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PRESS RELEASE

New strategy to transform Generali's asset management business for long-term value creation

- **Asset management unit to broaden investment capabilities and enlarge product offering to reach €500bn of assets under management by 2020**
- **New target of €300million per annum for the net result of the asset management unit by 2020 adding €150million to the Group's net profit**
- **New strategy to create the largest European multi-boutique insurance asset management platform**

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Milan – Generali today announces a new strategy for its asset management unit addressing the needs of insurance companies and individuals in a low interest rate environment and supporting Generali's shift towards a greater contribution from fee-based business. The new asset management strategy is based on two pillars: broadening the investment capabilities and offering bespoke investment solutions to European companies and individual savings products.

The first step in this transformation will be to develop a real asset and active management platform, to pursue higher yields and returns. This will also enable Generali to offer more investment products and solutions on its unit linked platform in Europe. The creation of the new platform will be achieved both by capitalizing on existing expertise and acquiring new specialist skills from portfolio managers with excellent track records to real asset experts in the areas of infrastructure debt, direct lending and other private capital segments.

An important part of this expansion will be to better utilize Generali's extensive experience in managing insurance assets through the creation of an *Insurance Solutions Team* offering unique end-to-end management and advisory services for liability driven investors. For individual clients we will offer exclusive access to high conviction portfolio managers making available expertise to build investment solutions catering to clients' concerns for their long-term savings in a low interest rate world.

The result of this transformation will be an improvement in the asset management business efficiency and a 16p.p. reduction to the cost/income ratio to 55% by 2020. The strategy is targeting a net result of the asset management unit of €300million per annum by 2020 and a total AuM of €500 billion.

Tim Ryan, Group Chief Investment Officer and CEO of Asset & Wealth Management said: *"With our current AuM of nearly €450billion in Europe, we have a unique opportunity to internalize the management of a greater part of our existing assets and optimize our operations to lower costs. We will build an attractive multi-boutique platform bringing together existing and new, highly-specialized investment skills that will benefit from a strong centralized platform. Generali has deep expertise in insurance liability management and our new Insurance Solutions Team will be dedicated to address the specific needs of the €9 trillion of assets held across the European insurance industry. In addition, individual customers will benefit from a wider range of innovative investment solutions from our high conviction multi-strategy platform. Our new strategy will secure financial success of our clients and we aim to become the most trusted partner for their investments."*

THE GENERALI GROUP

Generali is an independent, Italian Group, with a strong international presence. Established in 1831, it is among the world's leading insurers and it is present in over 60 countries with total premium income exceeding €70 billion in 2016. With over 74,000 employees in the world, and 55 million clients, the Group has a leading



position in Western Europe and an increasingly significant presence in the markets of Central and Eastern Europe and in Asia. In 2017 Generali Group was included among the most sustainable companies in the world by the Corporate Knights ranking.

