received broken down by country or region.	No		
EC10 Core	Donations to community, civil society, and other groups.	Yes	131	SRA

environmental performance indicators

Environmental performance indicators have already been identified and will be monitored as of 2005. They will be developed in the next issue of the Report. For further information, please refer to the chapter on Environment (page113).

social performance indicators

employment

LA1 Core	Breakdown of workforce: By region/country. By status. By employment type (full time/part time). By employment contract (indefinite or permanent/fixed term or temporary).	Yes Yes next issue next issue	54 55	G e SRA SRA
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LA2 Core	Net employment creation and average turnover segmented by region/country.	Yes	56	SRA
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LA12 Additional	Employee benefits beyond those legally mandated.	Yes	65	SRA
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labour/management relations

LA3 Core	Percentage of employees represented by independent trade union organisations or other organisations entitled to take part in negotiations.	Yes partially	62	SRA
LA4 Core	Policies and procedures involving information, consultation, and negotiation with employees over changes in the reporting organisation's operations.	Yes	71	SRA

health and safety

LA5 Core	Practices on recording and notification of occupational accidents.	Not relevant		SRA
LA6 Core	Description of formal joint health and safety committees comprising management and worker representatives and proportion of workforce covered by any such committees.	Yes partially	113	SRA

LA7 Core	Standard injury, lost day, and absentee rates and number of work-related fatalities (including subcontracted workers).	Yes partially	62	SRA
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LA8 Core	Description of policies or programmes on HIV/AIDS.	Not relevant		SRA
LA15 Additional	Description of formal agreements with trade unions or other bona fide employee representatives covering health and safety at work.	Yes	71	SRA

training and education

LA9 Core	Average hours of training per year per employee by category of employee.	Yes	68	SRA
LA16 Additional	Description of programmes to support the continued employability of employees.	Yes	69	SRA
LA17 Additional	Specific policies and programmes for skills management or for lifelong learning.	Yes	69	SRA

diversity and opportunity

LA10 Core (H)	Description of equal opportunity policies or programmes, as well as monitoring systems to ensure compliance and results of monitoring.	Yes	60	SRA
LA11 Core	Composition of senior management and corporate governance bodies, including female/male ratio and other indicators of diversity as culturally appropriate.	Yes	60	SRA

human rights

strategy and management

HR1 Core	Description of policies, guidelines, corporate structure, and procedures to deal with all aspects of human rights relevant to operations.	Yes	30	G
HR2 Core	Evidence of consideration of human rights impacts as part of investment and procurement decisions.	Yes partially	124	G
HR3 Core	Description of policies and procedures to evaluate and address human rights performance within the supply chain.	Yes partially	111	G

non-discrimination

HR4 Core	HR4 Core Description of global policy and procedures/programmes preventing all forms of discrimination in operations.	Yes partially	30	SRA
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freedom of association

HR5 Core	Description of the extent to which the freedom of association policy is universally applied independent of local laws.	Yes	71	SRA
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child labour

HR6 Core	Description of policy excluding child labour as defined by the ILO Convention 138 and extent to which this policy is visibly applied.	Not relevant		SRA
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forced and compulsory labour

HR7 Core	Description of policy to prevent forced and compulsory labour and extent to which this policy is visibly applied.	Not relevant		SRA
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disciplinary practices

HR9 Additional	Description of appeal practices, including, but not limited to, human rights issues.	Yes	30	G
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indigenous rights

HR12 Additional	Description of policies, guidelines, and procedures to address the needs of indigenous people.	Yes	128	
HR14 Additional	Share of operating revenues from the area of operations that are redistributed to local communities.	Yes	30	

society

community

SO1 Core	Description of policies to manage impacts on communities in areas affected by activities, as well as description of procedures / programmes to address this issue.	Yes	128	
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bribery and corruption

SO2 Core	Description of the policy, procedures/management systems, and compliance mechanisms for organisations and employees addressing bribery and corruption.	Yes partially	30	
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political contributions

SO3 Core	Description of policy, procedures/management systems, and compliance mechanisms for managing political lobbying and contributions.	Yes partially	30	
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Competition and Pricing

SO6 Additional	Court decisions regarding cases pertaining to anti-trust and monopoly regulations.	Yes	104	SRA
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product responsibility

customer health and safety

PR1 Core (L)	Description of policy for preserving customer health and safety during the use of products and services.	Not relevant		
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products and services

PR2 Core (L)	Description of policy, procedures/management systems, and compliance mechanisms related to product information and labelling.	Yes	30	SRA
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respect for privacy

PR3 Core	Description of policy, procedures/management systems, and compliance mechanisms for consumer privacy.	Yes	30	SRA
PR11 Additional	Number of substantiated complaints regarding breaches of consumer privacy.	No		SRA

management system

CSR 1	Description of the CSR policy.	Yes	19	G
CSR 2	Description of the structure and relevant CSR responsibilities.	next issue		
CSR 3	Number of internal and external audits and auditor hours.	Yes partially	32	G

sensitive issues

CSR 4	Description of procedures for handling issues sensitive to stakeholders.	Yes	33	G
CSR 5	Number of non-compliance incidents with the ethical code.	next issue		

sensitive issues

INT 1	Description of CSR and human resources policies.	Yes	63	SRA
INT 2	Staff turnover and job creation.	Yes	56	SRA
INT 3	Employee satisfaction surveys.	Yes	155	SRA
INT 4	Senior management remuneration.	next issue		
INT 5	Bonuses fostering sustainable success.	Yes	63	SRA
INT 6	Staff female/male ratio and average salary by status.	Yes partially	60	SRA
INT 7	Breakdown of staff by gender, disability and ethnicity.	Yes	60	SRA

performance to society

SOC 1	Contributions to charitable causes, community investments and commercial sponsorships.	Yes	130	SRA
SOC 2	Report on the distribution of value added.	Yes	148	SRA

suppliers

SUP 1	Description of policies and procedures to screen suppliers' social performance.	Yes	111	G
SUP 2	Supplier satisfaction surveys.			

policy

INS 1	Social criteria applied by the reporting organisation in its underwriting policy.	Yes	30	G
INS 2	Breakdown of the customer base (private/business).	Yes	93	SRA
INS 3	Number of complaints received from customers and comment on their issues.	next issue		
INS 4	Description of innovative products and services applying ethical and social criteria.	Yes	100	SRA

(*)

SRA = Sustainability Report area

G = Group

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