

GENERALI GROUP

Corporate reporting evolution

Massimo Romano - Head of Group Integrated Reporting & CFO Hub

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Corporate Reporting Evolution Roadmap 2014/2016 – main milestones

31.12.2013	Integrated Reporting (IR) 1.0 and Financial supplement
1Q2014	Rationalization of quarterly reporting
31.12.2014	IR 2.0 (focus on <i>non financial</i> KPI)
2015 - 2016	Solvency 2 Reporting – Pillar III
2015 - 2016	Implementation of Internal IR at Group Level



Corporate Reporting Evolution Integrated Reporting (IR) 1.0 and Financial supplement



Generali has decided to take this new approach to corporate reporting since it represents an innovative and effective way to communicate the Group's ability to create value in a sustainable manner over time.

EXANE BNP PARIBAS – Niccolo' Dalla Palma (report del 14.03.2014)

Improved reporting: we rarely mentioned this as a key point on day of results but it's worth noting that the new financial supplement includes significantly improved disclosure, particularly on margin analysis by line of business simplified in P&C (no more combined ratio reconciliation charts) and more comprehensive in life (especially for the breakdown of the technical margin). Also the non-operating items breakdown is much clearer now. Finally the full gross to net walk of unrealised gains on real estate is provided for the first time.

Citi Research - Farooq Hanif (script conference call del 13.03.2014)

"... <u>Thanks also, by the way, for your excellent improvement in disclosure. I</u> was really quite impressed. And I didn't think I'd say this, but I think you're getting to be one of the best in terms of disclosure in the sector. But anyway, leaving that aside, just two questions...

IIR - The Generali Group explore using Integrated Reporting internally

"Why not use the same concept to drive a more transparent approach inside the company, improving our team engagement?"

"In addition to financial capital, Internal Integrated Reporting now tracks human capital, social capital and organisational capital" HOME > BLOGSPOT > THE GENERALI GROUP EXPLORE USING INTEGRATED REPORTING INTERNALLY.

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The Generall Group, an international insurance company based in Italy, is a pioneer in bringing to life the Integrated Reporting "internally". Here, Massimo Romano, who leads General's group integrated reporting team, discusses the benefits that they are detecting.

Integrated Reporting helps us in defining a more complete value creation story to be highlighted to un investors, therefore we asked ourselves: why not use the same concept to drive a more transparent approach inside the company, improving our team engagement? One of the biggest benefit from Internal Integrated Reporting is that we have begun to break down "thinking silos" innovation and integrated thinking to translate financial and nonfinancial information into reporting instruments that support our decision-making process within the Group, and drive the connectivity of information among our people.

In addition to financial capital, Internal Integrated Reporting now tracke human capital, social capital and organisational capital. The latter capital is a term that we use to encapsulate the tact knowledge, systems, procedures and protocols employed in the company. Each capital has a number of KPIs associated with it, that together enable us to deliver an integrated view of performance, inside and outside the organisation. These KPI's are aligned with our Performance Management program and this is a fantastic approach in order to increase both the transparency of our internal communication and the engagement of our people towards our targets.

We hope that the output of the Integrated Reporting team will be useful to a wide range of internal stakeholders: investor relations, senior management, corporate services and subsidiary companies in the group, as well as to our external investors. This is because the same integrated thinking process can create a wider range of different views on the same data. ROMANO MASSIMO, GENERALI GROUP

GUEST AUTHOR

"Now we can leverage continuous innovation and integrated thinking to translate financial and non-financial information into reporting instruments that support our decision-making process within the Group, and drive the connectivity of information among our people"



Executive summary

Greater team engagement and transparency in Performance internal and KPIs communication management with fast and inexpensive implementation

From Generali Integrated Report (IR) to Internal IR to communicate our value creation story inside our department



Vision, mission, and our values





IIR performance management 2013

Note: T= closing date of the quarter

Relevant Capital (K)	Target description	Target indicator	Results
Human K	GIR employee's satisfaction survey " MY POINT OF VIEW"	 participation rate > 89% overall rate >= good 	
Organizational K	 Number of days to produce the preliminary figures of P&L KPI during interim period 	T+15	
Social relation K	 Improving external disclosure (Integrated management reporting, corporate segment, source of profit for life operating result) 	On/Off	
Financial K	 Improvement of the allocated budget (index= final/budget; index< 100% improved budget, vice-versa in the opposite case) 	Index < 100%	

