



1H 2025 Results – Conference call Transcript
(Please carefully read the disclaimer on page 14 of this document)

06/08/2025

Group CEO Introductory Remarks

Good afternoon to all of you, and thank you for joining this call. Our excellent performance for the first half of 2025 shows a strong start to our new three-year strategic plan, Lifetime Partner 27 Driving Excellence. These results demonstrate that this is the right strategy to continue to create further value for our investors and for all stakeholders in a consistent and disciplined way. I would like to draw your attention to five key messages.

First, Generali once again recorded significant and continued growth in operating results exceeding 4 billion Euro. The 8.7% year-on-year increase is underpinned by the positive contributions of Property & Casualty, Life and Asset Management, highlighting the power of our diversified and integrated business model. Adjusted net results exceeded 2.2 billion Euro, growing by 10.4% while adjusting earnings per share rose even more sharply by 12.5% year-on-year. These performance underscores our relentless focus on value creation for our shareholders, further reinforced by the now approved 500 million Euro share buyback we announced today. This is the proof that we are delivering on the clear and transparent capital management framework we presented to you at our Investor Day in January.

My second message is about Property & Casualty. As you know, this is a key element as we strive for excellence in our core capabilities, one of the three pillars of our current plan. The strong growth in the P&C operating result shows our disciplined focus on the delivery of our strategy. Healthy top-line growth coupled with margin expansion is at the heart of the strong growth in the P&C operating result, up by over 18% year-on-year despite a lower benefit from discounting. The 170 basis points improvement in the current year's attritional undiscounted loss ratio is the proof of a very successful delivery on the action plan we designed two years ago to reassert technical excellence. So let me thank all our colleagues for their commitment and efforts.

Third, the Life business is coming back strongly, thanks to our efforts to address lapses which are now mostly resolved, thanks to the new products we designed and the effectiveness of the commercial efforts made on the distribution side. In fact, lapses have fully normalized in France and improved materially in Italy as reflected in the positive operating variances in our CSM in the first six months of the year. Life net inflows exceeded 6.3 billion Euro, driven by our preferred business lines. We have further increased the share of capital-light products in our new business production to almost 88%, a very high level, with the share of new business without guarantees increasing to 77%, up from 67% a year ago. The new business margin is also improving, reaching 5.6% in the second quarter. We are confident that this will be maintained in the second half, well on track to reach our 6% target in 2027. Achieving strong volumes of net inflows without compromising underwriting discipline is something Generali will continue to deliver on, thanks to the very effective work done by our agents and advisors.

As a fourth point, I would like to highlight the importance of our strategic focus



on Protection, Health and Accident, an area of compelling long-term profitable growth potential. It is growing strongly with high margins, low capital consumption and fast cash conversion. As of June 30, it accounted for 20% of overall gross written premiums at Group level with a 7.1% year-to-year increase. We will continue to update you on the performance of the strategic business segment that is at the center of our plan.

Finally, asset management delivered an 11.7% increase in terms of operating result. This reflects both the contribution of Conning and the organic growth of the business. It was a very high quality result with almost no performances booked in the period. Net inflows from third parties were positive to the tune of 3.6 billion Euro, a good result given the significant volatility of financial markets in the first half of the year.

In conclusion, these results confirm the strong start of the execution of our ambitious Lifetime Partner 27: Driving Excellence plan, which will deliver even greater value for all our stakeholders. Our achievements against our three strategic priorities, excellence in customer relationships, excellence in our core capabilities, and excellence in our operating model, prove we are on the right track.

In customer relationships, we further improved our relationship, Net Promoter Score, maintaining the number one position in our peer group, while also improving customer retention levels. For our core capabilities, the year-on-year increase in the operating result, both in Property & Casualty and in Life, further confirms the great work we have been doing over the past years. And as far as our operating model, we are continuing to invest in artificial intelligence and technology, while centralizing distinctive capabilities and shared services at scale. By the end of this year, we will have invested a total of 500 million Euro.

These achievements were enabled by our continuous focus on the plan's three key foundations: Our people, who are Generali's most important strength; AI and Data, which are vital to our success today and in the future; and Sustainability as we continue to support a green and just transition while actively fostering societal resilience. We are firmly committed and focused on executing Lifetime Partner 27: Driving Excellence, as you can also clearly see in the slides provided today, and I am very confident that we will deliver it as successfully as we did with all our previous plans.

Before we open on Q&A session, let me share some brief closing remarks on the topic of M&A. We are proud of the rigorous process we have established for M&A here at Generali, with strict criteria to assess the financial and strategic fit of any potential transaction within the best-in-class governance and legal framework. This process has served us very well so far, which also means we have the right toolkit to analyze Mediobanca's offer for Banca Generali. As far as this, it is our duty to examine in full detail opportunities such as a potential future industrial relationship with the leader in Italian wealth management, determining whether they would fit with our strategy and could generate value for our stakeholders. The management team has been working hard to provide the best possible support to our Board of Directors as it continues to evaluate and discuss the potential merits of the offer in full compliance with the Group's processes and schedules. This is necessary to ensure our directors can form a definitive view and ultimately reach a decision that is in the best interest of all our stakeholders. This sums up the current status of our deliberations regarding Banca Generali. We will

continue to update the market and our key stakeholders whenever relevant. Thank you again for your attention and for your interest in our Group. And we are now happy with my colleagues to take all your questions. Thank you.

Q&A Session

Michael Huttner, Berenberg: *Fantastic. Thank you so much and congratulations on another set of lovely results. Three, if I may. The first one is on the solvency ratio, I think the only number which was a little bit under consensus, the moving part I thought might be the kind of thing which might have diluted things a bit, was the re-risking and I just wondered if you can say how much that was and how much more than maybe the market thought and whether there is more to come. Then on cash remittances, my favorite topic, I just wonder if you can give us a number: I remember and maybe I'm wrong that the expectation given that there was so much last year, 4.4 billion and a bit, that this year might be a little bit lower, maybe due to fewer one-offs, but the higher tax rate in Q2 versus Q2 last year makes me think maybe we're lucky. And then, my last question and I'm sorry, I'm a bit greedy here. So one of your peers said they bought the best thing they could ever have bought in Italy, which makes me think well, if they bought the best, does that mean that Generali is second best? I'm asking it in a funny way, but the real question is if Prima is making so much money, who is losing money? There we are. That's it. Thanks.*

Cristiano Borean, Group Chief Financial Officer: Hello, Michael. So first of all, starting on the solvency requirement and in general the solvency ratio, the moving parts on the re-risking are mainly related to around the 0.3 billion Euro increase of the SCR from the investment risk adjusted optimization SAA, that we are making, and 50 million Euro around on the growth of P&C and another 100 million Euro related more to the growth outside European Union where Solvency 2 rules applied are different than local solvency, which have a higher intensity in Solvency 2 versus the local, I'm referring especially to Asia, so it is hampering a little bit more on the group contrary to what is seen on the locally because of the non-equivalence of the Solvency 2. This is a little bit of the pieces. How much more to come? We were signaling in the slide commentary something in the order of almost 3 percentage points to be expected from 2 to 3 in the second half of the year on the continuation of this program of re-risking and a little bit related also on the growth I was mentioning, which is bringing you closer to the 3 percentage points. I think this ends the first question.

The second question, which is mainly related to your and my favorite topic, which is cash. I confirm you that as of today, the remittance, which is likely more than 95%, is 4.2 billion Euro, and it is in line with our objective. I would say that in the second half, we can get a slightly higher kink up, and you were correct in spotting up the capabilities from Central Eastern Europe that we will gather in the second half.

Marco Sesana, Group General Manager: So hi, Michael. I would clearly comment this on our side. So we also have been investing into the direct

channel. You know that we have rebuild completely the technological platform of the Genertel business. We are counting a lot on this evolution to make sure we serve better our client and having an organic growth with an eye on the top line, but also in a sustainable way also to the bottom line. So that lately the direct market, especially in Italy, was less profitable than in the past, so we are really looking to turn around this and make this a bottom line win for the Group. Plus, that under the right-click umbrella, we are also opening other operations across Europe. So we really believe that the direct business can be a growth opportunity for the Group, and we are counting a lot on organic growth on our side.

Andrew Baker, Goldman Sachs: *Thank you for taking my questions. The first one, the second quarter current year attritional loss ratio looks really strong, especially relative to where consensus was. I guess expenses were running a little bit higher. So, are there any mix effects that we need to consider? And then also, how are you expecting that attritional loss ratio to develop for the rest of '25 and '26? And then again in P&C, is there any change to your 950 million Euro operating investment result guidance for full year '25? And I appreciate the disclosure around the average coupon on the bond redemptions, which is still below the reinvestment yield. But if reinvestment yields stay where they are currently, when should we expect the coupon on the redeemed bonds to be higher than the current reinvestment rate? Thank you.*

Cristiano Borean, Group Chief Financial Officer: Yes. Hello, Andrew. So, the second quarter attritional, you correctly spotted an improvement of a couple of points, 2.5 points versus the same quarter last year, if I take the attritional and discounted current year loss ratio, which is a 0.8 improvement versus the previous quarter. Clearly, you have to also take into account that there are one effect which is talking to the second part also on the answer on the expense ratio. Last year, we had the integration of Liberty into the group. For specific price allocation, PPA, Purchase Price Allocation processes, since we were not paying in the expense ratio, the commission, we have to account for that effect as a negative impact in the loss ratio, which is creating a different repetition out of that, which means that you have in the order of 20 to 30 basis point out of this impact when you try to have a like-for-like movement and which is also reflecting the expense ratio. On top of that, the higher growth of the business that we are having should have a little bit of improvement, but the growth was also tilted, particularly in some lines, and I'm talking about especially the travel lines, which our unit Europ Assistance, is developing, which is the one with the highest amount of commissions, so the highest acquisition cost ratio that we have. The evolution that we are going to expect going forward is if you just check the delta on a quarter-to-quarter basis, you need to start factoring in the kicking in of the full benefit of the improvement done on the tariff in the previous quarters, which was not there in the first half of 2024. So in the second half of 2025, you should see a speed of the delta, which is different compared to the one we observed so far, which is giving on that. The guidance overall on the undiscounted combined ratio below 95, is even more confirmed with the view that we have and which is giving a lot of leeway for the management of the second half. I recall that the second half of the year, especially the third

quarter, is the highest loading quarter on natural catastrophe that the group is usually experiencing on top of this. Don't forget that whenever we have this kind of leeway and advance, we were still keeping and potentially even more keeping our prudent initial loss picks, but is proved also on that slightly higher prior year that you've seen in the half year of 2.3, which was reflected already in the first quarter from some closed high reserve. I would like to hand over to, Giulio, if you want to integrate.

Giulio Terzariol, CEO of Insurance: Absolutely. So thank you, Andrew, for the question. First of all, we are very pleased with the results that we see on the P&C side, we are also very clearly very focused. When I look at the numbers, I can also tell you there is a lot of quality in the numbers and we see a lot of quality across geography. When we look at the spreads between the rates that we get in Motor and what is the risk premium, we see basically positive spreads everywhere. There are a couple of geographies where we might be behind on the Motor side like Spain and Portugal, but also there we are working very actively in getting to a better outcome. So as we move forward, I would expect that premiums are going to moderate a bit, but we will still try to keep an increase in premium which is ahead of the risk premium. That's our intention. Some markets might be easier, some markets might be more challenging, depending on what the level of profitability is already, but this is one driver. The other drivers of potential improvement in performance is all what we said that we want to do on the sophistication pricing. Also, we talked in January about the initiative on the claim side that can be also supporting our bottom line even if there is a stronger moderation of premium and then also you were referring to the expense ratio also on the expense side, especially on the admin expense ratio, we should see an improvement moving forward. So we have a strong position, as you see, in the numbers today. We have quality in the numbers and also clearly, we will continue to work to make sure that we get to a very good outcome moving forward.

Cristiano Borean, Group Chief Financial Officer: And continuing to the second question you asked Andrew, we confirm the guidance of 950 million Euro, and I would like to recall you that we got an important reduction of the Argentina investment contribution because of the massive reduction of inflation there and all our investment are inflation linked, and we moved from 220% to a kind of 20% inflation rate with FX that was not moving materially last year. I would like to remind you that the investment yield versus the coupon and current return usually, we invest on a stock basis 10% of the portfolio. We slightly increase the duration of the portfolio, so you should expect something slightly more than 6, I would say closer to the 6.5 years to wait for a kind of convergence on the actual reinvestment rate versus the reinvestment of the portfolio.

Iain Pearce, BNP Paribas BNP Paribas Exane: Hi. Good afternoon, everyone. Thanks for taking my question. The first one is just on the attritional loss ratio again. So if you look at the current year attritional undiscounted loss ratio for H1 and sort of normalizing from that and even just taking the expense ratio as it looks like, you are running ahead of the strategic plan target and clearly outline a lot of areas where you expect that attritional to

continue to improve. So I am just trying to see, if you think there are potential other headwinds to that attritional going forward, whether that be mix or some benefits in that H1 number that everyone may say, which should stop us from moving quite a bit ahead of the strategic plan combined ratio guidance. And then the second one was just on the Italian government debt exposure. That looks like it's increased pretty significantly in H1. Is that part of the strategic asset allocation plan changes that you've been discussing? And should we expect that number to continue to increase in H2 and over the planned period? Thank you.

Giulio Terzariol, CEO of Insurance: Thank you for the question, Ian. So when I look at the six months, there are no one-offs, as I was saying before the numbers have a good degree of quality. So from that point of view, the underlying performance is coming this way.

I don't see specific headwinds as we move forward. So as I was saying before, sure, pricing is going to moderate, but we still believe we can stay ahead of the risk premium and we have the initiative that I was saying before that should support our numbers. We know that on the industrial side, corporate side, the market might be a little bit softer, but also there, we are not necessarily the biggest player in that space, so we are starting from a very strong level of profitability and also from a very strong quality of the balance sheet. So fundamentally, there is no one-off. There is quality in the results as I was saying before, and also I don't see now specific headwinds as we move into the future.

Marco Sesana, Group General Manager: So, hi. On my side on the BTP topic. I think, we discussed the topic in light of the development of our liability in Italy. I think we are fine, we are comfortable with the level where we are in terms of BTP exposure, as long as the liabilities improve and evolve, so then we will follow with the same logic also on the BTP. So, there is no plan to increase significantly the exposure and the SAA allocation to BTP. As you remember, in January, when we discussed the topic of SAA during the strategic plan, we discussed the topic of that we were prudent in a way on overall government bond, remixing a little bit in light of the development of the liability. So that's the approach we have and I can reiterate that we have a strict discipline on ALM. So everything is based on this metric for our decision.

James Shuck, Citi: *Thank you, and good afternoon, everyone. I wanted to ask about the firstly, the life operating profit because there is a few volatile items in the first half, in particular the onerous contracts, which I think past couple of years have been 200 million Euro or so negative, 1H was much better. So just keen to get a view on kind of how you view that number going forward. And kind of linked to that is the other operating income where the cost ticked up quite a lot, 1H to 93 million Euro. I know there's been a 20 million Euro reclassification from non-operating, but it's still running at a much higher level than it was last year. So again just keen to get a line of sight into how that is looking in upcoming years, so that's kind of normal run rate if you like. Secondly, just returning to kind of Genertel, really, can you tell me what the premium income is of Genertel and the current combined ratio? I think kind of in answer to one of the questions earlier, I'm just keen to*

understand what it is about Prima that made it so successful. It's clearly a big disruptor, but you've been active in the direct space for some time, you've had a reasonable scale. What is it that they've been doing that you haven't and you did mention a kind of technological overhaul. So keen to hear a bit more about that. And then just finally a small point, but the attritional combined ratio undiscounted at the country level. The commentary on the slides that you give, they indicate that kind of everywhere is really improving on the motor side, excluding PYD, so the current year attritional loss ratio ex discounting, it just struck me that France was one where that wasn't the case, and I think in answer to one of the questions earlier, you didn't mention that more pricing was needed. So I'm just surprised that France motor isn't improving on an underlying basis. Thank you.

Cristiano Borean, Group Chief Financial Officer: Yes. So regarding the loss component in the first half, I think that there are a couple of effects which are important as a delta in improvement, because last year, we had some loss components stemming from accepted reinsurance business, which is not present anymore and so this is creating a positive delta compared to that adjustment made last year. And there are some positive movements also from an improved situation of the quality of the portfolio in the loss ratio in our Asian business. On top of this, going forward is very difficult for me to give you a guidance because it is really depending on the movement of the market as you can understand. But what is important for you to be aware is that the positive momentum of the economic variances that we have seen so far are giving better value in the specific unit of account, which are helping also to get further out of the money touching on this point of loss component. Looking in the other operating income, you are perfectly right because like we did for P&C, with a slightly negative effect on also on the expense ratio on the admin component, we are reallocating the cost from non-operating to operating due to our further stricter guidance on the definition of them. This is accounting over the 78 million Euro decline that you are highlighting on this topic, 20 million Euro for this effect. There is another 10 million Euro related to specific strategic project that we are doing in Switzerland and a positive one-off that Switzerland had last year as well as some few effect in Central Eastern Europe due to some lower performance fees from some Czech pension fund and some other effect on spread on geographies. This is basically it. I think I hand over to Giulio for the second question.

Giulio Terzariol, CEO of Insurance: So regarding Genertel, the premium volume when you look at the 12 months, is about 0.5 billion Euro and when you look then at the combined ratio where we stand right now, undiscounted is 105%. There was a big improvement compared to last year because we improved basically by 8-9 ppts compared to last year. We put a lot of price increases, we are doing pruning. So from that point of view, we are going in the right direction. We expect also clearly as we go into 2026 to be below the 100% level. Regarding Prima, I could refer to what Marco said before. I would say there is nothing that we cannot do that Prima is doing. So from that point of view, we have a lot of capabilities both, in Italy, we have direct capabilities also in Germany, we have Cosmos which is doing fine. We did a review of our direct operation even in Portugal where the direct operations are very small, we have really interesting capabilities. So from that point of

view, we are confident about our ability clearly to run direct operations in a very effective way, and we should not forget that anyway our biggest asset is on the agency side. That's where we clearly continue to put the most effort from a strategic point of view. On France, there is nothing happening in France, if not good things. So, if you take the numbers in France are very good. We have a discounted combined ratio at 91.5% and this was not a number without significant Nat Cat in France. So from that point of view, the performance in our business in France in my opinion is really, really good. You know what kind of outcome you get usually in the French market. So we are running very good, both on the non-motor side and motor side. So all good.

Farooq Hanif, JP Morgan: *Hi there, thank you very much. Just a question following up on James' question. There is also an increase in the experience variance in 1H25 if you could comment on that, plus there's a positive operating variance in the CSM after years of negatives because of assumption changes. So if you could just explain how to think about that going forward. Secondly, going back to the attritional loss ratio, I mean at the beginning, I mean after full year results, you said you're going for a 95% or less undiscounted combined ratio by FY25. What do now that you didn't know then that is going better since you said that? When you talk for example about the gap between pricing and risk premium, is that better than you thought when you made that statement? And the last very quick clarification point is, I noticed some commentary about a high tax rate in 2Q. Can you tell us what that was, what the effect was and what you expect for the 2H? Thank you.*

Cristiano Borean, Group Chief Financial Officer: Hello, Farooq. So, speaking about the overall experience variance and other technical results that you were commenting, we are having slightly positive improvement on one side on some accepted business of our GEB (Generali Employee Benefit) business the rest is spread around the countries with a specificity, with a kind of positive one-off in France from some improvement of the accepted and shared business on the Protection and Health line. For what regards the movement of the positive operating variance of the CSM, what Philippe told you was important. We are observing lapses which are much more in line, and what happened is basically, if you sum some misses and pieces, a smaller positive effect on the different pieces of the geographies that was adding up onto this there were some points. If you were asking going forward also about this, I would like just to remind that in the 2H, usually as a procedural process, we update our actuarial hypothesis, and I was already signaling to the market that still we did almost all the changes, but due to our internal model approach to the modeling of the lapses, we could still have some modelling, not experience change to be expected but of a very minor level, so I mean a very low triple digit. Having said that, I hand over to Giulio.

Giulio Terzariol, CEO of Insurance: Yes, on the 95%, what we said is we are going to be below 94%. In Q1, we were 94.5% normalized. Right now, if you look at the numbers, it is 94.2% normalized for Nat Cat, so we are definitely below the 95%. There is always some element of prudence, if you want, as we set the guidance and the thing being prudent is always a very

good thing. And also keeping maybe the prudence in the balance sheet is also something very good. Something has changed? I would say not really but we continue to get the confirmation that the actions that we have put in place pay off. So from that point of view, everytime we look at the numbers in Q1, now that we are looking at the numbers again in Q2, we see really strength and we see strength across the different businesses. And also, and that's what is very important for me, in the businesses, on lines of business where we might be behind, we are very forceful and put the action through, so the machine is running. So we constantly see confirmation of the good work that the business units are doing.

Cristiano Borean, Group Chief Financial Officer: And to go on the last question on the tax rate in the 2Q, first of all, I would like to highlight that in this quarter, we had a higher amount of infragroup dividends compared to the last quarter which some of the effects were done through other form of remittance and as you remember, the dividend have a participation exemption treatment, but of 5% of the amount there is a taxation. So this is having a peak in the second quarter because it is the quarter where we are receiving the dividends from our controlled entities. Looking forward for the second half of the 2025, I would like to guide you and highlight the fact that we are expecting a lower tax rate, lower than 30% for other reasons including some potentially positive tax litigation closing.

William Hawkins, KBW: *Hi, thank you. I've just got one really slightly technical. But am I right your 29.7 billion Euro IFRS shareholders funds is still including last year's 500 million Euro share buyback? And if so, when are you going to remove it, which I suppose is another way of saying when you are going to cancel the shares that you bought back last year? I suppose related to that would be the other way. It looks like your EPS figure is still including the treasury shares that you've bought back. I may have done the math wrong. I am just trying to get a view of how are you accounting for it? And given that the treasury shares seem to be hanging around for quite a long time, is there a risk that you are going to issue them again for whatever reason? There are some other companies, when they do buybacks they say very clearly that these shares will be bought back for cancellation and they get taken out straight away. You don't seem to be doing that. So I am just trying to understand what is going on. Thank you.*

Cristiano Borean, Group Chief Financial Officer: Thank you very much, William. So for what regards the share buyback approach, when the shares are bought, they are already deducted from the shareholder equity because I am taking out cash and reducing the amount of total shareholder equity to get the shares, which are not part of the amount. When they are canceled, you are simply moving from a reserve of the shareholder equity to another one, which cancels out at zero effect on the shareholder equity. In general, we have a very simple effect when you do a share buyback. The cash which is exiting is already reducing the shareholder equity. The shares bought are already taken out from the weighted average shares that are to be used to make the EPS calculation and the same happens when you do the long-term incentive plan purchase even without cancellation because when they are not disposed, they stay out of the denominator of the EPS and you spend

money to get them taking this out. When you are reverting the long-term incentive and you are paying out, you are then increasing it into the market: this is the way it is calculated. On the Solvency 2 impact the moment you declare it, it is already deducted from the own funds and which is what has been presented already in the Half Year number since we declared that from tomorrow we start the 500 million Euro. And for your information, the 500 million Euro share buyback that we executed last year has already been canceled with a permanent reduction of the outstanding share of the group right after I think, or right before, the Generali shareholder meeting, and this is going to continue on the recurring way according to the strategic shareholder buyback we are making.

Farquhar Murray, Autonomous Research: *Good evening, all. Just two questions if I may. Firstly on the Mediobanca offer for Banca Generali, would you be able to give any color around the industrial relationship under consideration and where the points of discussion are there? And additionally, would Generali have any preferences on when to conclude those discussions? And then secondly, on the JV tie-up with Natixis, where are we in terms of the timeline for definitive agreements by around the middle of this year, regulatory aspects and then also possibly closing early in 2026? Thanks.*

Philippe Donnet, Group Chief Executive Officer: Thank you. So on the Mediobanca Banca Generali potential deal. We will start, as we said today, we are interested in going on with the discussion with Mediobanca. This is an interesting option for us to be the industrial partner of leading wealth management company in Italy. The existing agreements between Banca Generali and Generali are something in the new situation. Potentially, they would need to be redefined to be in line with the potential business we want. We are at the beginning of those discussions. There is no time frame. Of course, we are aware of the time of the offer. In the same time, we need to comply with governance processes. As you know, it's a complex transaction involving related parties, listed companies. So we will fully comply with the necessary governance and regulatory steps. So this defined the timeframe. But we want to take the necessary time to seriously work on it. On Natixis, we are still discussing with the counterpart, with BPCE. You remember that we signed in January a Memorandum of Understanding, which was not binding. We are now working to reach an agreement on a binding contract. If we are successful in reaching this agreement, we may submit the signing of the contract to the Board of Directors after the summer.

Elena Perini, Intesa Sanpaolo: *Yes, thank you for taking my questions. The first one is still on your very good trend in P&C. And in particular, we see from your slide number 6 that the pricing environment is still quite good. Very good in motor, also good in non-motor while we see a deceleration in accident, health and disability. Could you please elaborate on this and tell us something about the trend in the three different segments? The second question is on life. It seems that your inflows are going very well. I would like to know where do you expect the most important growth going forward? And also in terms of margins you are doing quite well, so if you can elaborate a bit on the trend in this? Thank you very much.*



Marco Sesana, Group General Manager: Hi, Elena. So yes, I think, overall, when you say that the cycle is still good, I think you are right. So we are seeing still a good environment for motor. I would recall what Giulio was saying, so there are some geographies where we are happy, other geographies where we still need to push to get to the level of loss ratio that we like. But overall, we do see still the opportunity to increase prices. I just want to remind you that overall, not only motor, but in non-motor, accident and health, what is driving us is the risk premium that we see. So it's claims inflation and the frequency that we see geography by geography and line of business by line of business. So what we aim as we stated like today, but also previously in previous quarter calls is really to get a spread on risk premium with our increase in prices. So as we said, motor is still conducive. I think we are doing really well in non-motor given the fact that as consumer inflation is slowing down, we are putting additional effort to keep up the increasing prices in non-motor and we see a really good environment especially in SME. We did have a deceleration on accident and health, this is mainly driven by two drivers. One is a different mix, so we had the opportunity to underwrite some large contract and we did it. And the second is the slowdown of the medical inflation that we have seen; and overall, I think it's still fine, so it's a good effect. We are still underwriting above the risk premium. The other comment is probably on corporate and commercial; we do see the start of a softer cycle, but the combined ratio that we've seen in global corporate and commercial is still very good. I remind you that the number that we see is on top of inflation. So overall, we are still growing on prices. And the overall book of Global Corporate & Commercial is less than 10% so, overall, the pricing cycle is still very good and we are still pushing to get combined ratio that we want in every geography.

Giulio Terzariol, CEO of Insurance: Thank you, Elena, for your question. On the flows, yes, we are seeing good momentum. I would say we see good momentum across the board. When we I can also give you good news when we look at Italy and we look at the numbers as of end of July, the inflows are already 800 million Euro. So, definitely, we're going to move north of 1 billion Euro in Italy. Generally, we're going to have good momentum across the board. From a lines of business point of view, clearly, it's a lot about Protection, Health and Accident and also on the Hybrid & Unit Linked. If we could give you the split between the Savings part and the Unit Linked part on the Hybrid, you're going to see there is more momentum on the Unit Linked part as opposed to the, let's say, the Savings side. From a new business margin point of view, Marco last quarter gave a guidance of 5.25-5.75%. So, we are going to be in the guidance. When you look at the 2Q standalone, the new business margin was 5.6%. So, we expect clearly also in the 2H to move at this kind of level, if not even slightly higher. So, when you put the numbers all together, we're going to be comfortably in the range that Marco gave you last quarter. So, also in Life right side, we see good momentum, both on the flows and also strong marginality coming through.

Hadley Cohen, Morgan Stanley: Hi, thanks very much. And apologies if I've missed this. My communication has been on and off. First question on P&C. Firstly, can you talk a little bit about frequency trends, please? I think

frequency was lower in the first half of the year. Is there something specific driving that? Or do you think that's a more sustainable trend we should think about going forward? And then secondly, you've given a lot of color around the likes of France and Portugal and Spain, thank you for that. Is it possible to talk about Switzerland as well, please? I noticed that you're still going through sort of the portfolio pruning. The combined ratio has improved a lot year-on-year. Is that purely from the management actions that you've taken? And how much more pruning and further improvement is there to go in the profitability of Switzerland? Thanks.

Marco Sesana, Group General Manager: Yes, so indeed, we are seeing a very good improvement of frequency overall in the different geographies. So there are, I can say that there are a couple of trends that we see. So first, if you look at the frequency in a long series, across different years, we have seen the frequency going down: it's a consistent trend on the different geographies. And so, I think this is part of what we should expect going forward in the next quarters. On the other side, when we look back at the action that we put in place on our portfolio, especially on motor last year, there was also a better discipline on underwriting and also there was pruning of some part of the portfolio. So for example, in France, and maybe this is referring to what Giulio has discussed, in France for example, we have re-underwritten part of the portfolio and we also canceled some of the portfolios. So you can see the benefit of this discipline of this pruning, that is coming through also in terms of frequency. So I would give you these two effects. So one is, I would say, a structural effect that we see overall and the other one is mainly due to our actions. So we could go geography by geography, but I would say this is consistent across the different geographies. I would say that in some geographies where we have done most pruning, for example France, for example some of the things we have done in Italy last year, you could see probably a better improvement. But overall, I think you could, I would say at least in the top geographies where we are present, the trend is very consistent.

Giulio Terzariol, CEO of Insurance: Regarding Switzerland, first of all, if you look at the numbers of Switzerland, it seems there is a substantial improvement in the combined ratio, but I tell you that has more to do with the Loss Component treatment. So there is a little bit of a loss component last year. This year, we don't have the same impact. But by the end of the year, you are not going to see the same improvement compared to 2024. What we see in the motor side, we are getting better. On the other side, there was some negative development on the non-motor side, especially on the accident business. Switzerland is a turnaround case. I am going to be very clear. We have a new management team and we are really turning all stones in Switzerland, both from a pricing point of view and this is a motor and non-motor also; we are doing pruning and also clearly since we need to consider that the premium level most likely is going to reduce, we are going to take also a look at the expenses. But as a turnaround case, I am encouraged by the fact that I see that there is a clear plan of initiative. Now we need to go into the execution. The execution mode is going to start basically after the summer break.

Fahad Changazi, Kepler Cheuvreux: *Thank you very much for taking my question. Could I try one more on the attritional P&C loss ratio? I understand the plan assumes that there will be support from pricing in '25, but after that '26, '27, the initiatives and business mix that will drive improvement. Is this still the view? And if not, when can you update the market on how you see this particular assumption in the plan? And the second question just on Solvency 2 capital generation, is the Life in-force SCR release, which was as you're guiding was supposed to come down, is the H1 number now a good steady state to build to full year? And also, I appreciate your comments on the life side in terms of capital intensity Asia. Given H1 growth was so high, could you guide towards where the new business SCR is going to go in terms of plans for Asia and in terms of the mix in the products, for example, protection? Thank you very much.*

Giulio Terzariol, CEO of Insurance: What you said is exactly what we said in January. So when we look at the improvement in the expense ratio over the plan period, we said the improvement in the combined ratio is going to be driven first by the pricing changes, and then as we go into the second part of the plan, it's going to be driven by the expense ratio improvement and also by other actions that we put beside the pricing action. So from that point of view, that's exactly what we expect. We are running right now really within our expectation, maybe I would say comfortably within our expectation. We will continue to work to make sure that we get to a very solid result like the one we are showing today.

Cristiano Borean, Group Chief Financial Officer: Yes. Hello, Fahad. So for what regards the different capital intensity, which I recall is just a Solvency 2 Group reporting because it's not the one which is the real capital that you have to allocate locally to operate, I would say that it is for sure improving - I'm talking in Euro terms, clearly, because we need to present the SCR in euro - so in Euro term, it is improving and has an impact, which I would say in the first half, as I was telling you, was something in the order to 100 million Euro, 150 million Euro. So in the second, you should expect a lower effect because the production is totally concentrated in the first part. And by the way, there are also regulatory actions which are further reducing the capital intensity going forward, which is at least a very positive note.

Michael Huttner, Berenberg: *Thank you so much. Just on Switzerland, I remember you said money for mummy. I just wondered when is that starting? And can you remind us the amount? Thank you.*

Cristiano Borean, Group Chief Financial Officer: Talking about cash, Michael, so we have completed the full ALM alignment on the Solvency test for life operating company in Switzerland. This allows us now to start the final phase where we are just closing the last step of the change in the local internal model for SST to have a full clarity by the end of this year. And then we are starting, and we have already planned and discussed with our regulatory authority some increase from the actual lower level of remittance, which will be progressive. So in 2026, you will start seeing something of a mid to high double-digit million euro, and then you will see a progressive one



going forward from '27 onwards, and that will potentially fully unleash a lot of trapped capital. I would say so. Don't project a larger number in '26, slightly higher in '27, and then we will have a closure for another good cash capital management for the next rolling three-year plan.

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