



Investor Day

November 23rd 2016

Agenda

10.00  **Accelerate to Excellence**

Philippe Donnet *Group CEO*

10.30  **The strategic directions of acceleration**

Optimize international footprint

Frédéric de Courtois *CEO Global Business Lines & International*

Enhance technical capabilities & Rebalance our portfolio

Valter Trevisani *Group Chief Insurance Officer*

Rationalize the operating machine

Gian Paolo Meloncelli *Group Strategy & Business Development Director*

Customer & Distributor Innovation & Strengthening the Brand

Isabelle Conner *Group Chief Marketing & Customer Officer*

Enable the transformation

Bruce Hodges *Group Chief Information & Digital Officer*

Q&A Session

13.00 *Lunch*

14.15  **Proof points**

Generali Italia

Marco Sesana *CEO Generali Italia*

Generali Deutschland

Giovanni Liverani *CEO Generali Deutschland*

15.00  **Financials**

Alberto Minali *Group General Manager & CFO*

15.30 *Q&A Session*

16.15 **Concluding remarks**

Philippe Donnet



Accelerate to Excellence

Philippe Donnet *Group CEO*

A uniquely positioned insurance group



Deeply rooted in Europe



- ~90% of business
- Top 5 in 10 out of 20 markets where we directly operate



Strong proprietary distribution



- Largest proprietary distribution network
- Exclusive franchise in Germany: DVAG
- Strong Direct presence in many markets



Excellent technical capabilities and operational excellence



- Leading combined ratio
- Strong life margins with low guarantees
- Streamlined operations



Momentum on innovation



- Leader in motor telematics
- Connected platform (car, home, health, life)
- Innovative partnerships

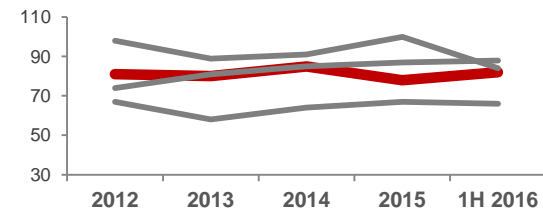
Generali already has a leading technical performance...

P&C COMBINED RATIO

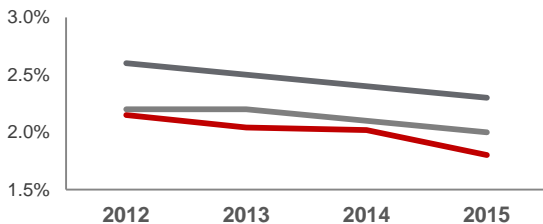


LIFE OPERATING MARGIN

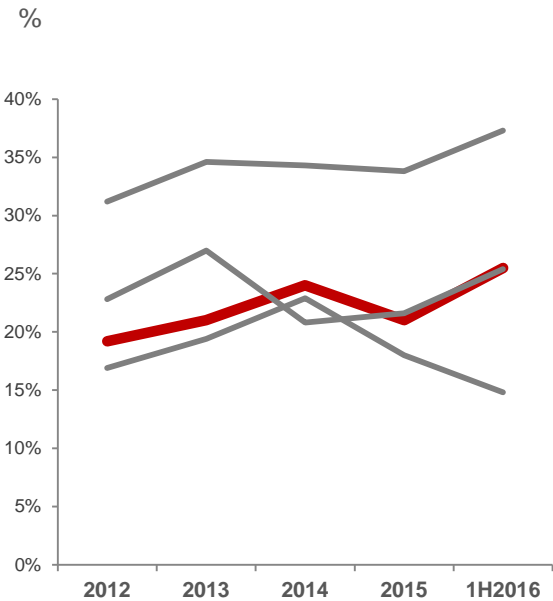
Operating result in bps of average reserves⁽¹⁾



Average Group portfolio guarantees



NEW BUSINESS MARGIN



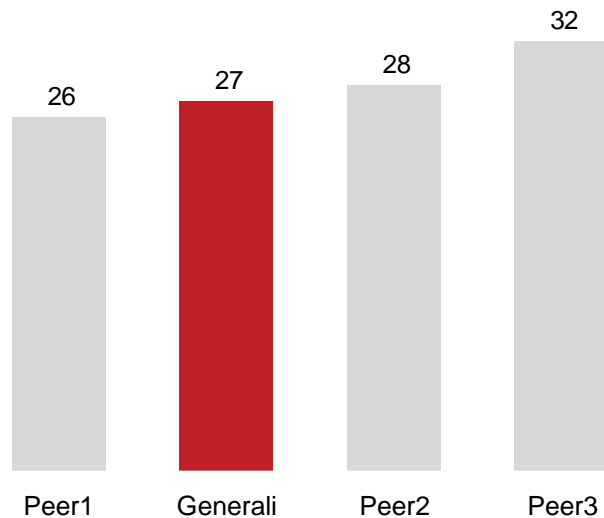
— Generali — Peers⁽²⁾

1. 1H 2016 annualised
2. Key peers: Allianz, AXA, Zurich

...and an excellent cost performance

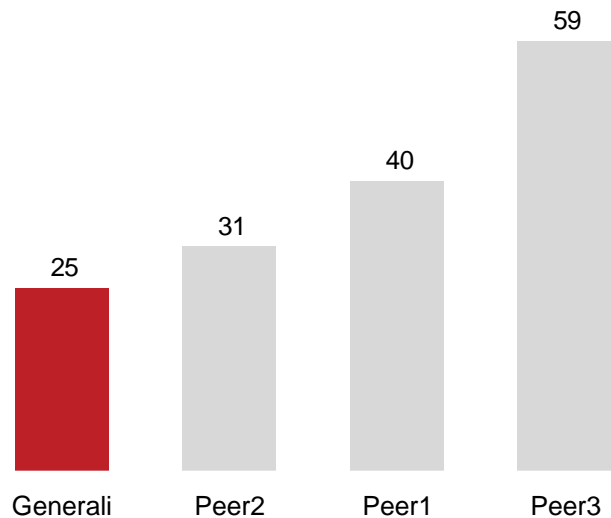
P&C EXPENSE RATIO

%



LIFE EXPENSE RATIO¹

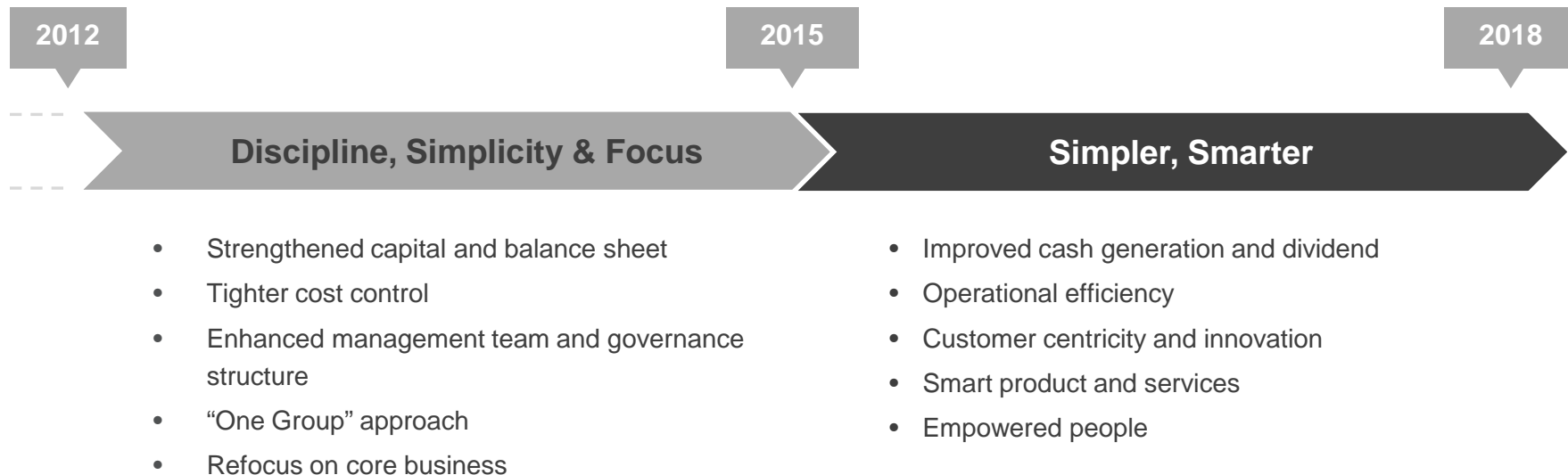
%



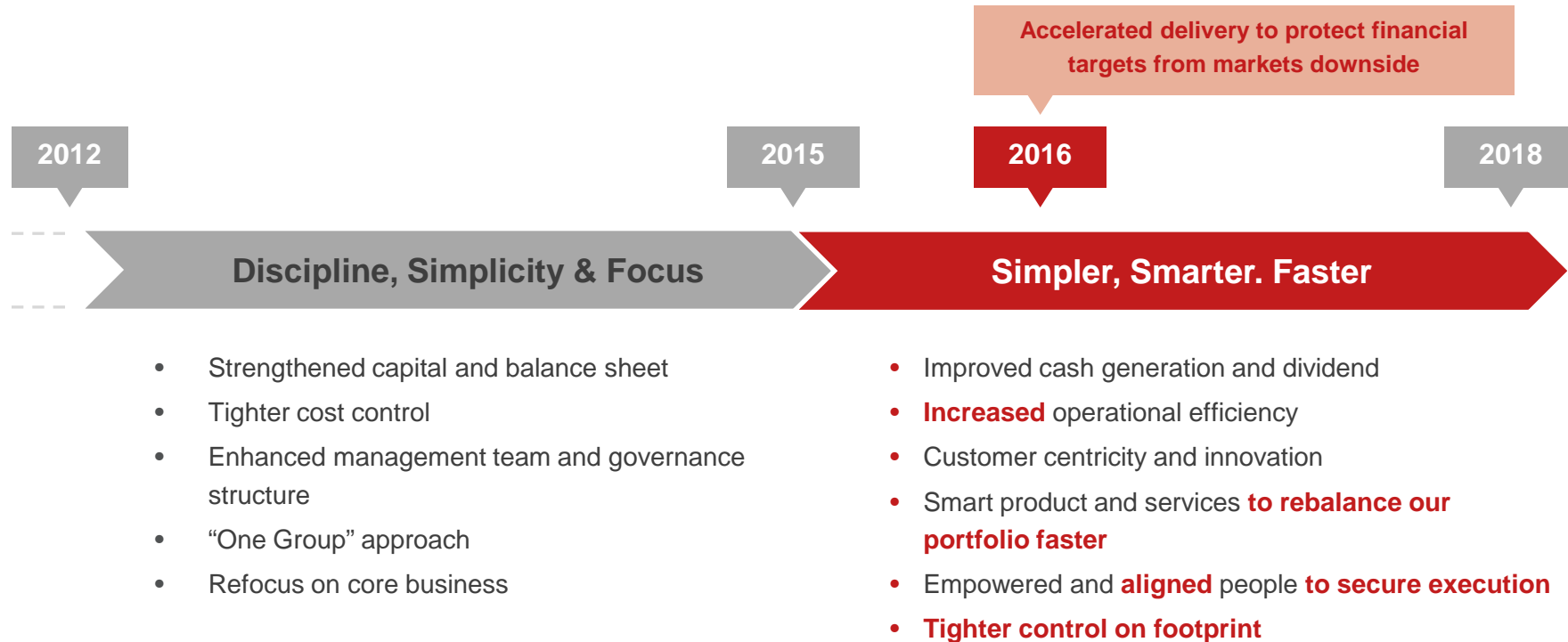
1. Operating costs as a % of operating profit before operating costs.

Note: Generali analysis based on publicly disclosed information of key peers (Allianz, AXA, Zurich)

Generali's journey



Generali's journey, accelerated



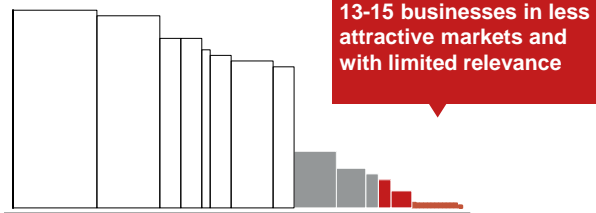
Generali has further improvement potential

WE ARE NOT ALWAYS WELL POSITIONED IN ATTRACTIVE MARKETS

2015

Market attractiveness

(Index based on profitability, size, and other factors)



BU relevance (Index based on OR, GWP, and other factors)

STRONG NET INFLOWS WITH GOOD MIX, BUT STILL ROOM TO IMPROVE BY WORKING ON EXISTING RESERVES

2015

**€15 bn
Net Inflows**

Unit linked

48%

Protection

23%

Traditional savings

29%

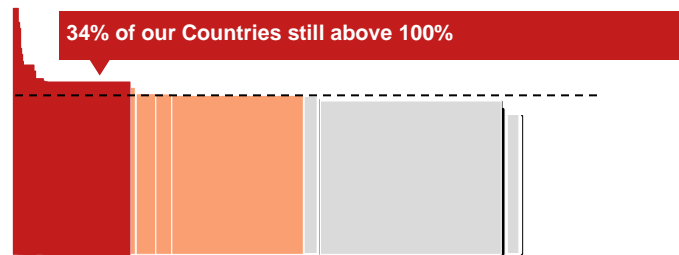


1. Note: "Capital-light": Products with no guarantees or guarantees $\leq 0\%$

P&C CoR GOOD, BUT WITH A FEW EXCEPTIONS...

2015

CoR (%)

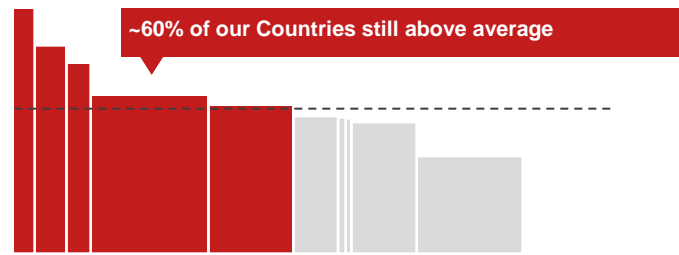


BU relevance (contribution to GWP)

WE ARE NOT AS EFFICIENT AS WE SHOULD BE EVERYWHERE

2015

Cost-to-income Ratio² (%)



BU relevance (Share on contribution margin)

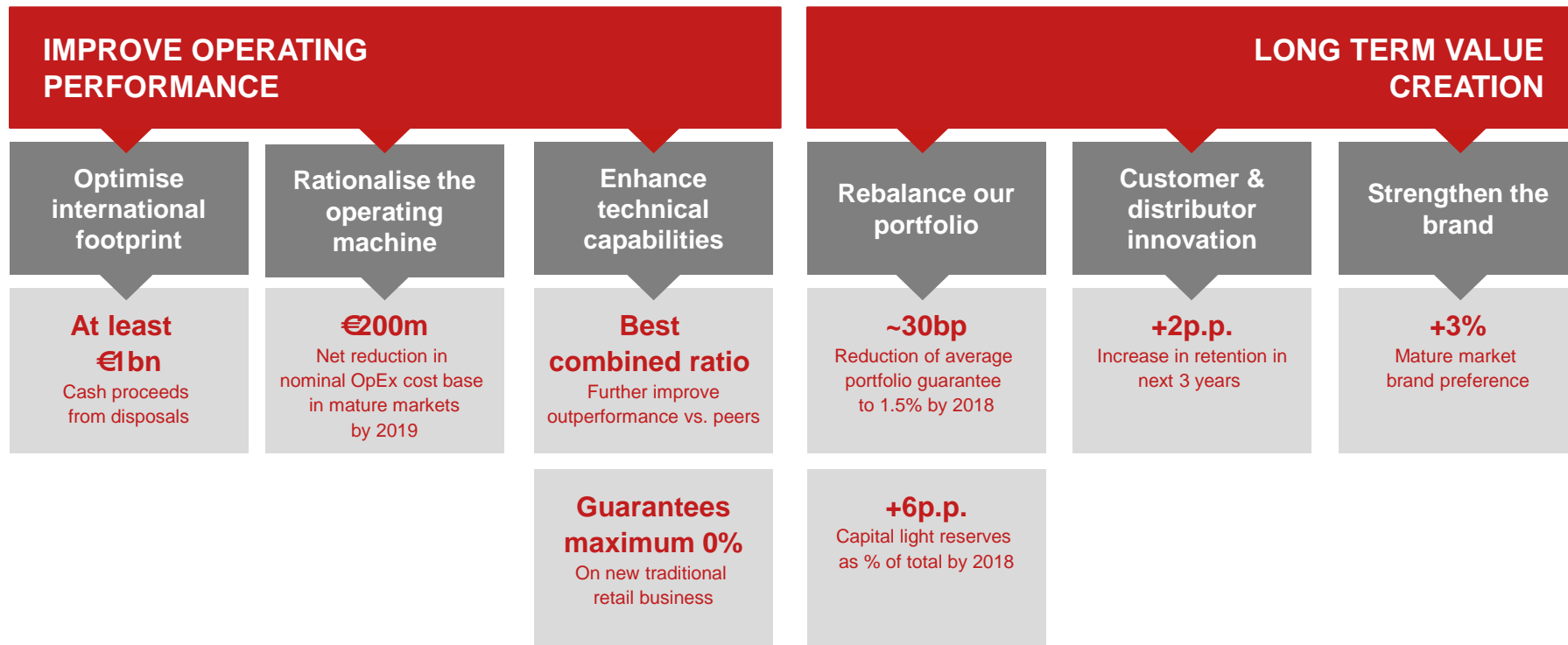
Two clear objectives

**IMPROVE OPERATING
PERFORMANCE**



**LONG TERM VALUE
CREATION**

Each objective underpinned by clear initiatives and KPIs



Execution will make the difference



**Aligned and empowered
management to secure FASTER
EXECUTION**

- **Evolution of Group Management Committee (GMC)** with all businesses now represented
- **CEO community** established with regular meetings
- **Business monitoring tool** for local CEOs, with KPIs to monitor each strategic initiative developed
- **Strategic initiatives hardwired** into balanced scorecards

Takeaways



Generali has unique advantages: Proprietary distribution, technical and operational excellence, aligned and empowered management



Generali can overcompensate for adverse market conditions



Generali confirms financial targets



The strategic directions of acceleration



The strategic directions of acceleration

Optimize international footprint

Frédéric de Courtois *CEO Global Business Lines & International*

Highlights



The Group wants to retain a **global and diversified geographical presence...**






...but wants to **focus on core markets...**



...and will have **more ambition and more discipline** with our “growth stories”

The Group has reviewed its portfolio of businesses and made decisions

Focus on markets where we have relevant size, profitability and prospects

AMBITION	WHERE	# MARKETS
 Consolidate & strengthen	<ul style="list-style-type: none"> • Already relevant • Still attractive and large market 	6 - 9
 Disciplined growth	<ul style="list-style-type: none"> • Present but not-yet at scale • Attractive markets 	16 - 18
 Rationalize	<ul style="list-style-type: none"> • Non attractive markets or presence 	13 - 15

We will be simpler and will allocate our capital more efficiently

FOR THE BUSINESSES BEING DISPOSED:

Aggregate RoE

< 5%

Share of Group
operating result

~1%

Share of GWP

~ 5%



Increase
operational
efficiency



Better allocate
capital and time



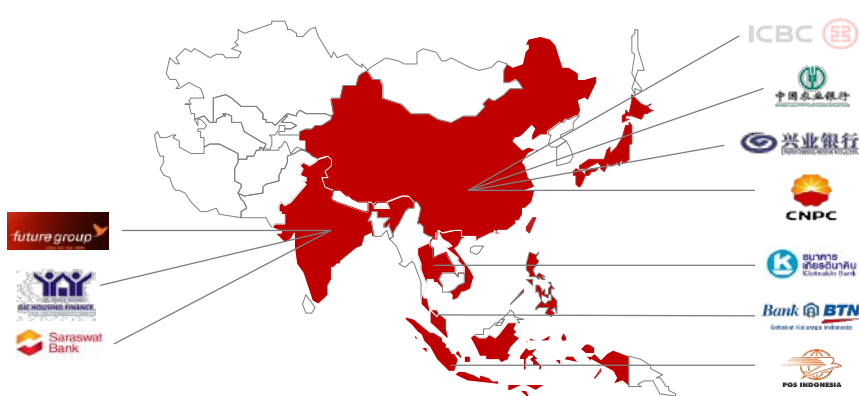
Mitigate
risks



Reduce balance
sheet volatility

At least
€1bn
cash proceeds
from disposals

In Asia: Disciplined growth



- **#3 foreign player** in China
- **#6 in Life** in Indonesia¹ and Vietnam
- **Many relevant partners** e.g., **CNPC in China**, largest integrated energy company worldwide (serving 20M customers per day)

- **Rationalize** in some markets with weak competitive positioning
- **Grow more profitably in P&C**, keep positive trend in **Savings** (switching to UL in China) and Protection, **attack** in **health & EB²** (#1 in EB in China with 2.2 million customers)
- Overall: **strengthen technical capabilities and apply “Fit-to-Lead”**

1. Generali Indonesia positioning relative to foreign joint ventures, excludes the domestic companies
 2. Employee Benefits

LatAm: increase our leadership in Argentina, recover value in Brazil



- **Top player in Argentina (#1 in the lines of business where we compete)**
 - **Recovering value in Brazil** through turnaround of actual business and new partnerships (e.g., BMG)
-
- **Best brand** in Argentina **direct business model**, continue to grow diversifying non-motor and apply “Fit-To-Lead”
 - **Brazil: turnaround** of **current business** with break-even expected in 2017; selectively **grow with partners** (e.g. BMG, +3m clients) **and brokers**

Generali Employee Benefits: increase our leadership



Worldwide Leader in **employee benefits** insurance solutions

(Large Co., Life & Disability, Accident, Health)

- **+120 countries**
- **+1,500 multinational** clients

Grow across all regions, with special focus on:

- **International middle market**
- **Health & wellness**
- **Asia**
- **B2B2C** (5m customers insured with their families)



The strategic directions of acceleration

Enhance technical capabilities & Rebalance our portfolio

Valter Trevisani *Group Chief Insurance Officer*

Important market challenges



LOW BOND YIELDS

~ 0%

German Govt 10Y yield



STAGNATING MATURE ECONOMIES

1.6%

Euro zone GDP growth, 2017 forecast¹



RAPIDLY EVOLVING TECHNOLOGY

12Bn

Connected devices by 2020²



DIGITAL CUSTOMERS

78%

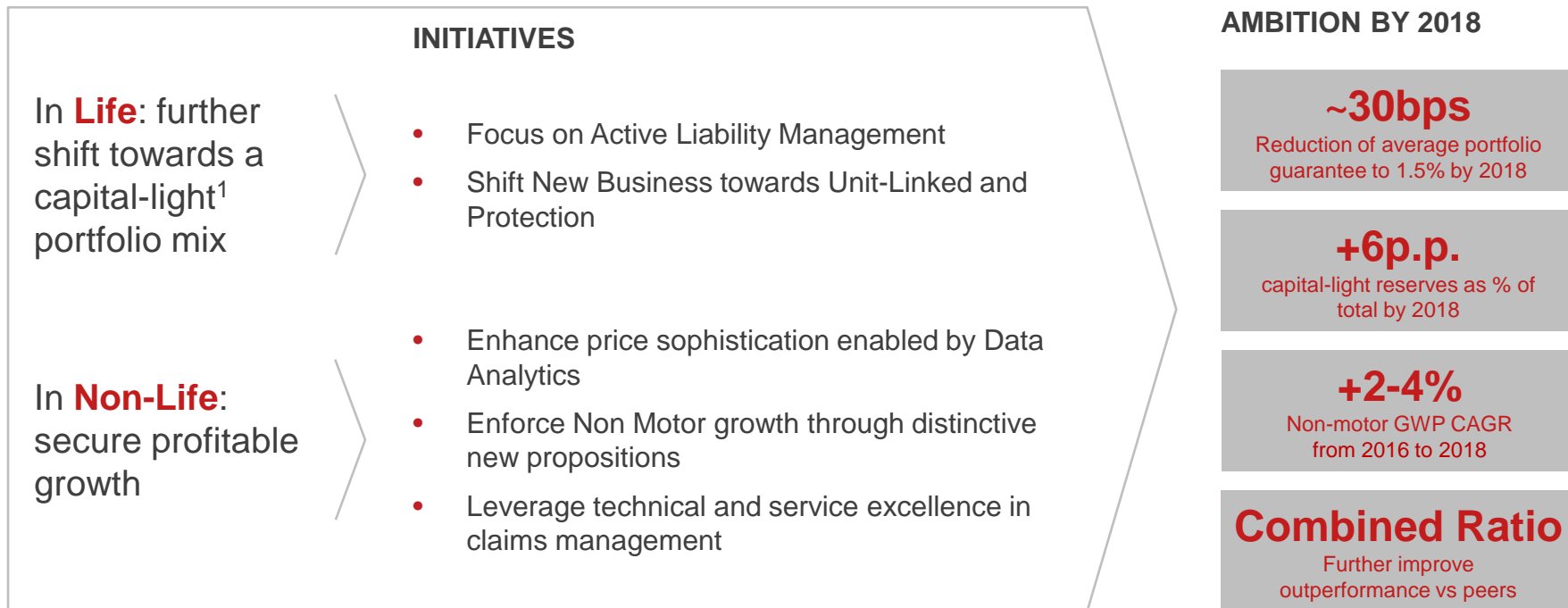
Data traffic on mobile devices²



STRICTER REGULATION

1. IMF, OECD
2. Cisco market report

Priorities and enablers for our acceleration in technical excellence



1. Capital-light: Reserves / New business without guarantees or with guarantees equal to or lower than 0%

Focus on Active Liability Management

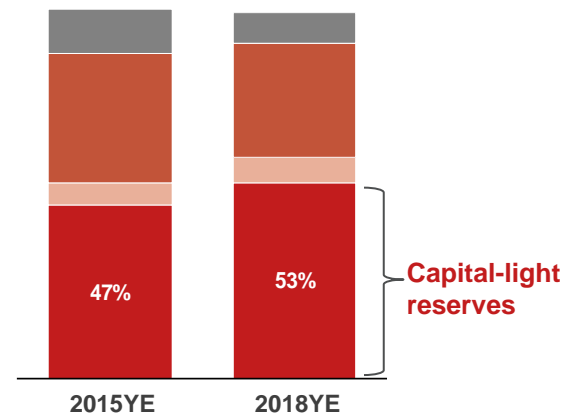
Protecting the long-term sustainability of our Life portfolio

MAIN LEVERS

- Data driven **cross / up-sell**
- Sharpen **Asset-Liability Management**
- Optimize **profit-sharing**
- Maximise effective **maturity reinvestment**
- Enhance **persistency of value adding contracts**

AMBITION FROM 2015 TO 2018

Reserve Mix



+6 p.p.
capital-light reserves by 2018

■ Guarantee level higher than 3%

■ Guarantee level between 1% and 3%

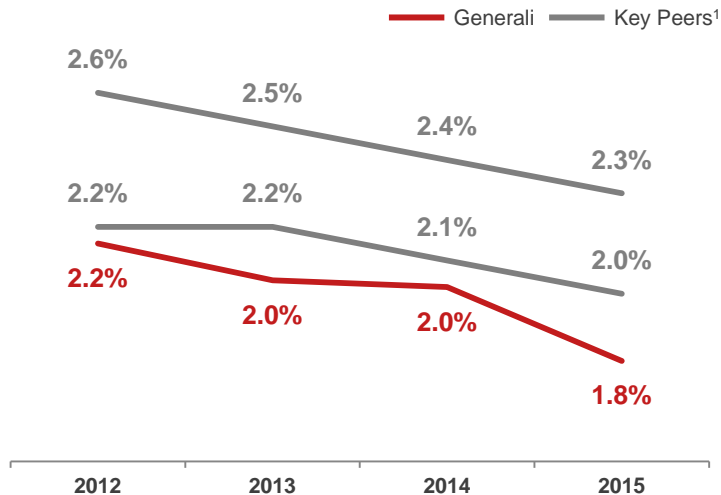
■ Guarantee level between 0% and 1%

■ Capital-light

We will further manage guarantees down

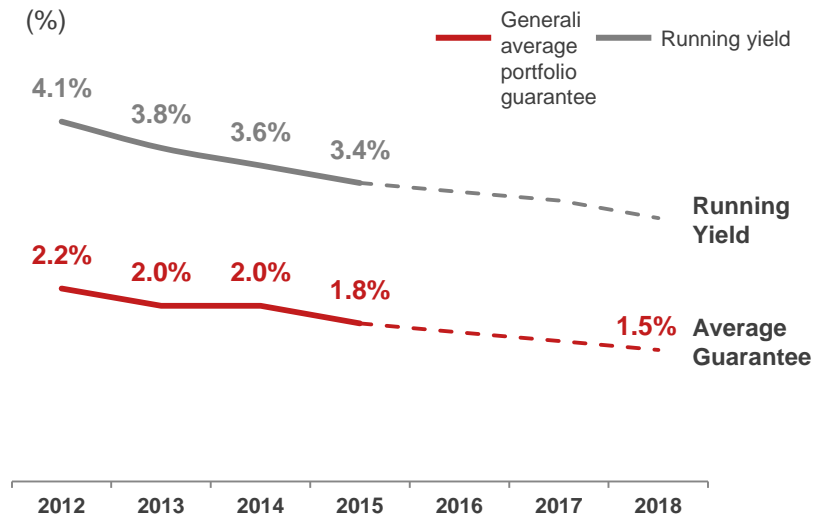
AVERAGE PORTFOLIO GUARANTEE VS PEERS¹

(%)



SPREAD OF RUNNING YIELD OVER PORTFOLIO GUARANTEE

(%)



- Further 30bps average portfolio guarantee reduction by 2018 vs. 2015
- Sustainable spread of running yield over average guarantee

1. Based on available public disclosure of key peers (Allianz, AXA)

Shift New Business towards Unit-Linked and Protection

We will substantially grow the share of our new business towards capital-light products

MAIN LEVERS

- Set **new business guarantee at or below 0%** in traditional component¹
- Offer **alternative solutions** for Savings needs
- Roll out the **Group Unit-Linked platform**
- Increase **cross-selling** of Protection riders
- In **China - Disciplined traditional production** coupled with **Protection** and **Unit-Linked growth**

AMBITION FROM 2016 TO 2018

+35%

Growth in Unit Linked APE in the big 3 countries 2016 to 2018

+30%

Growth in Protection GDWP in China 2016 to 2018

1. Limited carefully selected exceptions (e.g. Corporate business or production in Asia)

Enhance price sophistication enabled by Data Analytics

MAIN LEVERS



Pricing sophistication in Motor

- **Behavioural pricing** engines leveraging **data analytics**
- Elasticity based pricing enabling **price optimization**
- **New dynamic pricing** approach for **fleets**



Strengthened discipline in **discount management**



Telematics **behavioural profiling** sophistication (**MyDrive** and 3yr R&D agreement with **Progressive**)

AMBITION FROM 2016 TO 2018

Combined ratio

Contribution of price sophistication as % of total initiatives to optimise COR



Enforce growth in Non Motor

MAIN LEVERS



Strengthen **modular product** offerings



Develop **connected insurance** products e.g., Smart Home



Build an **emerging risk** offer (cyber)



Foster **complementary services** and **prevention features** (e.g., assistance on demand, emergency assistance)

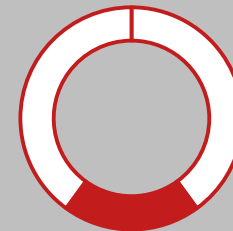
AMBITION FROM 2016 TO 2018

+2-4%

Non-motor GWP CAGR
from 2016 to 2018

Combined ratio

Contribution of non-motor growth as % of total initiatives to optimise COR



Leverage technical and service excellence in claims management

MAIN LEVERS

claims
the
Generali
way

- Accelerate **re-design and adoption of claims services**
- Build **new distinctive claims services**
- Enhance **technical leakage reduction** and steering
- Improve **fraud investigation** capabilities
- Leverage **Group Analytics** practice

AMBITION FROM 2016 TO 2018

75%

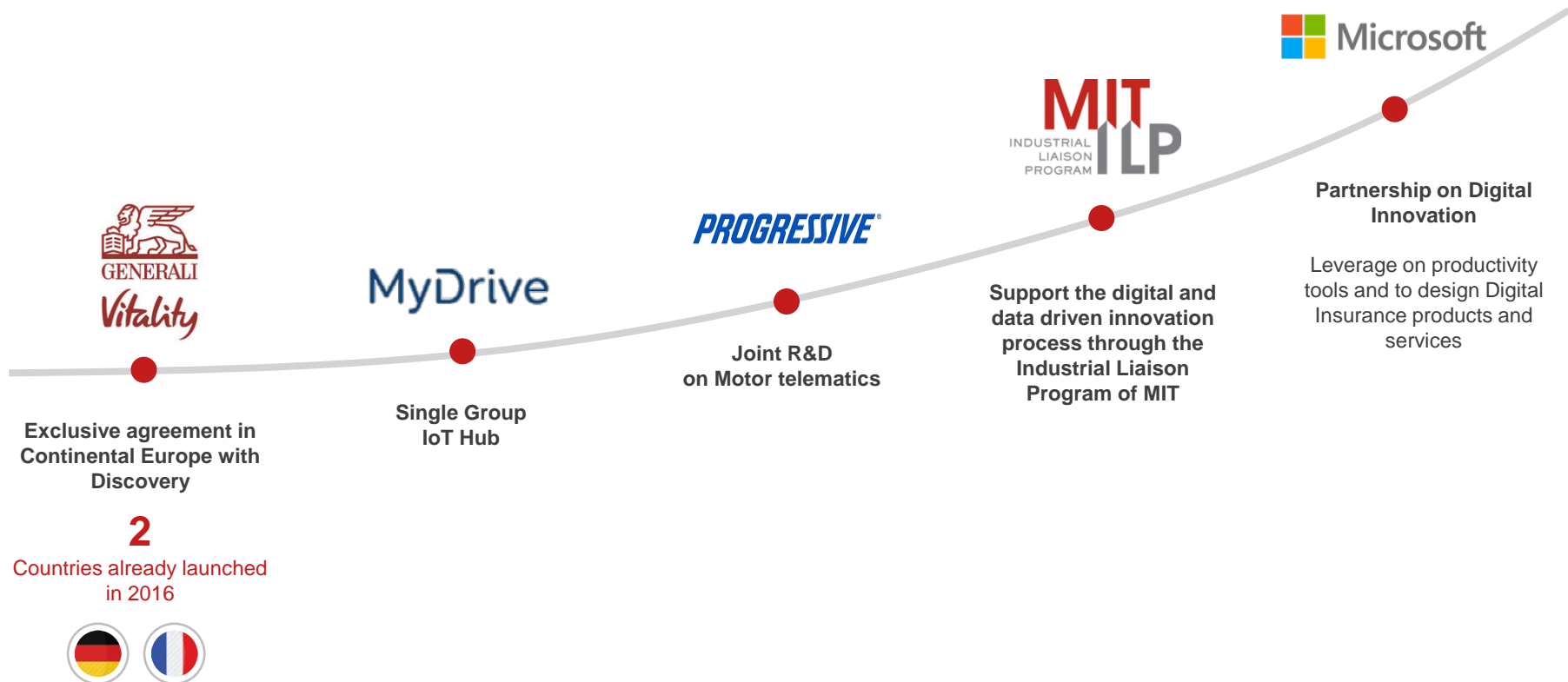
of claims in core BUs
with smart claims tracking

Combined ratio

Contribution of claims
management as % of
total initiatives to
optimise COR

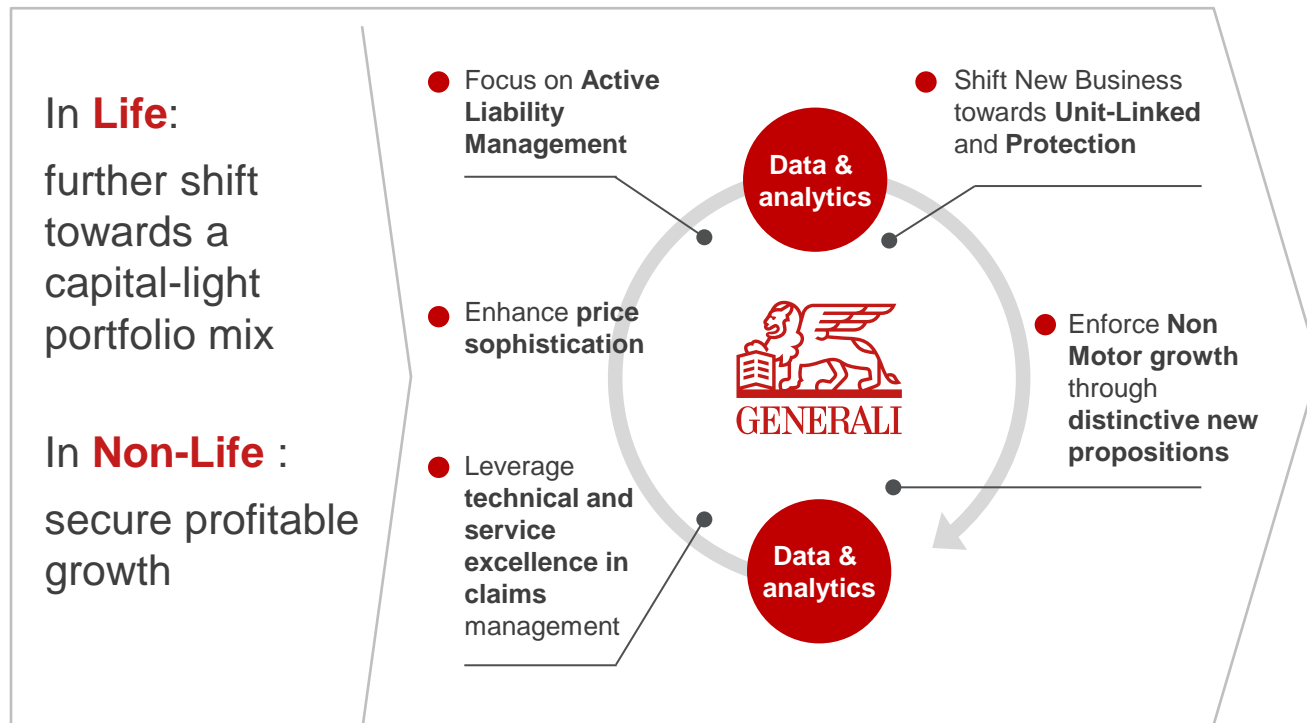


Building the Future through partnerships



Ambitious targets for our acceleration in technical excellence

Initiatives



AMBITION BY 2018

~30bps

Reduction of average portfolio guarantee to 1.5% by 2018

+6p.p.

capital-light reserves in 2018

+2-4%

Non-motor GWP CAGR from 2016 to 2018

Combined ratio

Further improve margin of outperformance vs peers



The strategic directions of acceleration

Rationalize the operating machine

Gian Paolo Meloncelli *Group Strategy & Business Development Director*

Highlights



We are **on track** on our plan to control cost and **increase our operational efficiency**

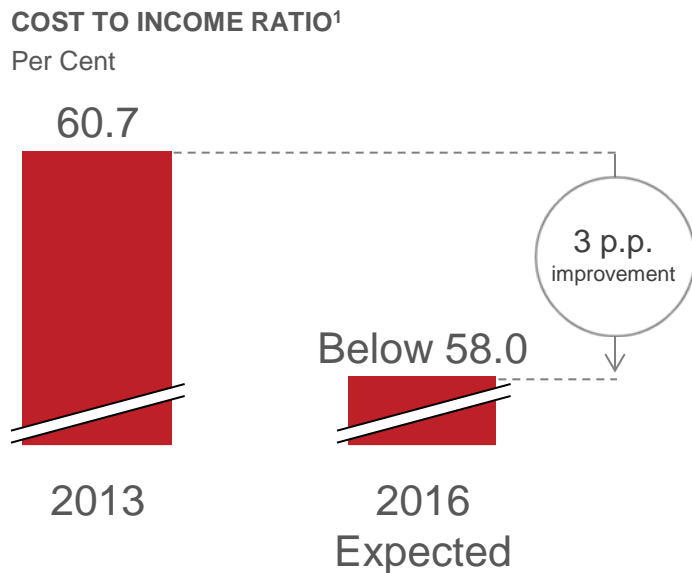


We are **doing well compared to key peers** but we want to be the leader



We launched a new transformational program to finally reduce our **operational cost base on a net basis**

On track to increase our operational efficiency



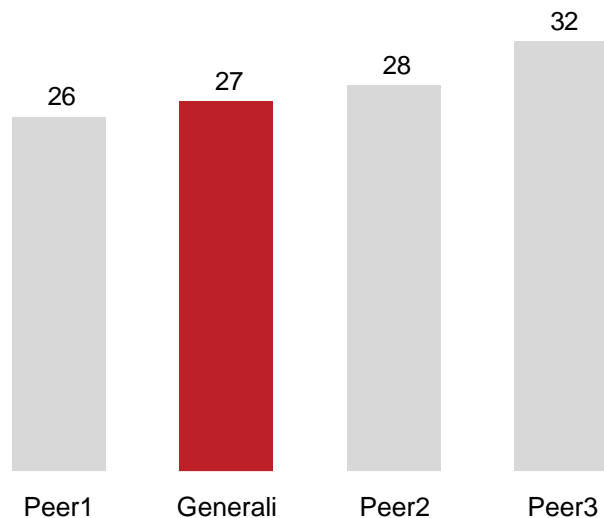
Opportunity to accelerate the pace to become more efficient

1. $\text{Operating Expenses} / (\text{Operating Expenses} + \text{Operating Result})$

We are doing well compared to key peers, but we want to be the Leader

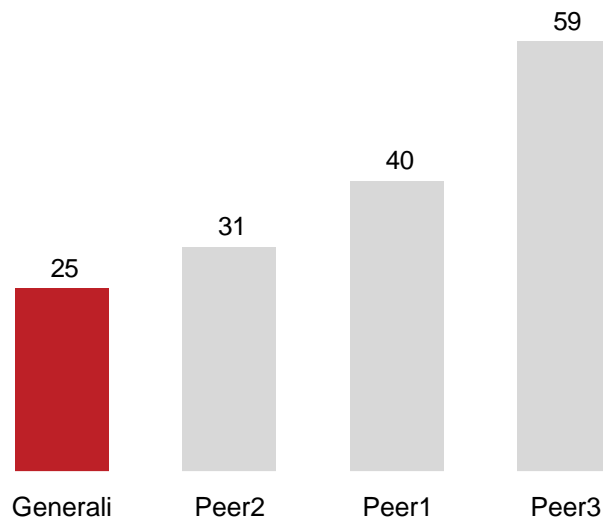
P&C EXPENSE RATIO

%



LIFE EXPENSE RATIO¹

%



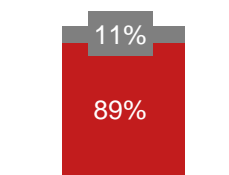
1. Operating costs as a % of operating profit (before operating costs).

Note: Generali analysis based on publicly disclosed information of key peers (Allianz, AXA, Zurich)

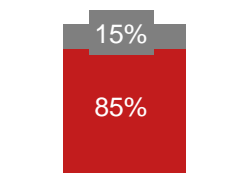
We launched a new transformational program, starting from mature markets

Gross written premium

Operating Expenses



2016
(Expected)



2016
(Expected)

■ Growth markets
■ Mature markets¹



INTEGRATE & SIMPLIFY
our operations



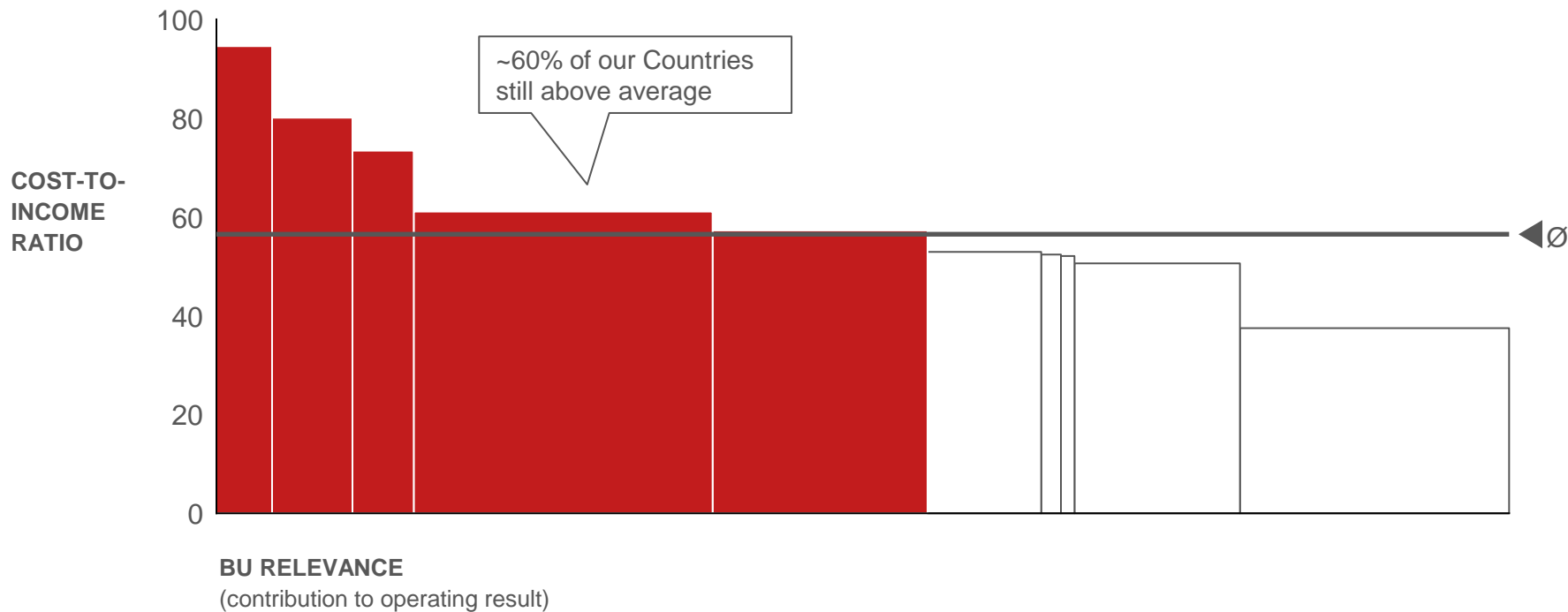
DIGITALIZE
our processes



STREAMLINE
our organization

1. All European retail business

Six out of ten countries are still performing worse than the Group average



A new BU-led program to transform our mature businesses

CLEAR GOVERNANCE...



**More than
300 Generali
colleagues
involved**

+15 Generali local project teams led by local top managers

- Reporting to CEOs/Head of Region
- In charge of local initiatives
- Responsible for the results

1 Generali team reporting to GCEO and GM&CFO to secure proper steering and performance monitoring



...TIGHT EXECUTION

- **Commitment by all business units** on the 3 year plan factored in to management scorecards
- **Monthly Business Monitoring**, at local and Group levels
- **Tight community of 'Fit to Lead' Champions** and members across the Group

Committed to achieve a continued improvement of the operating machine

AMBITION '16-'19

€200m

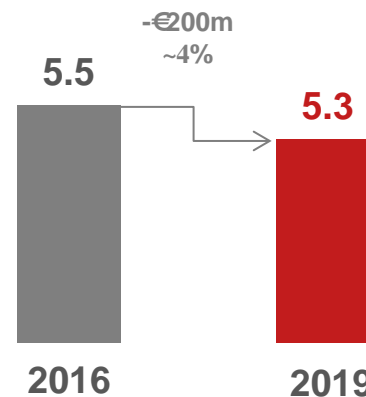
Net expense reduction in mature markets¹

~15%

Productivity improvement in mature markets

OPERATING EXPENSES IN MATURE MARKETS

Euro bn



Note: Estimated one-off costs to achieve around €0.7bn 2017-2019

1. On constant perimeter

People strategy cornerstone of the accelerated transformation

People strategy committed to sustain the success of Generali's acceleration to excellence

AMBITION '16-'18

100% employees

with performance dialogue in place

Our managers

trained on the New Managerial System

Continuous reskilling

of the whole employee base

Targeted Investments in
new digital competencies
(strategic workforce planning)

Engagement survey

to check organizational health status

+300 actions

to increase people engagement and empowerment

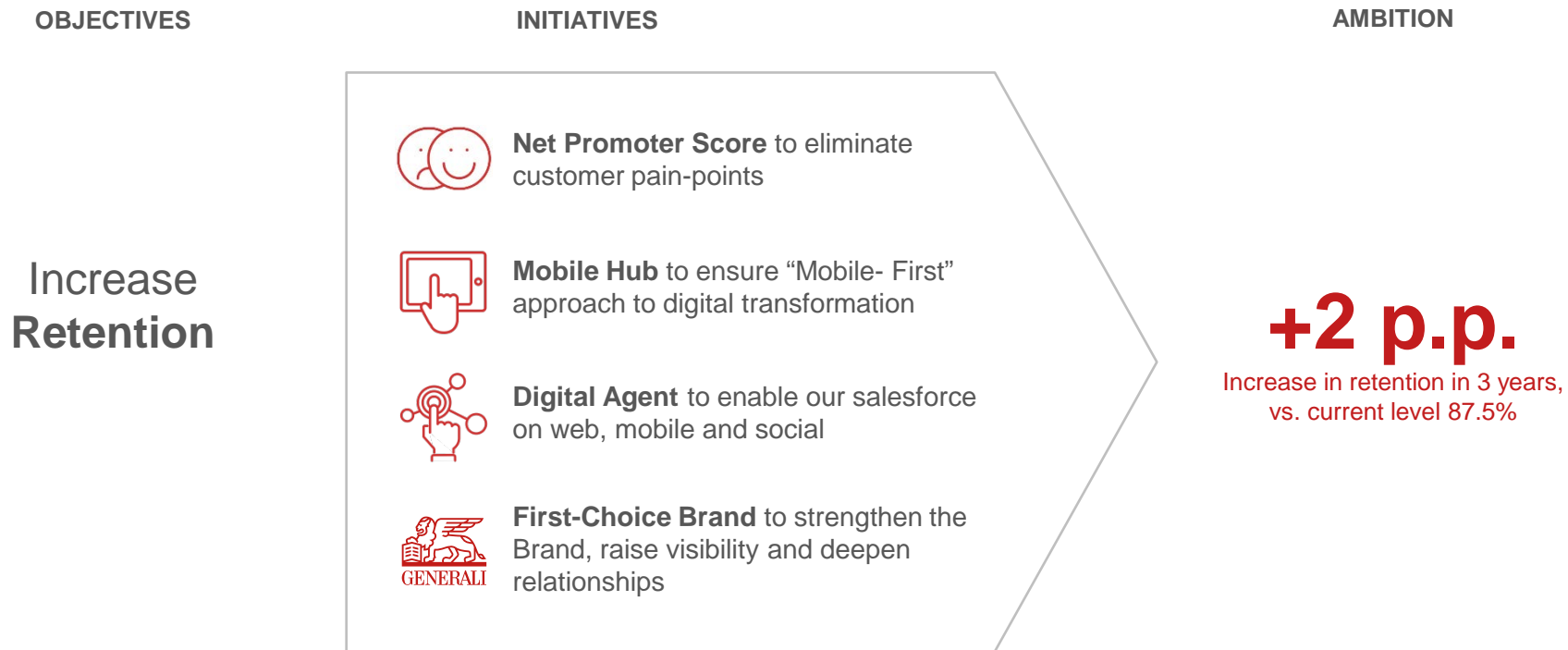


The strategic directions of acceleration

Customer & Distributor Innovation & Strengthening the Brand

Isabelle Conner Group Chief Marketing & Customer Officer

4 high-impact initiatives that will drive retention and revenue



Generali's NPS now covers 90% of our client base

26 BUSINESSES

3,240,754 SURVEYS

105,372 DETRACTOR CALLS

5 UNIVERSAL PAIN-POINTS

IMPROVEMENT ACTIONS

Examples

1 Clarity of Communication

1-Page Policy summary

2 Status Update

Automatic status updates via SMS, Apps & Portal

3 Speed of Resolution

End-to-end simplification & digitalization of processes

4 Human Touch

Empathy coaching; Welcome calls to all new customers

5 3rd-party Partners

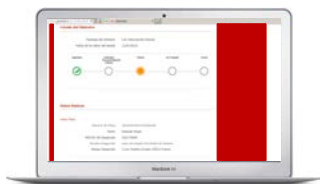
Assign "best providers" to high value customers

256
Quick wins

175
Structural changes

In Spain, we reduced detractors, drove customer delight & operational efficiency

Status Update: 3 easy ways to access claim information



Online claims tracking

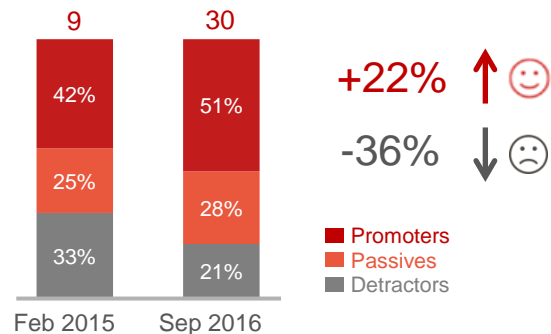


Added claim notification functionality to app



SMS notifications

CUSTOMERS ARE DELIGHTED:



SIGNIFICANT COST REDUCTION:

196,905 Fewer calls to call center

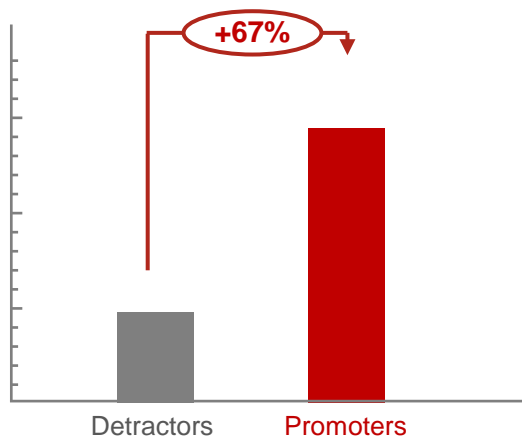
16,409 Man hours saved

11 FTEs Reassigned to other tasks

Eliminating pain-points drives economic value for Generali

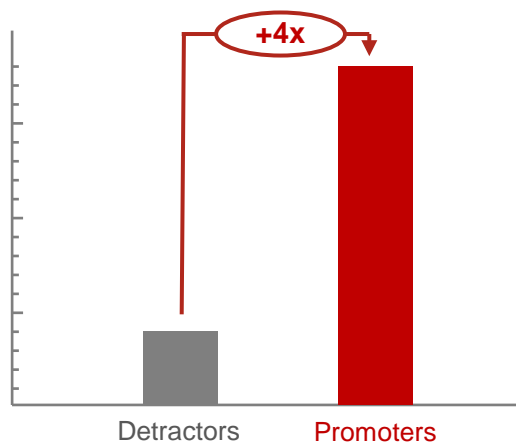
Customer Behavior 6 months after survey

PROMOTERS BUY 67% MORE



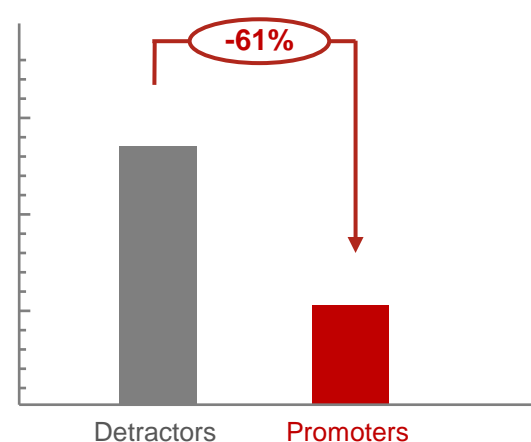
Sample size: 53,942¹
Cross-Sell after claims experience

PROMOTERS ACTIVELY RECOMMEND



Sample size: 7,114²

PROMOTERS EXIT 61% LESS



Sample size: 140,944¹
Exit rate after any experience

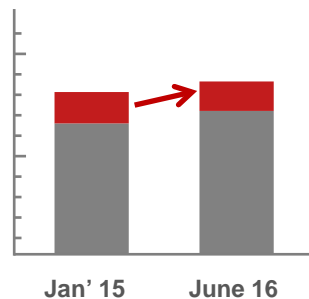
1. Data from 5 business units: Spain, France, Cosmos, Hungary and Switzerland
2. Data from 4 business units: Genertel, Serbia, Austria, and AMV

In 18 months, Spain grew its existing client base by 7% and GWP by €36.5m



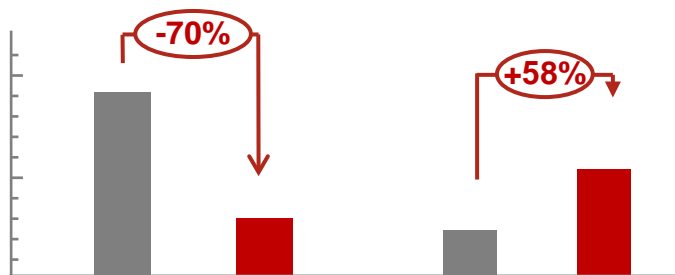
IMPROVED RETENTION RATE

■ Net New Customers
■ Retained customers



7 % growth
of existing
customer
base

PROMOTERS EXIT LESS & BUY MORE



Customer Behavior 6 months after survey (non Life products);
Sample size: 47,525

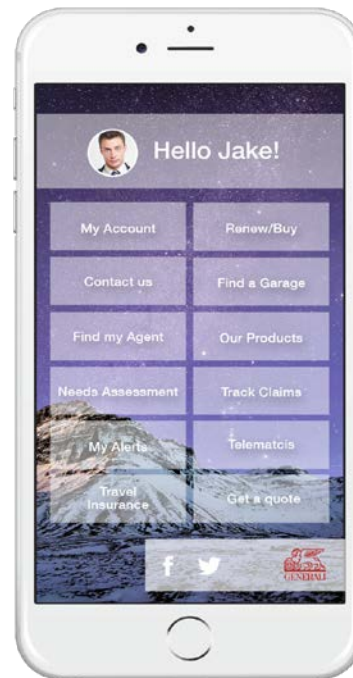
€36.5 M
3.5% growth in GWP

Simpler **Smarter**
Faster

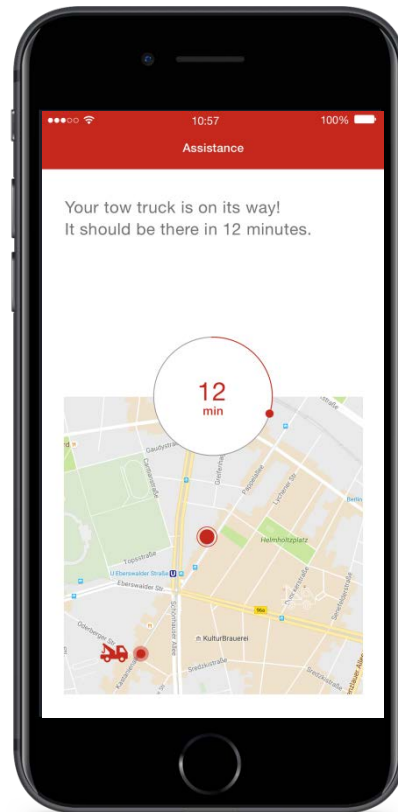
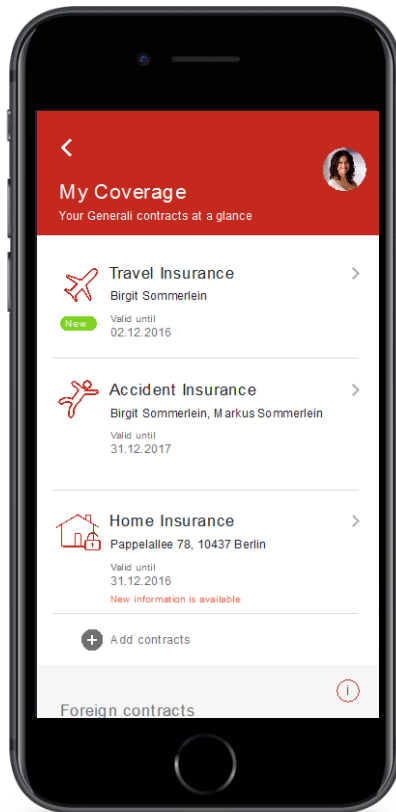
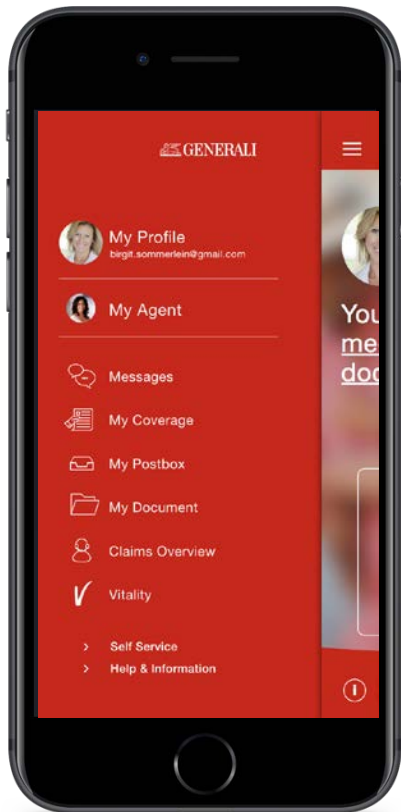
Mobile Hub: Generali takes Mobile-First approach to digital transformation

**18 months
ago,
Mobile Hub
was just an
idea...**

At Investor Day 2015:



Mobile Hub: LIVE DEMO



Digital Agent: increase visibility and commercial reach on web, mobile and social



Get found

Grow network

Listen & act

Digital Agent: LIVE DEMO

Good morning Giovanni

- MESSAGING
- EMAIL CAMPAIGNS
- SMS CAMPAIGNS
- CONTACTS
- GOOGLE ADWORDS
- WEBSITE
- RATING
- REPORTS
- SETTINGS

GENERALI

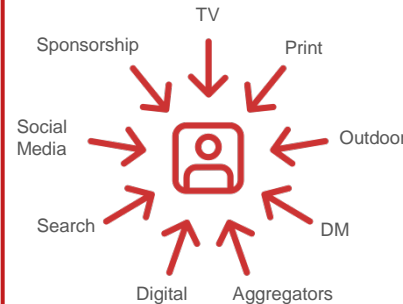
First-Choice Brand: The Generali brand must work harder...

Non-Generali brands



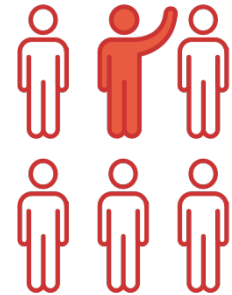
**Strengthen
Generali Brand**

Low investment &
fragmented media use



**Raise
visibility**

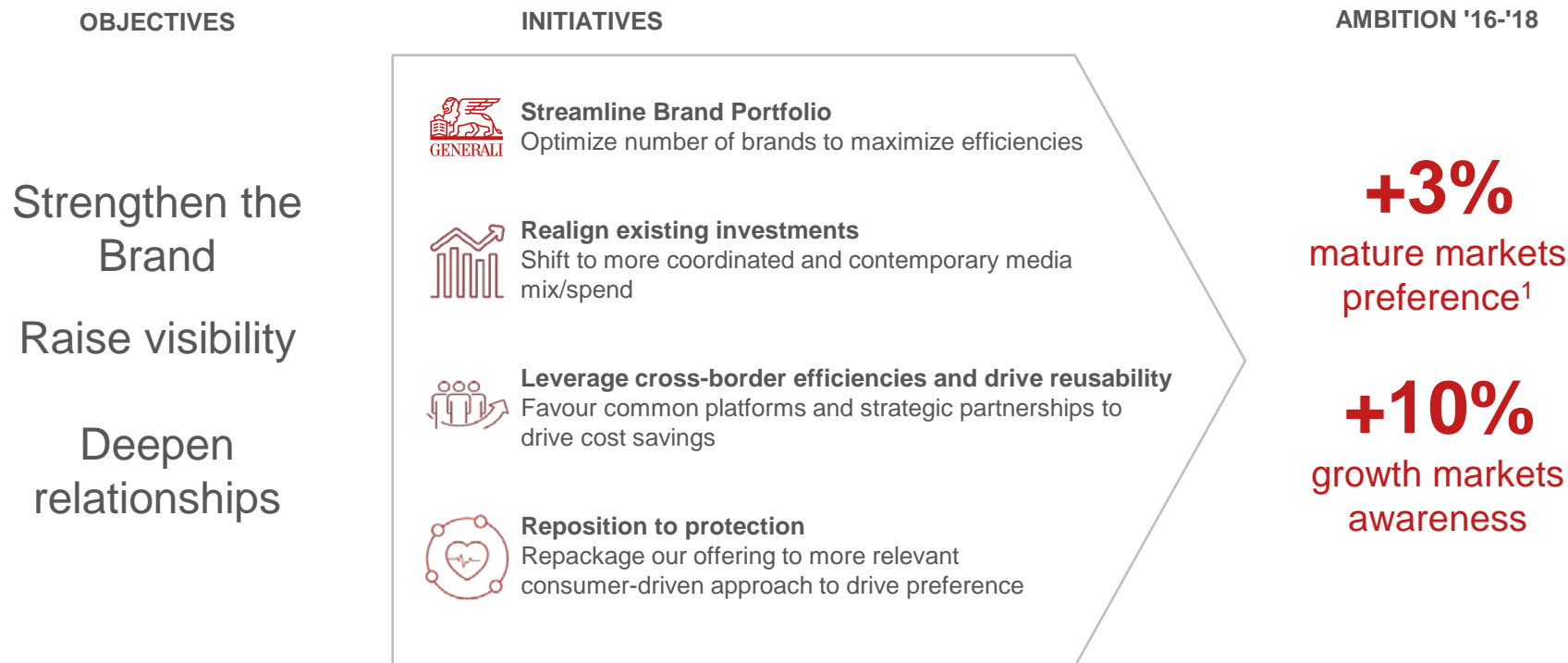
Too technical &
product focused



**Deepen
relationships**

**BRAND
OPPORTUNITY**

...to become 1st choice by 2022



1. Preference: which of these insurance companies would you consider to be your 1st choice? Awareness: Which insurance companies have you ever heard of? – As measured by the annual Brand Tracking

Our brand must shift from product to protection and provide clients with “PEACE OF MIND”



Product brand

Current marketing & channels are **focused mostly on products**



Consumer brand

built around **things that are precious** for customers (life, health, home, family, business)

Protection

Relevant advice, tips and information about life, health, home, car, business



84% Prefer
68% Buy more
65% Switch



68% Fewer claims
65% Fewer policy cancellation

Note. Question: To what extent would you prefer an insurance company that offers this kind of innovation (Source: Global Brand Tracking 2016)

These 4 initiatives will drive greater visibility and commercial success

- 1 NPS
- 2 Mobile Hub
- 3 Digital Agent
- 4 First-Choice Brand

**Retention
& Growth**



The strategic directions of acceleration

Enable the transformation

Bruce Hodges *Group Chief Information & Digital Officer*

We must address clear challenges



Continuous pressure on **cost and efficiency**



Interactions with **customers and distributors** are changing



Speed of interaction is increasing

We are **transforming IT and Operations** to enable the increased business needs

Increased agility will drive efficiency, and strengthen customer & distributor engagement

From...

...to

MONOLITHIC APPROACH



- **Centralized** computer and storage
- **Strongly coupled** hardware, systems and applications
- **Sunk and fixed costs**
- **Monolithic design** limits flexibility to reuse



CLIENT SERVER



- **Distributed** computer and storage
- **Flexibly assembled**, can be incrementally changed
- Software deployed as **monolithic server**



ECOSYSTEM OF SERVICES



- **Micro services and micro teams**
- Software, platform and infrastructure **as a service**
- **Switchable and interchangeable** functionalities

Clearly defined levers and enablers



AMBITION FROM 2016-2018

0%
increase in IT spending¹

15%
IT spending on digital as a percent of total²

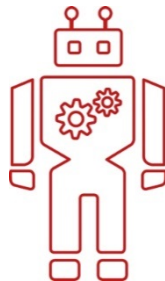
1. Keeping the perimeter constant
2. Measures the share of IT spending on digital transformation initiatives in the total IT spending

Robotic Process Automation (RPA)

Successful pilots have been run, which demonstrated potential and created momentum for the 2017 Program

What is RPA?

RPA uses computer software (a robot) to *manipulate existing applications* (e.g. CRMs, ERPs, help desk and claims) in *exactly the same way a person works with those systems, through the normal user interface - a non-invasive integration*



What does it do?

RPA replaces repetitive and non-value added tasks performed by humans with a **virtual workforce of robotic FTEs**, allowing the human workforce to make judgment calls, handle exceptions, provide value-added oversight and management

OVERVIEW OF THE TARGET PROCESSES



- Pilot involved **invoice checking** of two main suppliers for **glass repairs**. This will now be extended to additional suppliers & services



- Automatic check** of **hourly wages** included in quotes provided by body shops through a web application. Checks are currently performed only **on an exceptions basis**

RESULTS

- Robot analyzed **46K** invoices in **45 mins** and discovered **14K€ in erroneous payments** and **250K€ in overcharges** by suppliers
- Robot analyzes **all incoming quotes** (~3K per month) **achieving a 90% reduction in cycle time**

Example of technology driven innovation: Mobile Hub's key pillars

DIGITAL MOBILE ARCHITECTURE

42

Industry standard building blocks are the components of the Mobile Hub application



Clear coding guidelines for the development of hybrid applications with a native experience

GLOBAL REPOSITORY



Repository structure hosts both global components and local projects, fostering reusability between BUs



Cross-BU meetings of stakeholders to discuss technical needs and evolution

MOBILE TESTING FACTORY



Mobile Testing Factory to be provided as a group “As-a-service” capability built around function, performance and security



Testing Automation: teaching machines to execute tests like humans through defined KPIs

SECURITY FRAMEWORK



Mobile security guidelines ensures the application is developed according to highest industry standards

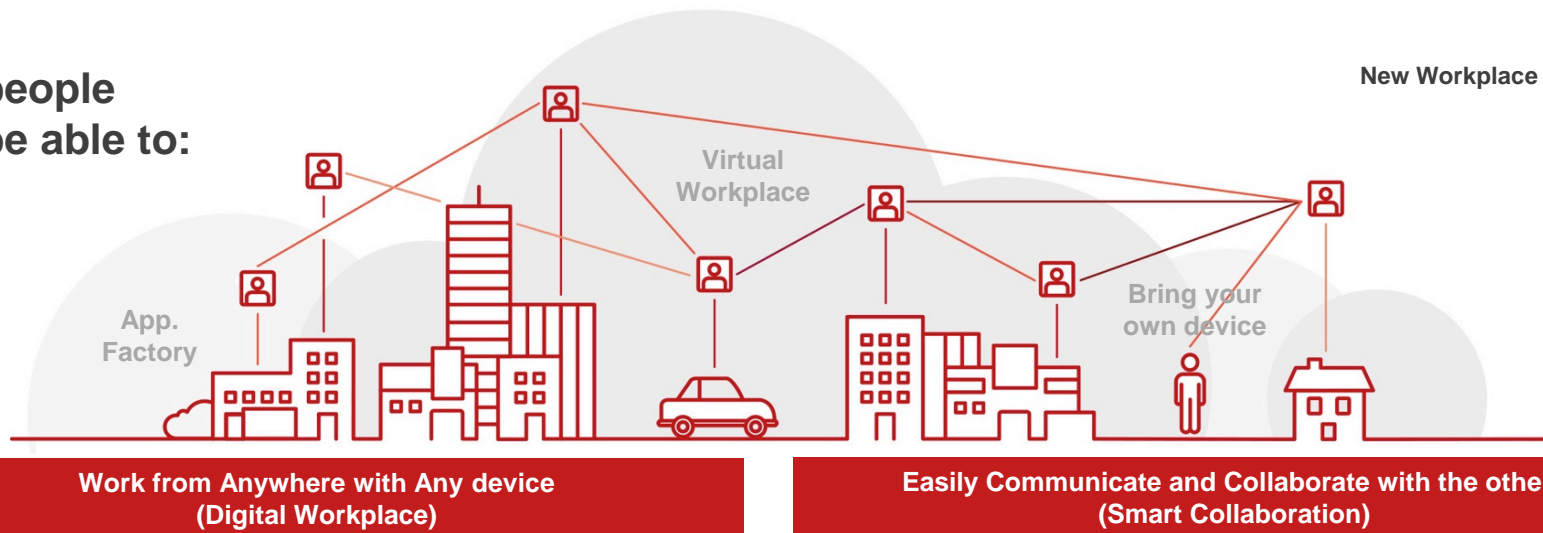


“As-a-service” approach provides the right security services and management of cyber-risks

New way of working

**Our people
Will be able to:**

New Workplace Ecosystem



Virtualization



BYOD¹ / Device
Flexibility



Wi-fi



Follow-Me
Printing



Cloud



Video
Conference



Multichannel
comm.



Document sharing



Collaborate
& social
networking

1. Bring Your Own Device



Q&A





Proof Points





Proof Points

Generali Italia

Marco Sesana *CEO Generali Italia*

We are Italy's leading insurer



Insurer with the widest Offer in Italy with over **€25 billion GWP**
(Life €19 billion, Non Life €6 billion)



The most qualified and widespread agency network covering the entire Italian territory with **6,800 points of sale**



The strongest brand recognition by Italians with **92% brand awareness** and the highest Net Promoter Score



Solid base of Italian companies and families with **10 million customers**



15 million insurance contracts and over **€16 billion of benefits** paid to customers each year

Clear ability to deliver a successful turnaround

INDUSTRIAL LEVERS USED TO CAPTURE POTENTIAL

2013

5 Brands

280 Products

3 platforms
3 agent networks
geographical duplication

2015

1 Brand

80 Products

1 platform
1 agent network
4 specialized sites

PRODUCTIVITY GAINED

GWP/ FTE (non sales) in 2012 = 100



LEADING INSURER IN ITALY

GWP: +2.4% vs 2013

Operating Result: +24% vs 2013

Combined Ratio: -3.8pp vs 2013

Life Net Inflow: 4X vs 2013

We are ready for the next challenges

From Group strategy...



**Operating
Performance
Leadership**



**Value
Creation**

...To Generali Italia ambition



**Deliver the best customer
and agent experience
through the Simplification
of core processes
coupled with innovative
products and services**

Simplification Program as core to implement strategy

3 SIMPLIFICATION OBJECTIVES



Know better our client to increase retention through tailored innovative solutions



Communicate better with our stakeholders to stay closer to them



Serve our agent and customer better to increase quality of services



We will enable our agents to provide **simple and tailored solutions** to clients

Simplification Lab: a new way of working



Customers

- Focus Group
- Instant Survey
- Sales simulations



Agents

- Monthly meetings
- Focus Group
- Pilot Test on the field



Employees

- Cross-functional teams
- “Agile” working mode

SIMPLIFICATION LAB



6 new **innovative spaces** in **Mogliano, Milan, Rome** and **Turin** dedicated to the Simplification Program


**End-product ready
for field test in 20 weeks**

Redesign of 20 core processes in 3 years

2016

2017

2018

 First end-products
in the next chart

PRE SALE (#2 core processes)



- New **digital mobile quoting** process for all key products (focus on P&C)
- New **needs analysis** process and customer commercial development

SALE (#5 core processes)



- **New mobile digital sale processes** for all major products (focus on life hybrid offer and P&C telematics)

POST SALE (#11 core processes)

- **Faster and smarter** post-sale processes with more frequent **updates on processing status** and **higher level of service**
- **P&C Claims** (opening, tracking, payments) and **post-sale ops**
- **Life variation, reimbursement** and post sales

Priority based on
**customer/agent
experience impact**

Agents assistance (#1 core process)

- New **service model to the Agencies** (focus on higher level of service)

Customer assistance (#1 core process)

- New **service model of Customer requests** to the Company (focus on digital channels) and ease of access

The new mobile pre-sale and sale processes

NEW DIGITAL QUOTATION PROCESS TABLET BASED (Home example)

NEW DIGITAL SALE PROCESS TABLET BASED (Life example)

Simpler

-85% data required

-50% data required¹

Faster

-50% quotation
time

-50% meeting reduction

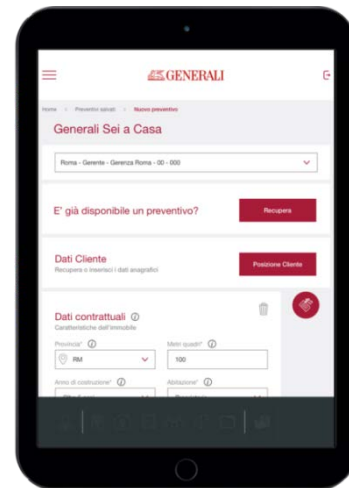
In mobility quotation

Immediate Issuance

Smarter

Quotation by email
(no paper)

Single digital signature
(no paper)



1. -90% if existing client

Innovative products and services to face challenges

SCENARIO

AMBITION

Life

Low interest rates and **market volatility**

Evolve our offer by **focusing on hybrid products** and increasing **services and protection**

Non Motor

Good margins and **unexpressed volumes**

Grow by offering **innovative and distinctive solutions** to leverage our **existing client base**

Motor

GWP and **margin reduction**

Restructure our proposition by **increasing product penetration** and **value added services** to **increment retention**

Life: focus on hybrid and protection

■ DETAILED IN NEXT SLIDE

ITALIAN MARKET CONTEXT¹

- **Low interest rates** and **market volatility**
- **Slow economic** recovery
- Still **room for growth**: Italian household **wealth higher than G7** average (wealth ratio to disposable income 8.0x vs 6.6 of G7)

MAIN ACHIEVEMENTS SO FAR

- **Market leadership** in Italy
- **Strong push on hybrid** production: from **10% to 40% of total NB** in last 2 years
- New hybrid product **Genera Equilibrio** with 50% unit and **50%** traditional
- **Controlled inflow in segregated funds** to optimize returns and ensure sustainability

STRATEGIC PRIORITIES

Hybrid only catalogue by 2018 with higher unit linked component and **lower level of capital absorption**

Increase value added services and protection coverages

1. Source: Bank of Italy

Genera Equilibrio to boost unit-linked production

GENERA EQUILIBRIO



MAIN FEATURES

Volatility control and **protection** from market downturn through:

- **50% traditional** segregated funds and **50% unit linked**
- Unit based on **multiple asset class** with **controlled target volatility**
- **Capital protection** promise
- Embedded **modular protection offer**
- **Target market:** average Italian family with **low risk appetite**, but interested in **potential upside**

Non Motor: foster growth through innovation and distinctiveness

■ DETAILED IN NEXT SLIDE

ITALIAN MARKET CONTEXT¹

- **Stagnant growth**
- **50% of wealth in house** for average Italian family
- **Underpenetrated market:** only 26% of Italian houses insured

MAIN ACHIEVEMENTS SO FAR

- **Market leadership** (dominant position in SMEs)
- **Top level margins** in the market (CoR ~84%)
- **New Telematics offer** for Home: “Sei a Casa in Touch”
- **Excellent advisory services** through **unique network** of 100 field underwriters and **innovative risk simulation tools**

STRATEGIC PRIORITIES

Focus on **existing client base** to achieve greater **product penetration**

Product restyling and increase of **fee based services**

Leverage on **telematics solutions** and **Big Data**

1. Source: Ania.

“Sei a Casa in Touch” to increase retention



MAIN FEATURES

- Focus on “**prevention & protection**” of the client
- Integrated “home telematics” offer:
 - Modular Home **insurance coverage**
 - Easy to use **tech devices** to monitor intrusion, smoke, water leaks and more
 - **Proactive** and on demand **assistance services** (based on telematics push alerting)

Motor: increasing value for our customer

ITALIAN MARKET CONTEXT¹

- **GWP and margins reduction:** average premium -20% in last 4 years
- **Complex and competitive scenario:** increasing churn rate, 18.0% in first half 2016

MAIN ACHIEVEMENTS SO FAR

- **Innovative behavioural pricing tariff** in 2016
- Well developed **Telematic portfolio** (800k Blackbox policies²)
- **Big data platform** and capabilities in place
- Higher **MOD penetration** than competitors

STRATEGIC PRIORITIES

Increase **product penetration** and launch **value added services**

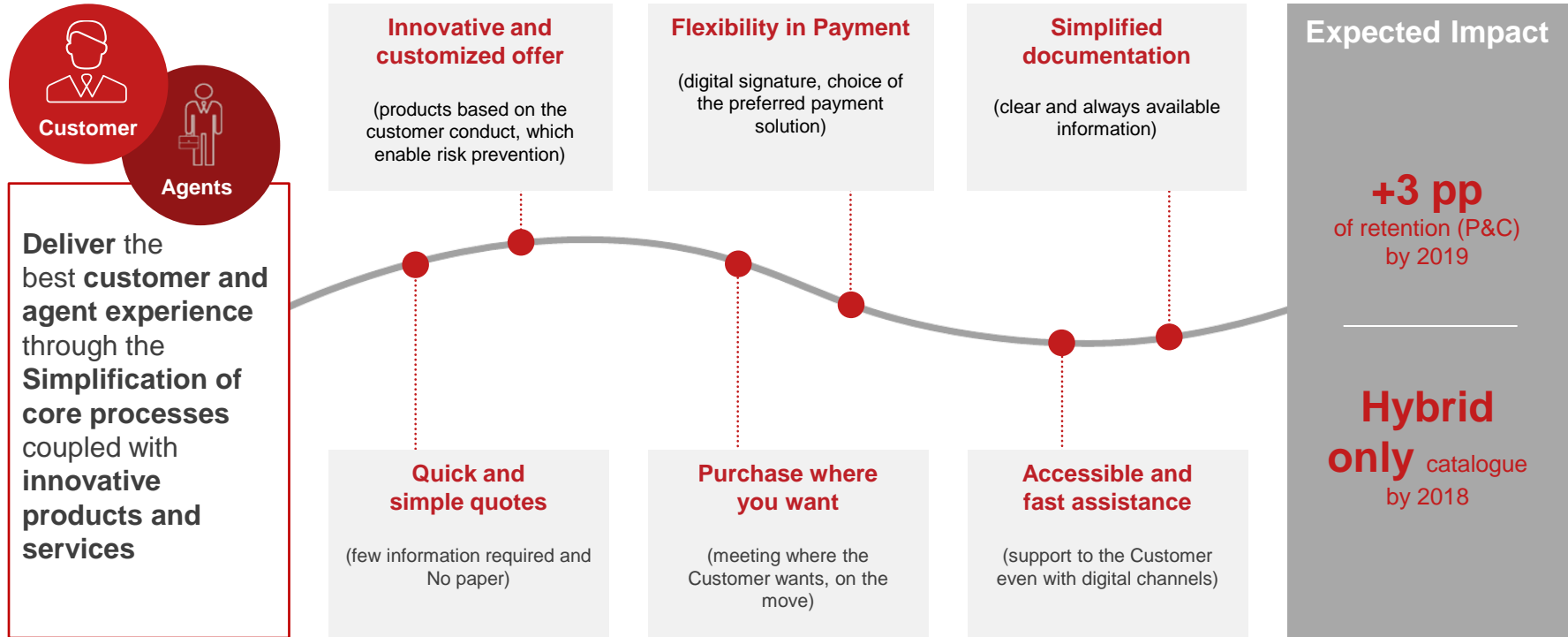
Enforce our **leadership in Telematics** and **improve pricing sophistication**

Improve **technical margins** through **claims initiatives** (i.e. frauds, leakage, repairs orientation)

1. Source: Ania

2. Generali Italia only. >1m policies in Italy including Genertel

Transforming «Experience» through simplification and innovation





Proof Points

Generali Deutschland

Giovanni Liverani *CEO Generali Deutschland*

Generali: #2 in Germany, profitable and resilient...



...profitable
and resilient

- **13.5 million** Customers, **9%** market share
- **# 1** in **UL and Hybrids** Life (26% mkt share)
- **# 1** in **Term** Life (26% mkt share)
- **strong distribution** competitive advantage:
 - **35.000 DVAG** exclusive Financial Advisors
 - Undisputed market **leader in online** with CosmosDirekt

- **€778 m Operating Result** (2015, +6% vs 2014)
- **244% SII Ratio** at FY15

Germany: extreme market conditions, important opportunities

CHALLENGES



- Persistent **ultra low** interest rates
- **Hyper-regulated** market, serious issues **in Life**
- Aggressive **competition**
- Very **sophisticated** customers

OPPORTUNITIES



- Solid **growing** economy
- **190bn** Euro insurance **market**
- **Profitable P&C**
- **Outdated** business models allow for **disruptive** successful propositions

18 months ago Generali launched a strategic turnaround...



Simplicity

- Strong **efficiency increase**
- Organizational **simplification**
- **Centralization** of governance



Technical turnaround

- A “**New Normal**” in **Life**: 360° turnaround of business model
- Reinforcing **P&C excellence**



SMART insurance

- **Breakthrough innovations** based on SMART technologies and data analytics



Customer centricity

- **Customer as an asset**: a cultural and operational change

Aggressive measures taken on efficiency and effectiveness



Simplicity

- **€100m net cost reduction** so far
- Ambitious program **well on track**
 - 53% of savings already achieved
 - -10% FTE target reduction, -30/50% in overhead activities
- **Next generation of senior management**
 - 9 out of 11 CEOs replaced (70% internal)
- German **sub-holding eliminated**
- Back-offices moving to **Eastern Germany**

The German Life business faces serious issues – Generali shows a better position

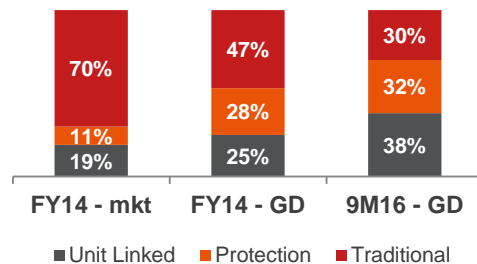


**Technical
turnaround:
Life**

- 60% of life market applies transitionals, 3 players have Solvency2<100% even with transitionals (Q1 16)
- Generali APE mix: **70% Unit Linked & Protection**
- Generali Solvency2 in Life: **287%** (No transitionals used)

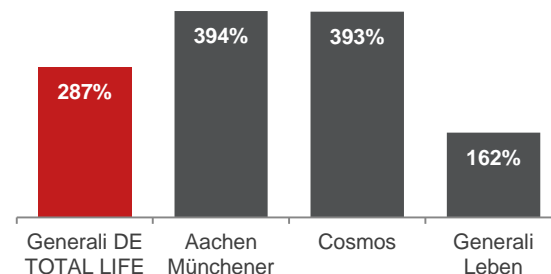
BEST BUSINESS MIX IN THE MARKET

APE (€m)



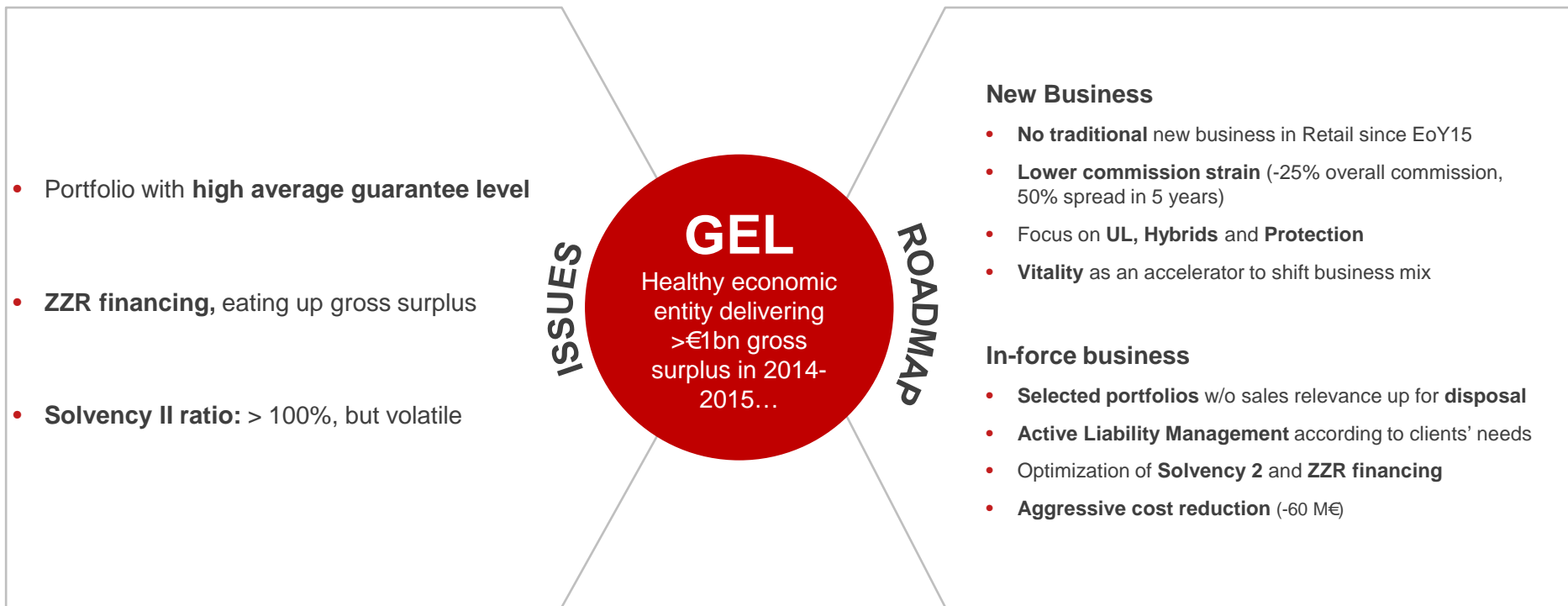
STRONG SOLVENCY POSITION OVERALL

Solvency II ratio, FY 2015 (%)



- Cosmos and AachenMünchener show strong capital positions
- Generali Leben (GEL) presents a focused issue

Focus on Generali Leben (GEL): issues and roadmap



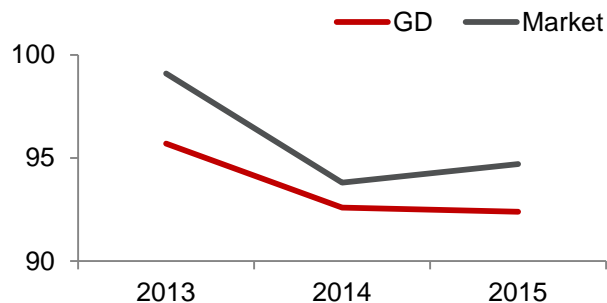
Enhancing our strong position in profitable P&C market



**Technical
excellence in
P&C**

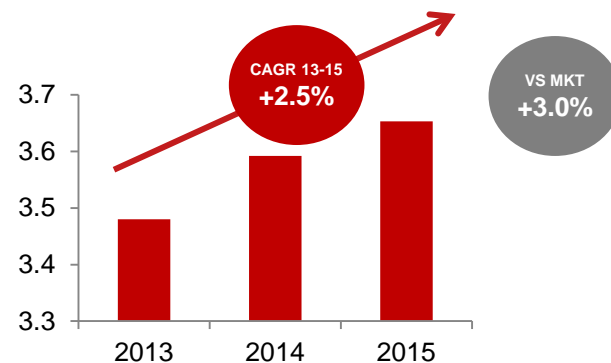
- Clearly outperforming market in profitability, further widening of the positive gap expected...

COMBINED RATIO (%)



- ... keeping a growth pace in line with market

PREMIUMS (GWP, €bn)



Breakthrough innovations based on SMART technologies and data analytics



**SMART
Insurance**

SMART Home



SMART Mobility



SMART Vitality



SMART Life




Läuft bei Ge
Generali start
Drei Tarife richten sich teils auch an...

Handelsblatt
telematik

Die Generali verschlankt sich
Anspruch
Sprung nach oben

Frankfurter Allgemeine
ZEITUNG FÜR DEUTSCHLAND

Generali wacht auf

Generali beginnt den Großumbau

Customer as an Asset: a cultural and operational change



Customer Centricity

Transactional Net Promoter Score

- Up and running in all business units
- 23 touchpoints ongoing measured
- 2nd wave focused on the prospect customers in 2017

Brand Strengthening

- USP: “Smarter, Simpler for You”
- Brand ambassador: world tennis #1 A. Kerber,
- Brand strengthening project

Customer as an Asset

- CRM for cross/up-selling and retention
- Social Media offensive
- Customer Case as regular topic in board meetings



First, encouraging, strong results after 18 months

Operating Result

~15% increase

(2014-2016 expected)

General Expenses

€100 m net reduction

(2014-2016 expected)

Country Dividend

~40% increase

(2014-2016 expected)

Stakeholders' Engagement

75.1% Employees strongly support the turnaround

89.9% Sales Dpt strongly support the turnaround

Customer Satisfaction Generali: +7.3%

(2014-16)



Key Financials

Alberto Minali *Group General Manager & CFO*



How we will deliver on our promises



Optimize international footprint

Focus on markets where we have **relevant size, profitability** and **prospects**



Rationalize the operating machine

Restructure, integrate and **simplify**, to generate significant cost reduction



Enhance technical capabilities

Act to further **improve combined ratio outperformance** vs. peers in P&C;
Shift to unit linked & protection, re-shape traditional offer in Life



Rebalance our portfolio

Optimize life portfolio through **active liability management** to further reduce portfolio guarantees; Secure **profitable growth** in Non-Life



Customer and distributor Innovation

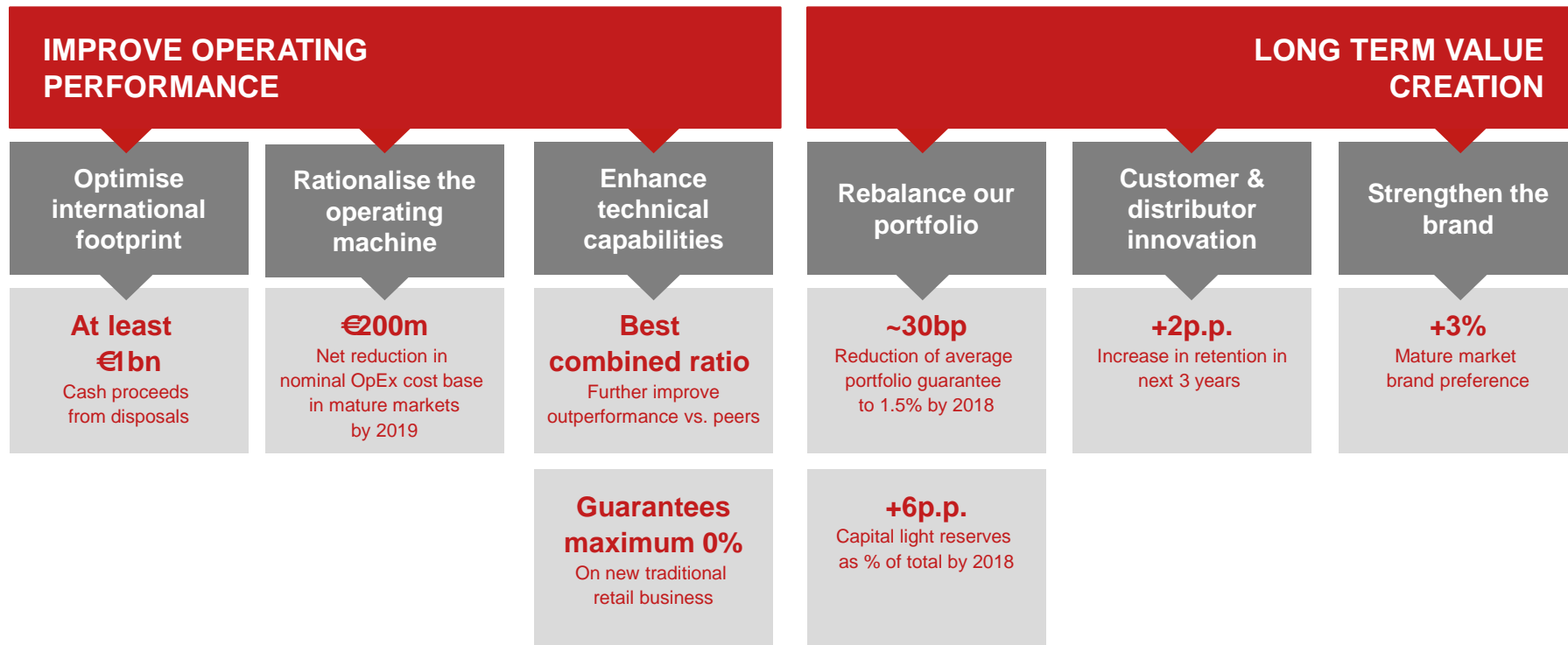
Increase customer retention through high-impact initiatives such as net promoter score, mobile hub and digital agent



Strengthening the brand

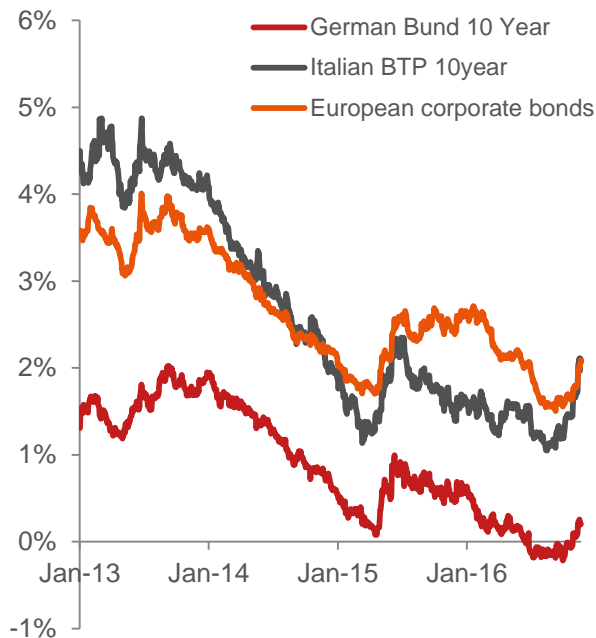
Strengthen the Brand and raise visibility by streamlining the brand portfolio, realigning existing investments and leveraging cross-border efficiencies and reusability

Each objective underpinned by clear initiatives and KPIs



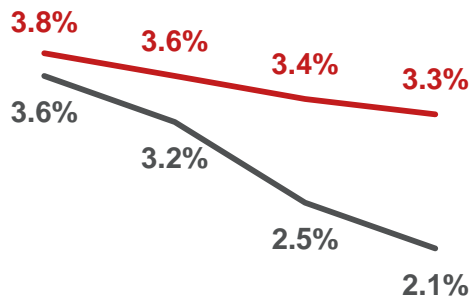
Interest rate environment puts clear pressure on financial returns

MARKET YIELDS

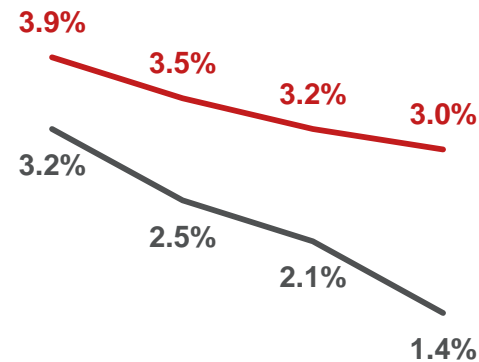


(BofAML 7-10 year BBB index)

GENERALI LIFE PORTFOLIO



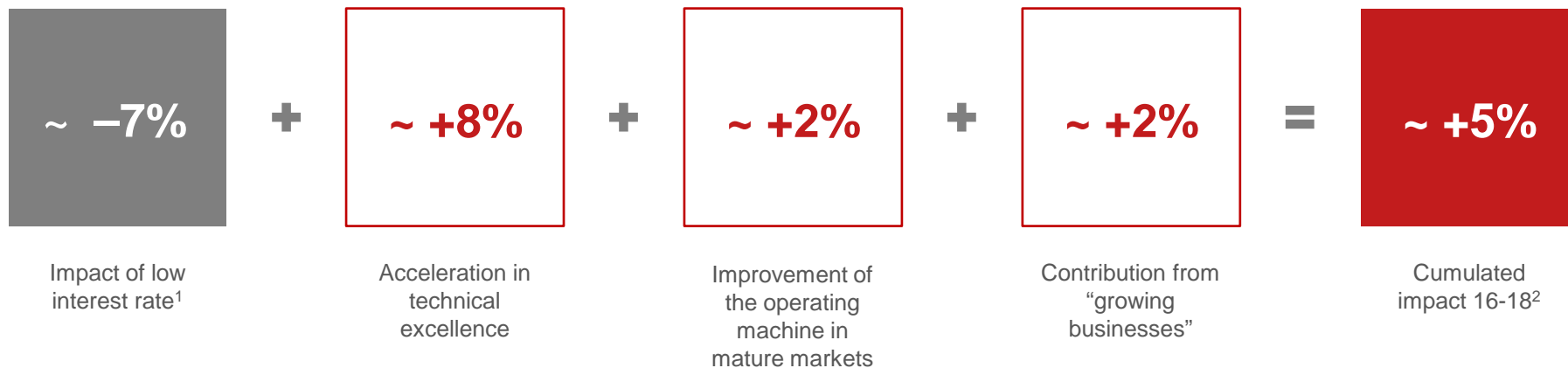
GENERALI P&C PORTFOLIO



— Current yield, % — Fixed income reinvestment rate, %

A clear set of levers to compensate the impact of low interest rates

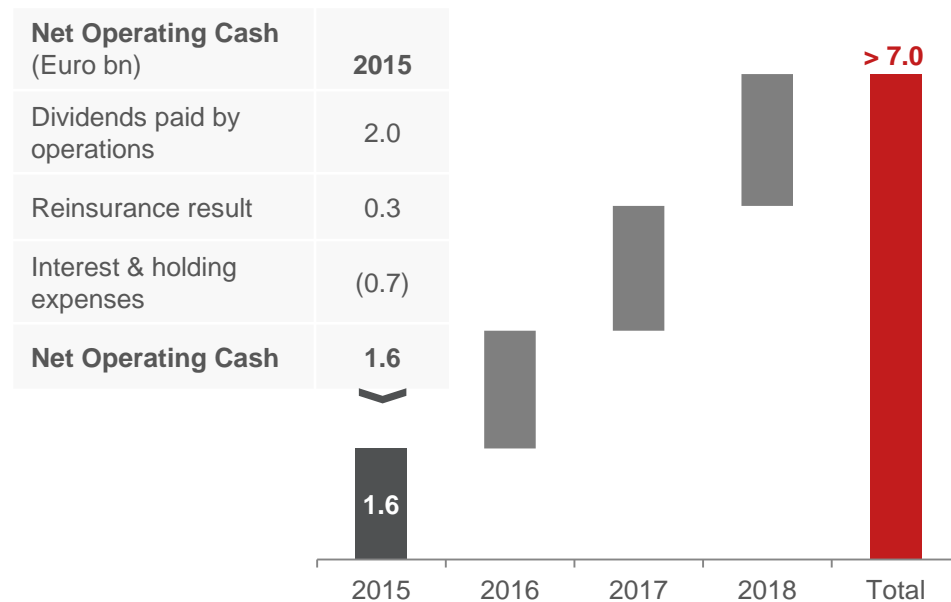
INDICATIVE DEVELOPMENT OF GROUP OPERATING RESULT, CUMULATIVE 2016 TO 2018



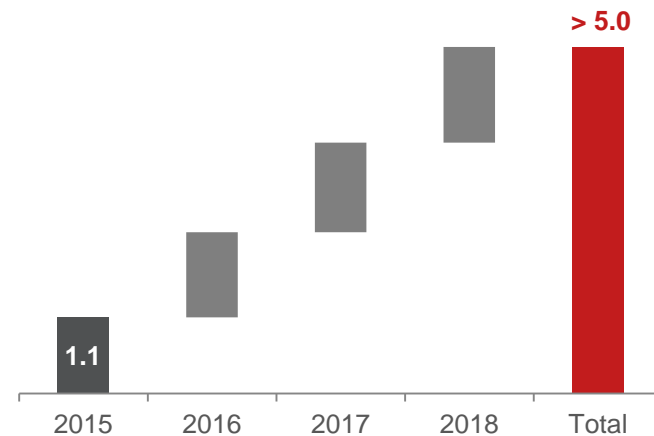
1. Assuming yields remain constant at end Q3 2016 levels
2. No allowance made for disposals or acquisitions

The path to our cash and dividend targets

NET OPERATING CASH
(Illustrative, Euro bn)



DIVIDEND
(Illustrative, Euro bn)



Dividend paying capacity supported by strong local solvency levels

~70% of dividends paid by entities with regulatory solvency > 200%

GROSS DIVIDEND PAID BY OPERATIONS (FY15, Euro bn)

Italy	0.9
France	0.2
Germany	0.3
CEE	0.2
EMEA	0.3
Other	0.0
Total dividends paid by operations:	2.0

Expected
2016:
> +10%

% OF FY15 INSURANCE DIVIDENDS PAID by regulatory solvency ratio of paying entity

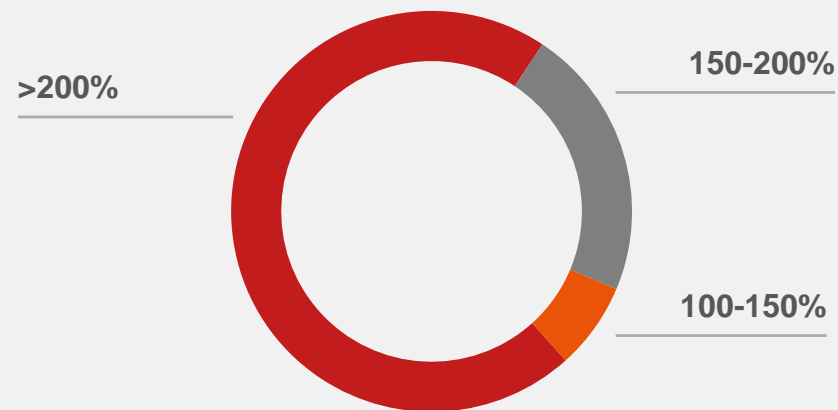
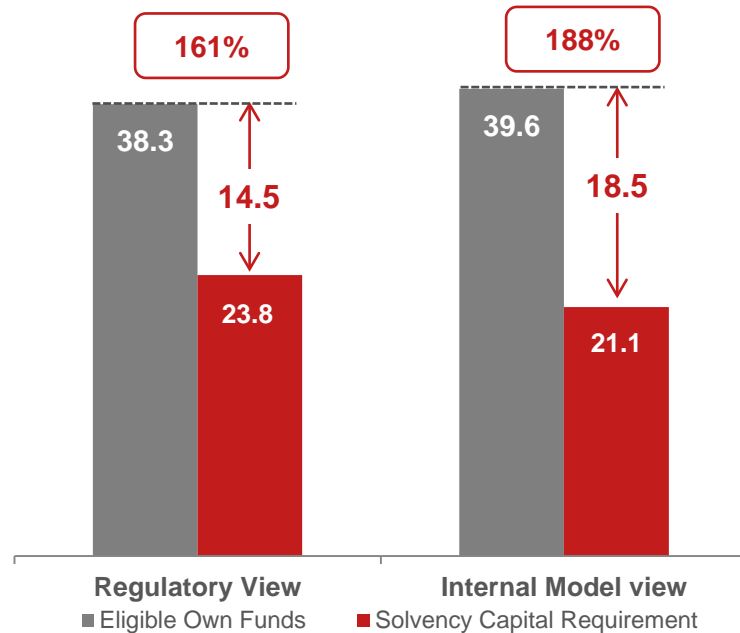


Chart shows proportion of dividends paid by Solvency II regulated entities (SST for Switzerland) within the Generali Group in respect of FY15, according to their regulatory solvency ratio

A strong solvency position with high quality capital structure

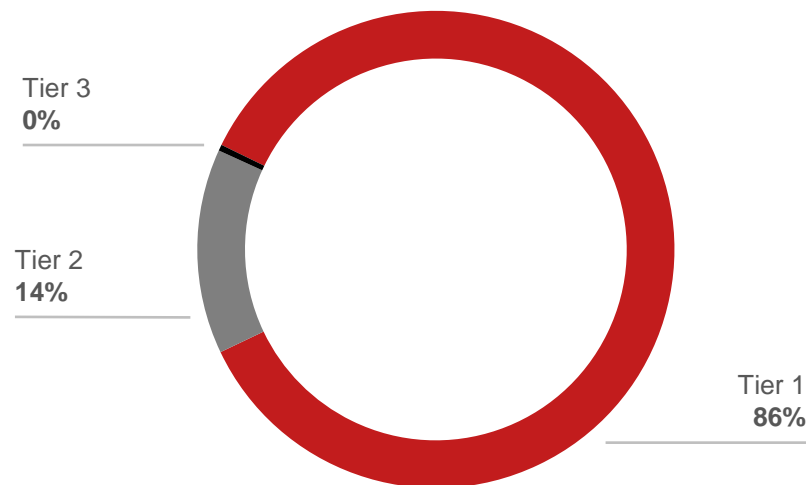
STRONG SOLVENCY POSITION

(1H 16, Euro bn)



HIGH QUALITY CAPITAL STRUCTURE

(1H 16, % of Eligible Own Funds, Internal Model view)



We remain committed to our 2015-2018 targets

2015-2018 targets

> €7 B

of cumulative Net Operating Cash (2015-2018)

> €5 B

of cumulative dividends (2015-2018)

€200m

net reduction in nominal OpEX cost base in mature markets¹ by 2019

> 13%

of Operating RoE on average (2015-2018)

1. New target focused on net cost development. Prior ambition of €1.5bn gross savings from 2012-2018 remains



Q&A and closing



Next Events

16 March 2017
FY 2016 results reporting

27 April 2017
Annual General Meeting

11 May 2017
1Q 2017 results reporting

2 August 2017
1H 2017 results reporting

9 November 2017
9M 2017 results reporting



2017

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These expectations are based on management's current views and assumptions and involve known and unknown risks and uncertainties.

The user of such information should recognise that actual results, performance or events may differ materially from such expectations because they relate to future events and circumstances which are beyond our control including, among other things, general economic and sector conditions.

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The manager charged with preparing the company's financial reports, Alberto Minali, declares, pursuant to paragraph 2 of article 154-bis of the Consolidated Law on Financial Intermediation, that the accounting information contained in this presentation corresponds to document results, books and accounts records.