

# SHAREHOLDERS' MEETING 2024

## ADDRESS BY THE PRESIDENT ANDREA SIRONI

Trieste, 24 April 2024

Dear shareholders,

These first two years in my role as Chairman have been very challenging and at the same time full of satisfaction and positive results for the Group. I would like to **thank all my colleagues of the Board of Directors** for their great teamwork, for their constructive encouragement, and for the support and guidance given to the management during this very intense period, and especially in this second year, a particularly crucial phase in the implementation of the "Lifetime Partner 24: Driving Growth" strategic plan, during which very significant operations were completed.

These operations, regarding which Group CEO Philippe Donnet will go into detail shortly, were also made possible by a renewed spirit of cooperation within the Board, a shared vision between the Board and management, and a strong cohesion in pursuing the Group's objectives.

I therefore thank **Philippe, the management and all the people in the Group** for their extraordinary commitment and dedication. I am pleased to spotlight the recognitions we have achieved for the second year in a row from **Institutional Investor**, an independent research company in the field of international finance, which placed our management team at the top of the European sector rankings in the "Best CEO", "Best CFO" and "Best Investor Relations team" categories, and rewarded the quality of our stakeholder dialogue practices. Congratulations to all.

**Finally, I would like to thank our shareholders for their interest in and trust in Generali**, which is also shown by their participation in this shareholders' meeting. I would like to remind you that, through their participation, our shareholders actively contribute to supporting the Company's commitment to climate resilience through the "A Tree for a Shareholder" initiative, a project that is part of Generali's increasingly central commitment to integrating sustainability into every sphere of activity.

I would now like to briefly comment on the context in which our Group operates, describing it through the eyes of one of the leading global insurance and asset management players - a Group that generates more than 3 and a half billion in profits, operating in more than 50 countries, with over 82 thousand employees providing services to more than 70 million clients.

A few weeks ago, at the Procuratie Vecchie in St. Mark's Square in Venice, for the second time we hosted the European presentation of the 2023/2024 Human Development Report by UNDP, the United Nations Development Programme. I

remind you that **Generali is the first financial player to have signed a collaboration agreement with UNDP: in fact, starting in 2022** we launched a partnership to promote access to insurance solutions aimed at reducing the protection gap and increasing socio-economic well-being in some of the world's most vulnerable areas.

In a context of shared challenges - from climate change to the preservation of global stability and security - we would expect to find a wish among citizens to strengthen cooperation between countries. On the contrary, the UN report illustrates how things are going in the opposite direction, highlighting an increase in distrust of collective action and growing political polarisation and weakening of democratic thinking.

It is a sign that a certain model of globalisation, while favouring the reduction of inequalities between rich and poor countries, has failed to grasp the problems associated with the increase in inequalities within more economically advanced countries.

So what was the weakness of this model? The answer lies in the inadequacy of the system of shared rules. The absence of supervision mechanisms suitable for global markets has led to asymmetries in competitiveness and reactions of protectionism, leading to important social consequences and growing inequalities. After the pandemic and the Russian invasion of Ukraine, in 2023 we observed an increase in rivalry between geopolitical blocs, which was followed by an attempt to rebalance strategic supplies within axes of alliances. These phenomena were compounded by the need for urgent action to tackle the climate crisis and accelerate the energy transition.

Europe has made undeniable progress on the path of creating common rules, for example, with the introduction of a common monetary policy. To complete the unification, at present there is still no unified fiscal policy to support coordinated economic choices aimed at achieving shared goals. Furthermore, for European Council decisions on foreign and security policy, the principle of unanimity, a feature alien to the very concept of democracy, must be overcome. Leaving these steps incomplete represents a risk for the future of the Union, and means missing development goals, failing the ecological transition, and nurturing internal inequalities, citizen dissent and the rise of authoritarian tendencies. In a word, to shatter the European dream that one of its fathers, Jacques Delors, who passed away at the end of 2023, urged us not to abandon. "*La Grande Europe a son avenir devant elle. N'ayez pas peur,*

*nous y arriverons" – he said. "Greater Europe has its future ahead of it. Don't be afraid, we'll get there".*

The European Union is dealing with complex challenges in a very tense geopolitical scenario, without having the strength and unity to address them. The challenge of the green transition and the digital transition require huge investments - estimated by the Commission to be on the order of €500 billion per year until 2030, and the absence of a unified fiscal policy along with the ability to issue common debt to address these challenges makes Europe fragile and less relevant in the global context. In recent years, the EU has also suffered from a loss of competitiveness compared with other economic areas of the world. By way of example, in 2008 the GDP of the Eurozone and the United States was roughly equivalent, whereas today it is less than two-thirds of the US economy.

The completion of the Single Market requires a coherent political agenda, the completion of the Banking Union, the development of the Capital Market Union, and, as Generali has long hoped for, a more integrated insurance market with a level playing field for European insurance players.

For Europe to be able to operate as a global actor, it needs a stable and integrated financial and insurance system operating within it, capable of supporting the growing financing needs that are indispensable for the ecological and digital transition.

A few figures illustrate Europe's weaknesses: the EU27's share of the global capital market fell from 18% in 2006 to 10% in 2022. The EU stock markets have an overall size that is 25% of the US markets. Despite this, the EU has 3 times as many stock exchanges as the US, 18 central counterparty clearing houses (CCPs), and 22 so-called central securities depositories (CSD) - the equivalent of Monte Titoli - while the US has only one of each.

I remind you that Generali is a long-term investor with significant financial commitments in many projects involving infrastructure, as well as industrial, technological and digital innovation to promote the transition to green energy and the reduction of carbon emissions. We hope that this objective will be pursued through a strong mandate from the next Commission that is aimed at the development of a regulatory system capable of supporting the competitiveness of the Continent.

In this context, I must mention the great effort made by our Group in the discussion on **Solvency II**, which regulates the solvency requirements of

insurance companies. Solvency II has established itself as a global example of prudential regulation and its principles are inspiring the revision of regulatory frameworks in several other countries. The recent revision, which was completed in December 2023, has further improved an already positive framework and will allow European companies to channel resources into a European economy that is increasingly in need of a **public-private partnership** and to invest further in the real economy, while maintaining a high degree of protection and security for policyholders.

Italy is also carrying out important regulatory interventions to support capital market competitiveness. We hope that these interventions, designed in a coordinated and collaborative manner by all key stakeholders over the past five years, with the purpose of enhancing our country's appeal to international investors, can address the long-term challenges facing Italy and Europe. To this end, deviations from international best practices must be overcome – I'm thinking of the substantial disincentive for an outgoing Board to make proposals to the shareholders' meeting for the future board. All operators look favourably on developments that would allow listed companies to choose their ideal governance structure, in the spirit of the Listing Act currently being discussed on a continental level, and without constraints extraneous to international best practices, and moreover of dubious constitutionality.

Large international groups not only represent assets for the European economy, but are also **laboratories of development and innovation**, where the human capital dimension is enhanced and the values of cooperation are reinforced.

Generali now operates in 16 countries within the Union, sharing its challenges at a crucial stage in its history. I am proud to be able to say that the recent acquisitions completed by the Group in the European perimeter also continue to perpetuate this unifying and innovative spirit, an unaltered DNA that has distinguished the company since its inception and that is also expressed through the work of so many young people who choose Generali because of its international footprint.

Thanks to the policies and strategies implemented to attract the **best talents**, contribute to the well-being of its employees and improve the working environment, Generali tops the **Top Employer** ranking – certification was granted to Assicurazioni Generali, to Generali Italia and to Generali España. People are the Group's most valuable asset. In these first two years, I have been fortunate to meet with Generali managers not only in Italy, but also in Germany, France, Spain, Portugal and Austria, and I have been able to see the quality and

commitment of our management team. In the coming months I will be visiting Switzerland, the Czech Republic and China, and it is my commitment to continue visiting the other countries in which the Group operates. Among the group's 82,000 employees are women and men operating in more than 50 countries, who work every day with team spirit and a sense of belonging, proud to be part of the almost 200-year history of a large European and international group. They are people of different nationalities, genders, cultures, religious beliefs and sexual orientation, accustomed to working together constructively and productively on a daily basis. At Generali we believe that diversity represents wealth and that it brings with it a more stimulating, creative environment capable of encouraging innovation. This is why we have developed diversity, equity and inclusion policies aimed at unlocking the potential of people belonging to different generations, genders and cultures. In particular, our Group's contribution to an issue of global importance such as **gender equality** represents a best practice of a path that is unfortunately still not uniform in society in different parts of the planet. In a particularly critical geopolitical phase, the inclusion of women in the places where decisions are made – in institutions as well as in business – is crucial for laying the foundations of peace and prosperity. Generali's commitment to increasing the presence of women in strategic positions is as significant as the role of our sector in the economic and social context. We can and we want to play a leading-edge role and therefore to be a driving force for other companies in the sector.

Developing human potential is also the goal pursued by our **Generali Foundation The Human Safety Net**, which works by reaching out to communities in 26 of the countries in which we operate around the world, to help vulnerable families with young children in their education, and refugees to become entrepreneurs, making a positive contribution to the economy of our host countries. We reached more than 480,000 parents and 7800 refugees, marking a significant impact. I would like to thank all of the Group's colleagues and agents who work as volunteers in the Foundation's various projects, of which I recently had the honour of becoming a member of the Board of Directors.

Let us also consider another disruptive force that is changing the way business is done in almost every sector of the economy. The innovation introduced by **Artificial Intelligence** represents a great opportunity for the insurance sector, with positive impacts for customers. Generali is already active in this field, with benefits for our business and positive impacts on our strategic objectives. As we know, however, the equally significant risks associated with its use must also be considered. Our sector, which is among the most regulated, is particularly



sensitive to changes in the regulatory framework. Global cooperation will also be crucial in this context. Shared principles and standards for the proper adoption of this technology will ensure consistency, interoperability and collaboration between companies, industries and countries to innovate responsibly.

In conclusion, as we close the 2023 financial statement with great satisfaction and move towards the completion of the three-year strategic plan, a look ahead to **2024**. It is a very important year for global balances. More than half of the world's population will be holding **elections**, in a context of growing confrontation and armed conflicts. It is also the year of the **Italian presidency of the G7**, which we hope will contribute to global stability and the advancement of solutions to the common challenges I have spoken about. The Generali Group took this opportunity to develop a new collaboration with the **OECD**, the Organisation for Economic Co-operation and Development, as part of **WISE**, the forum that aims to identify objective criteria for measuring the well-being of people and put it at the centre of future economic policies.

**The strength of the Lion brings great responsibilities.** The results that will be presented to you shortly outline the profile of a Group that is increasingly acting as a leader in major challenges with its values and solidity, as well as its international credibility and reliability. I therefore reiterate my best wishes for the year ahead to the board, the management and all the colleagues with whom I have the honour and privilege to work. I will now pass the floor to Philippe Donnet, CEO of the Generali Group. Thank you Philippe, and the floor is yours.