

# Generali 2021

**LEVERAGING STRENGTHS  
TO ACCELERATE GROWTH**



Investor Day  
MILAN, NOVEMBER 21, 2018

# Agenda

			Start	End	
<b>Assicurazioni Generali 2021 Strategy</b>		<b>Philippe Donnet</b>	Group Chief Executive Officer	11:00	11:30
<b>Strategic pillars</b>		<b>Frédéric de Courtois</b>	Group General Manager	11:30	12:00
<b>Customer and Distributor experience</b>		<b>Isabelle Conner</b>	Group Chief Marketing & Customer Officer	12:00	12:20
<b>Q&amp;A Session 1 (excluding financials)</b>				12:20	12:50
<b>Lunch break</b>				12:50	13:50
<b>Selected BUs strategy deep dive</b>	<b>Italy and Global Business Lines Strategy</b>	<b>Marco Sesana</b>	Country Manager for Italy and responsible for Global Business Lines	13:50	15:10
	<b>Germany Strategy</b>	<b>Giovanni Liverani</b>	Country Manager for Germany		
	<b>France and Europ Assistance Group Strategy</b>	<b>Jean-Laurent Granier</b>	Country Manager for France and responsible for Europ Assistance Group		
	<b>Asset Management</b>	<b>Timothy Ryan</b>	Group Chief Investment Officer and CEO Asset & Wealth Management		
<b>Financials</b>		<b>Cristiano Borean</b>	Group Chief Financial Officer	15:10	15:40
<b>Q&amp;A Session 2 (including financials)</b>				15:40	16:25
<b>Closing remarks</b>		<b>Philippe Donnet</b>	Group Chief Executive Officer	16:25	16:30

# Disclaimer

Certain of the statements contained herein are statements of future expectations and other forward-looking statements.

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

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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, Cristiano Borean, 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.

# Generali 2021

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## STRATEGY

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**PHILIPPE DONNET**

Group Chief Executive Officer

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## A clear ambition for Generali

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Generali will be a life-time partner to its customers, offering innovative, personalized solutions thanks to its unmatched distribution network.

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Generali will lead the European insurance market for individuals, professionals and SMEs, while building a focused, global asset management platform and pursuing opportunities in high potential markets.

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# Consistent track record of delivery

2012 – 2015

## FINANCIAL TURNAROUND

- Focus on core businesses
- Strengthened capital
- Reduced debt
- Embedded cost discipline
- Tightened governance structure
- Transformed Generali Italy

2016 – 2018

## INDUSTRIAL TURNAROUND

- Optimized geographic footprint
- Rationalized operating machine
- Secured best-in-class technical performance
- Shifted Life new business mix
- Transformed Generali Germany and Generali France
- Launched new Asset Management strategy
- Strengthened brand

## ON TRACK TO MEET FINANCIAL TARGETS

**> € 7 billion**  
OF CUMULATIVE NET OPERATING CASH  
2015-2018

**> € 5 billion**  
OF CUMULATIVE DIVIDENDS  
2015-2018

**> 13%**  
AVERAGE OPERATING RETURN ON  
EQUITY  
2015-2018

# A differentiated leader across businesses

## LEADING INSURER

- European market leader by premiums
- Optimized presence in high potential markets

**€ 63 billion**

IN PREMIUMS IN EUROPE  
(€ 68 BILLION WORLDWIDE)

## POWERFUL DISTRIBUTION MODEL

- Unmatched agent network
- Strong direct capabilities
- High quality partners

**150,000**

AGENTS  
AND SALESPeOPLE

## BEST-IN-CLASS TECHNICAL AND OPERATIONAL PERFORMANCE

- Superior margins in Life and P&C
- Focus on expense reduction
- Simplified operational structure

**92.8%**

P&C  
COMBINED RATIO

**39.2%**

LIFE NBM ON  
APE<sup>1</sup>

## FOCUSED ASSET MANAGEMENT STRATEGY

- Increased integration with Life business
- Acceleration of multi-boutique strategy

**€ 487 billion**

OF AUM

# Four strong convictions underpin the new strategy

## EUROPE TO REMAIN ATTRACTIVE



- High private wealth accumulation to support sale of Life and Asset Management products
- Demographic trends and reduced public spending to drive the development of private pension, health and welfare solutions

## RETAIL AND SMEs DRIVING PROFITABLE GROWTH



- Retail customers to play an integral role in the future insurance market
- SME segment in markets such as Italy and Germany a key opportunity

## INTEGRATED P&C, LIFE AND ASSET MANAGEMENT OFFERING KEY FOR CUSTOMERS



- Customers seeking integrated Life and Asset Management products to protect and grow their assets
- Macro and demographic changes to increase demand for innovative P&C and health solutions

## PHYSICAL DISTRIBUTION EMPOWERED BY DIGITAL PLATFORMS



- Digitally-enabled physical distribution models to offer clear competitive advantage
- Digital tools to support higher customer satisfaction, productivity and efficiencies



# Generali 2021: A strategy built on three pillars

## PROFITABLE GROWTH

- Strengthen leadership in Europe
- Focus on high potential insurance markets
- Develop a global Asset Management platform

## CAPITAL MANAGEMENT AND FINANCIAL OPTIMIZATION

- Increase capital generation
- Enhance cash remittance
- Reduce debt amount and cost

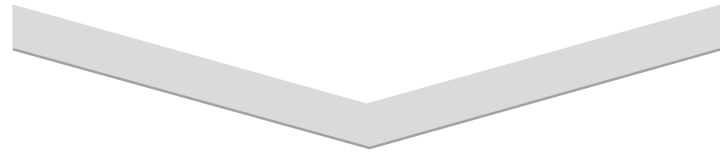
## INNOVATION AND DIGITAL TRANSFORMATION

- Become a life-time partner to customers
- Enable digital transformation of distribution
- Transform and digitalize operating model

ENABLED BY **EMPOWERED PEOPLE, STRONG BRAND, SUSTAINABILITY COMMITMENT**

# Generali 2021 will deliver robust financial results

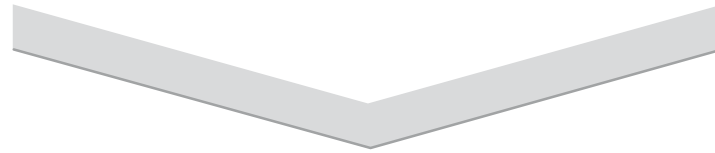
## GROWING EARNINGS PER SHARE



**6%-8%**

**EPS CAGR RANGE<sup>1</sup>**  
2018-2021

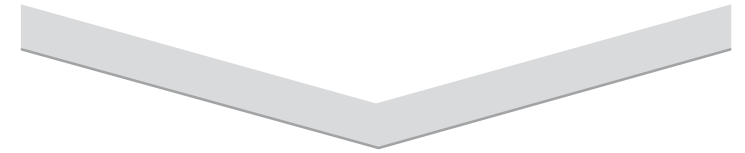
## GROWING DIVIDEND



**55%-65%**

**DIVIDEND PAY-OUT RANGE<sup>2</sup>**  
2019-2021

## HIGHER RETURNS FOR SHAREHOLDERS

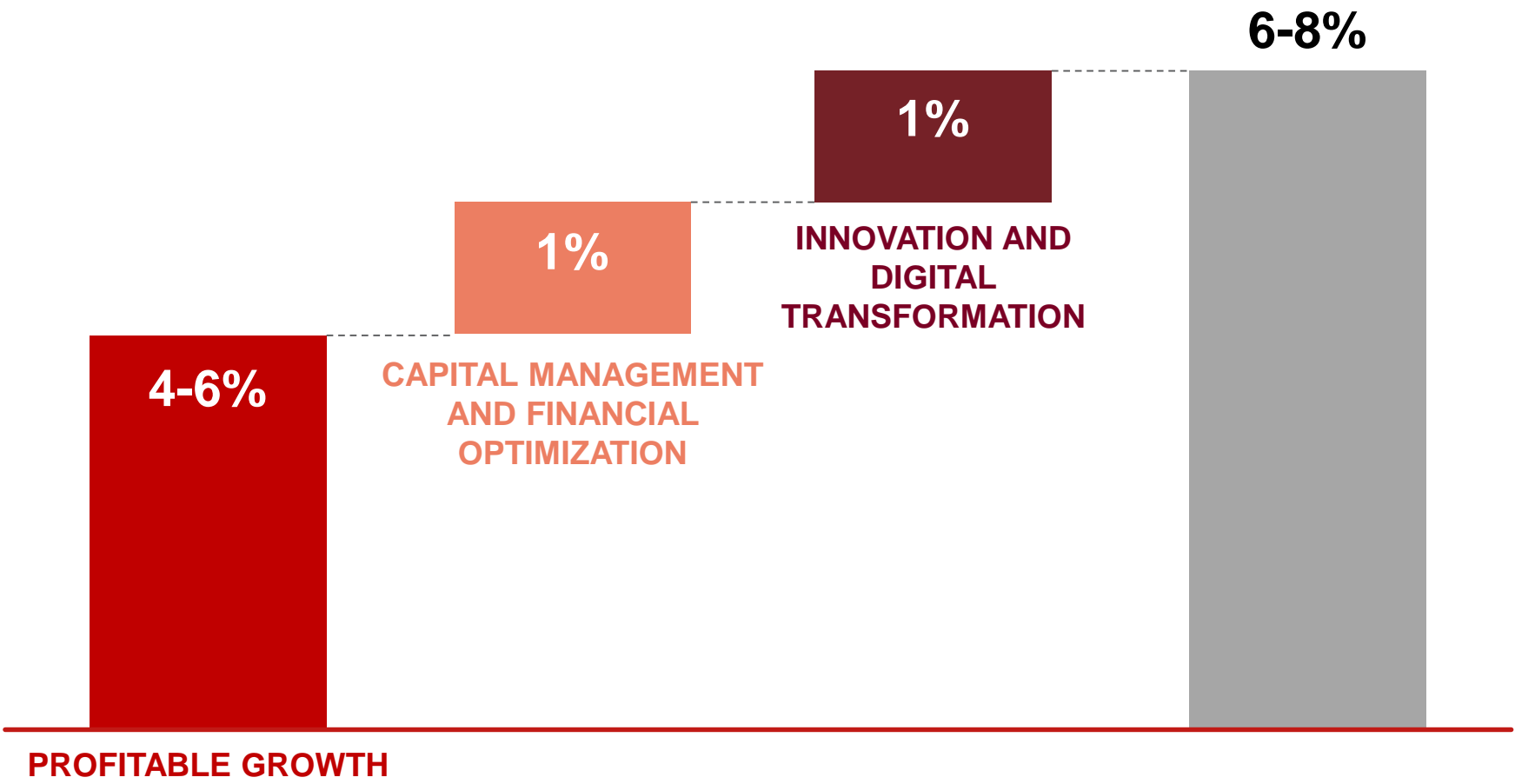


**>11.5%**

**AVERAGE RETURN ON EQUITY<sup>3</sup>**  
2019-2021

# Each strategic pillar contributes to Earnings per Share growth

2018-2021 CAGR<sup>1</sup>



1. 3 year CAGR; adjusted for impact of gains and losses related to geographical footprint optimization



# Profitable growth

## STRENGTHEN LEADERSHIP IN EUROPE

- Consolidate leadership in Italy and Germany
- Build on successful turnaround in France
- Invest in growth markets and segments (CEE, health, benefits, assistance)
- Launch new ventures

CONFIRM MARKET POSITION

**#1**

## FOCUS ON HIGH POTENTIAL INSURANCE MARKETS

- Deliver profitable growth in Asia and Latin America
- Upgrade SME segment offering
- Grow employee benefits capabilities
- Develop value-added insurance service proposition

EARNINGS CAGR 2018-2021<sup>1</sup>

**15%-25%**

## DEVELOP A GLOBAL ASSET MANAGEMENT PLATFORM

- Become a global franchise from a strong European base
- Continue to expand multi-boutique product platform
- Invest in distribution and marketing
- Accelerate expansion with disciplined acquisitions

EARNINGS CAGR 2018-2021

**15%-20%**

# Capital management and financial optimization

## INCREASE CAPITAL GENERATION

- Improve share of capital-light Life products
- Grow fee-based revenues and P&C, health and protection businesses
- Deploy active capital allocation strategy to maximize ROCE

**>€ 10.5 billion**  
CUMULATIVE CAPITAL  
GENERATION  
2019-2021

## ENHANCE CASH REMITTANCE

- Enhance cash generation at operating entities
- Increase remittance level of fungible capital to holding

**+35%**  
CUMULATIVE CASH REMITTED  
TO HOLDING  
2019-2021 vs. 2016-2018

## REDUCE DEBT AMOUNT AND COST

- Reduction in overall quantum of debt
- Lower ongoing financing cost

**€ 1.5-2 billion**  
DEBT REDUCTION  
BY 2021

**€ 70-140 million**  
GROSS INTEREST EXPENSE  
REDUCTION  
2021 VS. 2017

# Innovation and digital transformation

## BECOME LIFE-TIME PARTNER TO CUSTOMERS

- Provide maximized flexibility through modular product offering
- Expand coverage of comprehensive 24/7 assistance proposition
- Support customers with 360° advisory

## ENABLE DIGITAL TRANSFORMATION OF DISTRIBUTION

- Launch pan-European mobility platform
- Develop B2B2C ecosystems
- Digitalize agent-customer relationship

## TRANSFORM AND DIGITALIZE OPERATING MODEL

- Continue process and organization simplification
- Scale up automation and Artificial Intelligence in core operations
- Increase share of end-to-end digital policies

**€ 1 billion**

**TOTAL INVESTMENT IN INTERNAL STRATEGIC INITIATIVES**

2019-2021

# Generali 2021 underpinned by people and brand

## EMPOWER PEOPLE FOR THE FUTURE

- Foster a customer-centric and innovative culture with high level of engagement
- Grow global and diverse leaders and talents
- Become a simple, agile and adaptive organization
- Acquire and evolve key skills for the digital age
- Reward excellence and sustainable value creation

**50%** RESKILLED EMPLOYEES

**100%** ENTITIES WITH SMART WORKING

## LIVE BY NEW BRAND PROMISE

- Build a consistent and distinctive brand experience
- Deliver on promise of being a life-time partner to customers

**BEST RELATIONSHIP NPS<sup>1</sup>**  
AMONG OUR INTERNATIONAL EUROPEAN  
PEERS BY 2021

# A strong commitment on Sustainability

## NEW STRATEGY GOALS ALIGNED WITH THE CHARTER OF SUSTAINABILITY COMMITMENTS



### MAIN TARGETS FOR RESPONSIBLE BUSINESS

**+7-9%**

**GWP GROWTH IN GREEN AND SOCIAL PRODUCTS**

2018-2021

**€ 4.5 billion**

**NEW GREEN AND SUSTAINABLE INVESTMENTS**

BY 2021

### INITIATIVES WITH STRONG SUSTAINABILITY FOOTPRINT AND POSITIVE IMPACT ON THE BUSINESS

#### **The Human Safety Net**

Expand Generali global community support initiative in and beyond existing 18 countries

#### **EnterPrize**

Award the best sustainable SMEs

#### **Responsible Consumers**

Create distinctive and customized product offering for responsible consumers



# A highly experienced and committed team

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**Philippe Donnet**  
Managing Director and Group CEO

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## GOVERNANCE FRAMEWORK PRIORITIES

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COMMITMENT

ACCOUNTABILITY

ALIGNMENT

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## FUNCTIONAL LEADERSHIP

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**Cristiano Borean**  
Finance

**Isabelle Conner**  
Marketing and Customer

**Frédéric de Courtois**  
General Manager

**Sandro Panizza**  
Risk

**Monica Alessandra Possa**  
HR and Organization

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## BUSINESS LEADERSHIP

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**Jaime Anchústegui**  
International

**Luciano Cirinà**  
Austria, CEE and Russia

**Jean-Laurent Granier**  
France and EuropAssistance

**Giovanni Liverani**  
Germany

**Tim Ryan**  
Investments, Asset and Wealth Management

**Marco Sesana**  
Italy and Global Business Lines

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## 300 YEARS OF COMBINED EXPERIENCE AND EXPERTISE

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# Generali 2021: Leveraging strengths to accelerate growth

## STRATEGY PILLARS

### PROFITABLE GROWTH

### CAPITAL MANAGEMENT AND FINANCIAL OPTIMIZATION

### INNOVATION AND DIGITAL TRANSFORMATION

## FINANCIAL TARGETS

GROWING EARNINGS PER SHARE **6%-8%**  
EPS CAGR RANGE<sup>1</sup>  
2018-2021

GROWING DIVIDEND **55%-65%**  
DIVIDEND PAY-OUT RANGE<sup>2</sup>  
2019-2021

HIGHER RETURNS FOR SHAREHOLDERS **>11.5%**  
AVERAGE RETURN ON EQUITY<sup>3</sup>  
2019-2021

ENABLED BY EMPOWERED PEOPLE, STRONG BRAND AND SUSTAINABILITY COMMITMENT

# Generali 2021

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## STRATEGIC PILLARS

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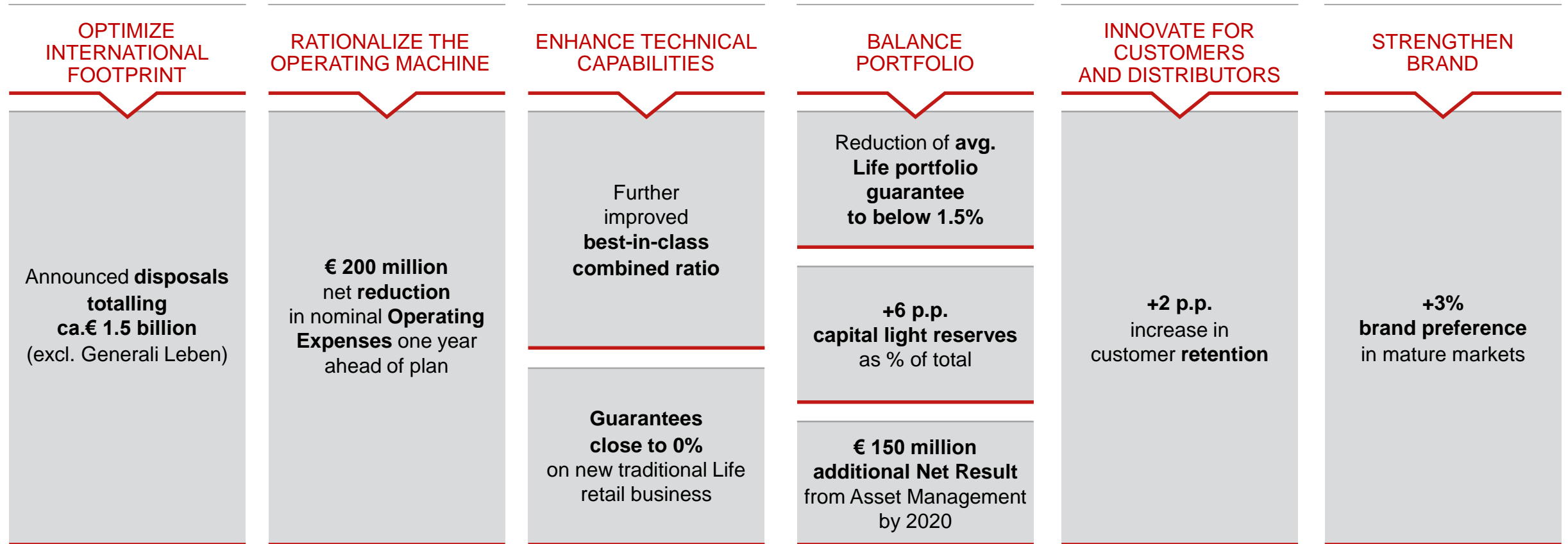
**FRÉDÉRIC DE COURTOIS**

Group General Manager

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# Successfully delivered accelerated turnaround



WE ARE ON TRACK TO DELIVER ON EACH TARGET KPI 

# Generali 2021: A strategy built on three pillars

## PROFITABLE GROWTH

- Strengthen leadership in Europe
- Focus on high potential insurance markets
- Develop a global Asset Management platform

## CAPITAL MANAGEMENT AND FINANCIAL OPTIMIZATION

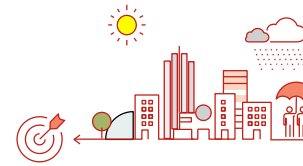
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ENABLED BY **EMPOWERED PEOPLE, STRONG BRAND, SUSTAINABILITY COMMITMENT**

# Strengthen leadership in Europe



✓ Invest to boost growth in the economies where we operate

**PROFITABLE GROWTH**  
CAPITAL MANAGEMENT  
AND FINANCIAL OPTIMIZATION  
INNOVATION AND DIGITAL  
TRANSFORMATION

## ITALY, GERMANY

**Reinforce market leadership** by leveraging unmatched distribution network

## FRANCE

**Grow profitably** post successful turnaround by broadening distribution network

## OTHER EUROPEAN COUNTRIES

**Strengthen market position** by expanding distribution reach



## AUSTRIA, CENTRAL EASTERN EUROPE AND RUSSIA

- **Grow all business lines** by leveraging agent network, distribution agreements and increasing market penetration
- **Continue optimization** of product mix by focusing on non-motor P&C
- **Complete integration of recent acquisitions:** Adriatic Slovenica, Concordia, Union Investment Poland
- **Maintain focus on costs** through modernization of IT infrastructure and investment in digital capabilities

**3%-6%**

**EARNINGS CAGR 2018-2021  
IN ITALY, GERMANY, FRANCE AND ACEER**

# Focus on high potential insurance markets



- ✓ Value our distributors
- ✓ Offer an unrivalled service together with our contractual partners

**PROFITABLE GROWTH**  
 CAPITAL MANAGEMENT  
 AND FINANCIAL OPTIMIZATION  
 INNOVATION AND DIGITAL  
 TRANSFORMATION

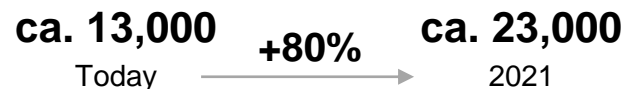
## ASIA

Expand customer reach through **B2B2C** and **partnerships**, also leveraging existing **JVs**

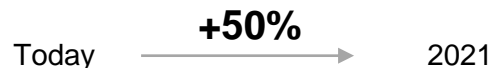


Grow agent distribution channel

# OF ACTIVE AGENTS



AGENT PRODUCTIVITY



**BECOME A TOP 5 FOREIGN MULTINATIONAL INSURER  
 DISTRIBUTING THROUGH ACTIVE AND PROFESSIONAL AGENTS**

## LATIN AMERICA

Enhance profitability in **Brazil** by leveraging growing **B2B2C** capabilities

Capitalize on successful **La Caja B2B2C** model in **Argentina** to expand in other segments with new partners



# OF TOTAL CUSTOMERS IN LATIN AMERICA



**BECOME THE LARGEST B2B2C INSURER IN LATIN AMERICA**

**20%-25%**  
**EARNINGS CAGR 2018-2021**  
 DEPENDING ON COUNTRY

# Further grow service-based revenue streams



- ✓ Respond to megatrends which shape our business and the society
- ✓ Be the first choice for our clients

**PROFITABLE GROWTH**  
CAPITAL MANAGEMENT  
AND FINANCIAL OPTIMIZATION  
INNOVATION AND DIGITAL  
TRANSFORMATION

## STRENGTHEN WORLDWIDE LEADERSHIP IN CARE AND ASSISTANCE SERVICES

- Drive growth through **travel and care services**
- Continue revenue growth of last 4 years: 7% CAGR; leading to **€ 2.1 billion by 2021**



## ESTABLISH HEALTH SERVICE COMPANIES AND LONG TERM PARTNERSHIPS IN EUROPE

- Expand **Vitality** across Europe
- Leverage **Welion** in Italy
- Develop **Generali Health Services** in Germany



## CAPTURE OPPORTUNITIES IN MID MARKET, NEW GEOGRAPHIES AND VOLUNTARY EMPLOYEE BENEFITS

- Leverage **Generali global leadership**
- Focus on growing **multinational clients**, 1,500+ today
- Grow to **10 million+ beneficiaries**



**CURRENTLY € 3 BILLION OF ANNUAL SERVICE-BASED REVENUES**

**7%-10%**

**EARNINGS CAGR 2018-2021**



# Invest in opportunities that create long term value



- ✓ Respond to megatrends which shape our business and the society
- ✓ Be the first choice for our clients

**PROFITABLE GROWTH**  
CAPITAL MANAGEMENT  
AND FINANCIAL OPTIMIZATION  
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TRANSFORMATION

## **ADDRESS PENSION NEEDS OF CORPORATE AND INDIVIDUALS**

New Generali Global Pension proposition for ageing population to complement public pension systems

## **DEVELOP SENIOR CARE ASSISTANCE**

Protect senior customers with 24/7 service proposition

## **UNLOCK POTENTIAL FOR FINE ART INSURANCE**

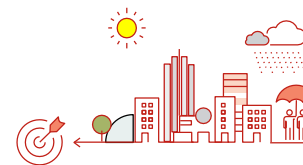
Leveraging on Wealth and Asset Management customer portfolio

## **ADDITIONAL NEW VENTURES IN THE PIPELINE**

Capture business trends and profitable growth niches

**ca. € 100 million**  
INVESTMENT 2019-2021

# Further strengthen technical excellence in both Life and P&C

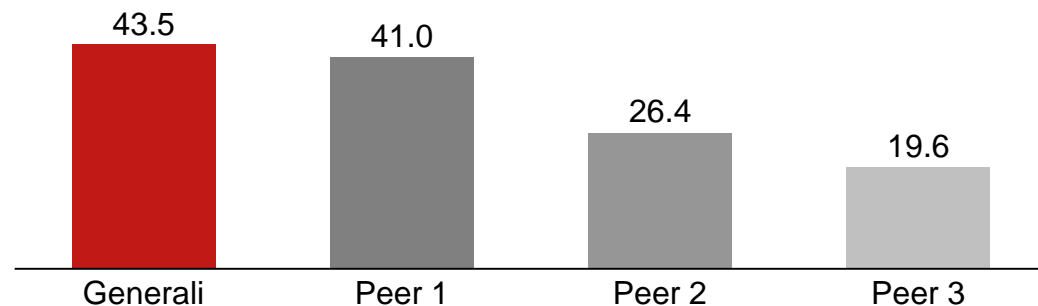


- ✓ Invest to boost the economy in which we operate
- ✓ Be the first choice for our clients

**PROFITABLE GROWTH**  
 CAPITAL MANAGEMENT  
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## FURTHER IMPROVE LIFE PORTFOLIO

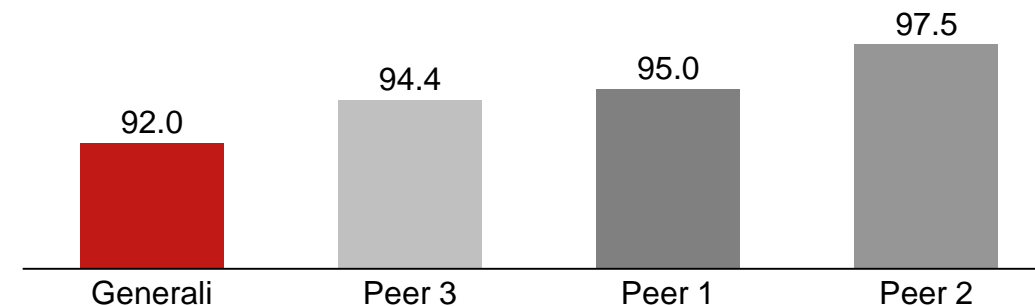
Life New Business Margin on APE, %, HY 2018



- Continue shift to **capital-light / fee-based / protection** products
- Implement further decisive **in-force actions driven by RoRC**
- Target offering to **under-served segments**, such as seniors
- Launch **technical excellence program for Health**
- Turn our **new Generali Investment Savings Solutions platform** into a strategic asset

## REINFORCE TECHNICAL PERFORMANCE LEADERSHIP IN P&C AND DEVELOP INNOVATIVE PRODUCTS AND SERVICES

P&C combined ratio, %, HY 2018



- Accelerate **development in SMEs segment**
- Support **development of the mobility platform**
- Focus on **responsible customer segment**
- Continue to develop **modular products** including **prevention and services**
- Leverage **data analytics** to further improve Loss Ratio

## REINFORCE LEADERSHIP IN TECHNICAL PERFORMANCE

# Continue to increase capital generation



✓ Create sustainable and long-term value for our shareholders and policyholders, acting responsibly

PROFITABLE GROWTH  
CAPITAL MANAGEMENT AND FINANCIAL OPTIMIZATION  
INNOVATION AND DIGITAL TRANSFORMATION

## CAPITAL GENERATION IMPROVEMENTS TO BE DELIVERED AS PART OF GENERALI 2021

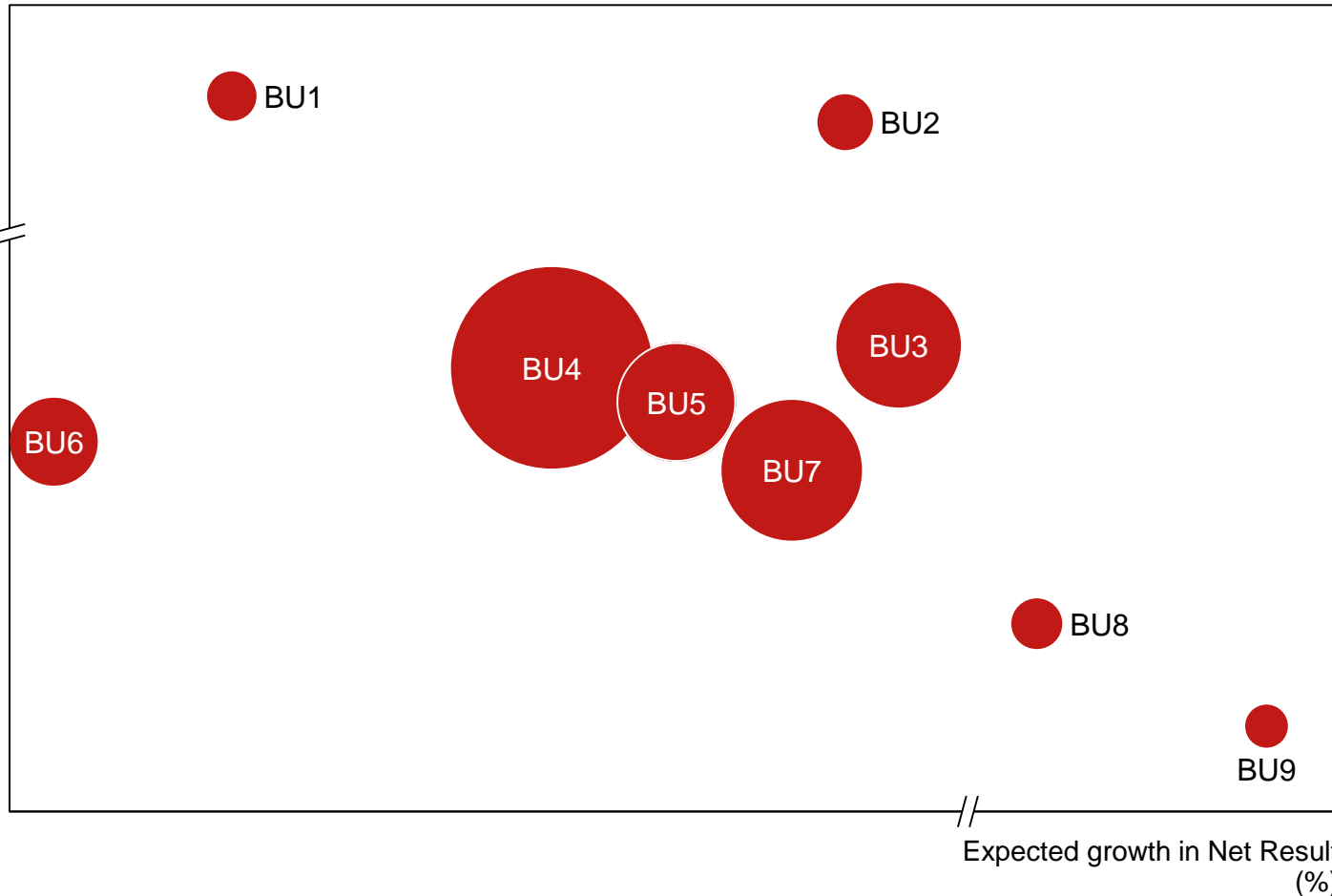
- Growth of **capital-light products** while **continuing in-force optimization**
- Growth in **P&C** and **service based revenues**
- Growth in **asset management**

**NORMALIZED CAPITAL GENERATION EQUIVALENT TO MORE THAN 50 POINTS OF SOLVENCY II<sup>1</sup> OVER THE THREE YEAR PLAN**

# Reallocate capital to BUs offering most attractive profitable growth, optimizing risk/return profile

ILLUSTRATIVE

Return on Capital Employed  
(%)



● Size of bubble denotes level of Capital Employed

**EXTRACT FINANCIAL RESOURCES FROM  
LESS PROFITABLE BUSINESSES WITH  
LOW GROWTH TRAJECTORY TO INVEST  
IN VALUE ACCRETIVE INITIATIVES**

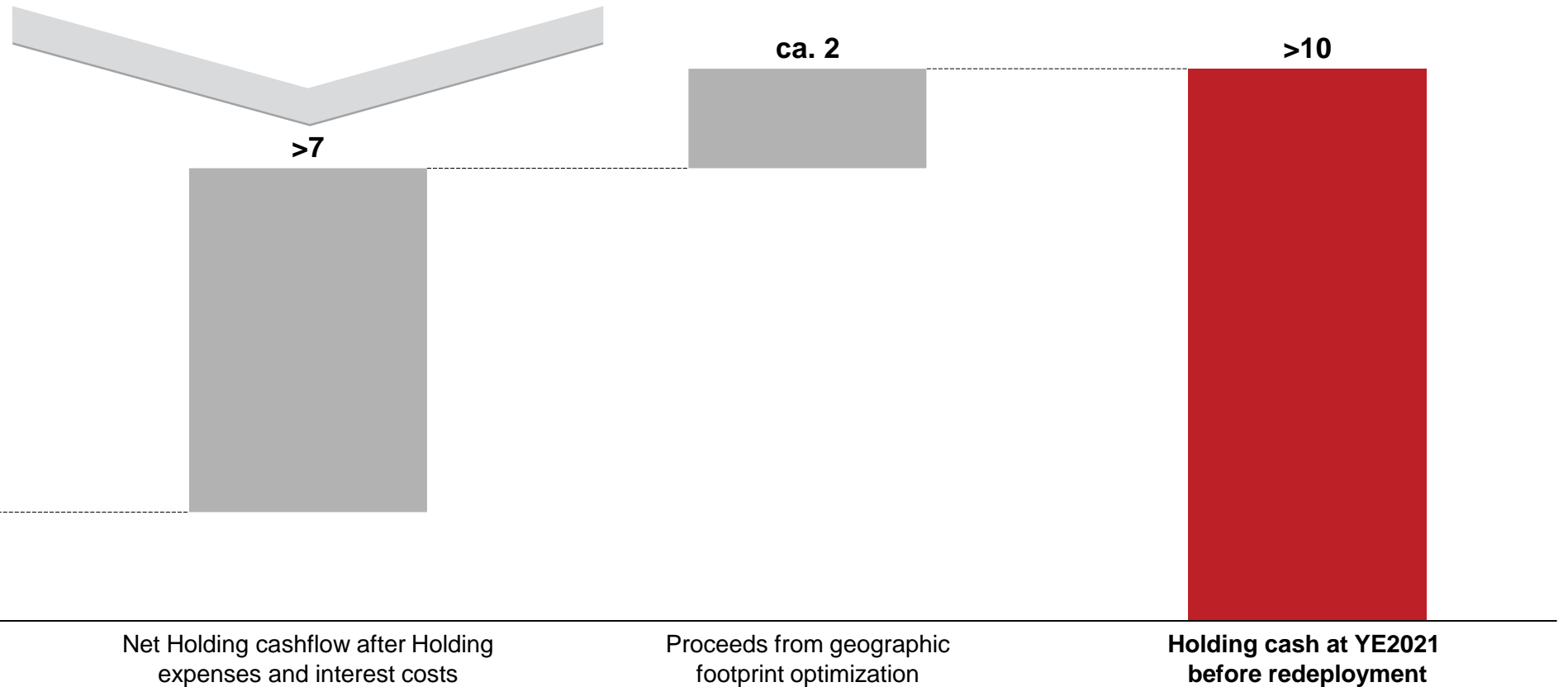
# Significant increase in cash remittances to Holding

€ billion

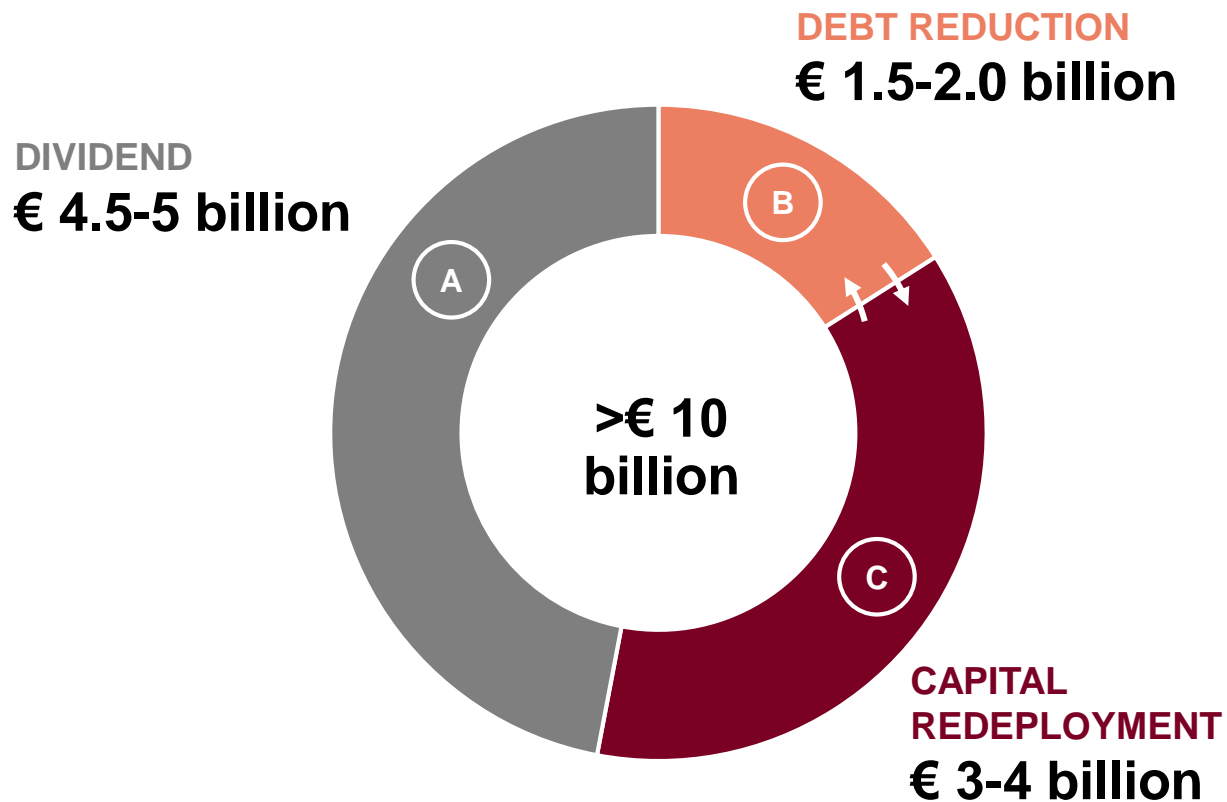
**+35% net cash remittances to Holding  
(equivalent to >€ 9.5 billion gross cash)**

vs previous cycle driven by:

- Stronger **result** from BUs
- Higher **dividend upstream** from BUs
- **Capital management framework**



# Cash redeployed to deliver attractive shareholder returns and profitable growth



- A** **DIVIDEND**  
Growing and sustainable DPS with a **55%-65% dividend payout ratio**
- B** **DEBT REDUCTION**  
**€ 1.5-2.0 billion debt reduction and decrease in interest expenses**
- C** **CAPITAL REDEPLOYMENT**  
Including M&A only if aligned with **strict investment criteria**

# Disciplined M&A to support profitable growth

## POTENTIAL M&A TARGET EVALUATION CRITERIA

### FINANCIAL ATTRACTIVENESS

- Return > Hurdle Rate
- P&L and Cash Flow impacts
- Capital and Balance Sheet impact

### STRATEGIC FIT

#### BUSINESS FOCUS

- Insurance
- Asset management

#### GEOGRAPHIC FOCUS

- Reinforce leading position in Europe
- High potential markets with opportunity to achieve leadership position

### EXECUTION RISK

- Cultural and organizational fit
- Alignment with Generali values
- Integration risk

# Pursue innovation and digital transformation built on customers' needs



PROFITABLE GROWTH  
CAPITAL MANAGEMENT  
AND FINANCIAL OPTIMIZATION  
INNOVATION AND DIGITAL  
TRANSFORMATION

## SOLID FOUNDATIONS IN PLACE

- Market leading **distribution network with 150,000 agents and sales people**
- **Deep customer knowledge and insights** through NPS program
- **Integrated offering** including insurance, Asset Management and services

## BECOME LIFE-TIME PARTNER TO CUSTOMERS

- **Digitalize agents** and develop **innovative platforms**
- Transform and digitalize **operating model**
- **People, brand and sustainability** as key enablers

**BEST RELATIONSHIP NPS<sup>1</sup>**  
**AMONG THE INTERNATIONAL EUROPEAN**  
**PLAYERS BY 2021**



# Digitalize agents and develop platform-led opportunities



- ✓ Enable our distributors to become consultative in their approach, to better respond to our customer' needs
- ✓ Create long-term partnerships with our contractual partners, sharing a culture of integrity, transparency and performance

PROFITABLE GROWTH  
CAPITAL MANAGEMENT  
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TRANSFORMATION

## PHYSICAL CHANNEL

- Make Generali distributors more **digital**, leveraging experience in Italy (50% digital policies) and Germany; deploy Digital Agent
- Shift to a **customer life-cycle advisory** approach
- Encourage agents to use **web, mobile and social networks** to engage and interact with customers

## NON-PROPRIETARY CHANNELS

- Continue disciplined approach to **Bancassurance agreements** and further develop best practices and long term partnerships
- Pursue development of complementary **broker channel** by providing distinctive service in insurance business

## DIRECT CHANNEL

- Leverage leading position in **Germany, Italy, Argentina and Turkey**
- Increase **online advertising** and visibility on **social media**
- Ensure **24/7 assistance**, supported by chatbot capabilities

## NEW CHANNELS

Create **B2B2C ecosystems** for **bundled innovative offers**, to become leader in Latin America, and extend model to other areas (especially in Asia)

€ 1 billion

TOTAL INVESTMENTS TOWARDS INTERNAL STRATEGIC INITIATIVES

2019-2021

# Transform operating model to increase customer satisfaction, reduce expenses and improve technical result



- ✓ Lead in digital innovation to make insurance accessible anytime and anywhere, and protect the data
- ✓ Leverage innovation to improve the experience for our distributors and deliver digital solutions consistent with their needs

PROFITABLE GROWTH  
CAPITAL MANAGEMENT  
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## ADOPT THE LATEST TECHNOLOGICAL TRENDS

DATA ANALYTICS

ARTIFICIAL INTELLIGENCE

ROBOTICS

## LEVERAGE AND SCALE UP SUCCESSFUL PILOTS AND NEW INITIATIVES

+50 PROJECTS IN 19 COUNTRIES

- Fraud prevention and detection
- Product recommendation
- Driver behavior profiling
- Churn management
- Image analytics
- Back-office automation
- Robo Advisory and chatbots

**INCREASE IN  
NPS**

**REDUCTION IN  
TOTAL EXPENSES**

**FURTHER  
IMPROVEMENT OF  
TECHNICAL RESULT**

# Strictly monitor strategy execution and align executives' incentives

## INDUSTRIAL KPIs

### PROFITABLE GROWTH

- Market position in Europe
- Emerging markets NR CAGR
- AM NR CAGR
- AM net revenues breakdown (third parties vs. captive)
- Spread between asset yield and guarantees (total stock/ new business)
- Strategic asset allocation Capital budget consumption
- Life Net Inflow
- Life NBM
- P&C GWP
- P&C Loss Ratio
- Health Loss Ratio

### CAPITAL MANAGEMENT AND FINANCIAL OPTIMIZATION

- Capital generated at Group level
- Remittance from BU
- Debt level reduction
- Gross interests paid reduction
- Return on Capital Employed
- Return on Risk Capital

### INNOVATION AND DIGITAL TRANSFORMATION

- Life Cost-to-income
- P&C Expense Ratio
- AM Cost-to-income
- Total investment in strategic initiatives
- Total expenses reduction in insurance Europe
- Number of active agents in Asia
- % of digital policies
- Number of active Vitality contracts
- Number of black boxes/ devices connected to IoT platform

### ENABLED BY EMPOWERED PEOPLE, STRONG BRAND AND SUSTAINABILITY CULTURE

- Number of customers
- Relationship NPS
- Customer retention
- Brand preference
- % reskilled employees
- Engagement index
- % entities with Smart Working
- Diversity and Inclusion index
- GWP Growth in Green and Social products
- New green and sustainable investments

# Generali 2021: Leveraging strengths to accelerate growth



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## STRONG FOUNDATIONS

Thanks to successful delivery of two previous plans

---

## AMBITIOUS AND HIGHLY CREDIBLE PLAN

Underpinned by three strategic pillars

---

## CLEAR FRAMEWORK FOR ACCOUNTABILITY

Monitored through a set of industrial KPIs

---

# Generali 2021

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## CUSTOMER AND DISTRIBUTOR EXPERIENCE

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**ISABELLE CONNER**

Group Chief Marketing & Customer Officer

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# To be at the forefront of the Insurance Industry's Transformation, Generali must become a Life-time partner for its 57 million Customers

## CUSTOMER NEEDS



### SIMPLICITY / INNOVATION

- Simple propositions that fit my lifestyle
- Employees and agents who are solutions oriented
- Reward customer behaviors



### EMPATHY / CARE

- Treats customers as human beings not as policy numbers
- Demonstrate care and compassion for customers and their needs
- Easy to reach when needed



REACTIVE

TRANSACTIONAL

PROTECTION

*"I need insurance"*



**LIFE-TIME PARTNER**

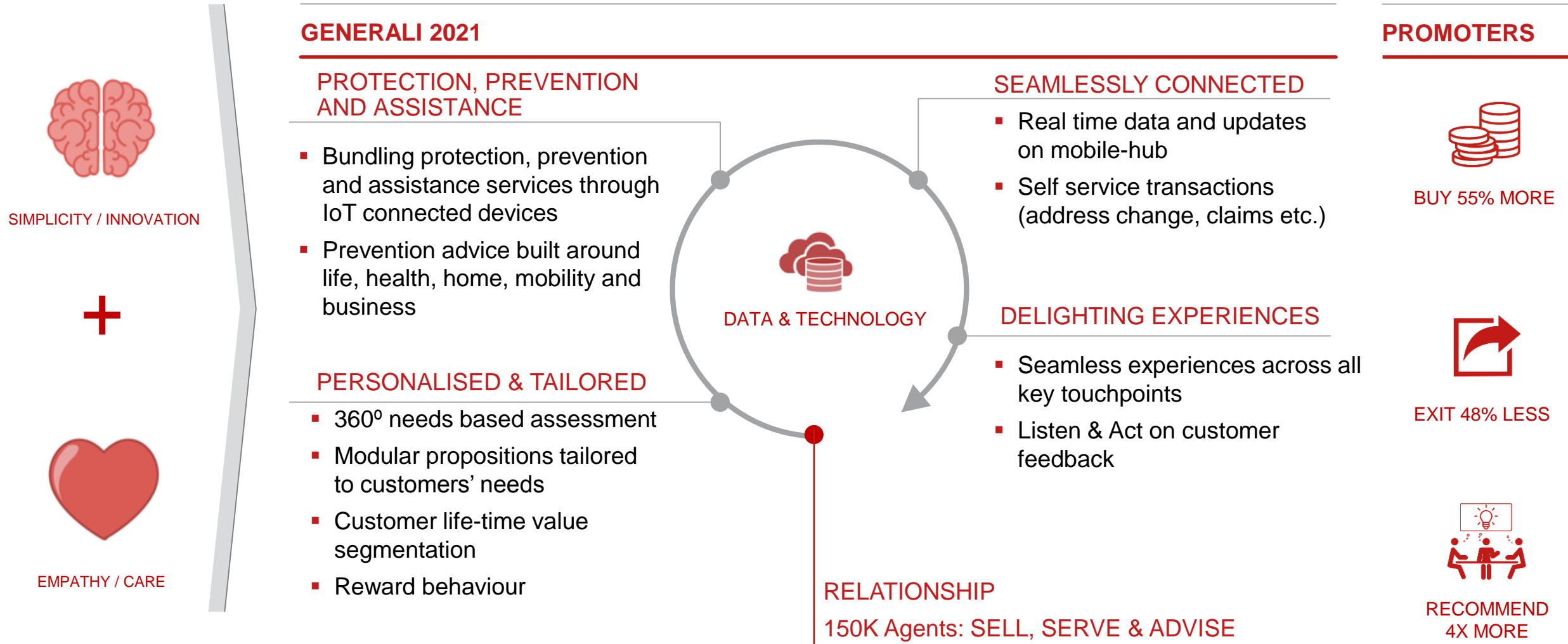
PROACTIVE

RELATIONSHIP

PROTECTION, PREVENTION  
AND ASSISTANCE

*"I WANT insurance"*

# Generali customers will see, feel and experience Simplicity & Innovation combined with Empathy & Care throughout the entire customer journey



# Life-Time partner will be delivered through 5 transformational actions

---

## LIFE-TIME PARTNER FOR CUSTOMERS AND DISTRIBUTORS

---

DIGITALLY ENABLED ADVISORY DISTRIBUTION NETWORK

---

BEST IN CLASS SERVICE AND PROPOSITION INNOVATION

---

SEAMLESSLY CONNECTING GENERALI, AGENTS AND CLIENTS ON MOBILE AND WEB

---

LISTEN AND ACT ON CUSTOMER FEEDBACK AND DELIVER SERVICE IMPROVEMENTS ACROSS ALL TOUCHPOINTS

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1<sup>st</sup> CHOICE BRAND



# Digitally empowered agents offer 360° advisory services through a seamless omni-channel experience

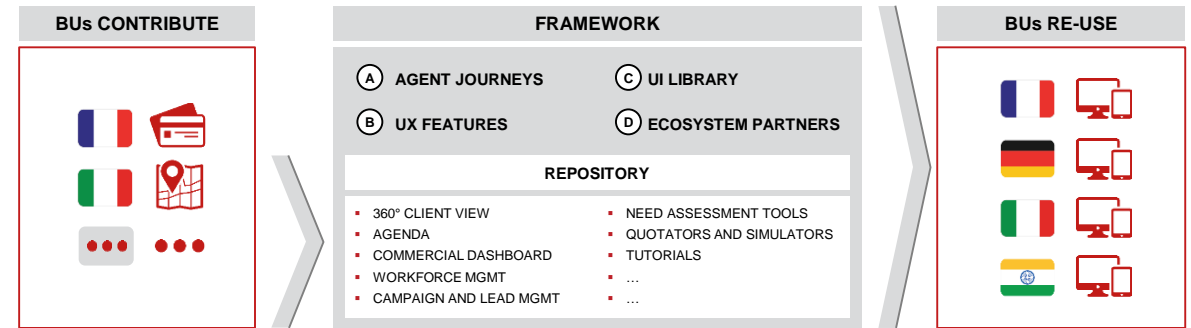
## AGENT AS ADVISOR



## AGENT PRODUCTIVITY<sup>1</sup>

Efficiency on administrative tasks	up to <b>25%</b>
Cross-selling	up to <b>20%</b>
Average premium increase - upselling	up to <b>15%</b>

## GLOBAL FRAMEWORK ACCELERATES AGENT TRANSFORMATION

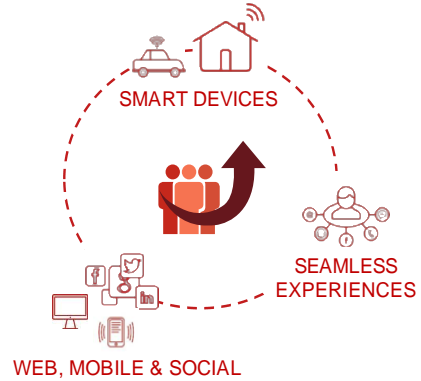


## BUSINESS & OPERATIONAL EFFICIENCY<sup>2</sup>

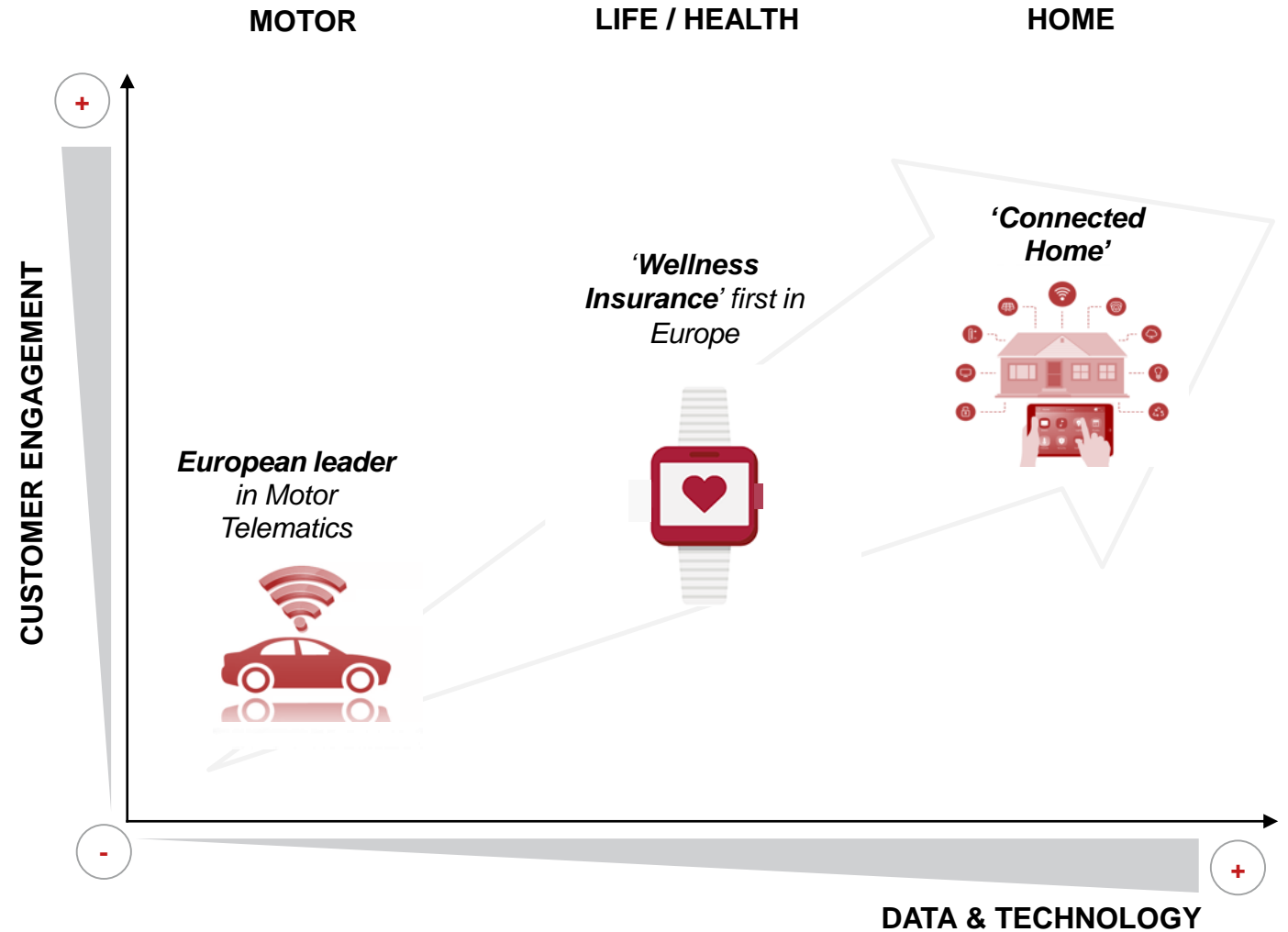
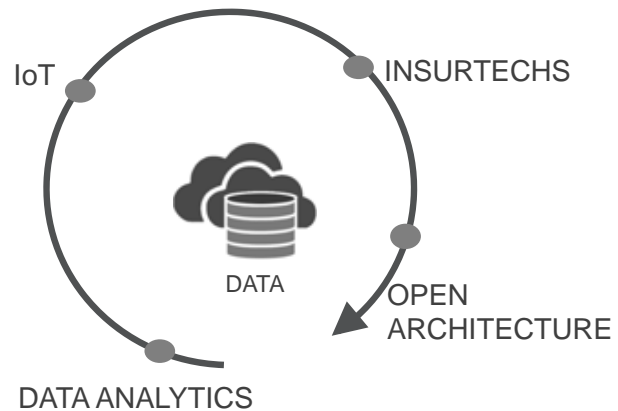
	Mature BU	Emerging BU
Prototype reusability	up to <b>50%</b>	up to <b>75%</b>
Design and IT cost savings	up to <b>30%</b>	up to <b>30%</b>
Time-to-market acceleration	up to <b>20%</b>	up to <b>50%</b>

# Leverage digital and data analytics to design tailored best in class customer solutions

## CONSUMER HABITS

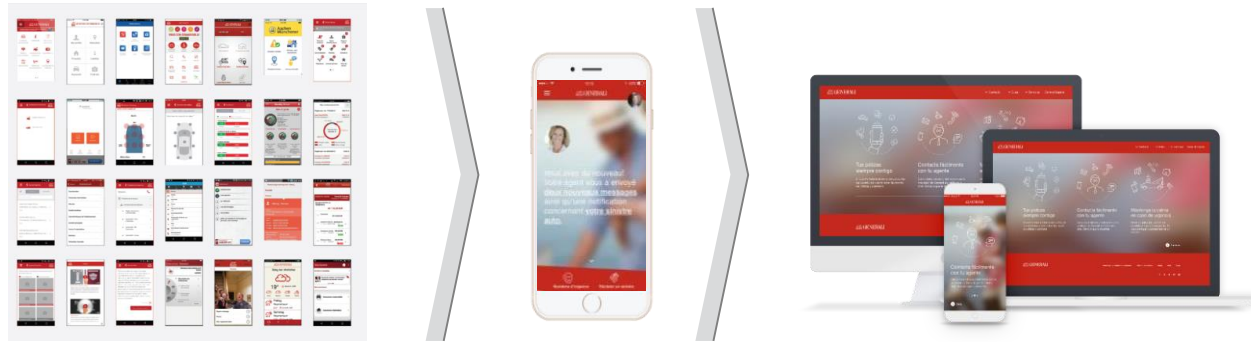


## TECHNOLOGY LEVERS



# Mobile and web hub seamlessly connect customers, agents and Generali

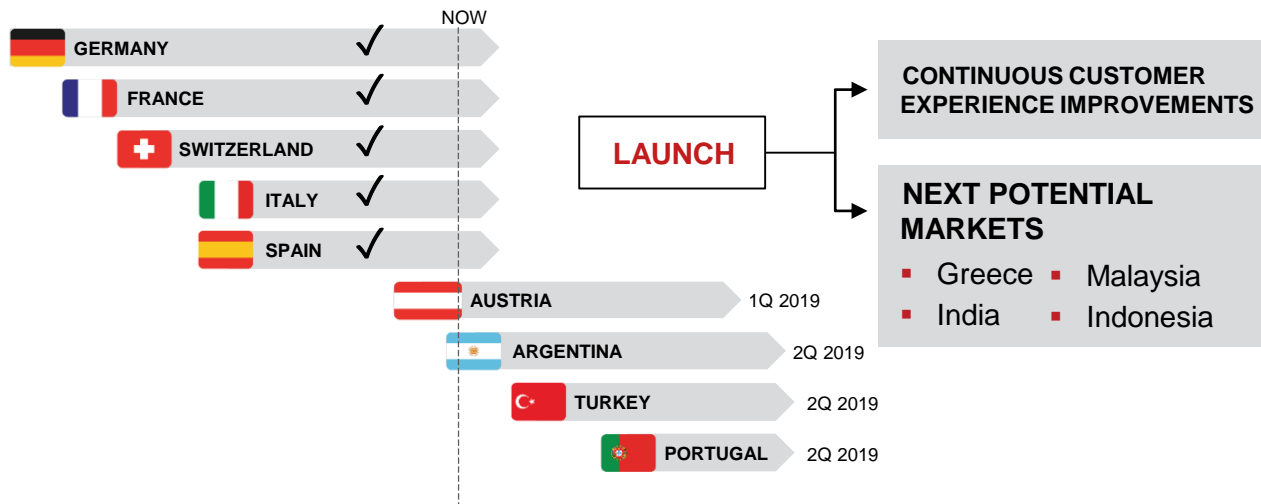
## FROM 88 APPS TO 1 CO-CREATED HUB



## 23 CLIENT FEATURES

- My Coverage
- Alerts and Notifications
- Auto Assistance/Emergency
- Health reimbursements
- Find a doctor / hospital
- My Pension
- My documents
- Smart Products
- Claim Management
- Payments and Receipts
- Contact My Agent
- Geo-localization

## EXPANSION AT SCALE



## BUSINESS & OPERATIONAL EFFICIENCIES

	<i>mature BU</i>	<i>emerging BU</i>
Prototype reusability	up to <b>70%</b>	up to <b>90%</b>
Design and IT cost savings	up to <b>40%</b>	up to <b>40%</b>
Time-to-market acceleration	up to <b>25%</b>	up to <b>40%</b>

# We'll continue to listen and act on customer feedback and deliver service improvements across all touchpoints

LISTEN AND ACT

920 IMPROVEMENT ACTIONS



18% INCREASE IN PROMOTERS

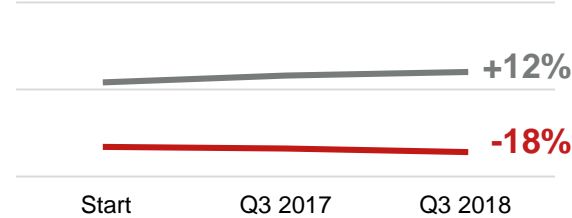
23% DECREASE IN DETRACTORS

13.6 MILLION SURVEYS

58 BUSINESS UNITS

10,000 EMPLOYEES READING CUSTOMER COMMENTS

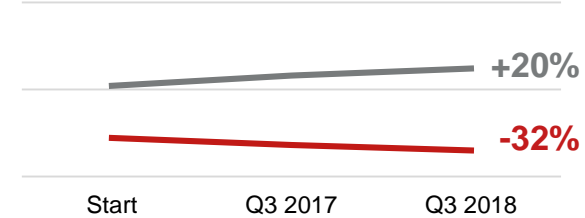
## PURCHASE (%)



### IMPROVEMENT

- Speed
- Payment process
- Status Update
- Policy docs

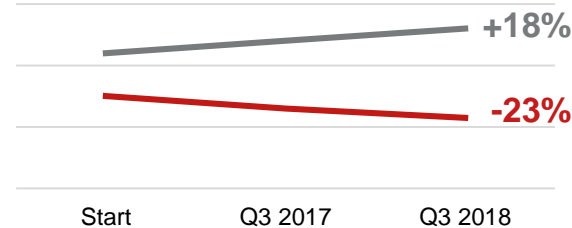
## CLAIMS (%)



### IMPROVEMENT

- Status Update
- Empathy training
- 3<sup>rd</sup> Party monitoring
- Speed
- Claims Letters

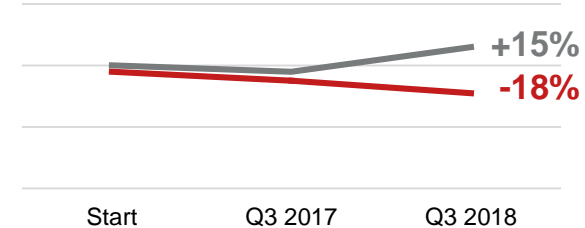
## SERVICING (%)



### IMPROVEMENT

- First Contact Resolution
- Knowledge training
- Waiting times

## RENEWAL (%)



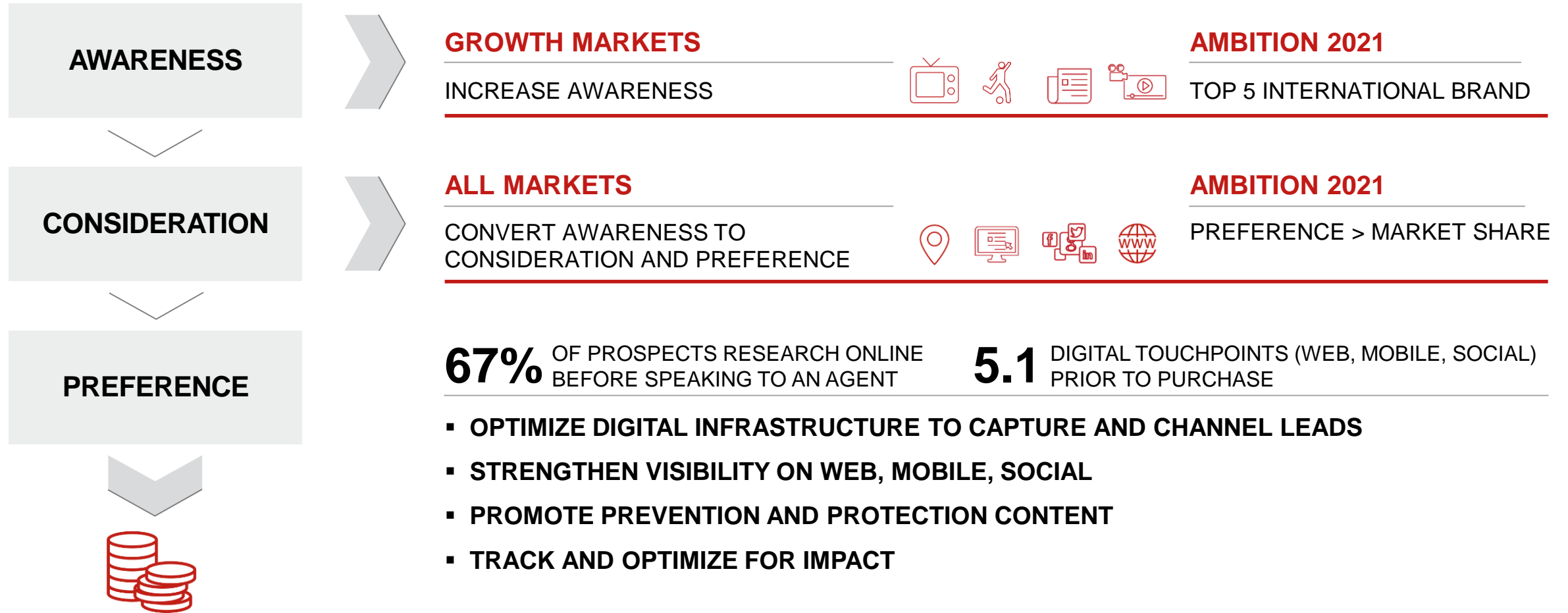
### IMPROVEMENT

- Renewal letters
- Reminder process
- Payment process

— Promoters  
— Detractors

+3% GROWTH IN RETENTION

# 1<sup>st</sup> Choice Brand to drive new business



# Life-time partner approach retains existing customers, attracts new consumers and drives business efficiency

## LIFE-TIME PARTNER FOR CLIENTS AND DISTRIBUTORS

DIGITALLY ENABLED ADVISORY DISTRIBUTION NETWORK

BEST IN CLASS SERVICE AND PROPOSITION INNOVATION

SEAMLESSLY CONNECTING GENERALI, AGENTS AND CLIENTS ON MOBILE AND WEB

LISTEN AND ACT ON CUSTOMER FEEDBACK AND DELIVER SERVICE IMPROVEMENTS ACROSS ALL TOUCHPOINTS

1<sup>st</sup> CHOICE BRAND

## BUSINESS IMPACT

- Productivity
- Operational efficiency

- Frequency of contact
- Retention
- Share of wallet

- Preference

## KPI



AMBITION 2021

**BEST<sup>1</sup> AMONG  
OUR EUROPEAN  
INTERNATIONAL PEERS**

# Generali 2021

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## **COUNTRY ITALY AND GLOBAL BUSINESS LINES STRATEGY**

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**MARCO SESANA**

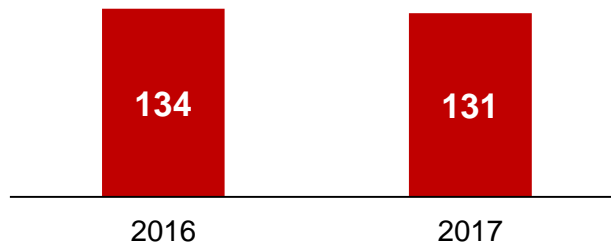
Country Manager for Italy  
and responsible for Global Business Lines

---

# Italian insurance market is highly attractive

## LARGE, RESILIENT AND PROFITABLE MARKET

GWP  
€ billion



Most profitable Life market in Europe:  
**70 bps profitability<sup>2</sup>** on Life reserves

High profitability in P&C business: **91% Combined Ratio**

**Agents** remain a **dominant distribution** channel  
(1<sup>st</sup> in P&C and 2<sup>nd</sup> in Life)

## KEY TRENDS DRIVING FUTURE OPPORTUNITIES

**Protection** growing >10% p.a., **Pension** >20% p.a.

**Corporate Welfare<sup>1</sup>** opportunity ca. € 20 billion

**Services bundled with insurance** opportunity  
ca. >€ 5 billion

Insurance Distribution Directive requires greater level of  
**advisory** and **professionalization** of services

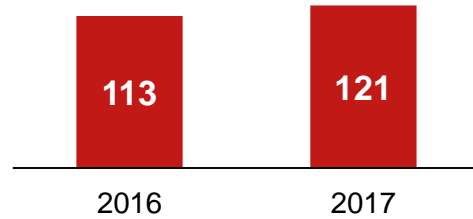
Highest **penetration** of **connected cars** in Europe



# Generali is the market leader in Italy

## LIFE RESERVES

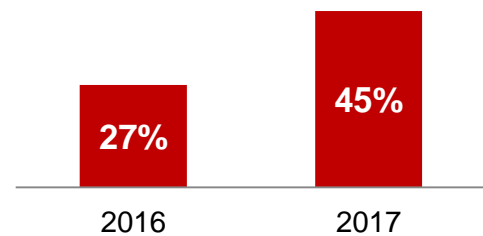
€ billion



## NET INFLOWS

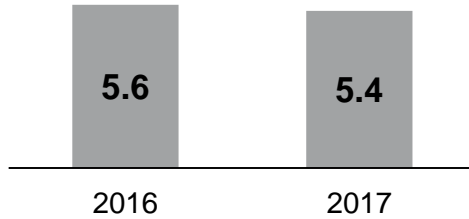
	2016	2017
Unit linked	19%	46%
Traditional	81%	54%

## LIFE NEW BUSINESS MARGIN<sup>2</sup>



## P&C GWP

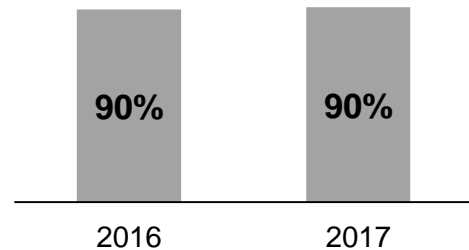
€ billion



## MARKET SHARE

Year	Market Share
2016	15%
2017	15%

## P&C COR



## KEY FACTS

- #1 insurer in Italy with **92% brand awareness**, most recognized insurance brand in Italy
- **10 million customers**
- **Large and diversified** distribution: **best agent network** and employee sales force (>6,800 sales points), online, bancassurance, financial advisors and brokers
- **Growing Life reserves** with **improved inflow mix**
- **Strong profitability** both in Life and P&C
- **Robust and resilient solvency** (>250%<sup>1</sup>)
- **Distinctive** initiatives with **social impact** (welfare index PMI, Ora di Futuro, bullyctionary)

# Proven track record of delivery against transformation objectives

## SIMPLIFICATION PROGRAM

Program **completed ahead of time**

All key processes digitalized<sup>1</sup>

**100%** agencies digitally enabled

**>50%** policies issued digitally, fast adoption

## NEW CAPABILITIES

Health and Corporate Welfare<sup>2</sup> company

**welion**

IoT and Connected Services company

**jenIoT**

Strong **Advanced Analytics** team

**Agile** way of working on IT and business projects

Best in class **people management** (engagement score at 84%, 6p.p. above benchmark)

## UPGRADED CUSTOMER OFFERING

### P&C

Prevention based on **telematic solutions** with **ca. 1.5 million** connected customers, such as Generali Sei a Casa in Touch and Real-Time Driving Coaching

**Leader** in behavioral telematics

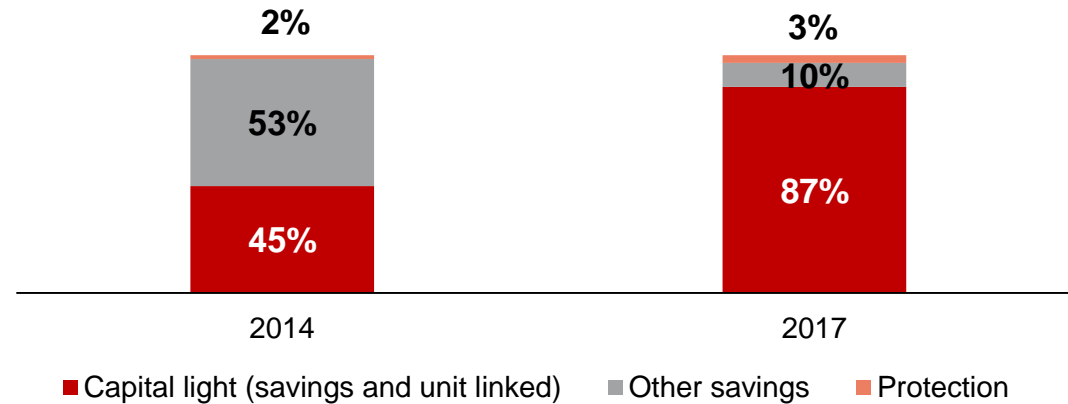
### LIFE

**Re-engineered** traditional guarantees and **fast shift to capital light** products with **65%** of the new business being hybrid (ca. +30p.p.<sup>3</sup>), such as GeneraEquilibrio

*Details on the following slide*

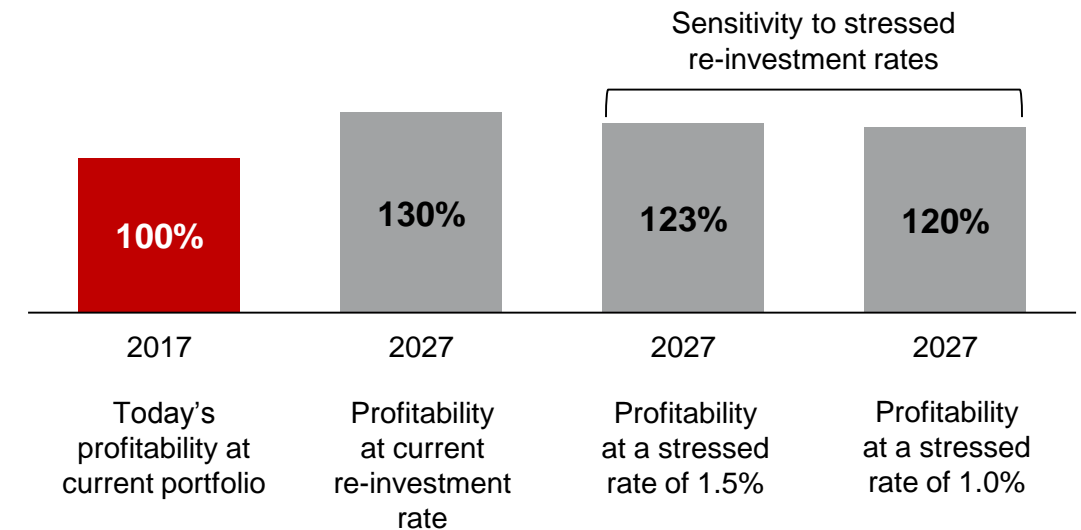
# Life business transformed to deliver profitable growth in low rate environment

## SIGNIFICANTLY IMPROVED LIFE NEW BUSINESS MIX



**Fee based model<sup>1</sup>** and fast shift to **capital light** new business (capital light savings and unit linked)

## IMPROVING AND RESILIENT LIFE RESERVES<sup>2</sup> (INDEXED)



**Profitability increase** with very **limited sensitivity** to low interest rates thanks to **low average guarantee** and **fee based model**

1. In 2017, 100% of Life new business is fee based (fee as a % of reserves)  
 2. Reserves profitability measured as Life operating result divided by average annual reserves; reserves forecast based on Life new business current % mix  
 Note: Capital light: Unit-linked, protection, savings with guarantees <= 0

# Strategic priority for Generali in Italy is to become Life-Time Partner with the best customer experience



PROFITABLE GROWTH

CAPITAL MANAGEMENT  
AND FINANCIAL OPTIMIZATION

INNOVATION  
AND DIGITAL TRANSFORMATION

---

## New value proposition

- Life: solutions based on multiple building blocks managed seamlessly, integrated with **protection** and **services**
- P&C: offering based on protection and **prevention** integrated with technology and **services** in retail and SME
- Strategic focus on **Health** and **Corporate Welfare**<sup>1</sup> through a dedicated company (Welion)

**Partnerships** and connected ecosystems, with specific focus on **Mobility**

---

Capital management and financial optimization program to increase **cash remittance**

---

**Agent advisory approach** augmented by seamless services across **channels**

**Data driven** customer insight and **AI** automation at scale, with **agile** delivery and **technology** as enabling factors

# Life solutions based on multiple building blocks managed seamlessly

## SUSTAINABLE NEED BASED VALUE PROPOSITION FOR LIFE

Unit linked

Traditional

Protection

Prevention and assistance services

- Full, flexible and manageable set of **building blocks** assembled to match **customer needs** and **risk profiles**
- **Multiple components** in the same solution
- **Dynamic adjustment** of investment block overtime
- Designed to improve **customer engagement** and **experience**

immaginafuturo

## Whole life insurance

- Regular premium plan with savings and investment components:
  - **Dynamic** asset allocation
  - **Capital payout options**: lump sum, annuity or decumulation
- **Protection** from biometric risks (such as term life, disability)
- **Assistance** services in the event of injury or illness (such as medical consult, international second opinion, ambulance rides, in-home care)

**ca. 2x**

penetration of protection versus prior generation product<sup>1</sup>

# P&C solutions to cover entire life cycle through prevention and assistance

## FLEXIBLE PROTECTION OFFERING INTEGRATED WITH PREVENTION, SERVICES AND TECHNOLOGY

Accident

Property

Other insurance coverage

Prevention and assistance services

- Tailored to **retail** and **SME segments** and **needs**
- **Modular** set of guarantees integrated with connectivity, **prevention** and **assistance** services
- Designed to improve **customer engagement** and **experience**

immaginabenessere

### Modular solution for the customer's well-being

- **Accident and health coverage** (such as disability, hospital indemnity, protection, legal expense)
- **Full set of prevention and assistance** services (such as preventive care, tele-health, home visits and out-of-hours care, in-home care, emergency childcare, etc.)

**+20%**

premium increase versus prior generation product<sup>1</sup>

SEMPLICE  
CON ALLEANZA

### Family protection offering

- **Insurance coverage** (such as accident, hospital indemnity, income protection, under-age health)
- **Assistance services** (such as in-home care, medical and pediatric consult)

**>10,000**

policies in 2 months from launch<sup>1</sup>

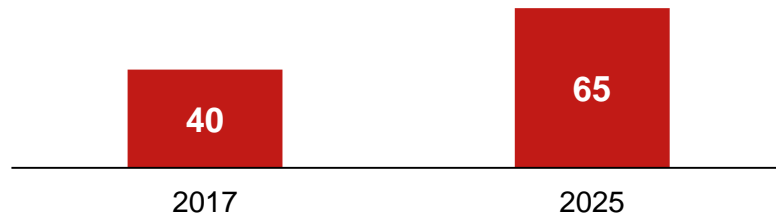
**>€ 400**

premium for protection component<sup>1</sup>

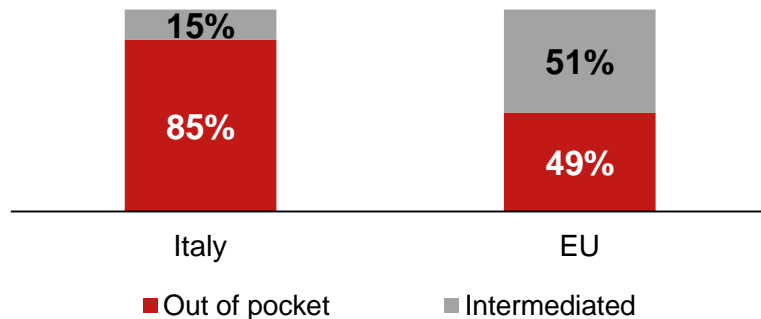
# Strategic focus to capture growth opportunity in Health and Corporate Welfare<sup>1</sup>

## LONG-TERM MARKET OPPORTUNITY...

PRIVATE HEALTH SPENDING, ITALY<sup>2</sup>  
€ billion



PRIVATE HEALTH SPENDING<sup>2</sup>



## ...ADDRESSED WITH A STRATEGIC FOCUS

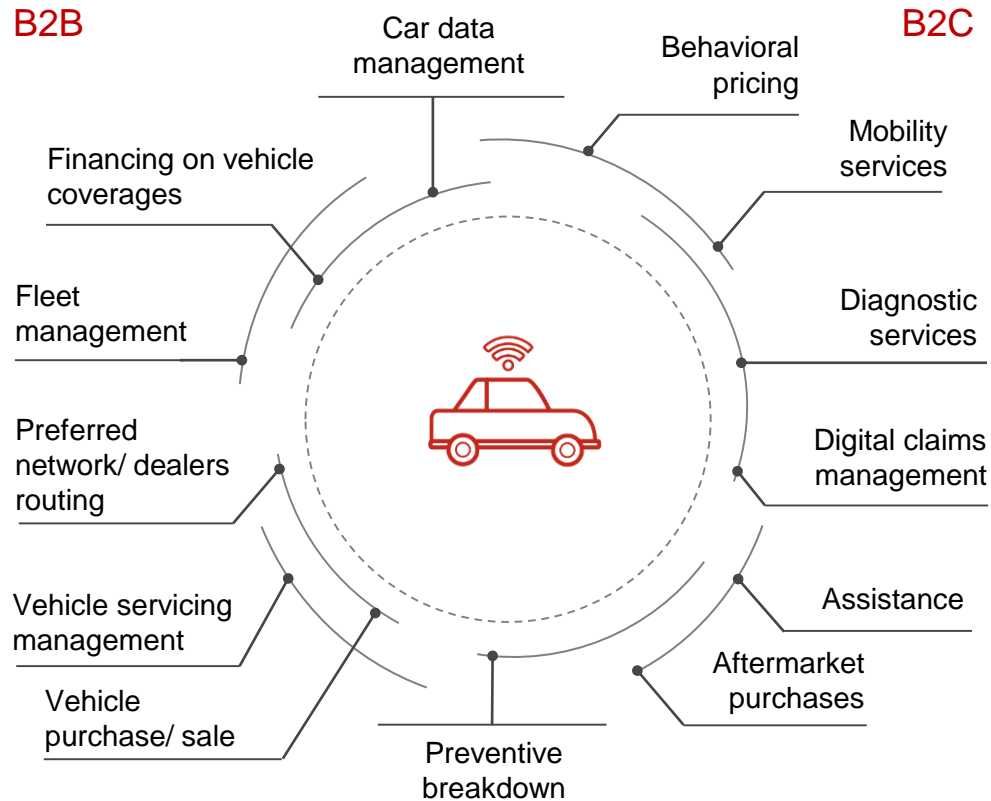
NEW COMPANY SUPPORTING INNOVATIVE VALUE PROPOSITION

welion

- **Retail** insurance products integrated with **services** as well as **stand alone** services
- **Employee Benefits**, **advisory** services and Corporate Welfare<sup>1</sup> administration **platforms**
- Hospital **network management**, including quality and cost control
- Innovative **technologies** supporting doctor-patient relationship

# Generali as partner of choice for connected ecosystems

## MOBILITY ECOSYSTEM...



## ...EMPOWERED BY GENERALI PAN-EUROPEAN MOBILITY PLATFORM

- **Orchestrating mobility ecosystem** through a unique value proposition, both for partners and end customers, based on telematics expertise, car data and technology
- **Cross-selling** across proprietary and partners' channels
- **Providing analytics** to partners, leveraging on state-of-the-art big data, AI and customer profiling capabilities
- Already closed **first strategic partnership**, using innovative business model





# Agent advisory approach, augmented by seamless services across channels

Evolved business model

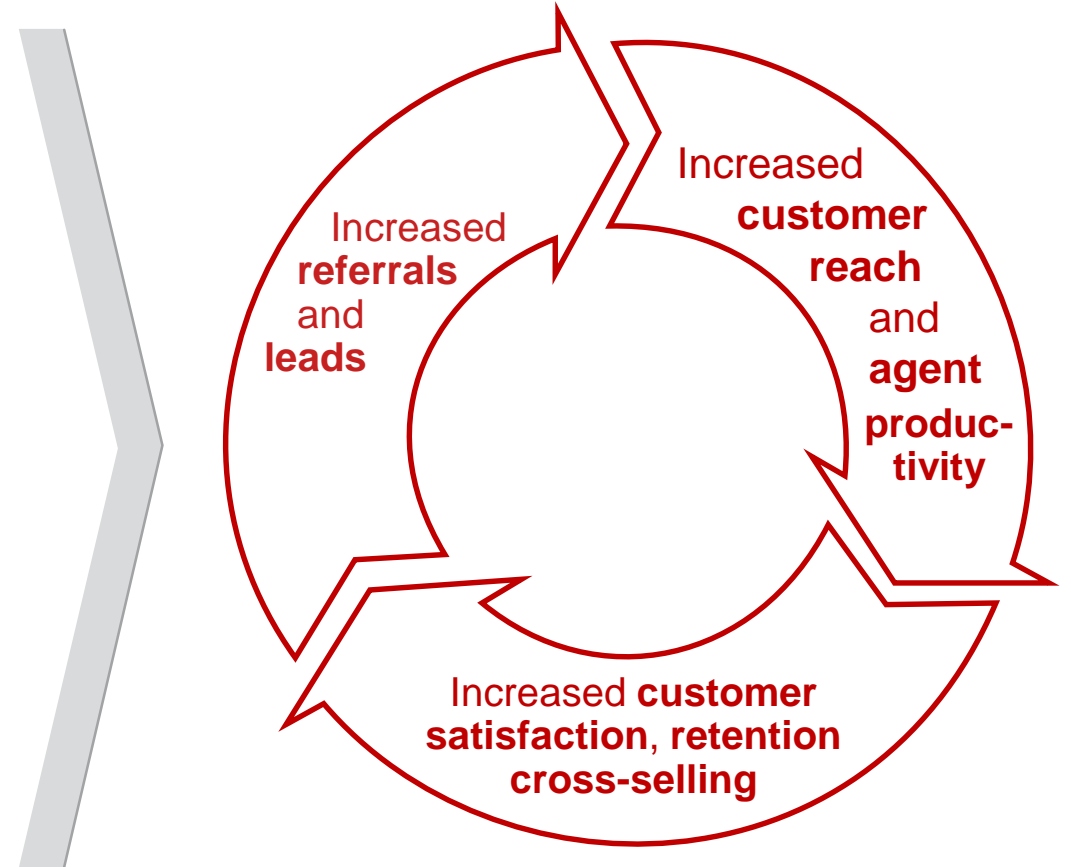
- Increased **frequency** and **quality** of **advisory services** for high value added value proposition

Physical and digital channels available to customers

- Possibility to **initiate** and **complete** a journey using **different channels**

Supporting tools for agents based on advanced analytics

- Leverage **customer insights, predictive modeling, work force automation**



# Systematic adoption of advanced analytics and artificial intelligence

## ADVANCED ANALYTICS IN COMMERCIAL PROCESSES:

---

**Commercial processes** supported by **advanced analytics**:

- Identification of **high churn risk customers, next best offer**, etc.
- Supported by **dedicated actions**

**-5p.p.**  
churn rate of high churn risk customers: motor<sup>1</sup>

## ARTIFICIAL INTELLIGENCE IN OPERATING PROCESSES:

---

**Automation** at scale driven by **artificial intelligence**:

- Focused on **28 core processes**
- **4** core processes **completed** with first result of **efficiency** and improvement in **service levels**

**30-40%** average efficiency gain  
on sample processes<sup>1</sup>

**70-80%** service levels improvement  
on addressed perimeter: speed<sup>1</sup>

**Selected service levels converted into real-time<sup>1</sup>**

# Global Business Lines serving global clients

## GENERALI EMPLOYEE BENEFITS

- **Market leader** in Employee Benefits for multinationals with **ca. 25%** market share
- Covering >1,500 companies and >10 million employees
- **+4.8%** annual CAGR<sup>2</sup>

**Strong profitable growth and market leadership**

## GENERALI GLOBAL HEALTH

- **Innovative corporate start-up** operating in IPMI<sup>1</sup> market
- Covering corporates and individuals
- **+52%** annual CAGR<sup>2</sup>

**Double digit profitable growth, from a start-up to an established player**

## GLOBAL CORPORATE & COMMERCIAL

- **Specialized player** in engineering, marine, aviation, cyber and specialty risks
- Covering corporate, commercial clients, and brokers in 160 countries
- **GWP >€1.9 billion**

**Best in class Combined Ratio, maintaining underwriting focus**

# Generali in Italy: ambition 2021

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## LIFE-TIME PARTNER WITH THE BEST CUSTOMER EXPERIENCE

---

- New value proposition: Protection, Prevention, Assistance enabled by technology
- Best-in-class advisory network seamlessly integrated with digital channels
- Partner of choice for connected ecosystems

---

**+10 POINTS**

NPS<sup>1</sup>

---

**+10-15%**

agent productivity

# Generali 2021

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## COUNTRY GERMANY STRATEGY

---

**GIOVANNI LIVERANI**

Country Manager for Germany

---

# Strongly positioned to deliver profitable growth with significant cash generation

## GENERALI AMBITION IN GERMANY

---

### TO BE NUMBER 1 AMONG GERMAN INSURERS IN

- **PROFITABLE GROWTH**
- **RETURN ON CAPITAL**
- **INNOVATION**

THANKS TO

---

### UNRIVALED DISTRIBUTION POWER

---

- DVAG: strongest sales network in Germany
- CosmosDirekt: #1 in digital and direct distribution
- Strong Generali brand

---

### CAPITAL STRENGTH AND SIGNIFICANT CASH UPSTREAM CAPABILITIES

---

- Reduced capital absorption on life portfolio
- Excellent Solvency position
- Significant increase of cash remittance capabilities

---

### SUPERIOR OPERATING PLATFORM

---

- Integrated and rationalized governance
  - Cost efficient and simplified operating model
  - Leadership in digitalized and smart products
-

# One of the largest insurance markets in Europe with profitable growth opportunities

## KEY MARKET CHARACTERISTICS

---

ROBUST MACRO ECONOMIC CONDITIONS:

**GDP growth higher than 2% (2016-2018)**

A MAJOR INSURANCE  
MARKET IN EUROPE:

**€ 195 billion premiums**

HIGHLY FRAGMENTED  
MARKET:

**> 500 companies**

---

## OPPORTUNITIES

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- Profitable P&C business
- Profitable segments in Life (Protection, Unit linked)
- Low innovation-to-date allowing for disruptive successful propositions

---

## CHALLENGES

---

- Persistently low level of interest rates
- Heavily regulated market
- Sophisticated and demanding customers

# A key market for Generali

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## GENERALI IN THE GERMAN MARKET

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<b>#2 INSURER</b> in Germany	<b>8%</b> Market share	<b>ca. 12 MILLION</b> customers	<b>8.9k</b> Admin. employees
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### #1 IN UNIT LINKED AND TERM LIFE

### BEST P&C COMBINED RATIO AMONG PEERS

---

### #1 IN DISTRIBUTION POWER

- 35,000 DVAG exclusive sales people, the strongest network in Germany
- Undisputed digital market leader with CosmosDirekt

---

### #1 IN SMART INSURANCE

Vitality, Domocity, Mobility

---

### FRONT RUNNER IN CORPORATE SOCIAL RESPONSIBILITY

with the Human Safety Net

---

## GERMANY IN THE GENERALI GROUP

---

**€ 16 BILLION**  
Premiums

---

### #1 BUSINESS UNIT OUTSIDE ITALY

23% of Group Premiums

---

**€ 827 MILLION**  
Operating Result

---

**ca. € 400 MILLION**  
Dividend

---

**343%**  
Solvency ratio



# 2016-2018 turnaround enables ambitious 2021 strategy

## 2016 KEY CHALLENGES

### UNFOCUSED DISTRIBUTION

- Internal competition among sales networks
- Challenging market growth
- Weak brand

### GENERALI LEBEN

- Non performing capital locked-in
- Low interest rates and high guarantees
- Weak and volatile solvency ratio

### FRAGMENTED ORGANIZATION

- High cost base
- Complex operating model
- Fragmented governance

## STRATEGIC SOLUTIONS

### New distribution strategy

### Disposal of Generali Leben

### One Smart Company operating model

## 2021 AMBITION

### PROFITABLE GROWTH

- Increase market share
- Increase contribution to Group earnings
- Strengthen Generali brand

### CAPITAL MANAGEMENT AND FINANCIAL OPTIMIZATION

- Rebalance business mix to decrease capital absorption
- Redeploy capital to higher return business
- Increase cash remittance by 2.5x within plan period

### INNOVATION AND DIGITAL TRANSFORMATION

- Accelerate cost reduction
- Full set of smart insurance products
- Lean and integrated governance

# New distribution strategy creates the strongest sales franchise in Germany

## PAST CHALLENGES

- Unfocused distribution set up, weakly leveraging on competitive advantages
- Internal competition between exclusive sales channels
- Unprofitable P&C broker channel
- Fragmented brand franchise

## STRATEGIC SOLUTIONS

### INTEGRATION OF GENERALI NETWORK INTO DVAG

- #1 sales network in Germany
- 35,000 exclusive sales people
- Leader in Unit Linked
- Best in class in cross-selling and productivity

### REVAMPING ONLINE LEADERSHIP

- #1 in Direct channels
- #1 in Term Life
- Front runner in digitalization

## 2021 AMBITION

- Increase market share
- Grow faster than market in the physical distribution space
- Reinforce digital leadership
- Strengthen the brand

# New distribution strategy focused on two main brands

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## PHYSICAL ENGINE OF GROWTH

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### DVAG

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- Large and growing insurance sales network fully dedicated to Generali branded products
- Best in class productivity and cross selling index supported by digital innovation
- Superior distribution performance as engine of profitable and above market growth



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## DIGITAL LEADERSHIP

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### CosmosDirekt

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- Digital market leader in Term Life business
- Significantly above market growth in P&C
- Activate digital B2B2C, cooperation and digital brokers on top of direct channel



# Generali Leben disposal accelerates transformation in Germany

## CHALLENGES

- Portfolio with high guarantees
- High capital absorption
- Persistently low interest rates
- Volatile solvency
- Heavily regulated market

## GENERALI LEBEN DISPOSAL BENEFITS

- Interest rate risk strongly reduced
- Portfolio quality (U/L and Protection) significantly improved
- € 1.9 billion cash proceeds<sup>1</sup>
- +43 p.p. impact on German Solvency
- Accelerated shift to capital light reserves
- RoRC improvement of about 3 p.p.

## 2021 AMBITION

- Reinforced leadership in attractive Unit linked and Life Protection
- Further increase in weight of capital light reserves and reduction in average portfolio guarantees
- Supportive to the overall cash remittance target to the Group
- Capital redeployed to higher return business

# Improved operating platform

## CHALLENGES

Fragmented organization:  
14 employer companies

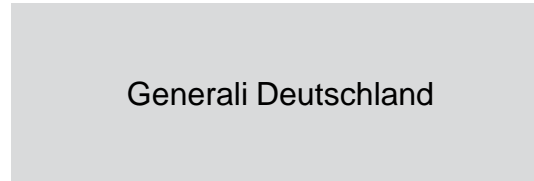
Complex operating model

Internal competition among  
sales networks

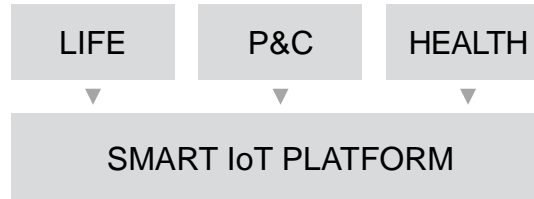
Unfocused brand strategy  
with seven brands

## STRATEGIC SOLUTIONS

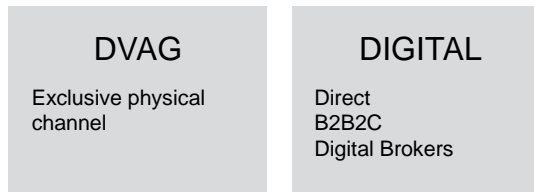
ONE  
INTEGRATED  
COUNTRY  
GOVERNANCE



CENTRALIZED  
SMART  
FACTORIES



SIMPLIFIED  
AND STRONG  
DISTRIBUTION  
POWER



FOCUS  
ON TWO  
STRATEGIC  
BRANDS



## 2021 AMBITION

- Best in class in efficiency
- Smart product factories empowered by common IoT platform

- Full range of smart products



- Lean and simplified architecture open to support potential acquisitions

# Solid track record as the basis of our growing ambition

## ACHIEVEMENTS IN THE TURNAROUND PERIOD<sup>1</sup>

NET RESULT INCREASE

**+30%**

DIVIDENDS PAID

**> € 1.5 billion**

GENERAL EXPENSES REDUCTION

**-19%**

SOLVENCY RATIO STRENGTHENING

**>100 p.p.**

NPS<sup>2</sup>

**+32.4**

RoRC IMPROVEMENT

**+5.4 p.p.**

# Positioned to deliver profitable growth with significant cash generation

GENERALI AMBITION IN GERMANY

**TO BE NUMBER 1 AMONG  
GERMAN INSURERS IN**

- **PROFITABLE GROWTH**
- **RETURN ON CAPITAL**
- **INNOVATION**

## PROFITABLE GROWTH

- Increase market share
- Increase contribution to Group earnings
- Strengthen Generali brand

## CAPITAL MANAGEMENT AND FINANCIAL OPTIMIZATION

- Rebalance business mix to decrease capital absorption
- Redeploy capital to higher return business
- Increase cash remittance by 2.5x within the plan period

## INNOVATION AND DIGITAL TRANSFORMATION

- Accelerate cost reduction
- Full set of smart insurance products
- Lean and integrated governance

# Generali 2021

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## **COUNTRY FRANCE AND EUROP ASSISTANCE GROUP STRATEGY**

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**JEAN-LAURENT GRANIER**

Country Manager for France  
and responsible for Europ Assistance Group

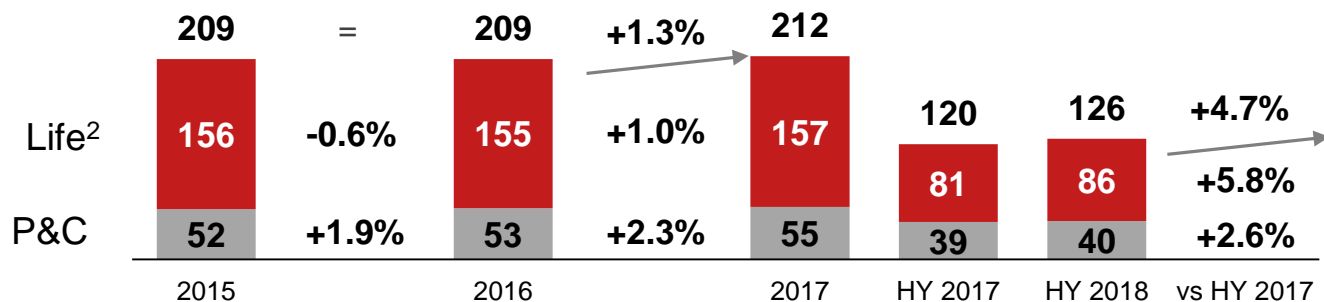
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# French insurance market: 2<sup>nd</sup> largest in Europe; returning to growth

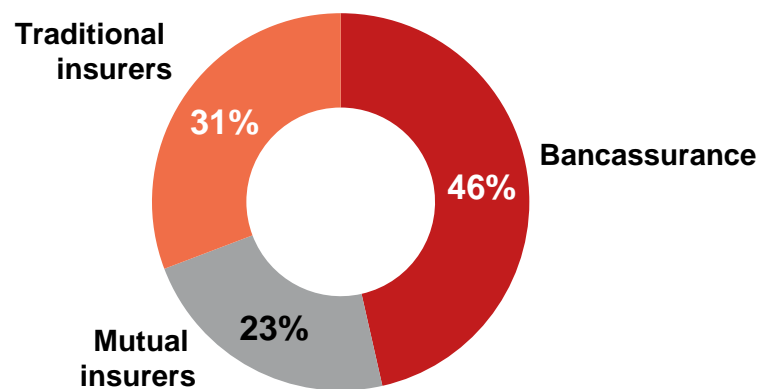
## SIZE AND GROWTH<sup>1</sup>

GWP (€ billion), % GROWTH



## FRENCH INSURANCE PLAYERS BREAKDOWN<sup>1</sup>

2017, by GWP



## POSITIVE OUTLOOK

- Improving macro backdrop, supportive of top line growth
- Pro-business initiatives from government :
  - Expected shift of **Corporate Tax** rate from 33% to 25% by 2022
  - Greater flexibility from **Labor reforms**

## BUT CHALLENGES TO ADDRESS

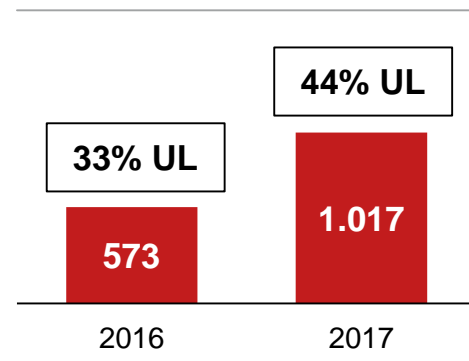
- **Regulatory changes** affecting insurers & customers: GDPR, IDD, Loi PACTE
- **Banks** gaining market share (including in Small Corporates segment)
- Further growth of **wholesale brokers**
- **Price competition** driven by Mutual Companies and Institutions de Prévoyance

# Industrial transformation already underway for Generali France

## RESHAPED BUSINESS MIX

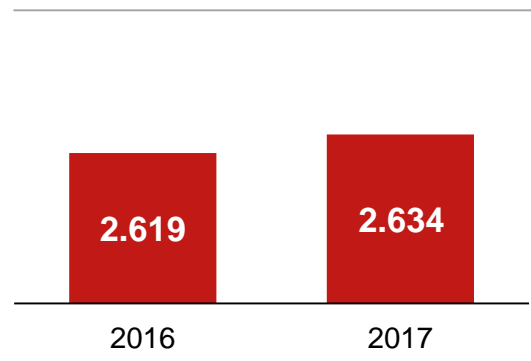
### LIFE NET INFLOWS<sup>1</sup>

(€ million)



### P&C GWP<sup>1</sup>

(€ million)

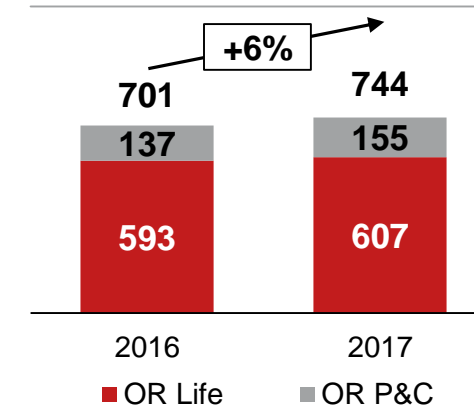


- Development in Protection and Health and P&C
- Strong focus on UL: 44% in 2017 vs 29% for French market



### OPERATING RESULT<sup>1</sup>

(€ million)

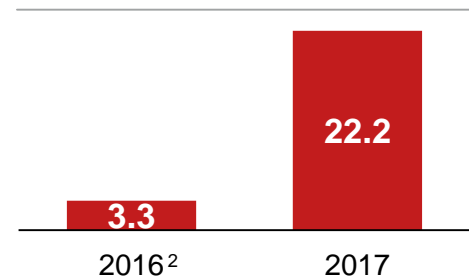


1. P&C's OR includes GC&C  
Total OR including Holdings & conso's adjust.

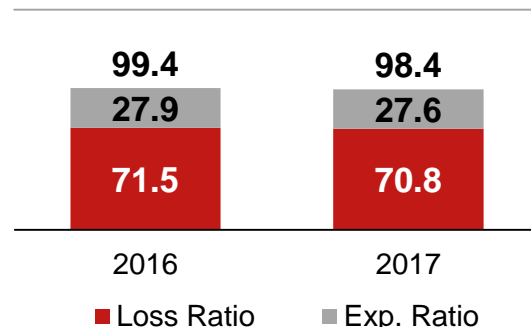
## STRENGTHENING PROFITABILITY METRICS

### LIFE NBM<sup>1</sup>

(%)



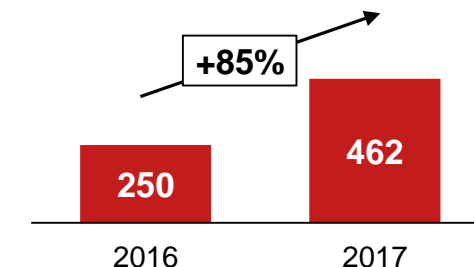
### P&C Combined Ratio<sup>1</sup> (%)



- Increase of 19% of Life NBM
- Decrease of 1% of P&C Combined Ratio

### CASH REMITTANCE

(€ million)



1. NBM Group Vision includes Savings, Pension and P&H  
2. NBM 2016 includes Contract boundaries restatement

1. Combined Ratio (IFRS) includes GC&C

# Accelerating Generali France in-depth transformation

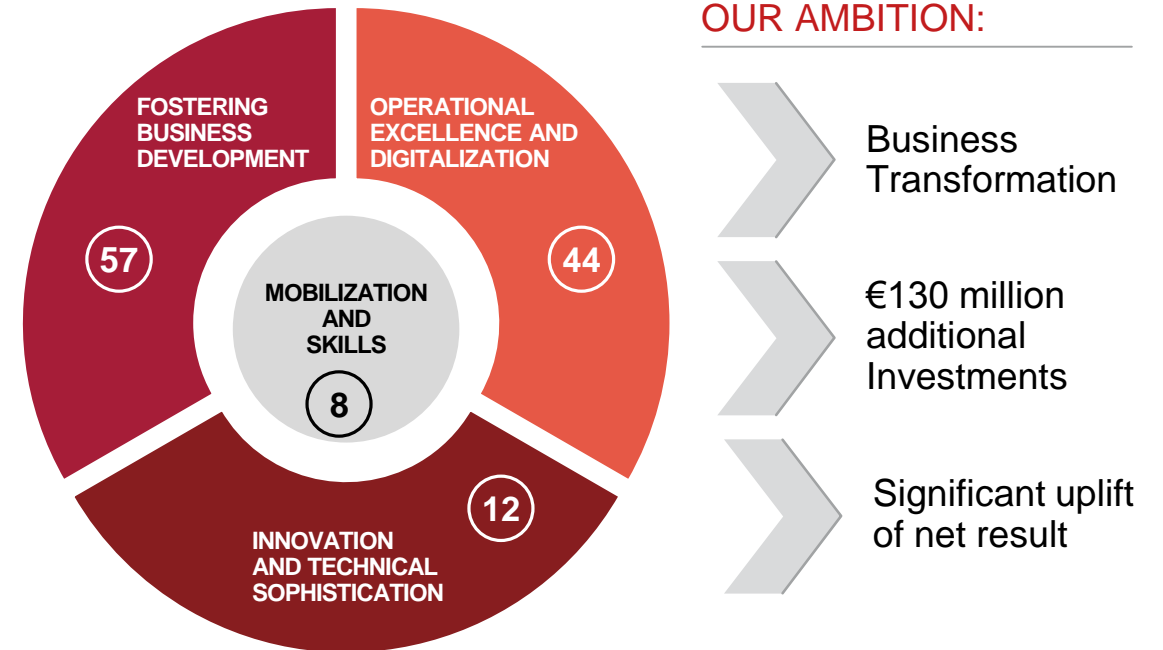
- # 4 pure insurance player
- Over 8 million policy holders, 800,000 professionals and SME clients
- Multidistribution DNA
- 5% market share
- Revenues:
  - 65% Savings & Pensions
  - 22% P&C
  - 13% Protection & Health

## WELL POSITIONED ACROSS ALL KEY MARKET SEGMENTS

- #1 for Online Savings and leading player in Affluent segment
- #1 for Pension products for self-employed individuals
- Strong presence in the Professionals and SME brokers' segment
- Significant player in Protection & Health
- Profitable development of distribution under white label (mobility, savings, health)

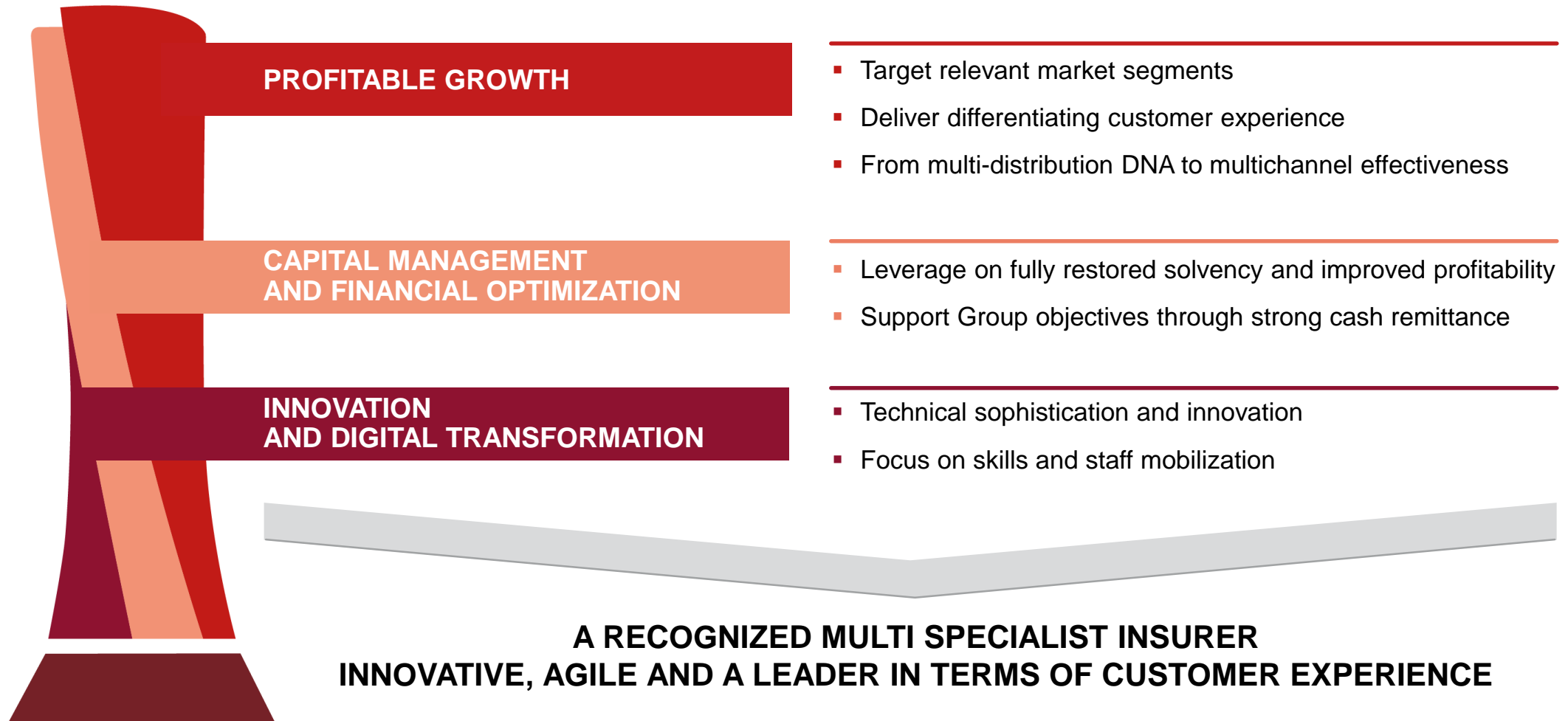
## EXCELLENCE 2022

A transformation program based on 4 dimensions containing 121 initiatives setting a clear roadmap for Generali France...



...in full alignment with the Group Strategy

# Generali France to strongly contribute to Group strategy delivery



# Profitable growth

## STRENGTHEN LEADERSHIP AND PROFITABILITY IN SAVINGS & WEALTH

- Develop patrimonial services for IFAs and Generali Luxembourg platform for HNWI
- Shift asset management inflows to Generali Investment
- Fintech, neobanks and new technology for client 3.0

**MORE THAN DOUBLE SHARE OF IN-HOUSE ASSET MANAGEMENT**

## FOSTER DEVELOPMENT IN PROFESSIONALS SEGMENT

- Implement new digital-enabled agent model
- Reshuffle P&C brokers geographical footprint
- Design new differentiating P&C products combining guarantees and services

**INCREASE MARKET SHARE BY >10% FOR PROFESSIONALS AND SMEs**

## RENEW OPPORTUNITIES IN PENSION & HEALTH SEGMENTS

- Rebound on Loi Pacte opportunity for pensions, with incentivized Life brokers
- Operational excellence and digitalization for health
- Broaden service offer in P&H

**BY 2021 COVER 1.5M GENERALI CUSTOMERS WITH EUROP ASSISTANCE TELEMEDICINE**

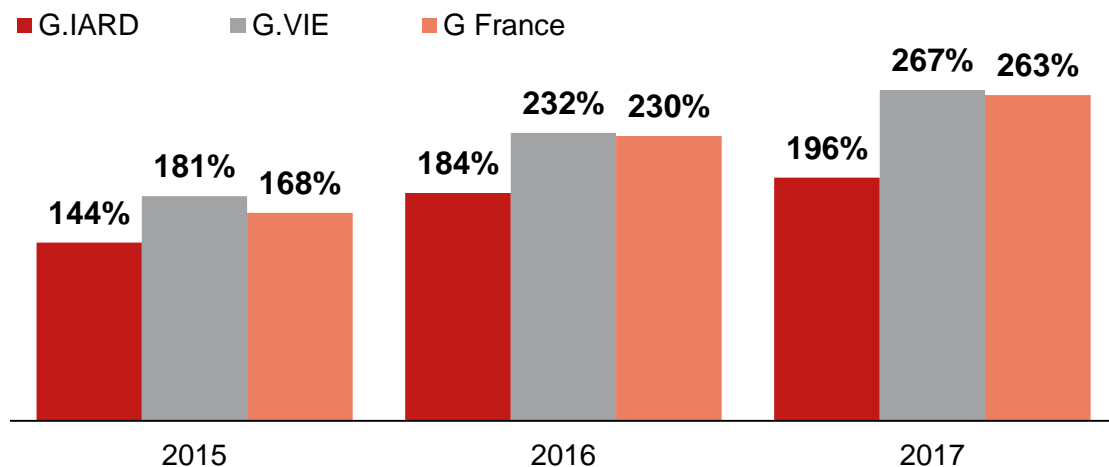
## RESHAPE BUSINESS MODEL FOR SALARIED SALESFORCES

- Dedicated offers targeting seniors and families
- Selective investment in IT Tools
- High margin business-mix (P&H) powered by advice based approach

**+30% OPERATING RESULT CONTRIBUTION BY 2021 FOR SALARIED SALES FORCES**

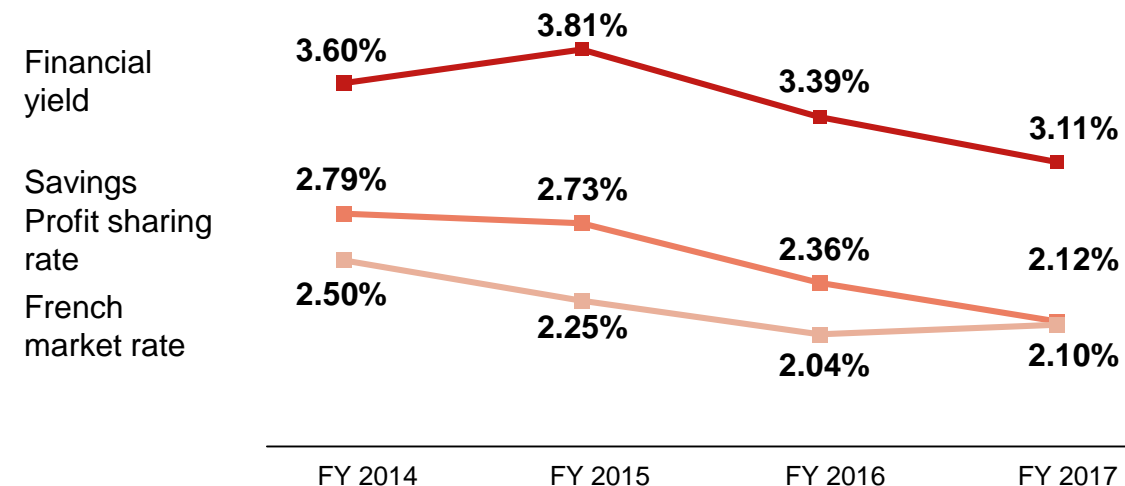
# Capital management and financial optimization

## SOLVENCY RESTORED



- Strong solvency position (>200%) impacted by rebalancing the portfolio towards capital-light products

## SAVINGS: STRINGENT PROFIT SHARING STRATEGY FOR POLICY HOLDERS



- Effective steering of new business-mix and inforce margin management
- New business with <0% guaranteed rates leading to continuous decrease on stock (0.68%)

**PROFITABLE AND CAPITAL LIGHT GROWTH TO DOUBLE GENERALI FRANCE ONGOING CASH REMITTANCE CAPACITY OVER THE PLAN PERIOD<sup>1</sup>**

# Innovation and digital transformation

## FOCUS ON DIGITALIZATION AND MULTICHANNEL DISTRIBUTION

- Improved digital presence & brand preference through Web Marketing
- Multi channel strategy for claims: internal, outsourced to platform, digitalized
- Innovative & inspiring partnerships in B2B2C: white labelling as a lab for new usages

**80% OF STANDARD CLAIMS  
MANAGED CENTRALLY AND  
HIGHLY AUTOMATED**  
by 2021

## SCALE UP ROBOTICS AND ARTIFICIAL INTELLIGENCE SOLUTIONS

- Simplification to increase operating model efficiency
- Automation to radically improve customer experience and quality of service
- Chatbots and voicebots to support both distributors and customers

**LEVERAGE AI AND ROBOTICS  
TO DELIVER SIGNIFICANT  
PRODUCTIVITY GAINS**

## IN DEPTH TRANSFORMATION OF BUSINESS PROCESSES AND STRENGTHENING OF HUMAN CAPITAL

- Make or Buy strategy along the value chain
- Strategic Workforce Planning in place to achieve HR transformation
- Selective hirings to strengthen needed expertises (data, AI, modelling...)

**ZERO-BASED BUDGETING USED  
BY 100% SUPPORT FUNCTIONS**  
by 2019

# Focus on pricing sophistication and high-impact data initiatives

## ADVANCED DISCOUNT MANAGEMENT: HOW TO KEEP CLIENTS WITH HIGHER VALUE?

➤	Commercial Premium	<b>RISK</b>
➤ +	Client Discount (% per policy)	<b>CLIENT VALUE</b>
➤ +	Commercial Latitude (% per policy)	<b>AGENTS</b>

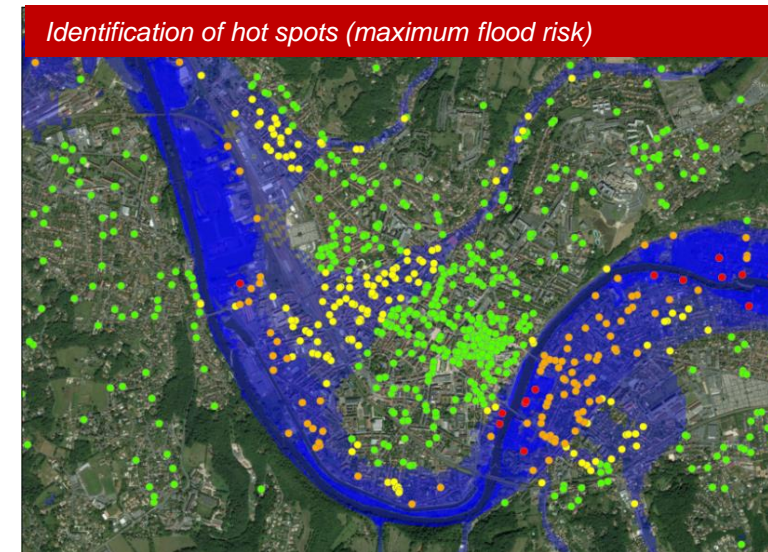
LAUNCHED BY END OF 2018 FOR HOUSEHOLD AND MOTOR

**REDUCE BY 25% MOTOR NEW BUSINESS DISCOUNT RATE  
DISCOUNTS BETTER ALLOCATED TO GOOD RISKS**

by 2021

## GEO-INTELLIGENCE APPLIED TO NATURAL EVENTS EXPOSURE

Extend geo-intelligence into P&C underwriting process (New Business and Renewal) through applications, offers and services dedicated to natural risk prevention



**95% OF 1.3 MILLION P&C RISKS GEOCODED  
TO ALLOW MORE PRECISE UNDERWRITING**

by 2019



# Focus on Europ Assistance: worldwide leadership in care and mobility services

## MISSION

**FROM DISTRESS TO RELIEF, ANYTIME, ANYWHERE**

### TRAVEL

Guarantee and protect customers' travel in case of unforeseen issues

### AUTO

Guarantee and protect customer mobility in case of breakdown or accident

### PERSONAL ASSISTANCE

Make daily life easier for customers

### SENIOR CARE

Help senior and dependent people stay home longer, better and safer

## MOST TRUSTED FINANCIAL SERVICES BRAND IN FRANCE

(2018 OPINIONWAY SURVEY)

**7,530**

employees

**35**

Assistance centers serving 200+ countries / territories

**750,000**

Medical, travel and roadside assistance providers

**10 MILLION**

interventions

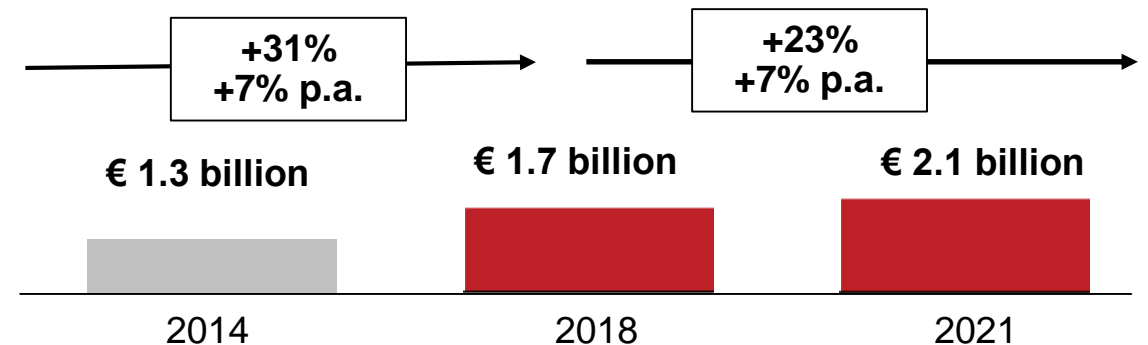
## VISION

**TO BE THE MOST RELIABLE CARE COMPANY IN THE WORLD**

## STRATEGIC PILLARS

- Reinforce travel leadership
- Grow and diversify auto
- Diversify into personal assistance
- Innovation and transformation
- Deliver services that differentiate offerings
- Focus on people and brand

## REVENUE



# Generali France ambition

## PROFITABLE GROWTH

- Leveraging on multi distribution model to enhance focus on most relevant market segments

## CAPITAL MANAGEMENT AND FINANCIAL OPTIMIZATION

- Leveraging on fully restored solvency and improved profitability

## INNOVATION AND DIGITAL TRANSFORMATION

- Leveraging on digitally-enabled distribution and robotics for a differentiating distributors and customers experience

**A RECOGNIZED MULTI SPECIALIST INSURER  
INNOVATIVE, AGILE AND A LEADER IN TERMS OF CUSTOMER EXPERIENCE**

# Generali 2021

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## ASSET MANAGEMENT STRATEGY

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**TIMOTHY RYAN**

Group Chief Investment Officer  
and Chief Executive Officer of the Asset and Wealth Management

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# Three powerful growth engines: Investments, Wealth & Asset Management

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## INSURANCE INVESTMENTS

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- Employees:  
**~300**
- Assets (2017):  
**€ 487 billion**
- Investment Operating Result  
2017: **€ 3.1 billion** (Life, P&C)

---

## WEALTH MANAGEMENT BANCA GENERALI

---

- Employees:  
**~800**
- Assets Under Mgmt (2017):  
**€ 56 billion**
- Operating Result 2017:  
**€ 241 million**

---

## ASSET MANAGEMENT

---

- Employees:  
**~1200**
- Assets Under Mgmt (2017):  
**€ 463 billion**
- Operating Result 2017:  
**€ 261 million**

# 2021 priorities for Investments and Wealth Management

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## INVESTMENTS

---

- Increase portfolio diversification to enhance risk-adjusted returns
- Support growth of Unit-Linked business
- Expand Environment, Social and Responsible investments

---

## WEALTH MANAGEMENT BANCA GENERALI

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- Diversify revenues mix, achieve profitable growth
- Continue innovation in customer journey, services
- Expand internationally
- Banca Generali Investor Day on December 3<sup>rd</sup>

# Significant progress in Asset Management Europe since 2017

## MAY 2017: NEW EUROPEAN ASSET MANAGEMENT STRATEGY

### KEY STRATEGIC OBJECTIVES

**Broaden and deepen investment capabilities and product offering**




**Accelerate growth and transformation through a focused distribution strategy aimed at insurance and individual clients**



### KEY ACTIONS IMPLEMENTED

- **Industrial transformation**
  - Transformation of existing Asset Management business into leading multi boutique model
  - Reassessment of services and fee schemes to Group companies
- **Boutiques acquisitions and new ventures**
  - 3 acquisitions/partnerships
  - 2 new ventures
- **Expansion of external clients business**
  - Split distribution and client servicing between insurance and external clients
  - Secured strategic partnerships in Insurance

# On track to reach € 300 million net result in Europe by 2020

	2016	2018 Target <sup>1</sup>	Status
<b>COST / INCOME</b>	<b>71%</b>	<b>&lt; 63%</b>	 Better than Target
<b>REVENUES MIX</b>	<b>6%</b> External Clients	<b>13%</b> External Clients	 On Track
<b>NET RESULT</b>	<b>€ 84</b> million	<b>€ 192</b> million	 Better than Target

# Generali's core convictions on Asset Management

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- Alignment between clients success and Asset Managers outcomes is key for a long term profitable growth
- Boutiques managers with differentiated expertise will continue to deliver attractive long-term returns to customers as long as they manage capacity
- Management and distribution fee models will evolve, to reflect fiduciary relationship with clients
- Asset managers must take a strategic approach to sustainability and integrate ESG objectives into business unit and investment decisions



# Moving from a European to a global franchise

---

## CONTINUE TO DEVELOP MULTI-BOUTIQUE PLATFORM TO EXPAND PRODUCT AND SERVICE OFFERING

---

- Streamlining existing asset management companies into leading boutiques
- Expansion into high conviction strategies and new geographies through start-ups, acquisitions and strategic partnerships

---

## INVEST IN DISTRIBUTION CAPABILITIES

---

- Leverage Generali Group distribution firepower
- Leverage boutiques brand and client relationships
- Build and buy distribution platforms

# Multi-boutique platform with broader product and service offering

## STREAMLINING EXISTING ASSET MANAGEMENT COMPANIES INTO LEADING BOUTIQUES



Liability Driven Investments



Funds of Funds Alternatives and High Conviction



Real Estate Asset Manager



Central and Eastern Europe Asset Manager

## CREATING LONG TERM VALUE THROUGH START-UPS



aperture investors



US disruptive initiative



Debt Infrastructure

## ACQUISITIONS AND STRATEGIC PARTNERSHIPS



# Leverage distribution capabilities

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## LEVERAGE GENERALI GROUP DISTRIBUTION FIREPOWER

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- **Large Insurance Distribution**
  - 150,000+ agents and salespeople
  - Over 30 countries
- **Strong Wealth Management Platform**
  - ~2,000 financial advisors
- **Important new initiatives**
  - Generali Global Pension

---

## LEVERAGE BOUTIQUES BRAND AND DISTRIBUTION NETWORKS

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- **Strong regional brands**
- **Ability to leverage customer relationship in each reference market**
- **Opportunity to scale up to global**
- **Highly specialized on own products, with focus on**
  - Retail intermediaries
  - Institutionals

---

## BUILD AND BUY GLOBAL A.M. DISTRIBUTION PLATFORMS

---

- **Blending of product capabilities to create sophisticated solution for clients**
- **Global reach through centralized platform and local expertise**
- **Specialized competencies on sophisticated products**

# Generali is a long term majority strategic partner for fund managers and boutiques

## ENTREPRENEURIAL CULTURE

- Value of autonomy and brand
- Industrial partner capabilities to create revenue and cost synergies
- Strategic support to grow the business
- Succession planning

**ENTREPRENEURS**

## FINANCIAL VALUE-ADD

- Large pool of strategic investment capital to deploy (€3 billion+ deployed in the past 12 months)
- Stable, long-term capital base (10+ years duration)
- Sophisticated and tailor made financial structures to sustain and accelerate growth

## INSTITUTIONAL STRENGTH

- Generali brand with 187 years of existence
- Distribution capabilities
- Shared technology hub
- Global regulatory support

# Generali Asset Management 2021 key targets

## INCREASE EXTERNAL CLIENT CONTRIBUTION

- Broader offer for external clients
- Strategic partnerships
- Specialized distribution
  - Both retail and institutional
- Acquisitions to accelerate growth

**6% → 35%**

**SHARE OF EXTERNAL CLIENTS  
NET REVENUES**

2017 → 2021

## MAINTAIN A SUSTAINABLE PROFITABILITY

- Revenues expansion through premium investment strategies
  - Investment mix, performances
- Cost containment and optimization
  - Leverage on technology / innovation
  - Continuous organizational efficiency

**42% → >45%**

**OPERATING MARGIN**

2017 → 2021

## DOUBLE GLOBAL NET RESULT

- Continuous global expansion across investment strategies and geographies
- Long-term organic value creation initiatives
- Disciplined inorganic growth
  - Delivering positive results also in the short run

**€187 → >400 million**

**GLOBAL NET RESULT<sup>1</sup>**

2017 → 2021

**Long-term ambition: become top 5 multi boutique in the world by profits**

# Generali 2021

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## FINANCIALS

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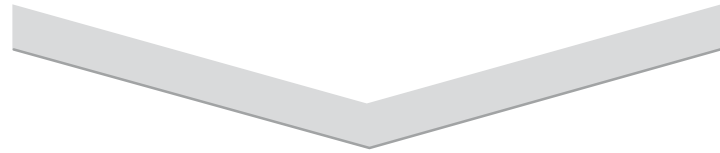
**CRISTIANO BOREAN**

Group Chief Financial Officer

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# Generali 2021 will deliver robust financial results

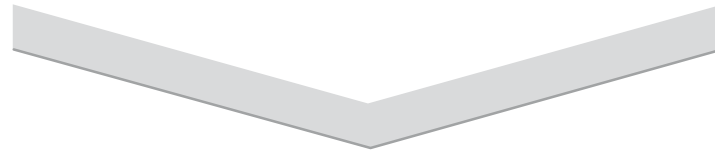
## GROWING EARNINGS PER SHARE



**6%-8%**

**EPS CAGR RANGE<sup>1</sup>**  
2018-2021

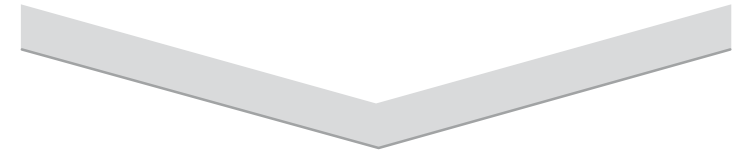
## GROWING DIVIDEND



**55%-65%**

**DIVIDEND PAY-OUT RANGE<sup>2</sup>**  
2019-2021

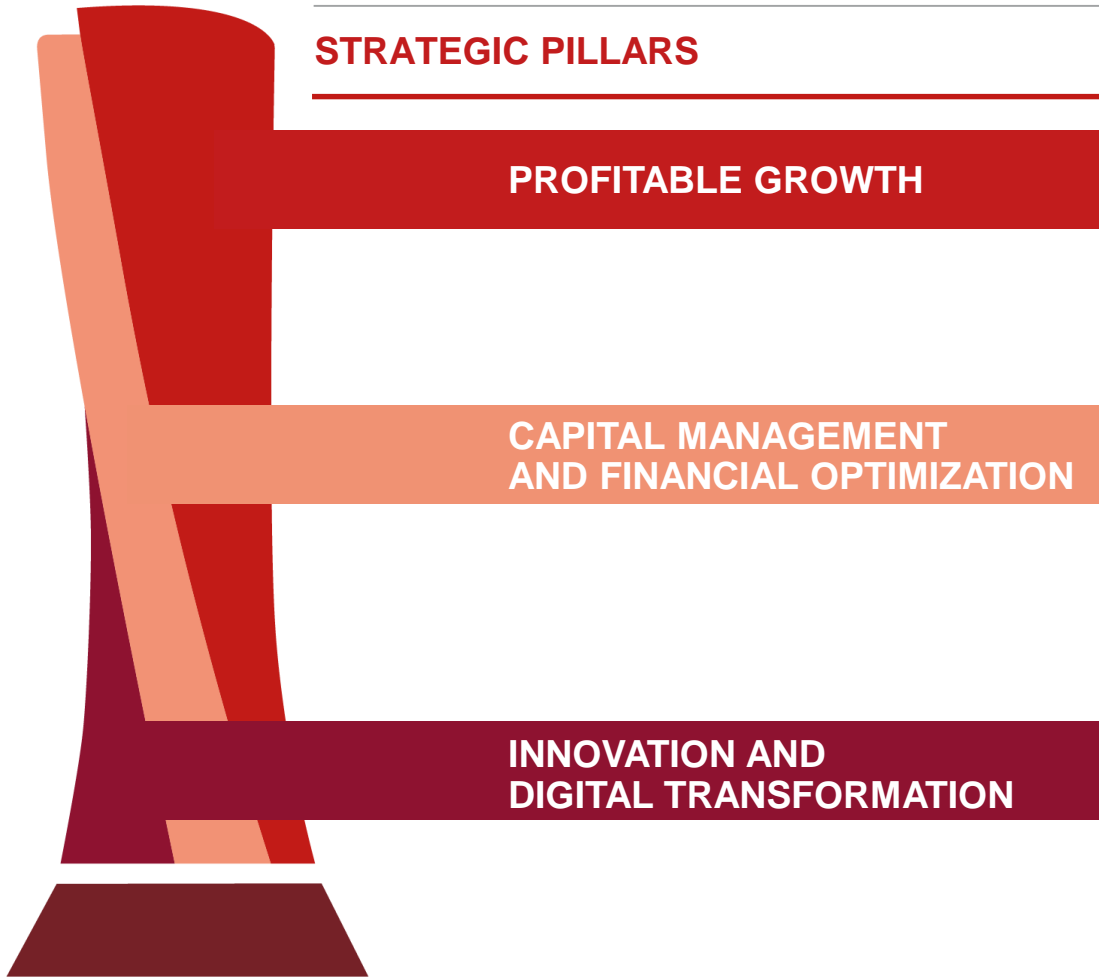
## HIGHER RETURNS FOR SHAREHOLDERS



**>11.5%**

**AVERAGE RETURN ON EQUITY<sup>3</sup>**  
2019-2021

# Strategic pillars to drive financial performance



## **FINANCIAL IMPACT**

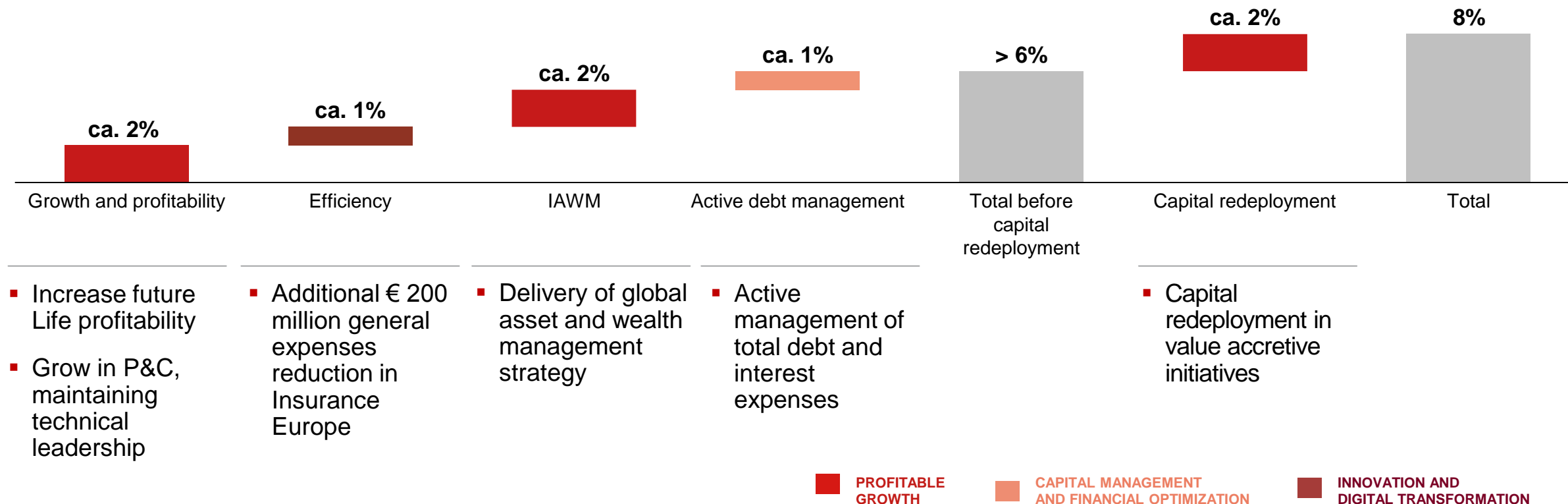
- Stronger and more predictable **EPS growth**
- Resilient **balance sheet** fueling **growing capital and cash generation**
- Driving **efficiency** while **investing for the future**



# Multiple drivers of earnings per share growth

## COMPONENTS OF EARNINGS PER SHARE GROWTH

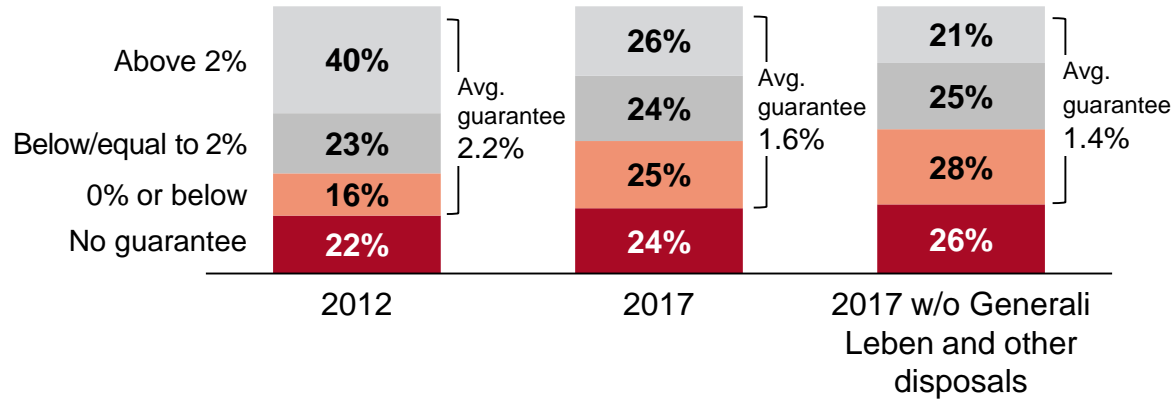
2018-2021 CAGR<sup>1</sup>



# Significant transformation in Life portfolio and New Business profitability achieved

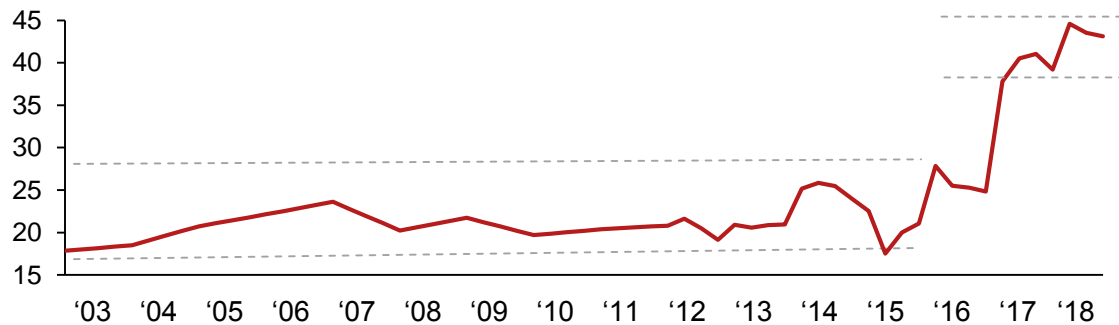
## TURNAROUND IN PORTFOLIO COMPOSITION

(Reserves by level of guarantee)

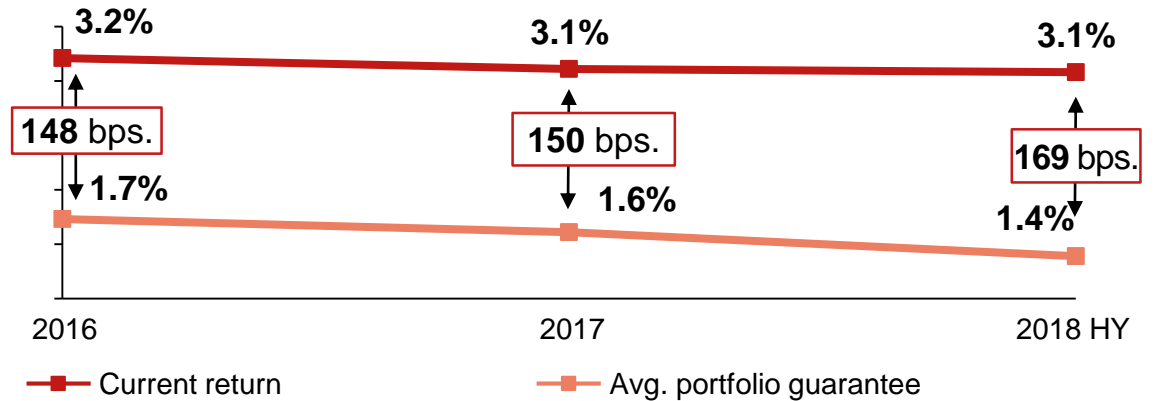


## STEP CHANGE IN NEW BUSINESS PROFITABILITY

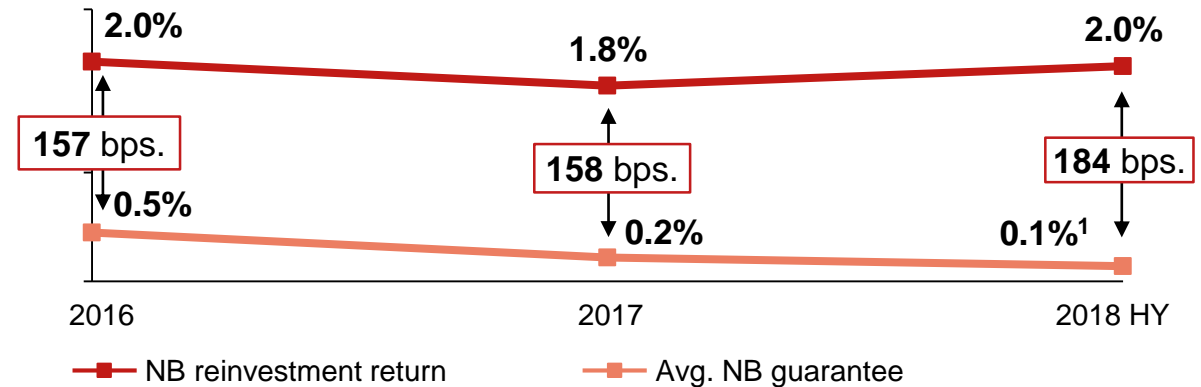
(NBV/APE, %)



## CURRENT ASSET RETURN VS. PORTFOLIO GUARANTEES



## REINVESTMENT RETURN VS. NEW BUSINESS GUARANTEES



# Improvement in expected Life business profitability

- Turnaround in portfolio composition

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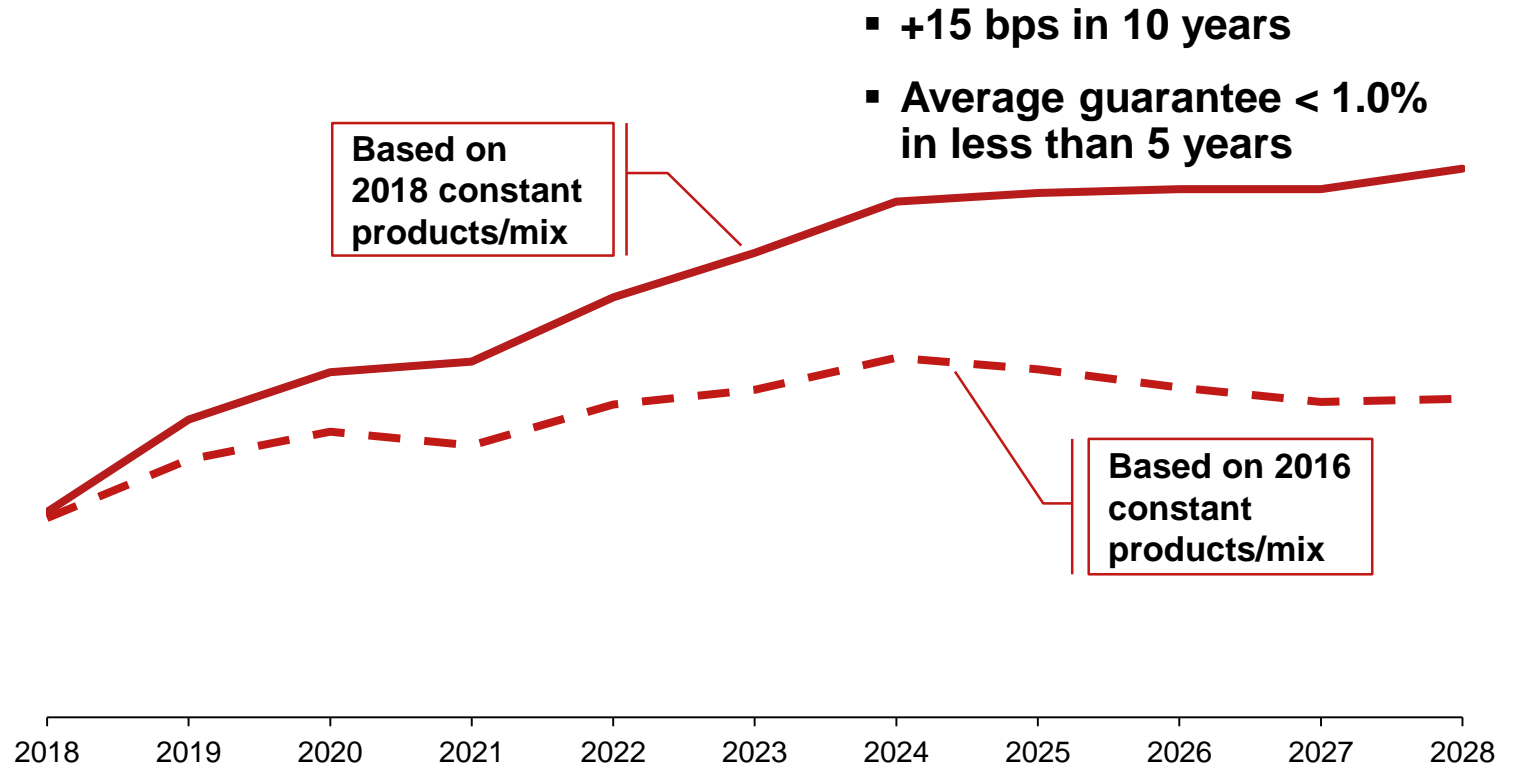
- Step change in New Business profitability

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- Improving spread:
  - Current asset return vs. portfolio guarantees
  - Reinvestment return vs. New Business guarantees



## EXPECTED TOTAL INDUSTRIAL RESULT<sup>1</sup>/RESERVES (%)



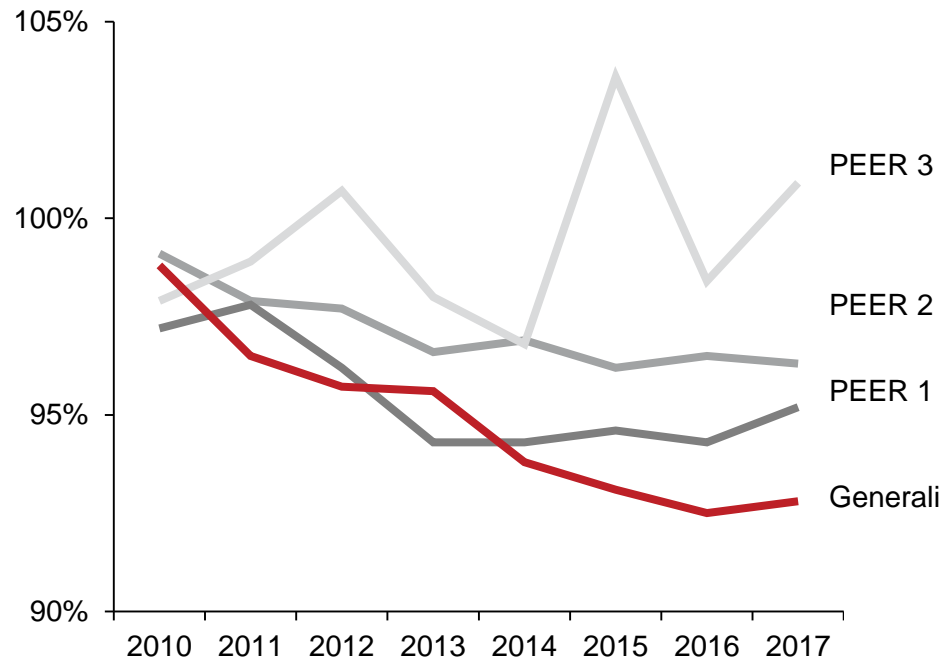
### KEY ASSUMPTIONS

- Constant financial conditions as of 2018
- Future total industrial result<sup>1</sup> development assuming constant premiums production

# Growing P&C and maintaining technical leadership

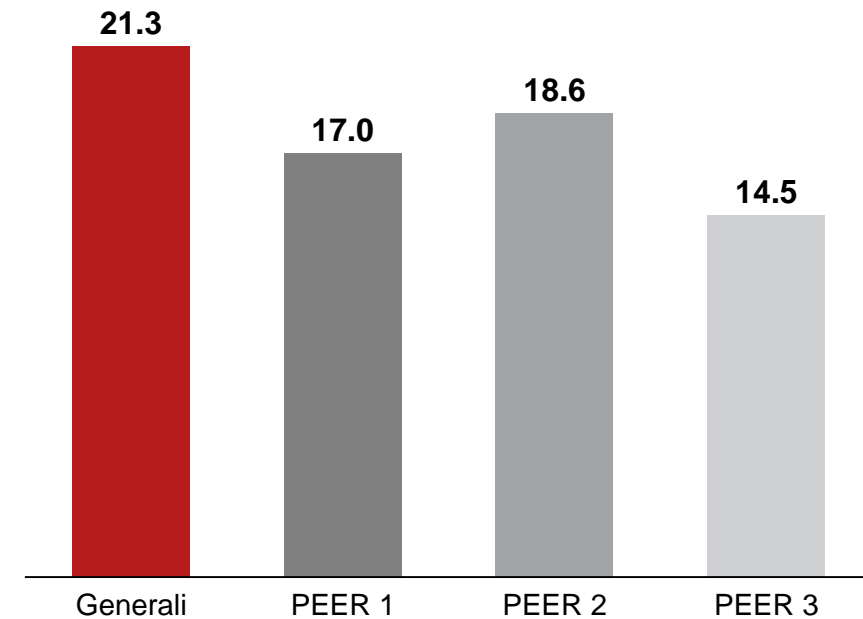
## BEST IN CLASS COMBINED RATIO

(2010-2017, %)



## STRONG RESERVING LEVEL<sup>1</sup>

(2017, %)



## CAPTURE GROWTH OPPORTUNITIES IN SPECIFIC GEOGRAPHIES AND SEGMENTS

# Deliver additional € 200 million total expense reduction in Insurance Europe

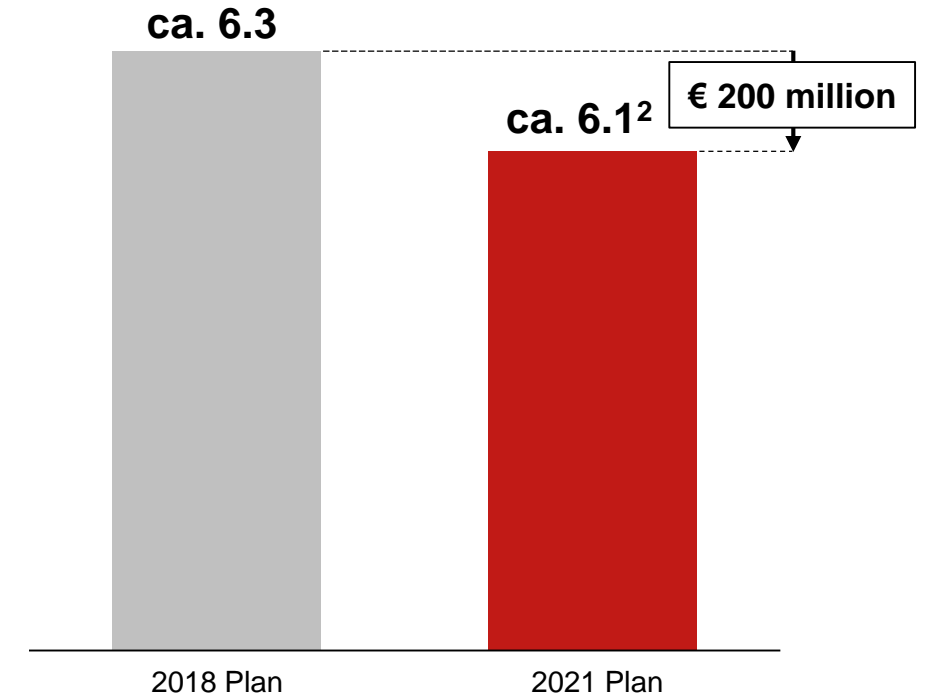
## AMBITION

**€ 200 million total expense reduction**  
(including Cost to Achieve<sup>1</sup>) in Insurance Europe by restructuring/simplification of local operations

**Including € 1 billion investments** in internal strategic initiatives across the Group

## TOTAL EXPENSE REDUCTION

Insurance Europe, € billion



# Active management of total debt and interest expenses

## KEY PRIORITIES

**Decrease financial leverage** over time  
(further debt reduction between **€ 1.5 billion** and **€ 2 billion**)

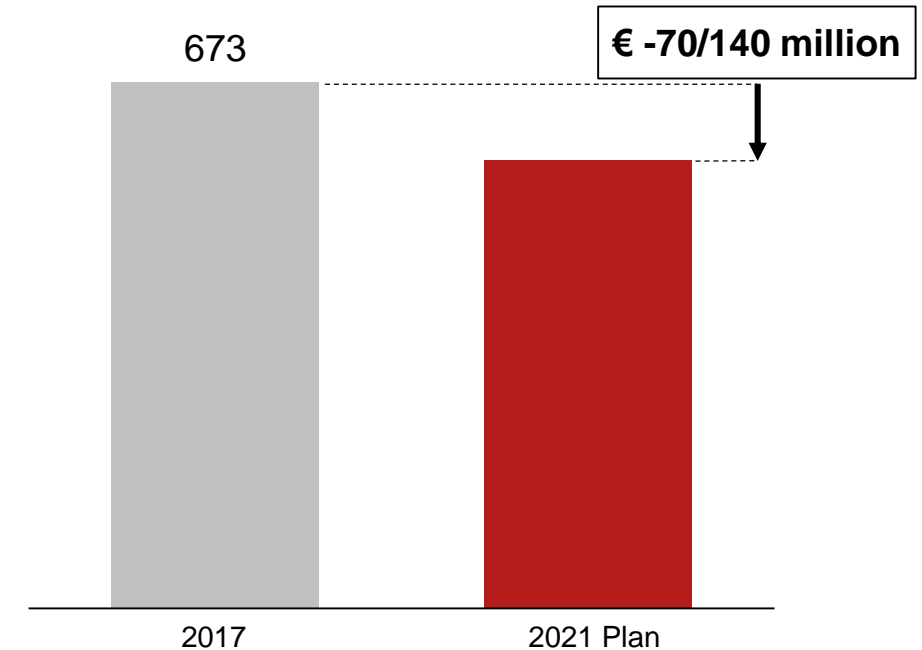
**Reduce interest expense** through active debt management

**Optimize capital composition** under Solvency II framework

Achieve a **balanced, long-term debt maturity profile**

## GROSS INTEREST EXPENSE REDUCTION

(Gross of tax, € million)



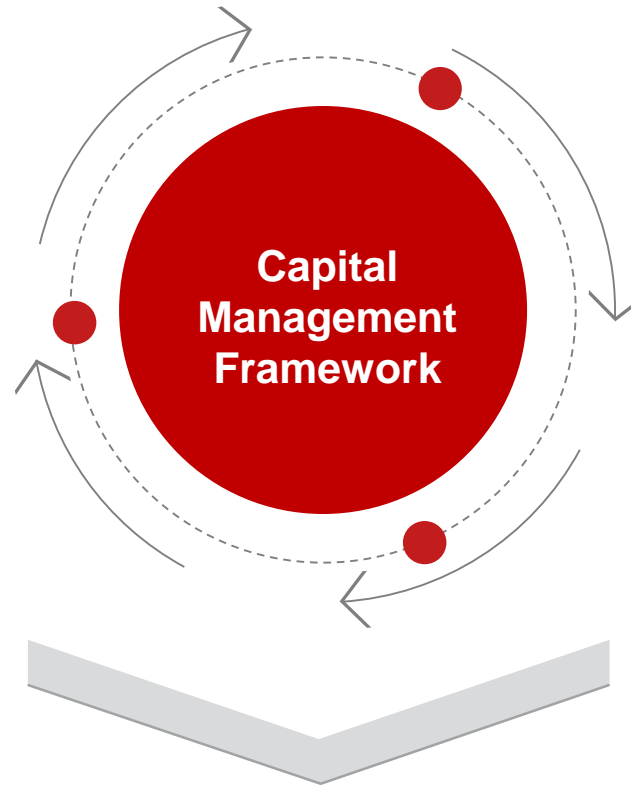
**OPPORTUNISTIC AND FLEXIBLE MANAGEMENT DEPENDING ON MARKET CONDITIONS  
AND INVESTMENT OPPORTUNITIES**

# Reinforced framework for disciplined Capital Management

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**Standardized mapping of free excess capital and cash available** (leveraging deployment of internal model and accounting for local GAAP and liquidity constraints)

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**Preferred SII risk appetite** range established for all entities (on top of soft and hard limits)

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**Multiple metrics**, including risk adjusted perspective, to evaluate existing BUs and new ventures (ROCE most important)

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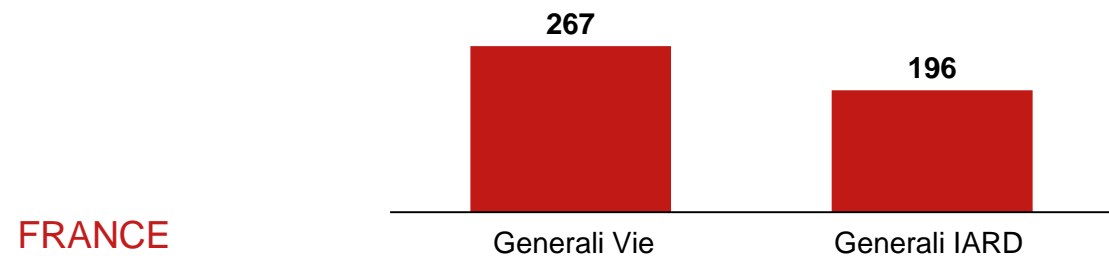
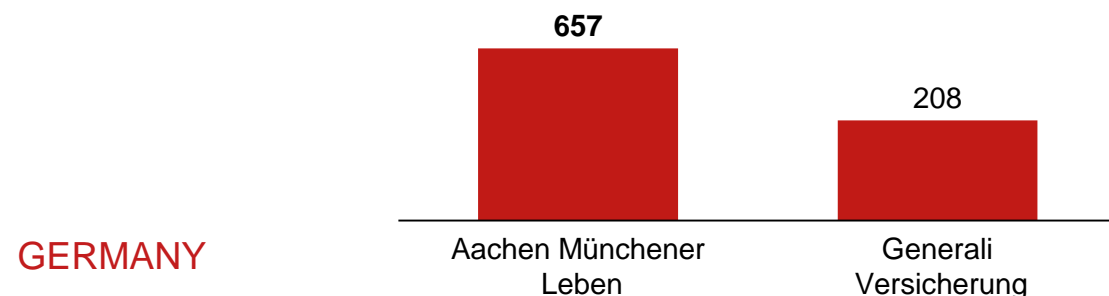
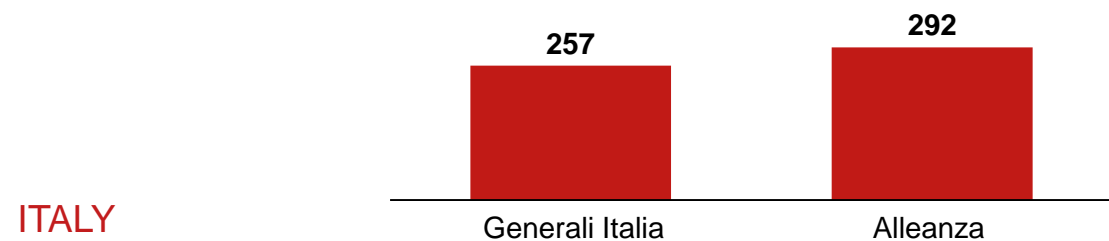
**ENHANCED CAPITAL AND CASH MANAGEMENT AT HOLDING LEVEL  
TO OPTIMIZE CAPITAL ALLOCATION ACROSS BUSINESSES**

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# Significant capital in all major BUs allows for further optimization

## SOLVENCY POSITION BY MAIN LEGAL ENTITY

(Regulatory, YE2017, %)



## OUTLOOK

- **Resilient solvency and balance sheet position**
- Room to **improve capital fungibility to benefit from the current excess of tangible assets over liabilities**
- **Healthy business model allowing for lower allocation of capital**, in particular after Generali Leben disposal
- **Additional capital management levers available**
- **Fully restored solvency with material excess capital above preferred risk appetite range**
- **Industrial turnaround driving higher remittance, and healthy tangible capital position allowing for further capital management actions**



# Increased total remittance levels while investing in growth markets

## KEY PRINCIPLES

Full upstream of distributable earnings in Insurance Europe

Enhanced framework to upstream pockets of surplus capital across BUs

Funding of organic expansion in Insurance outside Europe and AM

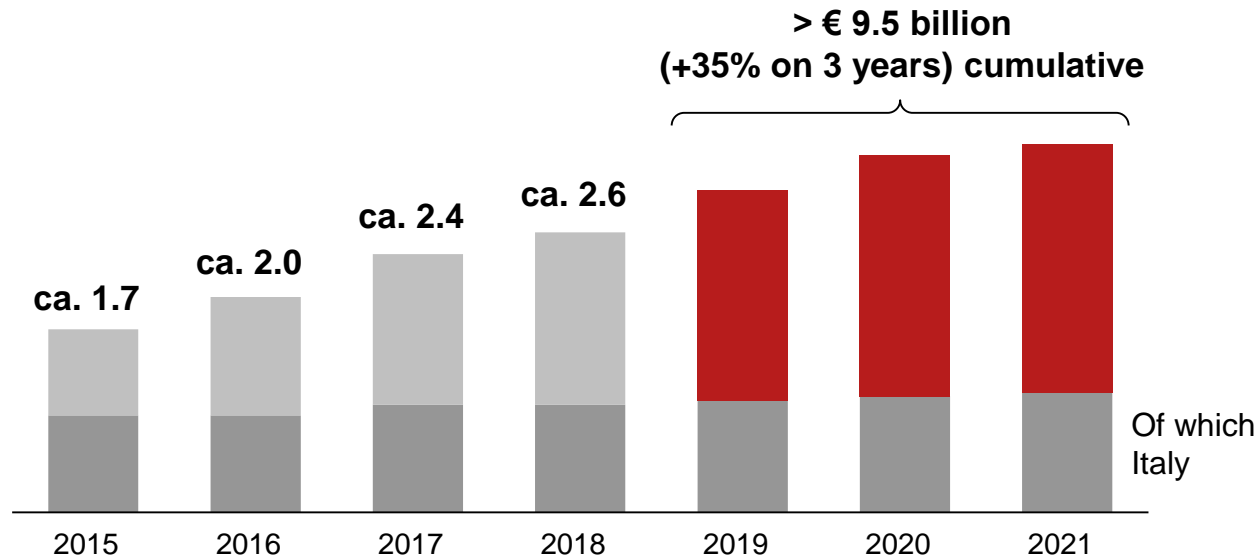
## REMITTANCE RATIO ON DISTRIBUTABLE BUS' IFRS NET RESULT (%)

	2016-2018	2019-2021
INSURANCE EUROPE	ca. 90%	↑
+ CAPITAL MANAGEMENT	<5%	↑↑
INSURANCE OUTSIDE EUROPE AND AM	ca. 30%	=
<b>TOTAL</b>	<b>ca. 85%</b>	<b>95-100%</b>

# Significant growth in remittances underpinned by robust capital generation

## REMITTANCE AND CASH UPSTREAM FROM BUS

(€ billion, expressed in cash terms<sup>1</sup>)



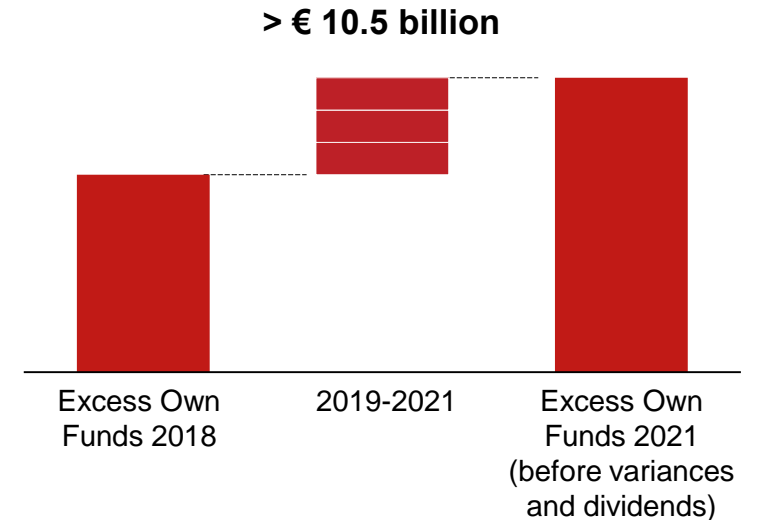
- Lower cash consumption for external interest and expenses
- Lower cash benefit from:
  - Internal reinsurance
  - Internal interest

vs. previous periods

> € 7 billion Net Holding cash flow (after Holding expenses and interest cost)

## NORMALIZED CAPITAL GENERATION

(€ billion)



# New Group Regulatory Solvency II risk appetite framework

## KEY PRINCIPLES

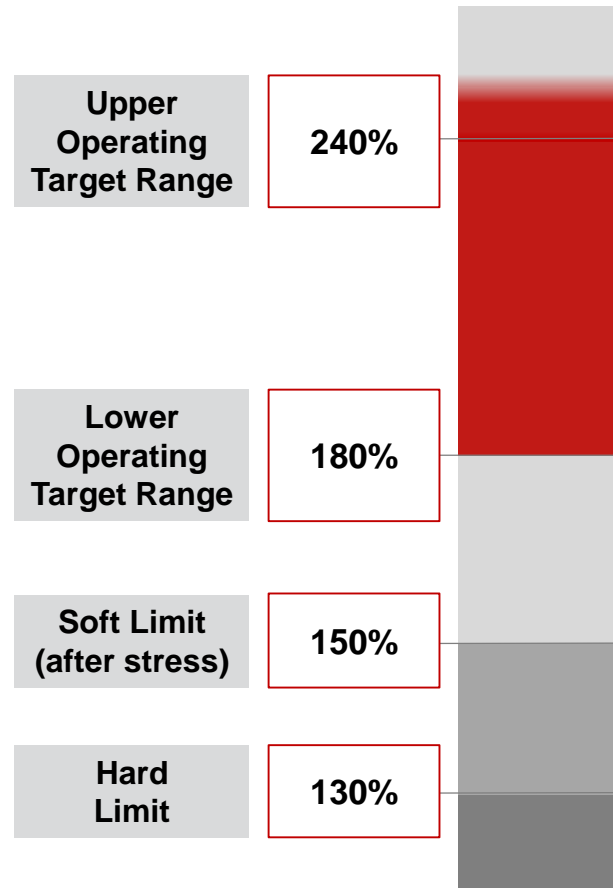
Introduce an Operating Target Range for the disciplined execution of capital management plan

Allow for volatility within Operating Target Range reflecting sensitivity to market conditions

Solvency II risk appetite one part of broader Capital Management framework



## SOLVENCY POSITION (Regulatory; %)



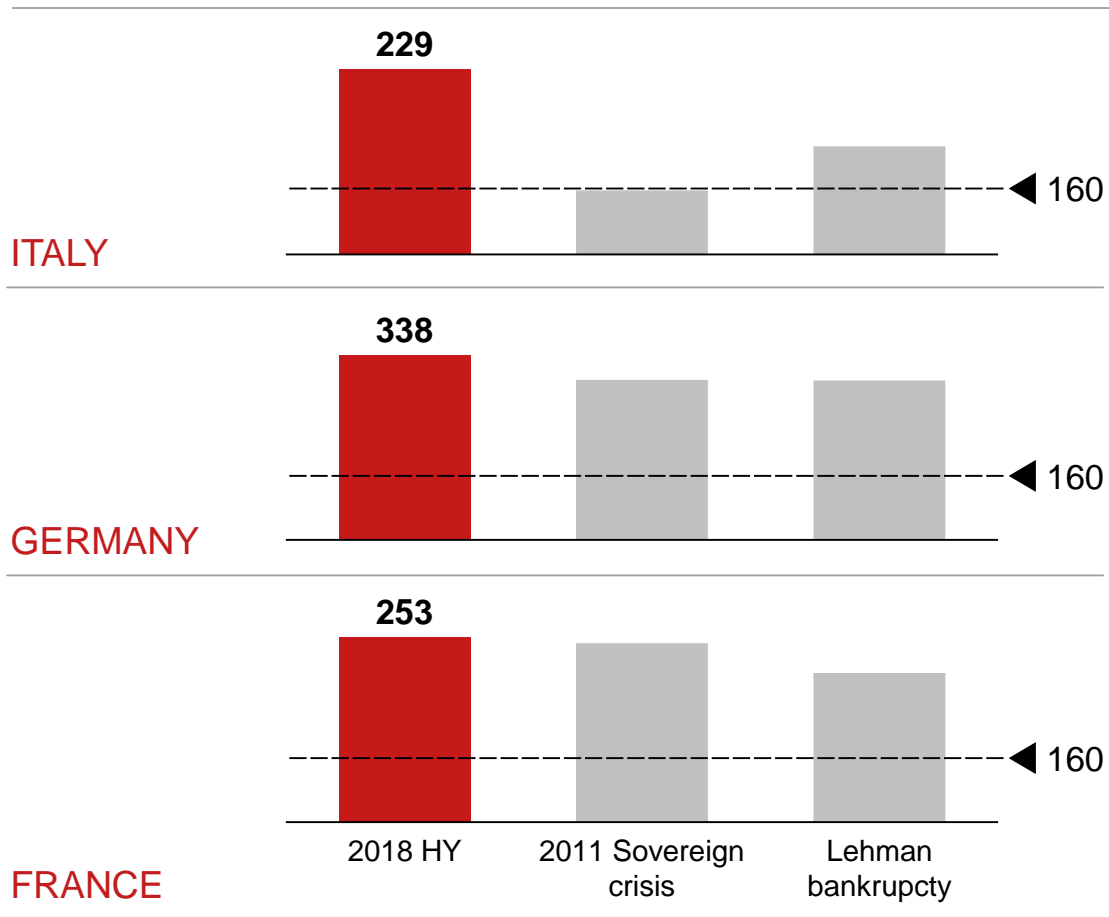
## CAPITAL MANAGEMENT FRAMEWORK ACTIONS

- Explore additional business growth initiatives
- Excess capital redeployment (debt reimbursement, capital return to shareholders)
- Disciplined execution of capital management plan
- Maintain investments and business growth strategy as planned
- Execution of planned hedging strategy
- Increase budget for hedging strategy
- Review of debt management strategy
- De-risking of the investment portfolio
- Review of the dividend payout ratio
- Increased selectivity of business growth initiatives
- Reduction of the dividend payout ratio
- Suspension of top management's incentive schemes

# Resilient Group Solvency: Group and all major markets above 160% under stressed scenarios

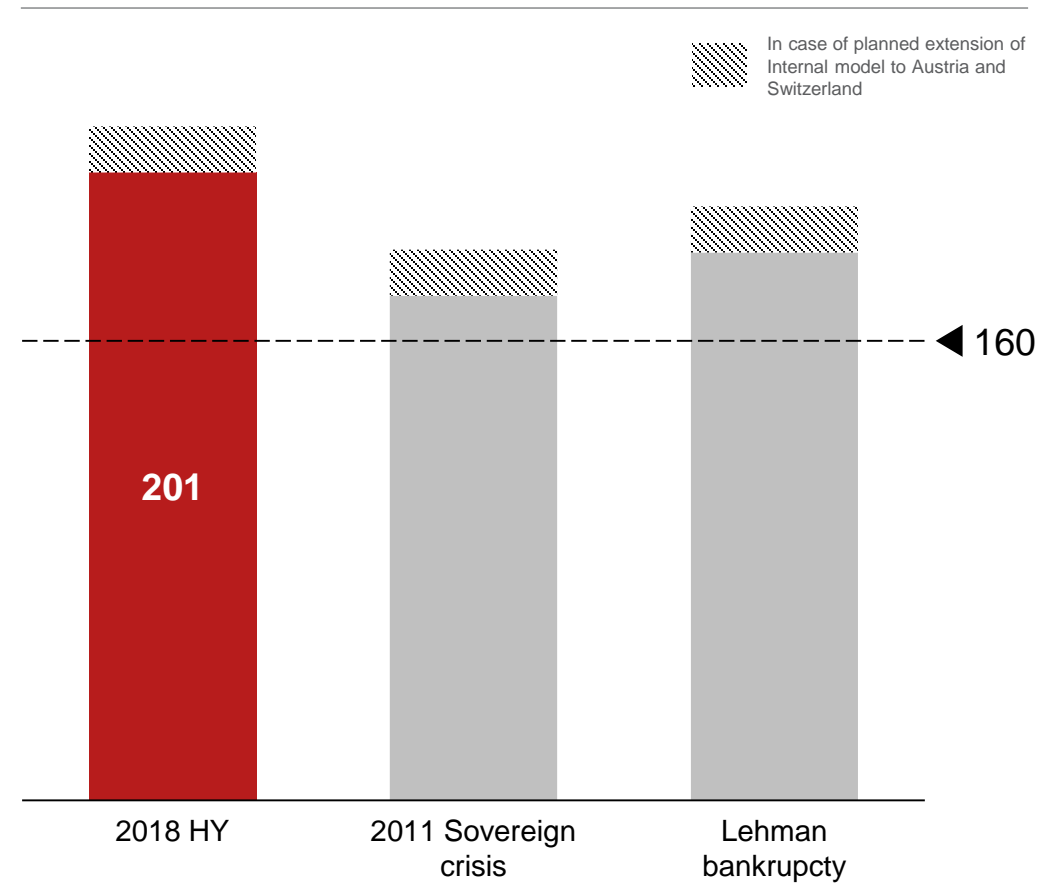
## ITALY, GERMANY, FRANCE SOLVENCY POSITION<sup>1</sup>

(Regulatory<sup>2</sup>; %)



## GROUP SOLVENCY POSITION

(Regulatory<sup>2</sup>; %)

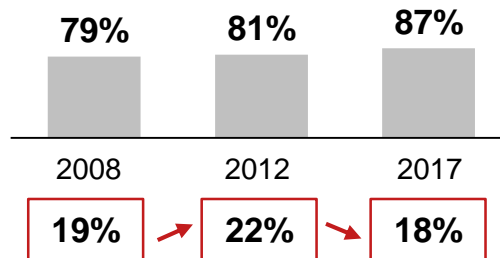


# Improved asset allocation contributing to Group Solvency resiliency

## FIXED INCOME

Share of total investments  
(general account – %)

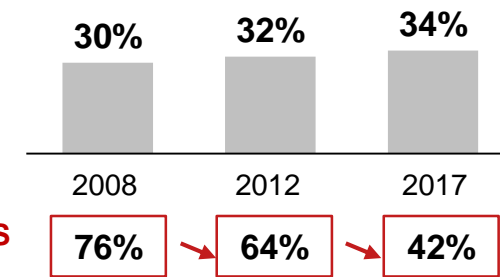
O/W BTP  
(%)



## o/w CORPORATE BONDS

Share of total investments  
(general account – %)

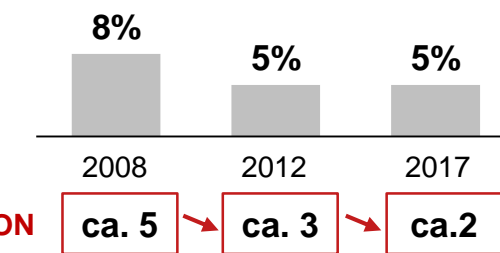
O/W SHARE  
OF FINANCIALS  
(%)



## EQUITY

Share of total investments  
(general account – %)

O/W VALUE OF  
TOP 10 POSITION  
(€ billion)

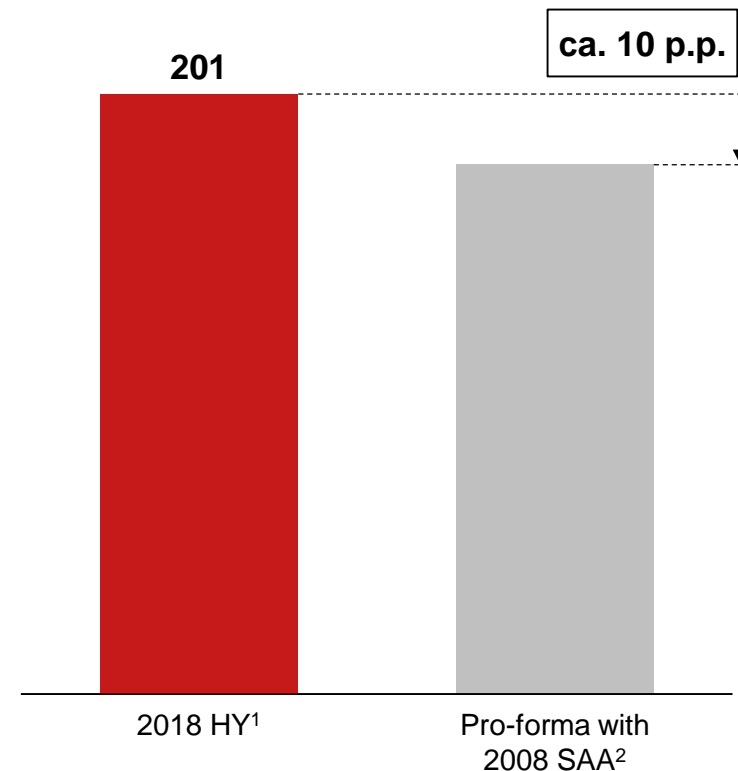


## REAL ASSETS (real estate, AFI and private equity)

Increased weight to optimize risk/reward profile:  
from approximately 6% in 2008 to approximately 8% in 2017

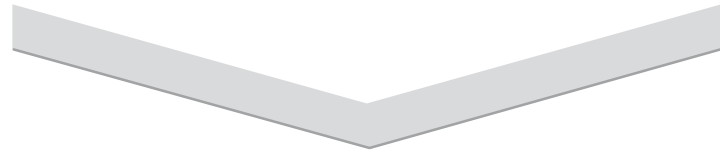
## GROUP SOLVENCY POSITION

(Regulatory, %)



# Generali 2021 will deliver robust financial results

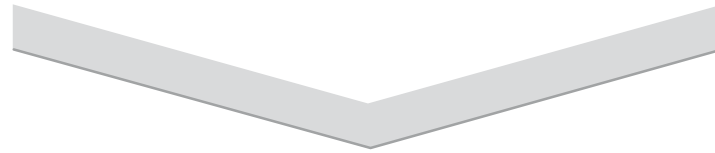
## GROWING EARNINGS PER SHARE



**6%-8%**

**EPS CAGR RANGE<sup>1</sup>**  
2018-2021

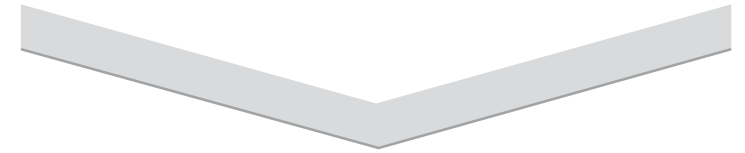
## GROWING DIVIDEND



**55%-65%**

**DIVIDEND PAY-OUT RANGE<sup>2</sup>**  
2019-2021

## HIGHER RETURNS FOR SHAREHOLDERS



**>11.5%**

**AVERAGE RETURN ON EQUITY<sup>3</sup>**  
2019-2021

# Generali 2021

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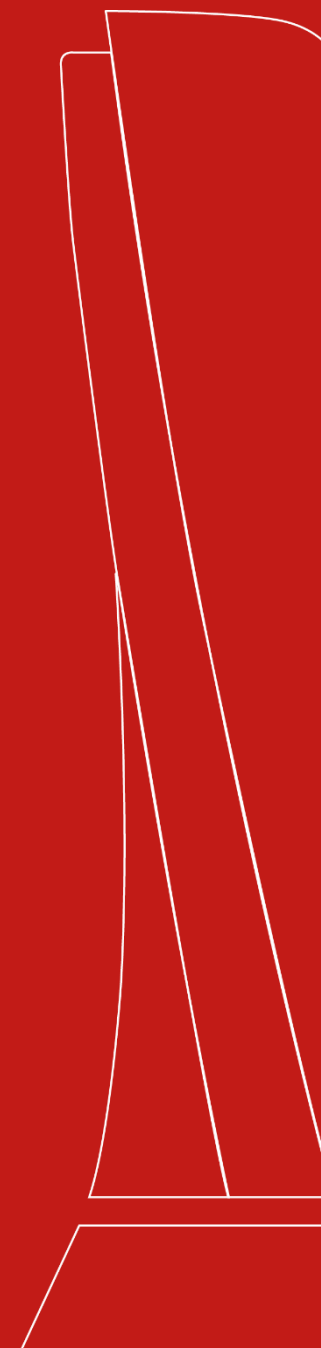
## NEXT EVENTS

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### LEONARDO MEOLI

Group Head of Investor and Rating Agency relations  
and Group Head of Strategy

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# Next Events

March 14, 2019

**FY18 Results  
release**



May 16, 2019

**1Q19 Results  
release**



August 1, 2019

**1H19 Results  
release**



November 7, 2019

**9M19 Results  
release**



# Team

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Group Head of Strategy

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# Generali 2021

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## CLOSING REMARKS

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**PHILIPPE DONNET**

Group Chief Executive Officer

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# Generali 2021: Leveraging strengths to accelerate growth

## STRATEGY PILLARS

### PROFITABLE GROWTH

### CAPITAL MANAGEMENT AND FINANCIAL OPTIMIZATION

### INNOVATION AND DIGITAL TRANSFORMATION

## FINANCIAL TARGETS

GROWING EARNINGS PER SHARE **6%-8%**  
EPS CAGR RANGE<sup>1</sup>  
2018-2021

GROWING DIVIDEND **55%-65%**  
DIVIDEND PAY-OUT RANGE<sup>2</sup>  
2019-2021

HIGHER RETURNS FOR SHAREHOLDERS **>11.5%**  
AVERAGE RETURN ON EQUITY<sup>3</sup>  
2019-2021

ENABLED BY EMPOWERED PEOPLE, STRONG BRAND AND SUSTAINABILITY COMMITMENT

# Generali 2021

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**THANK YOU**

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# Disclaimer

Certain of the statements contained herein are statements of future expectations and other forward-looking statements.

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

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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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Neither **Assicurazioni Generali SpA** nor any of its affiliates, directors, officers employees or agents owe any duty of care towards any user of the information provided herein nor any obligation to update any forward-looking information contained in this document.

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The manager charged with preparing the company's financial reports, Cristiano Borean, 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.

# Glossary (1/3)

Acronym	Description
<b>AI</b>	Artificial Intelligence
<b>APE (Annual Premium Equivalent)</b>	Sum of the initial premium on new annual-premium policies, plus one-tenth of premiums on new single-premium policies
<b>AUM (Assets Under Management)</b>	Total market value of all the financial assets which a financial institution manages on behalf of its clients and themselves including general accounts investments, all Group Unit Linked, third party AuM
<b>B2B2C (Business to Business to Consumer)</b>	Model that combines business to business (B2B) and business to consumer (B2C) for a complete product or service transaction
<b>B2B (Business to Business)</b>	Business or transactions conducted between businesses
<b>B2C (Business to Consumer)</b>	Business or transactions conducted directly between a company and consumers (the end-users of its products or services)
<b>BU</b>	Business Unit
<b>CEE</b>	Central and Eastern Europe
<b>CAGR (Compound Annual Growth Rate)</b>	Mean annual growth rate of an investment over a determined period of time longer than one year; it describes the rate at which an investment would have grown if it had grown at a steady rate
<b>CAPEX</b>	Capital Expenditure
<b>CoR (Combined Ratio)</b>	Loss ratio plus expense ratio (acquisition expenses + general expenses) divided by retained premiums
<b>DPS</b>	Dividend per Share
<b>ESG</b>	Environmental, Social and Governance
<b>EPS</b>	Earnings per Share
<b>EoP</b>	End of Period

## Glossary (2/3)

Acronym	Description
<b>GAAP</b> (Generally Accepted Accounting Principles)	GAAP is a common set of accounting principles, standards and procedures that companies must follow when they compile their financial statements.
<b>GDPR</b> (General Data Protection Regulation)	The General Data Protection Regulation (GDPR) sets guidelines for the collection and processing of personal data of individuals within the European Union.
<b>GEL</b>	Generali Leben
<b>GWP</b> (Gross Written Premiums)	Written premiums gross of reinsurance
<b>IDD</b> (Insurance Distribution Directive)	The IDD is a new EU wide directive aimed at ensuring minimum harmonisation of insurance distribution regulation across the EU
<b>IoT</b>	Internet of Things
<b>JV</b> (Joint Venture)	A joint venture is a business arrangement in which two or more parties agree to pool their resources for the purpose of accomplishing a specific task
<b>LoB</b>	Line of Business
<b>M&amp;A</b> (Mergers & Acquisitions)	Transactions in which the ownership of companies, other business organizations or their operating units are transferred or combined
<b>NBM</b> (New Business Margin)	Estimate of the profitability of the business, typically measured as NBV over APE
<b>NB</b> (New Business)	New Business generated from new policies for a particular period
<b>NBV</b> (New Business Value)	Expected present value, on issue, of future profits arising from new business in the period, net of the cost of capital
<b>OCI</b> (Other Comprehensive Income)	Other comprehensive income is those revenues, expenses, gains, and losses under both Generally Accepted Accounting Principles and International Financial Reporting Standards that are excluded from net income on the income statement.

# Glossary (3/3)

Acronym	Description
<b>p.a.</b>	Per Annum
<b>PP / p.p. / ppt</b>	Percentage points
<b>P&amp;C</b>	Property and Casualty lines of business
<b>P&amp;H</b>	Protection and Health lines of business
<b>P&amp;L (Profit and Loss statement)</b>	The profit and loss statement is a financial statement that summarizes the revenues, costs and expenses incurred during a specified period.
<b>RNPS (Relationship Net Promoter Score)</b>	Management tool used to gauge the loyalty of a firm's customer relationships
<b>PVNB (Present Value New Business Premiums)</b>	Present value of the expected future new business premiums
<b>RoCE (Return on Capital Employed)</b>	<ol style="list-style-type: none"> <li>1) RoCE BU level : (Net interest expenses on Subordinated debt + Net Result) / average (Subordinated Debt + Equity net of OCI excluding non-distributable elements of IFRS Revenue Reserve) over the period</li> <li>2) RoCE Holding level: (Net interest expenses on Subordinated debt + Net Result) / average (Subordinated Debt + Equity net of OCI) over the period</li> </ol>
<b>RoE (Return on Equity)</b>	Ratio between net profit and Equity
<b>RoRC (Return on Risk Capital)</b>	Ratio between net profit and Solvency Capital Requirement
<b>SCR (Solvency Capital Requirement)</b>	Level of eligible own funds that enables insurance and reinsurance undertakings to absorb significant losses, giving reasonable assurance to policyholders that payments will be
<b>SME (Small – Medium Enterprises)</b>	Businesses whose personnel number falls below <250 people, and either turnover <50 M€ or balance sheet total <43 M€
<b>YTD</b>	Year To Date