Tax Strategy

Generali Real Estate S.p.A.

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1 THE TAX STRATEGY IN THE FRAMEWORK OF THE TAX RISK MANAGEMENT MODEL

The Tax Strategy is a fundamental element of the Tax Control Framework ("TCF") to define how to implement a sound and prudent management of the tax variable. The TCF is based on the principles described in the "Code of Conduct" of the Generali Group, which defines the rules of conduct and the relevant disciplinary sanctions for employees and members of management bodies of Group companies.

2 STRATEGIC OBJECTIVES IN TAX MANAGEMENT

Assicurazioni Generali S.p.A., as parent company of the Generali Group, has defined a strategy for the management of the tax compliance with a view to pursuing the long-term growth of corporate assets and protecting the corporate reputation over the time, in the interest of its shareholders.

The tax strategy has the following objectives:

Tax Requirements

To promptly guarantee compliance with any requirements and the relevant payment of taxes, not having to necessary select the most burdensome solution:

- as a ***taxpayer***, Generali Real Estate S.p.A. ("GRE") has a duty towards countries and the community to pay its taxes, in compliance with the applicable laws;
- as a ***company***, GRE has a duty towards its shareholders and stakeholders, not to pay more taxes than required pursuant to the applicable laws, achieving any legitimate tax saving and leveraging on any legitimate tax advantages.

Tax Risks

To control and mitigate tax risks: GRE is committed to manage and mitigate the risk of breaching tax provisions or abusing any principles or purposes of the applicable tax laws.

3 THE PRINCIPLES OF THE TAX STRATEGY

- ***Values***. GRE business is based on the values of honesty and integrity in the tax management, as taxes, either directly due or collected from other entities, are one of the main sources to contribute to the economic and social development.
- ***Legality***. GRE complies with any local regulations of the countries where it runs the business and interprets them in a way to responsibly manage the tax risk, thus serving the interests of its stakeholders and ensuring a positive impact on its reputation.
- ***Tone at the top***. The GRE Board of Directors has the task to define the tax strategy, performing its role and taking responsibilities in a way to ensure its implementation and promote a corporate attitude based on the principles of honesty, integrity and legality. The top management is involved in major and complex tax issues to ensure full awareness of the tax risk management.
- ***Transparency***. GRE has a cooperative and transparent attitude with tax authorities, so that they can be fully aware of the elements underlying the application of tax provisions.
- ***Shareholders' Value***. Taxes are costs in the ordinary course of business for GRE and they are managed as such, complying with the principle of legality, and with a view to protecting the corporate assets and to pursuing the primary interests of value creation for its shareholders in the mid-long term.

4 GUIDELINES FOR THE IMPLEMENTATION OF THE TAX STRATEGY

With a view to ensuring the proper implementation of the above general principles, the following guidelines apply:

1. **Proper application of tax regulations**: in line with the principle of legality, GRE complies with any local tax regulation of the countries where it performs its business, ensuring compliance with the spirit and the purpose underlying the law to interpret. Should there be any doubt on the interpretation or implementation of said rules, GRE will opt for a reasonable approach based on the principle of legality, also with the support of external advisers and interacting with the relevant tax authorities.
2. **Agree to disagree**: in its own interest and in the interest its shareholders, GRE considers legitimate to support – also in the event of any dispute – the reasonable interpretation of the relevant laws in case of disagreements with the competent tax authorities.
3. **Full cooperation with tax authorities**: GRE interactions with tax authorities are inspired to transparency and fairness. GRE applies the provisions on transfer pricing documentation, in line with OECD Transfer Pricing Guidelines to further enhance transparency with tax authorities. The approach based on openness and transparency with tax authorities aims at ensuring accurate and prompt interactions with them. Should any mistake be identified, GRE will proactively provide any relevant explanations and define a proper solution.
4. **Tax Planning**: GRE does not implement any conducts or transactions consisting in purely artificial arrangements that do not reflect its business and which may reasonably result in any illegitimate tax benefit contrary to the purpose and the spirit of the relevant tax regulations or system or that may cause double deduction, deduction/non-inclusion or double non-taxation, also as a result of differences between taxation systems of the relevant jurisdictions. Additionally, GRE does not offer its customers, employees or any third parties any products or transactions that are contrary to the provisions of the relevant tax systems.

If the applicable system provides for any tax benefits, GRE will leverage on such opportunities, subject to the conditions that tax benefits are consistent with its business objectives.

5. **Tax Management**: A Tax Risk Management model (Tax Control Framework) has been implemented at GRE level in line with OECD guidelines, as implemented by the Italian Revenue Agency (*Agenzia delle Entrate*). Roles and responsibilities in the tax management process are clearly defined, in compliance with the principles of segregation and escalation of decisions. The tax unit must have the necessary (human, material and financial) resources in terms of organisation to implement its tasks. Proper technology solutions maximise quality and accuracy of data supporting tax management and the relevant reporting.
6. **Soft Controls**: GRE promotes the spread of the company culture and values about the correct application of tax laws, also with training sessions for all employees, including personnel of other business units. On a yearly basis, a report is submitted to the Board of Directors on the outcomes of the reviews on the Tax Control Framework together with the remedy measures on the relevant issues (if any). No reward mechanism applies to managers on the achievement of any tax burden reductions, if such targets are clearly contrary to the applicable law provisions.
7. **Intercompany transactions**: Cross-border infra-group transactions are set, for tax purposes, on the basis of the principle of free competition (arms' length principle), as defined at OECD level (Model Tax Convention and Transfer Pricing Guidelines), with a view to aligning, as fairly as possible, conditions and transfer prices with value-creation locations. Should GRE perform its business. in countries which do not apply OECD guidelines, the transfer pricing policy will be aimed atensuring consistency between the value-creation country and the taxation country (on one side) and avoiding double taxation phenomenon (on other side).

5 ADOPTION, APPLICATION, PUBLICATION, VALIDITY AND UPDATE

The tax strategy requires the approval of the Board of Directors, which is in charge of its diffusion and application together with the promotion of its purpose and principles. The tax strategy is effective as of the first day following the date on which it is approved by the Board of Directors and shall be adequately promoted. The tax unit is in charge of its interpretation and update, in line with the related Group tax strategy.