



# Exploring Generali

LONDON, MAY 24, 2019



# Exploring Generali

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**WELCOME TO THE  
EXPLORING GENERALI EVENT SERIES**

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**FRÉDÉRIC DE COURTOIS**  
Group General Manager

**GIULIA RAFFO**  
Group Head of Investor & Rating Agency Relations

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## Opening remarks

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### GENERALI 2021 STRATEGY ACTIVATED

Key initiatives launched, monitoring in place, remuneration aligned

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### 6 ENGINES OF PROFITABLE GROWTH IDENTIFIED

Focused and balanced Group with diversified sources of profits

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### CASH AND CAPITAL MANAGEMENT OPTIMIZATION FRAMEWORK DEFINED

Defined and disciplined approach implemented

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# Generali 2021: strategic pillars and financial targets

## STRATEGY 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**

## FINANCIAL TARGETS

GROWING EARNINGS  
PER SHARE

**6%-8%**  
**EPS CAGR RANGE<sup>1</sup>**  
2018-2021

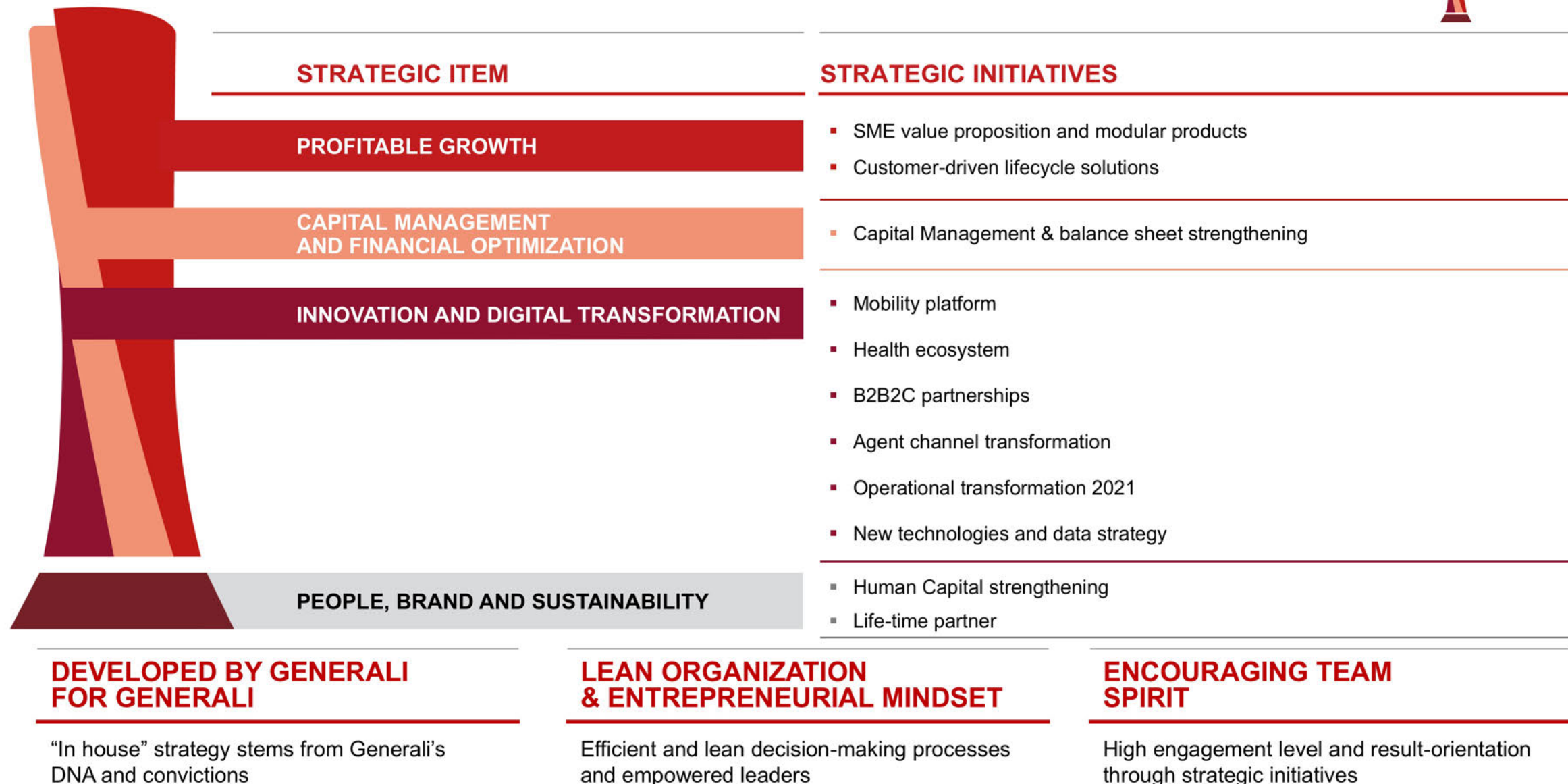
GROWING  
DIVIDEND

**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

# Generali 2021 strategy activated with key initiatives launched



# Clearly defined KPIs to monitor Generali 2021 execution

STRATEGIC ITEM	MAIN INDUSTRIAL KPIs	GOAL
PROFITABLE GROWTH	<ul style="list-style-type: none"> <li>Earnings CAGR 2018-2021 insurance markets Europe</li> <li>Earnings CAGR 2018-2021 service-based revenue streams</li> <li>Earning CAGR 2018-2021 high potential insurance markets</li> <li>Earning CAGR 2017-2021 Asset Management</li> </ul>	<p>3% - 6%</p> <p>7% - 10%</p> <p>20% - 25%</p> <p>&gt;20%<sup>1</sup></p>
CAPITAL MANAGEMENT AND FINANCIAL OPTIMIZATION	<ul style="list-style-type: none"> <li>Cumulative Capital Generation 2019-2021</li> <li>Net cash remittance to Holding 2019-2021</li> <li>Debt Reduction by 2021</li> <li>Gross Interest Expense Reduction 2021 vs. 2017</li> </ul>	<p>&gt; € 10.5 billion</p> <p>&gt; € 7 billion</p> <p>€ 1.5 - 2 billion</p> <p>€ 70 - 140 million</p>
INNOVATION AND DIGITAL TRANSFORMATION	<ul style="list-style-type: none"> <li>Total Investments toward internal strategic initiatives 2019-2021</li> <li>Cumulative expense reduction Insurance Europe 2018-2021</li> <li>New Green and Sustainable Investments by 2021</li> <li>Relationship NPS by 2021</li> <li>Reskilled employees by 2021</li> <li>Entities with Smart Working by 2021</li> </ul>	<p>€ 1 billion</p> <p>€ 200 million</p> <p>€ 4.5 billion</p> <p>Best among international peers</p> <p>50%</p> <p>100%</p>
PEOPLE, BRAND AND SUSTAINABILITY		

**KPIs PUBLICLY DISCLOSED AND HARDWIRED IN MANAGEMENT REMUNERATION**

1. Including inorganic growth

## Generali 2021: some early strategic successes

- 
- Closing of Generali Leben sale
  - Closing of Belgium and Guernsey Operations
- 
- Closing of Adriatica Slovenia, Concordia, Union Investment, Sycomore and Trip Mate purchases
  - Creation of Threesixty Investments, the first boutique dedicated to multi-strategy
- 
- Reduction of € 250 million<sup>1</sup> of outstanding financial debt
  - Cash and capital management framework implemented

More details  
provided by  
GCFO today

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1. of which 50 million already announced, to be completed in July 2019



# Strong Q1 results

SOLID GROWTH ENGINE  
WITH MOMENTUM



**>3%<sup>1</sup>**      **> € 4**  
billion  
P&C      LIFE  
TOP-LINE GROWTH      NET FLOWS

EXCELLENT TECHNICAL  
PROFITABILITY



**91.5%**      **4.37%**  
P&C      LIFE NBM  
COMBINED RATIO      ON PVNBP

PROFITABILITY ON  
TRACK WITH PLAN



**+6%<sup>1</sup>**  
NORMALIZED NET  
PROFIT GROWTH

STRONG OPERATING  
CAPITAL GENERATION



**>4.5 p.p.**  
QUARTERLY NORMALIZED  
CAPITAL GENERATION

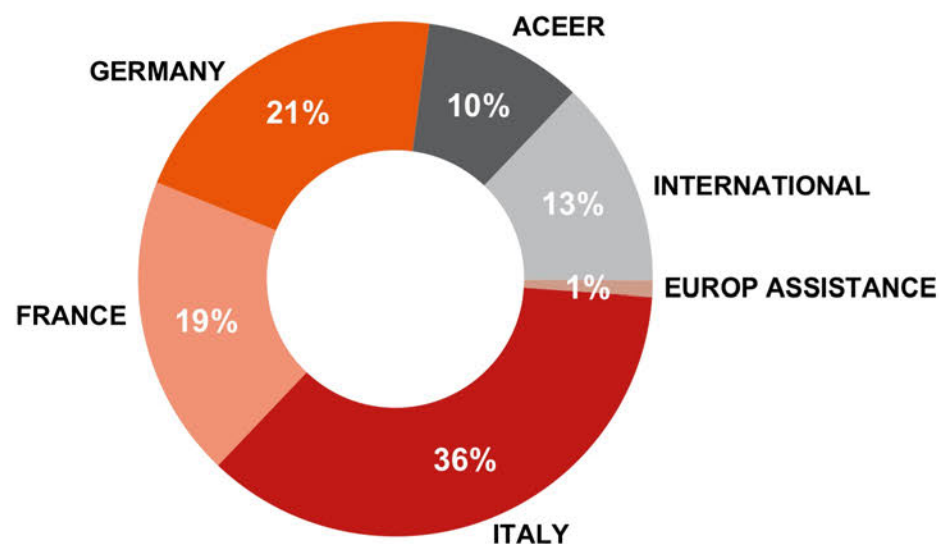
1. 1Q19 VS. 1Q18



# A focused and balanced Group with diversified profit sources

## GWP FY18

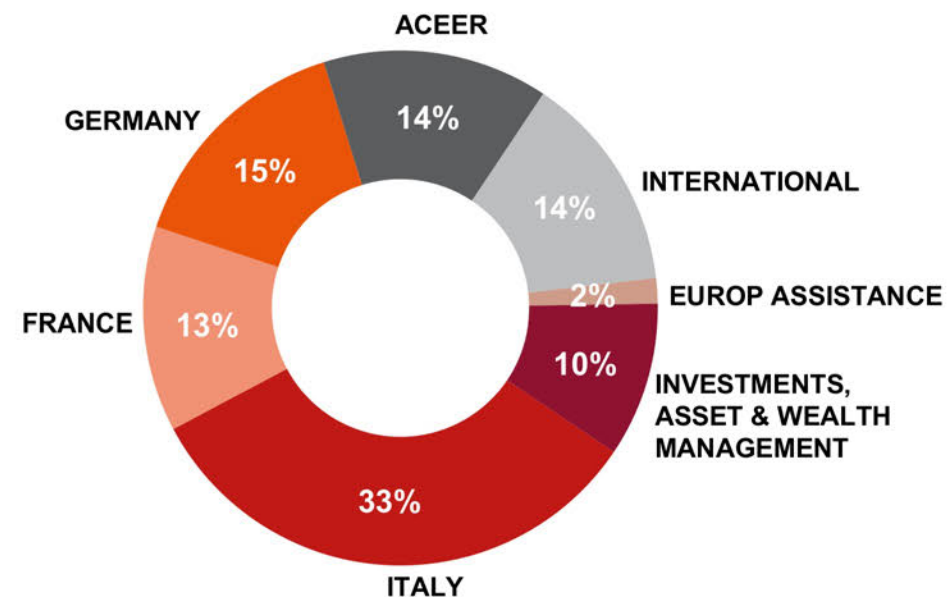
(%)



Excluding Group holding and other companies

## OPERATING RESULT FY18

(%)



Excluding Group holding, other companies and consolidation adjustments

**ACEER AND INTERNATIONAL BUs CONTRIBUTE 23% TO GWP  
AND 28% TO OPERATING RESULT AS OF FY18**



# Group Capital and Cash framework fully defined and in place

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**STRENGTHEN CAPITAL MANAGEMENT**

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**INCREASE CASH REMITTANCE**

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**REDUCE DEBT LEVERAGE**

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# Agenda

			Start	End
<b>Exploring Generali Austria, CEE &amp; Russia</b>	<b>Luciano Cirinà</b>	Austria, CEE & Russia Regional Officer	10:15	10:50
<b>Exploring Generali International</b>	<b>Jaime Anchústegui</b>	CEO International	10:50	11:25
<b>Break</b>			11:25	11:40
<b>Optimizing cash and capital management</b>	<b>Cristiano Borean</b>	Group Chief Financial Officer	11:40	12:10
<b>Q&amp;A Session</b>			12:10	12:55
<b>Closing remarks</b>	<b>Frédéric de Courtois</b>	Group General Manager	12:55	13:00

# Exploring Generali

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**EXPLORING GENERALI AUSTRIA,  
CEE & RUSSIA**

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**LUCIANO CIRINÀ**

Austria, CEE & Russia Regional Officer

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## Key messages

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### SIGNIFICANT PROFIT ENGINE FOR THE GROUP

Proven track record of profitable growth; ready to capture market opportunities thanks to strong market position and highly efficient regional platform

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### IMPLEMENTATION OF GENERALI 2021 STRATEGY

Delivered through both regionally and locally driven initiatives

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### RECENT ACQUISITIONS IMMEDIATELY ACCRETIVE TO PROFITABLE GROWTH

Fully aligned with Group strategy and criteria for capital deployment

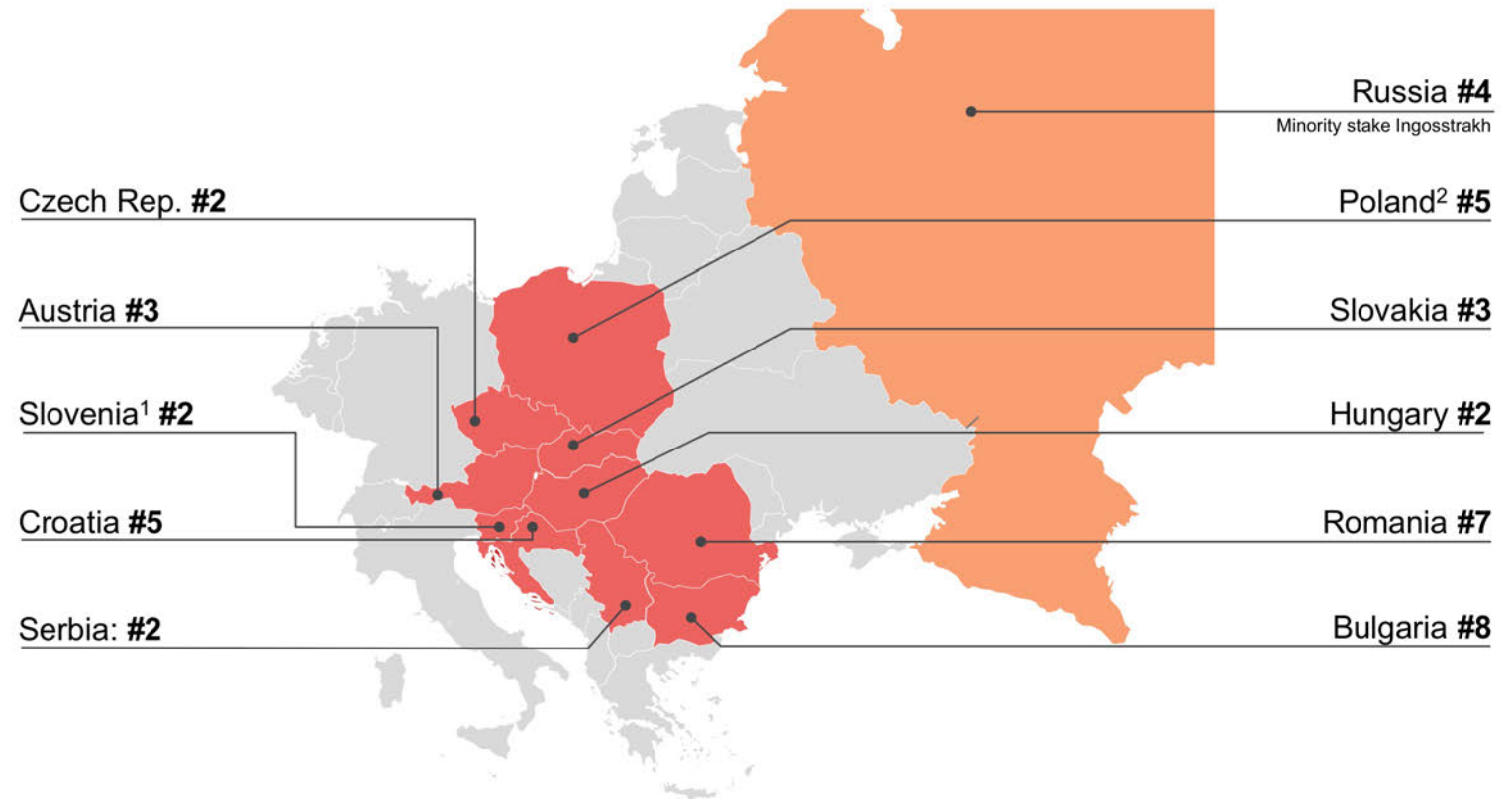
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# Generali ACEER: The most profitable insurance group in the region

- **Market leading pan-regional footprint:**  
#1 by profitability; #2 by premiums
- **Proven track record:** growing profitability since 1989 via organic growth and selective acquisitions
- **Strong 2018 financial performance:** expected to continue into new strategic cycle
- **Technical excellence:** best in class P&C Net Combined Ratio and Life New Business Margin
- **Efficient regional model:** delivering synergies across all regional markets

REGIONAL PRESENCE SINCE 1831

**15 million  
customers<sup>3</sup>**

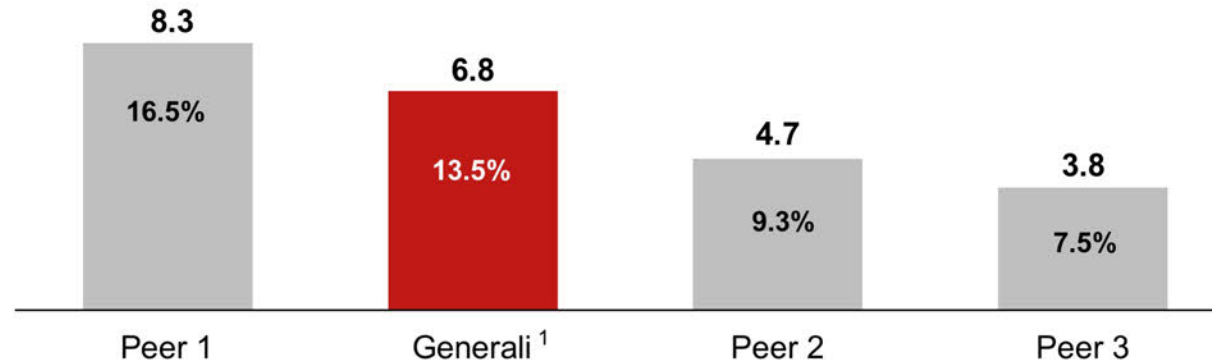


1. Slovenia includes Adriatic Slovenia  
2. Poland includes Concordia  
3. Excluding Russia

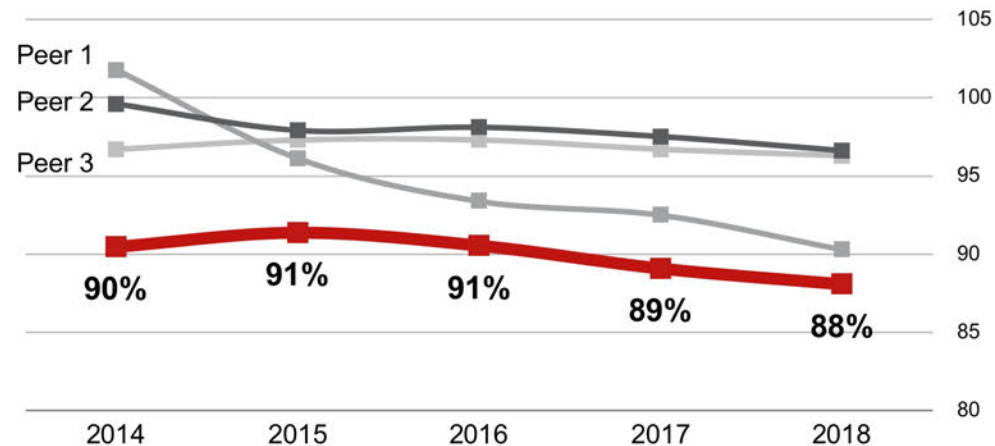
Market rankings by GWP  
Source: National regulators and associations

# Regional leadership delivering continued outperformance on technical margins

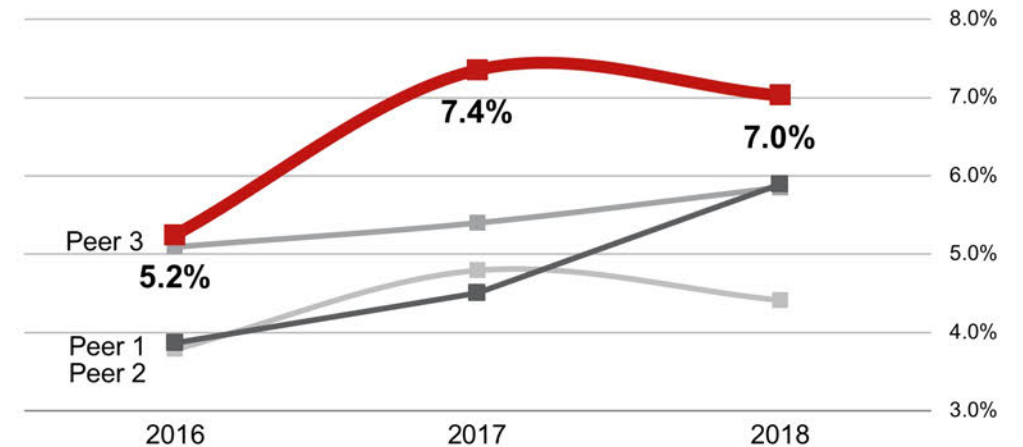
**2<sup>nd</sup> LARGEST REGIONAL INSURER BY MARKET SHARE**  
2018, GWP (€ billion)



**P&C COMBINED RATIO**  
(%)



**LIFE NEW BUSINESS MARGIN**  
NBV/PVNB (°)



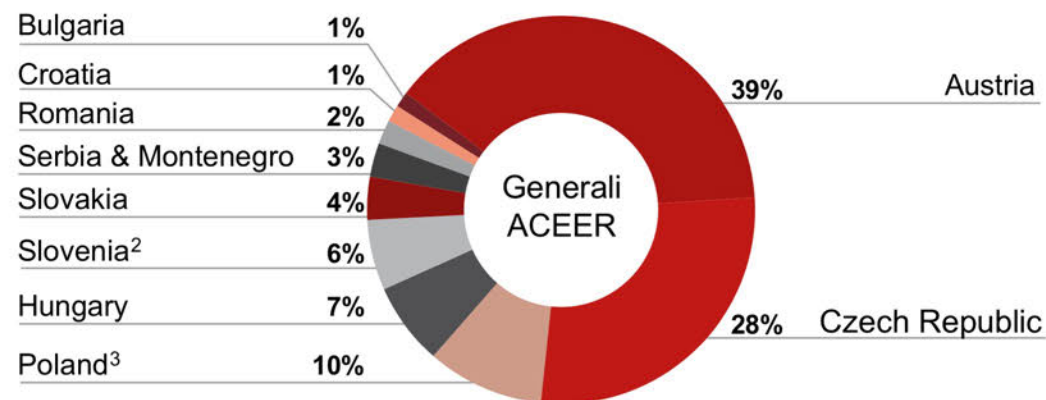
1. Includes pro-forma contribution from Adriatic Slovenica and Concordia (acquisitions completed in Q1 2019)  
Sources: National regulators and associations, Investor relations agenda of the Insurance groups



# Strong network with distinct competitive advantages

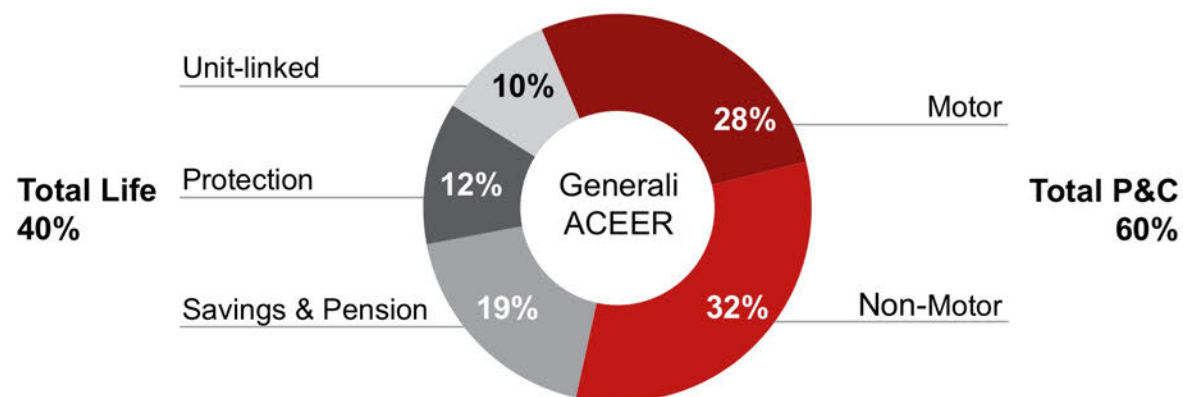
## GEOGRAPHICAL FOOTPRINT<sup>1</sup>

2018, GWP (%)



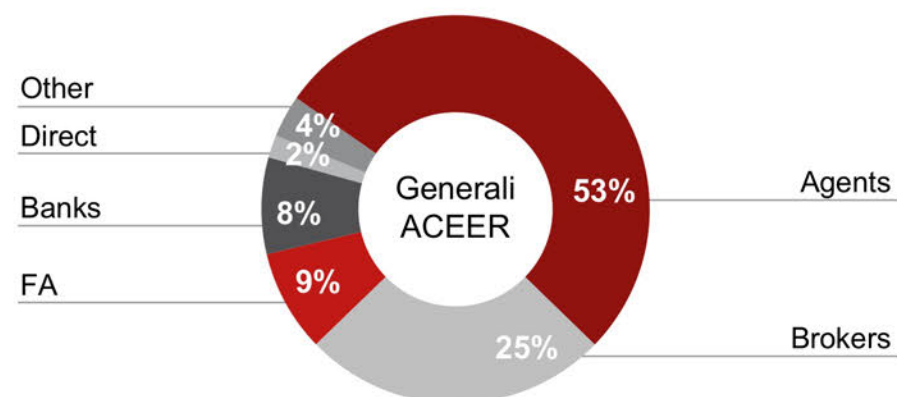
## BALANCED REVENUE CONTRIBUTION BY LINE OF BUSINESS

2018, GWP (%)



## OUTSIZED CONTRIBUTION FROM TIED AGENTS NETWORK

2018, GWP (%)



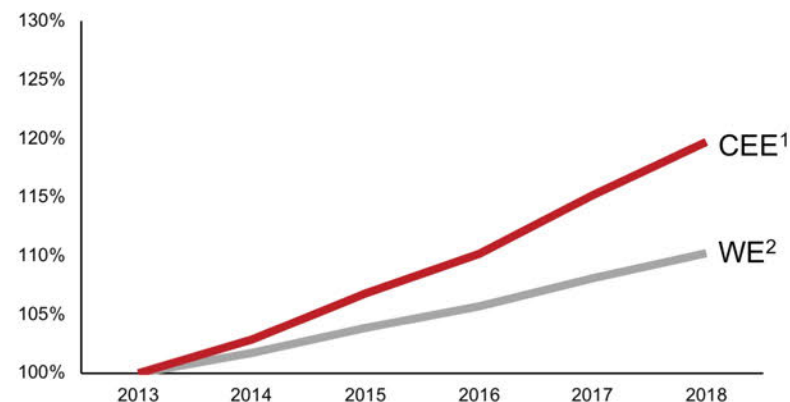
# Regional snapshot: Strong growth outlook

## OUR CONVICTIONS FOR ACEER

- Low insurance penetration in CEE supports long-term growth
- Growth primarily driven by P&C, especially non-motor
- Life new business dominated by protection and unit-linked products
- Tied agents network offers competitive advantage given ability to provide 360 degree approach to customers

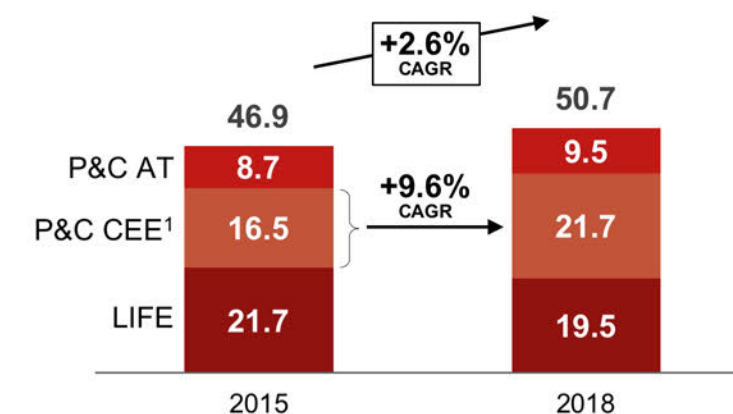
## GROWING ECONOMIES

Cumulated Real GDP growth (2013=100%)

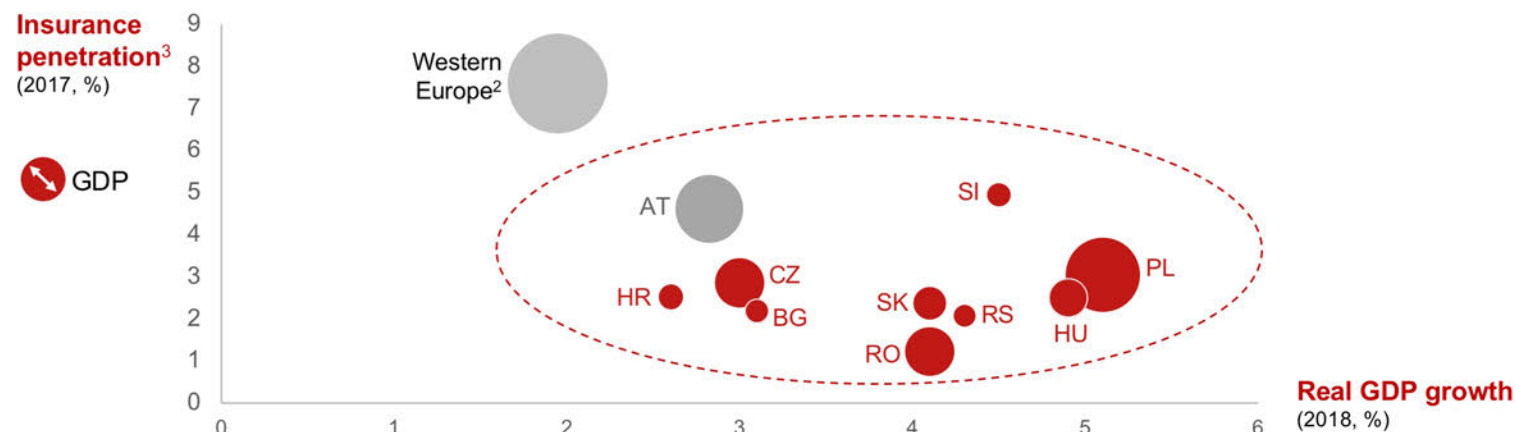


## GROWING INSURANCE MARKET<sup>4</sup>

GWP (€ billion)



## LOW INSURANCE PENETRATION



1. CEE - Czech Republic, Slovenia, Slovakia, Poland, Hungary, Croatia, Bulgaria, Romania, Serbia and Montenegro  
2. Western Europe includes also Austria

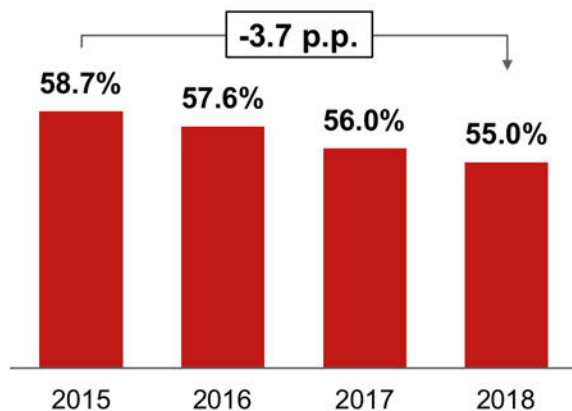
3. Premiums as % of GDP  
4. FX spot rate as at 31.12.2018  
Sources: IMF, Swiss Re, national regulators or associations

# Proven track record and strong 2018 results; expected to continue

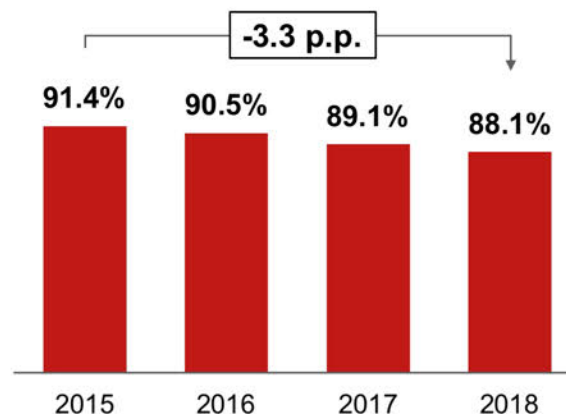
## HIGHLIGHTS

- Growing Operating Result driven by technical excellence and cost discipline
- Very strong Operating result growth in P&C: 7% CAGR 2015-2018
- 2018 results reaffirm commitment to profitability in the region

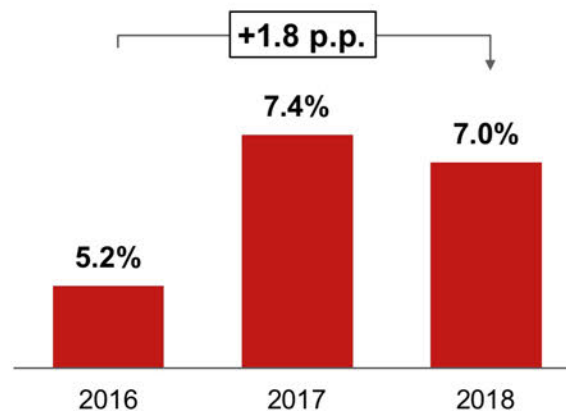
## COST TO INCOME RATIO<sup>2</sup>



## P&C CoR

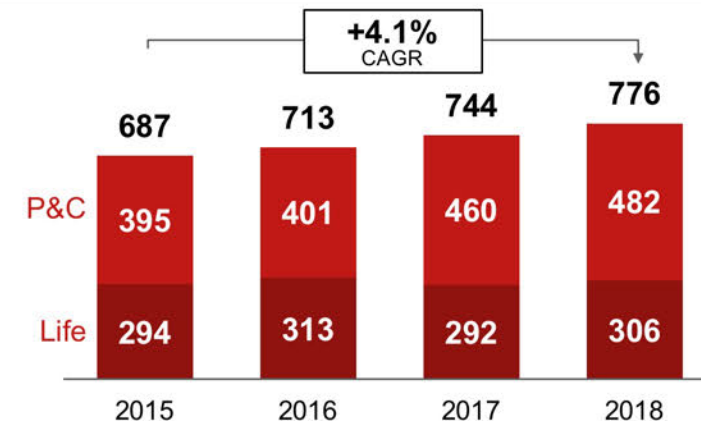


## LIFE NBV/PVNB

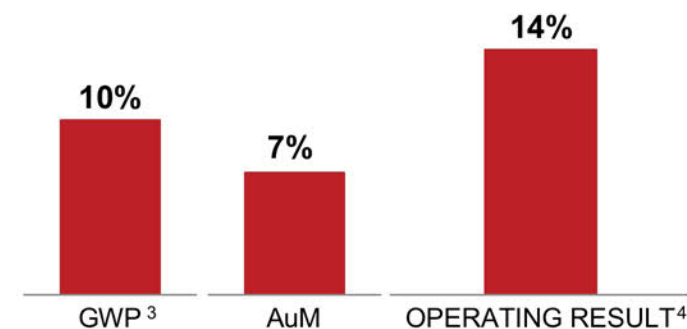


## OPERATING RESULT<sup>1</sup>

(€ million)



## CONTRIBUTION OF ACEER TO GENERALI GROUP RESULTS



1. Total OR includes the result of Holding, and asset management companies  
 2. Cost to income ratio = General expenses/(Operating result + General expenses)  
 Includes insurance (P&C and Life), Holding, and asset management companies  
 3. Excluding Group holding and other companies  
 4. Excluding Group holding, other companies and consolidation adjustments

# ACEER strategy: An engine of profitable growth for Generali



## PROFITABLE GROWTH

- Strengthen **leadership position** in Czech Republic, Hungary, Serbia and Austria
- **Develop market position** in Poland, Slovakia, Romania, Croatia and Bulgaria
- Full **integration** of Adriatic Slovenica in Slovenia
- Accelerate deployment of **modular solutions and SME business**
- **#2 Asset manager in CEE** – complement life offer with pure retail investment products

## CAPITAL MANAGEMENT AND FINANCIAL OPTIMIZATION

- **Reallocate capital** to support organic and non-organic opportunities

## INNOVATION AND DIGITAL TRANSFORMATION

- Drive **transformation** across the region to deliver customer **life-time partner** promise
- Unlock additional potential of already strong tied **agents network**
- Offer seamless **digital experience** for customers and agents



# Generali CEE Holding: A unique operating model supporting local excellence

## MAIN PILLARS

- Regional holding **steering and controlling** in finance, technical excellence, risk and capital management as well as operations
- Cross-border use of resources to **ensure best-in-class capabilities** in small countries where full scale is inefficient
- Holding and **cross-border** virtual organizational units or ad hoc task forces **customized on individual needs**
- Strong **international mobility** to ensure development and exchange of know how and best practice

OPERATING RESULT CONTRIBUTION  
OF SMALL COUNTRIES DOUBLED FROM 2012 TO 2018  
**€ 130 MILLION**

## CROSS-BORDER PROJECTS AND INITIATIVES

- **Operational transformation** programs to increase efficiency and drive customer experience
- **Technical excellence**: pricing, product and service development and claims
- **Customers and Distribution**: enhance distribution capabilities, digitalization and modernization of own network, training and onboarding of agents
- **Human Resources** programs: talents development, reskilling, international mobility
- **Sustainability**: Group best practice in engaging large clients on climate change and responsible for developing specific initiatives for SMEs

**€ 160 MILLION INVESTMENTS**  
IN INTERNAL STRATEGIC INITIATIVES  
PLANNED FOR 2019-2021

# Generali 2021: Group strategic projects

## MODULAR SOLUTIONS AND SME VALUE PROPOSITION

### CUSTOMERS

- Personalized advice and solutions
- Co-creation experience
- Simple to buy

### OFFER

- Flexible and configurable
- Broad insurance covers such as cross-lines P&C and Life
- Non-insurance services

### DISTRIBUTION

- Advisory approach
- Cross and up-selling
- Configuration for specific channel

### OPERATIONS

- Simplified administration
- Reduction of product development time
- Reusage of IT components

### SME: FULL DIGITAL VALUE CHAIN APPROACH

- Digital lead generation, risk assessment and prevention
- Fast flow underwriting
- Innovative solutions such as cyber
- Agents development through training, tools and support

**ACCELERATE GROWTH IN P&C NON-MOTOR**

## OPERATIONAL TRANSFORMATION

**Digital Transformation Program:** optimize digital experience for customers and agents such as Mobile Hub, Agent Hub, customer portals

**Core processes Target Model:** Increase efficiency and delivery. Paperless automation

**IT Target Architecture:** full system integration to reduce complexity

**Regional core processes IT platform:** shorten time to market and exploit platform synergies

**BECOME LIFE-TIME PARTNER TO CUSTOMERS AND IMPROVE EFFICIENCY**



# Generali Austria and CEE: Market leadership position being reinforced

COUNTRIES	P&C			LIFE			KEY DIFFERENTIATORS AND FOCUS AREAS
	2018 GWP	Market share/position <sup>3</sup>		2018 GWP	Market position/share <sup>3</sup>		
	€ million	#	%	€ million	#	%	
Austria	1,516	3	16%	1,129	3	14.5%	Most productive tied agents network; advanced digital platform
Czech Republic	1,035	1	31%	860	2 <sup>4</sup>	23.8% <sup>4</sup>	Strong tied agents and broker network; highest profitability
Poland <sup>1</sup>	434	7	4.6%	233	7	4.6%	Modern digital company servicing external distributors
Hungary	328	2	19%	142	5	10%	Excellent client service; personalized solutions; well-balanced distribution mix
Slovenia <sup>2</sup>	316	2	19.1%	86	2	16.6%	Excellent NPS through quality service; modern digital platform, strong bancassurance channel; focus on integration of Adriatic Slovenica and KD Skladi
Slovakia	143	3	11.7%	102	4	8.2%	Modern IT platform supporting modular product approach; best integrated bancassurance model; focus on strengthening tied agents network
Serbia & Montenegro	130	2	18.4%	63	1	31.2	Most modern company in the country; strong tied agents network; excellent NPS; focus on growth
Romania	113	6	6.5%	24	6	5.4%	Focus on P&C non-motor; growth in life protection business thanks to UniCredit cooperation; restrictive on MTPL
Croatia	52	4	5.7%	45	4	10.7%	Strong focus on bancassurance and health business; developed tied agents network
Bulgaria	87	7	8.1%	-	-	-	Focus on P&C non-motor – already #2 on the market, cautious on MTPL
Total	4,153	2	13.3%	2,685	2	11.6%	

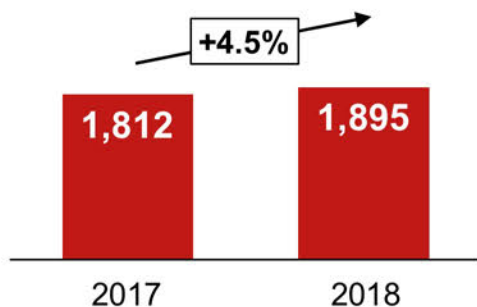
1. Poland includes Concordia in the market ranking  
 2. Slovenia includes Adriatic Slovenica in the market ranking  
 3. Market rankings according to GWP  
 4. Excluding pension fund  
 Source: National Regulators and Associations

# Czech Republic: Market leader focusing on profitable growth

## HIGHLIGHTS

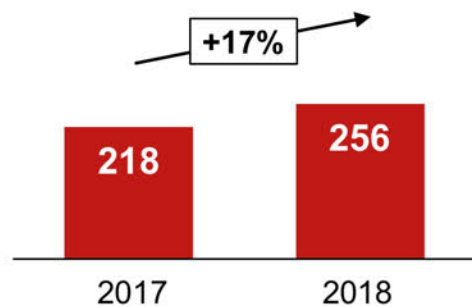
### GWP

(€ million)



### OPERATING RESULT

(€ million)



- **#1 in terms of profitability**
- 4 million **customers**
- Strongest **own sales network**: **#1** in the country by number of agents
- **Largest pension fund** on the market: € 4.3 billion AuM in 2018
- **Fully integrated** back office
- **Fast and digital** claims management
- **Modular products** in life and non-life

## STRATEGIC PRIORITIES 2019-2021

- Increase **sales capacity** through good proposition for young agents, improved lead management and new front-end system
- Accelerate usage of smart pricing in motor to defend **profitability**
- **Digitalize** agent-customer relationship to increase customer satisfaction and improve efficiency
- Continue journey of **simplification** of processes and IT consolidation

**INCREASE SHARE  
OF MODULAR  
PRODUCTS FROM  
20% TO 40% IN LIFE  
AND FROM 20% TO  
35% IN NON-MOTOR  
RETAIL P&C**

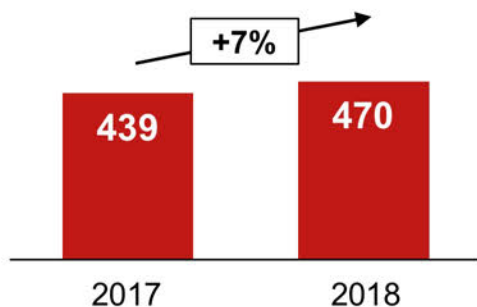
**INCREASE  
THE SHARE  
OF GENERATION  
Y AGENTS  
TO 40%**

# Hungary: Strengthening leadership position

## HIGHLIGHTS

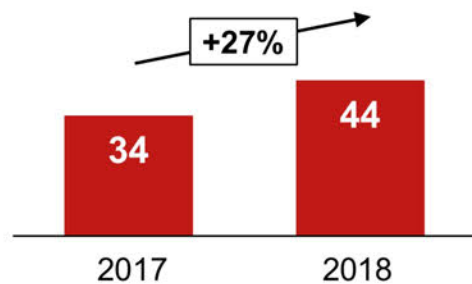
### GWP

(€ million)



### OPERATING RESULT

(€ million)



- #1 in P&C **NON-MTPL**: 85% of P&C GWP
- **Best in class technical profitability**: 75.5% CoR in 2018
- Full **synergy** and **cooperation** between direct and composite companies
- Well-balanced **distribution networks**: agents 38%, brokers 45%, direct 6%
- Strong recruitment of **young agents**: 70% of new agents are millennials

## STRATEGIC PRIORITIES 2019-2021

- Enhance **own sales network** through recruitment of young agents, trainings focused on SME business and deployment of professional career system
- Deploy **modular products** in retail
- Extract value by applying **smart pricing and segmentation** in P&C
- Renovate and consolidate **IT** landscape and **digital** business model

**40%**  
**INCREASE IN**  
**YOUNG AGENTS**  
**BY 2021**

**DOUBLE SHARE**  
**OF DIGITAL**  
**POLICIES TO**  
**50%**

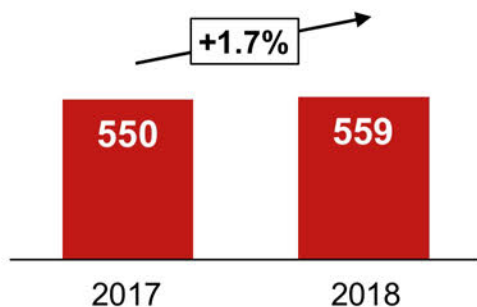


# Poland: Disciplined and sustainable approach to growth

## HIGHLIGHTS

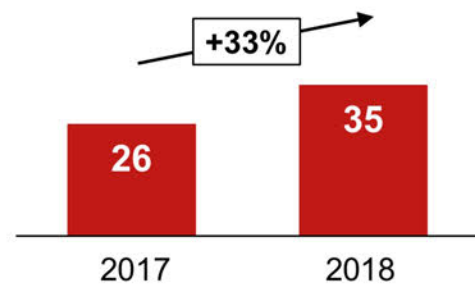
### GWP

(€ million)



### OPERATING RESULT

(€ million)



- **Business and operational turnaround complete:** from loss-making till 2016 to profit-making since 2017
- **Strengthened market position** to #5 via acquisition of Concordia
- Enhanced offering through acquisition of **Union investment**
- **Customer-centric approach:** >6x increase in Net Promoter Score in 2018

## STRATEGIC PRIORITIES 2019-2021

- Increase the share of **non-motor business** through strengthening distribution capabilities
- Capture business opportunities of the **pension system reform** through Union Investment
- Continue to act on **NPS** feedback to increase further **customer satisfaction** and strengthen **brand** recognition and preference

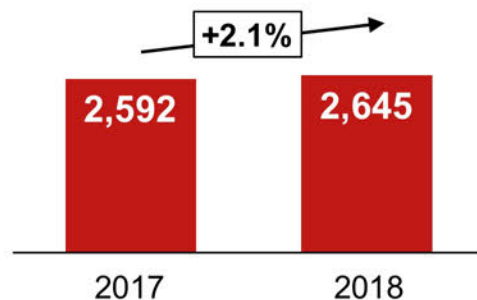
**+20%**  
**CAGR GWP**  
**FROM NON-MOTOR**  
**BUSINESS**

# Austria: Innovative and customer-centric proposition

## HIGHLIGHTS

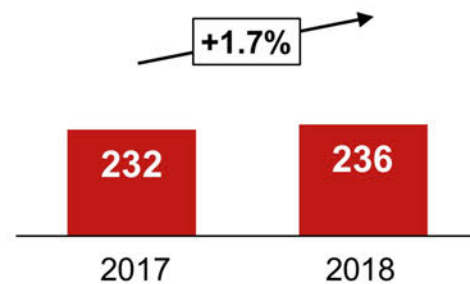
### GWP

(€ million)



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

(€ million)



- Very strong **brand**: one of highest brand preference across Group
- **Strong own sales force**: c. 1.8k exclusive agents
- High **customer retention** of 93.5%
- >70% **digital policies**
- Strong **B2B2C** franchise: more than 11% of P&C premium in 2018
- 2 successful **Bancassurance** cooperations: 25% of Life premium in 2018

## STRATEGIC PRIORITIES 2019-2021

- Focus on **capital light products**
- Speed up **digitalization**: customer portal, Agent and Mobile Hub, paperless new business
- Introduce and scale up **innovative products** bundling insurance, prevention, assistance, P&C and Life



**INCREASE SHARE  
OF LIFE CAPITAL  
LIGHT BUSINESS  
BY 8 P.P. TO 43%<sup>2</sup>**



**80%  
INCREASE IN  
PORTFOLIO SHARE  
OF MODULAR  
PRODUCTS<sup>3</sup>**

# Russia at a glance

## KEY FACTS

- Population 147 million
- 54% of the population is with higher education<sup>1</sup>
- GDP real growth last 2 years ≥1.5% YoY
- Ease of Doing Business Index Russia ranked at #123 in 2011 and #35 in 2018

## INSURANCE MARKET

- € 19.8 billion market:
  - of which P&C € 13.7 billion
  - of which Life € 6.1 billion
- Insurance penetration 1.4%
- 2018 total market growth of 16% and Life of 38%
- The Russian insurance market has undergone consolidation and concentration in recent years
- Top 4 insurance groups hold more than 50% market share
- #1 Sogaz-VTB, #2 Sberbank Insurance and #3 Alfa Insurance

## INGOSSTRAKH POSITION

- Ingosstrakh group ranked #4 on market
- 2018 total GWP € 1.4 billion:
  - of which P&C € 1.2 billion
  - of which Life € 0.2 billion
- The company keeps leading positions in Motor segment #1 in Casco and #3 in MTPL
- 2018 Net Profit € 90 million

## GENERALI ACTIVITIES

- Generali Russia & CIS representative office opened in 2018; Generali Insurance Brokers Russia & CIS licensed in Q2 2019
- 38.5% shareholding of Generali Group in Ingosstrakh Insurance
- Europ Assistance present since 2001
- Generali in Russia is servicing corporate clients through Corporate & Commercial, Employee Benefits and Generali Global Health via local fronting agreements

## CAPTURE OPPORTUNITIES



# Recent acquisitions immediately accretive to profitable growth

## FINANCIAL ATTRACTIVENESS



### ADRIATIC SLOVENICA

- Generali #2 in Slovenia: € 300 million GWP in 2018
- Strong own sales network
- Diversified platform with balanced distribution mix
- Strong Non-Life and Health portfolio
- #3 Asset management company: € 750 million AuM



### CONCORDIA

- Enhanced Generali position in the largest CEE market: € 109 million GWP in 2018
- Portfolio diversification contributing to non-motor P&C
- #2 in Agro business with strong technical and underwriting team



### UNION INVESTMENT<sup>1</sup>

- Largest asset manager not belonging to banks/insurers: € 3.3 billion AuM
- Strong multi-channel distribution platform
- Top management team with excellent track record
- Platform to access PL Pension reform



### UNICREDIT BANCASSURANCE

- Regional long term agreement
- Credit & Leasing protection: CZ, SK, RO, SI, RS, HR, BiH; Life/P&C: RS, BiH; Leasing protection: BG
- Strong growth contribution to Romania and Croatia

**BEST-IN-CLASS INTEGRATION CAPABILITIES SUPPORTIVE OF DELIVERING IMMEDIATE PROFITABLE GROWTH**

# Generali ACEER: Well positioned and committed to profitable growth

## STRONGEST INTERNATIONAL NETWORK AND POSITION

- Strengthen leading positions and leverage on distribution partnerships
- Roll out Lifetime Partnership focusing on proprietary networks

## LEADING TECHNICAL RESULTS AND SKILLS

- Focus on P&C growth, especially non-motor segment, maintaining best-in-class margins through segmentation, pricing sophistication and digitalized claims processes
- Deployment of customized modular solutions focusing on advice and prevention

## COST EFFICIENT PLATFORM SCALABLE FOR GROWTH

- Drive digital transformation and innovation supported by significant investments

**3%-6%**  
**EARNINGS CAGR 2018-2021**

# Exploring Generali

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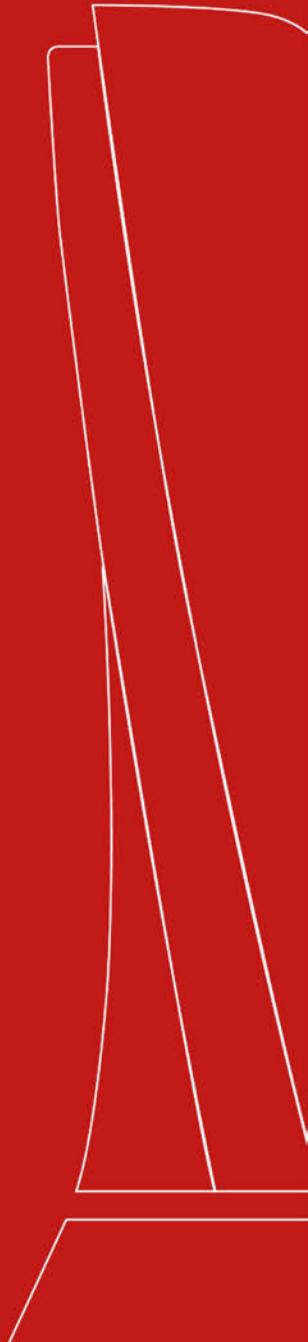
**EXPLORING GENERALI INTERNATIONAL**

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**JAIME ANCHÚSTEGUI**

CEO International

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## Key messages

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### GEOGRAPHICAL FOOTPRINT REVIEW COMPLETED

Exits from non-core markets to focus presence on target markets

---

### BALANCED INTERNATIONAL PORTFOLIO

Stable and profitable business in mature markets; well positioned to capture growth opportunities in high potential markets

---

### SOLID FOUNDATIONS FOR PROFITABLE GROWTH

Expertise and capabilities in place in all business units to develop new business plan

---

### CLEAR STRATEGY TO DELIVER 2021 PLAN

Strong investments in channels development and digital transformation in line with Group Life-Time Partner aspiration

---



# Generali International: Focused footprint across mature and high potential markets

## BUSINESS SNAPSHOT



17 countries<sup>1</sup>



19.3 m customers



12.2 k employees



85 k agents and employed salesforce



5 JVs<sup>2</sup>



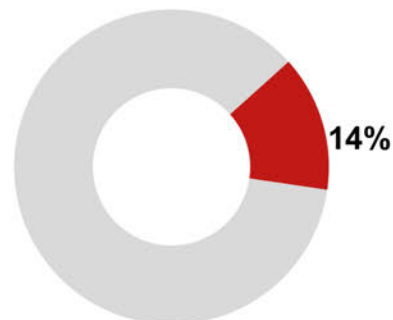
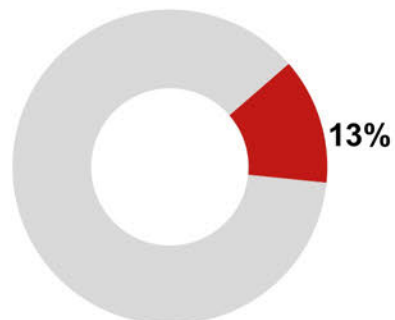
1 Hub for global coordination

## MATERIAL CONTRIBUTOR TO GENERALI GROUP<sup>1</sup>

(FY2018)

GWP<sup>3</sup>

OPERATING RESULT<sup>4</sup>



## GLOBAL FOOTPRINT REVIEW

### MATURE MARKETS



Spain



Greece



Switzerland



Portugal

### ESTABLISHED PRESENCE IN SELECTED EUROPEAN MATURE MARKETS

### HIGH POTENTIAL MARKETS

Latam



Argentina



Brazil



Chile<sup>5</sup>



Ecuador

Asia



Turkey<sup>6</sup>



Indonesia



Thailand



China<sup>2</sup>



Vietnam



Malaysia<sup>2</sup>



India<sup>2</sup>



Hong Kong



Philippines

### WELL POSITIONED TO CAPTURE PROFITABLE GROWTH OPPORTUNITIES IN HIGH POTENTIAL MARKETS

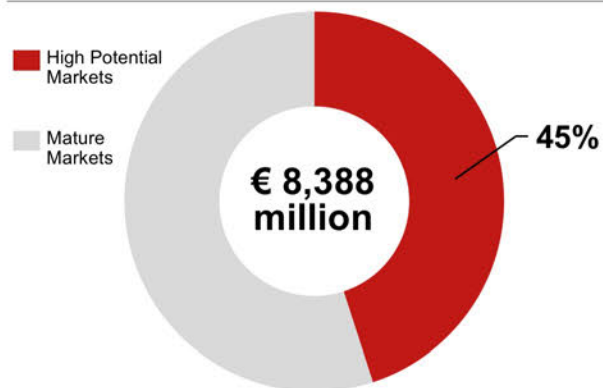
1. Generali International perimeter includes the countries shown in this slide plus the Generali U.S.Branch. Total International financials are aggregated (not consolidated) and do not include equity-method entities. Country level financials in this presentation are before Group consolidation adjustments. Hence financial information in this presentation may differ from information included in Group public integrated and consolidated financial statements and reports
2. Generali China Life (50%) is consolidated line by line. Generali China non-life (49%), India Life (49%), India non-life (49%) and Malaysia non-life (49%) are consolidated with equity method
3. Group figures excluding Group holding and other companies
4. Group figures excluding Group holding, other companies and consolidation adjustments
5. AFP PlanVital (pension business)
6. Included in the Americas & Southern Europe Region, within Generali International

# Well-balanced portfolio delivering profitable growth across markets

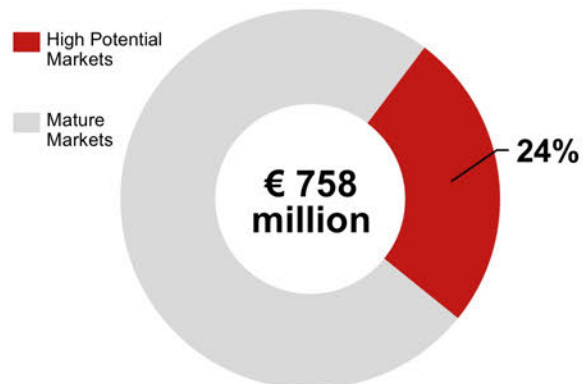
## WELL-BALANCED PORTFOLIO

(FY2018)

### GWP

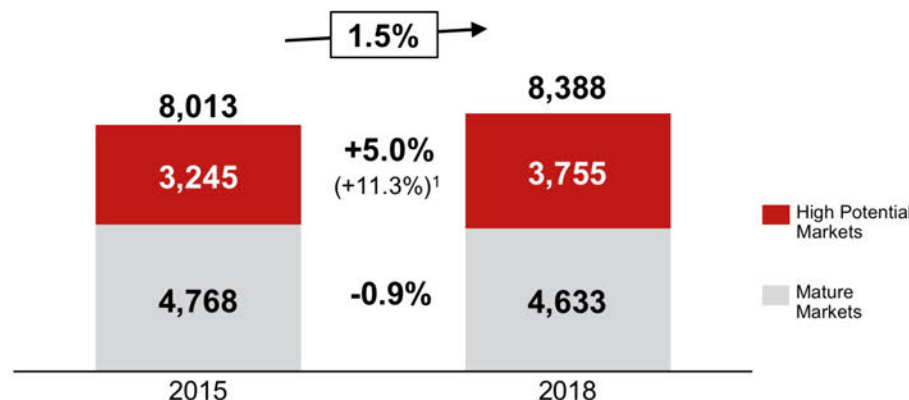


### OPERATING RESULT



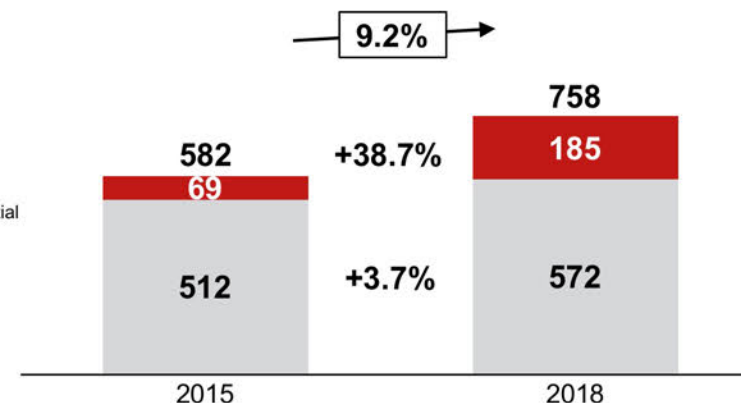
## CONSISTENT GWP GROWTH TRAJECTORY IN HIGH POTENTIAL MARKETS

GWP  
(€ million)



## DELIVERING ATTRACTIVE PROFITABILITY

OPERATING RESULT  
(€ million)



## HIGH POTENTIAL MARKETS

## MATURE MARKETS

- **Development of distribution network:** strong growth of agents in Asia, bancassurance in China, Thailand, India, Brazil
- **Protection** business growth and NBM increased
- **Motor portfolio pruning** in Brazil to increase profitability
- **Focus on capital light** production
- **Portfolio management** initiatives in Switzerland and Spain
- **Focus on technical** excellence and **operating** efficiency

1. Excluding Argentina which was impacted by a large FX devaluation in the period

# Diversified presence in Life and P&C markets


YE2018, € billion, 100% of entities<sup>1</sup>

		GWP		COUNTRIES HIGHLIGHTS	
COMPOSITE PRESENCE	Spain	36%	64%	2.41	Balanced presence in life and P&C; profitable growth in both Lines of Business
	Switzerland	60%	40%	1.70	Leader in retail life; focused on unit linked business
	Argentina	16%	84%	0.62	Market leader; strong presence in motor business
	India	33%	67%	0.42	Growing JV companies in Life and P&C; agent focused
	Hong Kong	49%	51%	0.35	Focus on brokers and partnerships and growth in Affluent, SMEs and A&H
	Portugal	28%	72%	0.21	Well established P&C business; presence in Life
	Greece	45%	55%	0.21	Profitable company; strong digital capabilities
	Brazil	47%	53%	0.16	Small balanced presence; refocusing on B2B2C
	Ecuador	28%	72%	0.03	Small presence; balanced mix among life, motor and non-motor lines
PURE P&C	Malaysia		100%	0.13	Acquired in 2014; profitable P&C company
	Turkey		100%	0.05	Niche player; turnaround complete; platform for B2B2C
PURE LIFE (Life GWP >= 90%)	China	95%	5%	2.08	Top 5 Int'l Life Company, focus on savings and protection, number 1 multinational for employee benefits
	Thailand	90%	10%	0.28	Top 10 in employee benefit; focus on unit linked and protection; strong bancassurance partnership
	Indonesia	100%		0.17	Number 7 in Int'l Life market; focus on unit linked and agents network
	Vietnam	100%		0.08	Number 6 in Life market; strong growth of agent channel
	Philippines	100%		0.03	Small presence; platform for growth in B2B2C; good positioning in employee benefit

Life

P&C

1. U.S. Branch and Chile not reported in this slide



Life P&C

1. U.S. Branch and Chile not reported in this slide



# Clearly defined strategy to deliver Generali 2021 targets

## PROFITABLE GROWTH

- Consolidate position in Mature Markets, focusing on **profitability**
- Scale-up and professionalize **agency workforce** with focus on Asia
- Accelerate development of **B2B2C model** in Asia and Latin America
- Continue to focus on **capital light products (protection and Unit Linked)** across all markets with priority on Europe

## CAPITAL MANAGEMENT AND FINANCIAL OPTIMIZATION

- **Deploy capital** towards selective and value-accretive opportunities

## INNOVATION AND DIGITAL TRANSFORMATION

- Fully digitalize **customer and agents interactions** with the roll-out of Mobile Hub and Agent Hub capabilities across all markets
- Develop **data analytics** with core competences in Mature Markets and regional hubs in High Potential markets
- **Enable technical know-how** with the support of Group and regional competence centers

**20%-25% NET EARNINGS GROWTH IN HIGH POTENTIAL MARKETS**  
**STRENGTHENING PRESENCE IN MATURE MARKETS**

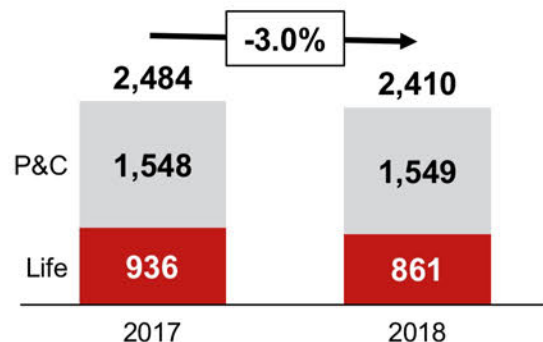


# Generali Spain: A well-positioned insurer in life and P&C

## KEY HIGHLIGHTS

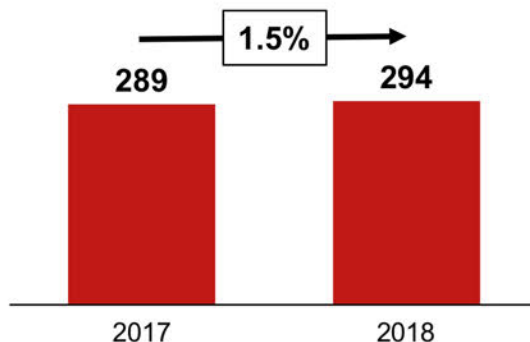
### GWP

(€ million)



### OPERATING RESULT

(€ million)



- **Top 10 player:** both in Life and P&C
- **Leading technical expertise:** best-in-class P&C CoR (92.2%); solid life NBV<sup>1</sup> (€ 166 million)
- **Focus on life capital light products:** c. 30% of GWP generated in protection
- **Large proprietary agent network:** c. 3.6k agents, c. 4.2k brokers
- **Quality bank partnerships:** >15 year agreement with Cajamar
- **Strong focus on customers:** launch of Mobile Hub in 2018

## STRATEGIC PRIORITIES 2019-2021

- **Full digitalization** of agency network through Mobile and Agent Hub centered on customer experience
- Focus on development of **capital light products**, with clear focus on protection business
- Continue to build **Analytical and AI capabilities** to develop new personalized solutions

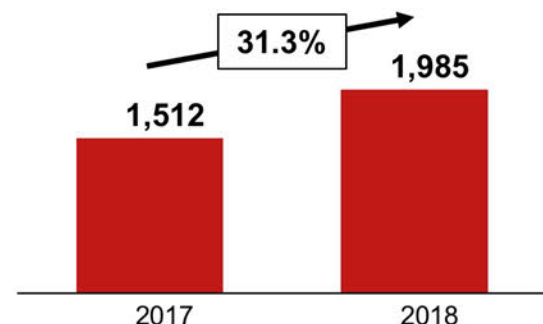
**c. 50%  
FULLY DIGITAL  
AGENTS BY 2021**

**+15-20%  
NBV<sup>1</sup> BY 2021**

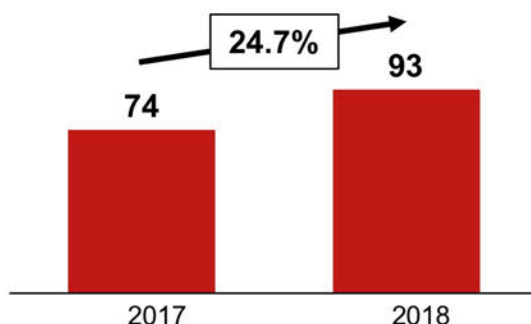
# Generali China Life: Leading international life insurer in China

## KEY HIGHLIGHTS<sup>1</sup>

**GWP**  
(€ million)



**OPERATING RESULT**  
(€ million)



- **Top 5 player in Life market:** amongst international players; #1 in employee benefits
- **Robust growth trajectory:** in 5 years GWP CAGR at 25%, NBV<sup>2</sup> increased c.7x
- **Sizable profitable business:** € 385 million APE<sup>2</sup>, € 170 million NBV<sup>2</sup>
- **Strong JV partnership with CNPC:** c. 1.5 million employees, pension fund with CNPC employees
- **Leading life agency franchise:** >16k agents
- **National agency licence (GIAC):** only multinational insurer licensed that includes online

## STRATEGIC PRIORITIES 2019-2021

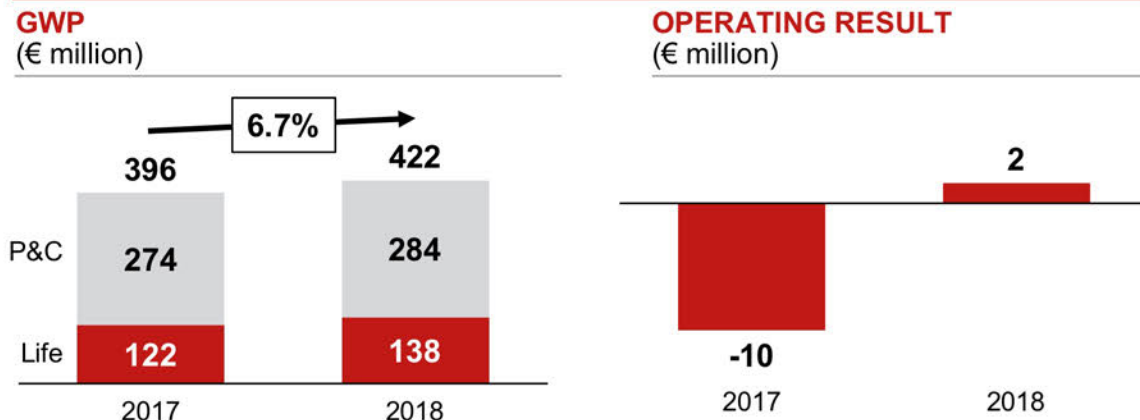
- Develop a **best-in-class professional agency force**
- **Geographic expansion** to support agency and bancassurance business growth (one province per year under current regulation)
- Expand **retail business** opportunities with **CNPC Group**
- Strengthen position in Employee Benefits as **number 1 multinational insurer in this space**

**+70%**  
**ACTIVE**  
**AGENTS**

**c. 20%**  
**GWP CAGR 18-21**

# Generali India: Well-positioned life and P&C franchise

## KEY HIGHLIGHTS<sup>1</sup>



- **Well-established business:** 10 years in the market with life and P&C license
- **Strong growth trajectory:** among fastest growing life insurer in 2017 and 2018 (>20% life GWP growth<sup>2</sup>)
- **Leading local partner:** JV with Future Group, >2,000 stores, 400m walk-in customers
- **Focus on innovation and customer service:** Life NPS +22 p.p. ; P&C NPS +14 p.p.
- **Technology enabled:** Awarded as best Cognitive technology, AI and Innovation in customer service by Microsoft

## STRATEGIC PRIORITIES 2019-2021

- **Expand offering** to the **Future Group customer ecosystem** with simple, digital product proposition based on **customer data analytics**
- **Grow partnerships** with regional and national **banks** delivering superior partner services
- Develop a **leading professional agency force**

**+100%  
ACTIVE  
AGENTS**

**>30%  
GWP CAGR 18-21**

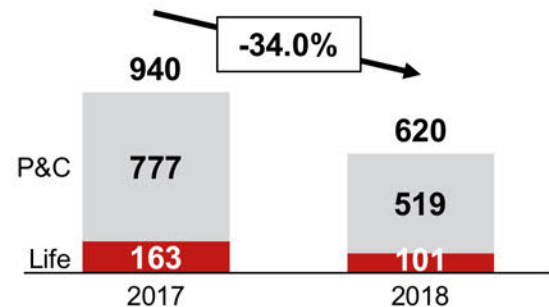


# Generali Argentina: Market leader with La Caja brand

## KEY HIGHLIGHTS<sup>1</sup>

### GWP

(€ million)



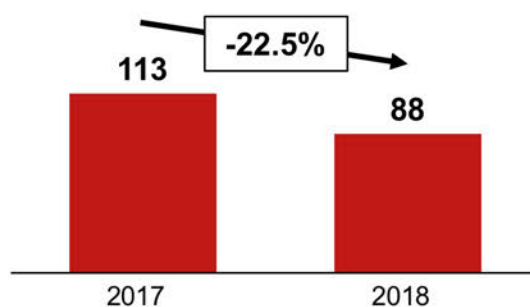
Pesos;  
billion<sup>1</sup>

17.61

26.70

### OPERATING RESULT

(€ million)



2.12

3.77

- **Market leading brand:** c. 30% brand preference
- **Resilient business:** Sustainable profits despite current challenging macro-economic conditions
- **Technical excellence:**  
motor CoR c. 10 p.p. below market average
- **Pricing sophistication:** monthly motor policies allow prices to be adjusted based on market conditions
- **Multi-channel distribution model:** c. 40% GWP from B2B2C;  
>20 third party distribution agreements

## STRATEGIC PRIORITIES 2019-2021

- Leverage motor leadership position to further develop **telematics solutions** for the benefits on our customers
- **Rebalance non-life mix** from motor towards connected homes and SME
- Implement **360° customer view** through data analytics
- Increase **operating efficiency** through robotics and artificial intelligence

**RETAIN  
MARKET  
LEADERSHIP**

**+10%  
INCREASE  
IN NUMBER  
OF POLICIES**



# Scale-up and professionalize agency workforce in Asia



## STRONG FOUNDATIONS IN PLACE

- **c. 70k agents** in Generali Asia markets
- **Core distribution channel** (43% life APE in 2018)
- **Solid growth** in recent years (>30% GWP CAGR '16-'18)
- c. 11k **active agents** already in place for Generali

## BUILDING BLOCKS



**Recruitment** of agents new to the industry, as well as professional



**Onboarding** of new recruits with structured training programs



**Activation** of agents to speed up sales and increase persistency



**Retention** of best agents to build a sustainable network

## STRATEGIC FOCUS



**MANAGEMENT CONTROL**



**EXCELLENT PERFORMANCE**



**INCREASED PERSISTENCY**

**+100% INCREASE IN ACTIVE AGENTS TO c. 23k BY 2021**

# Development of B2B2C business model

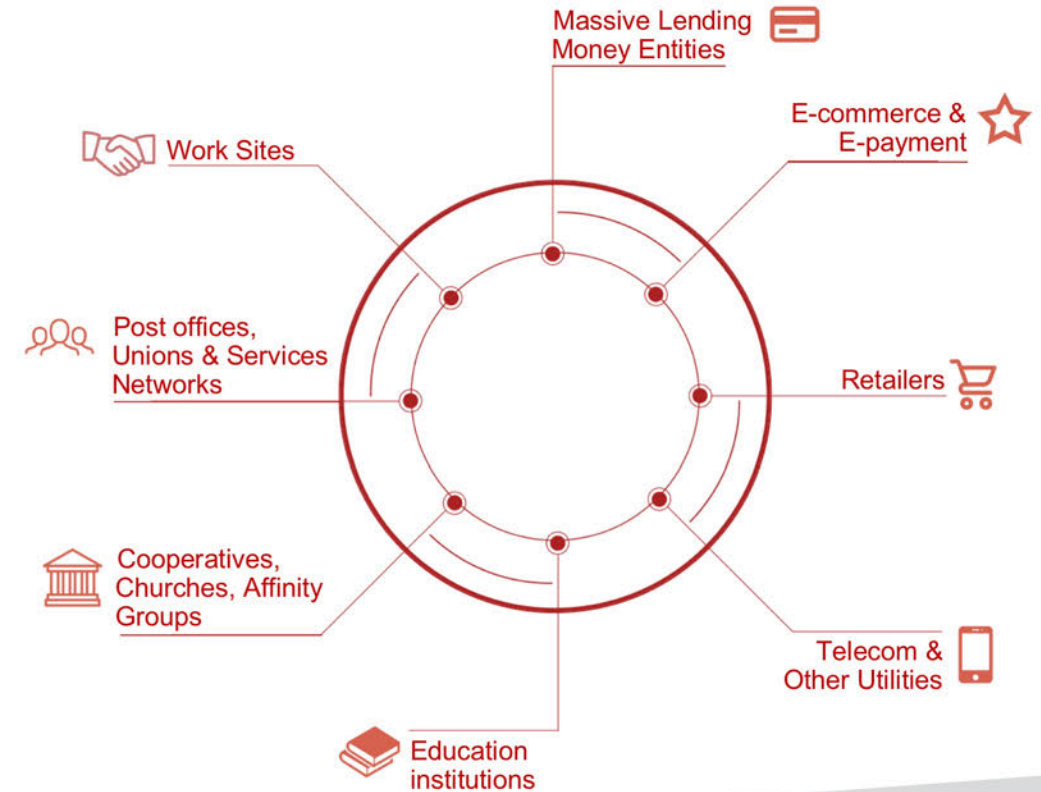
B2B2C partnerships

## SOLID FOUNDATIONS

- In house best practice in Argentina
- Strong partnerships already in place



## B2B2C MODEL



15 million

B2B2C ORIGINATED INSURED CLIENTS BY 2021

# Innovation and digital transformation to deliver the customer life-time partner promise

## LEVERAGE CURRENT EXPERIENCES...

### IT PLATFORMS

- **Advanced technological platforms** in Spain and Argentina
- Core IT systems digitally ready

### DIGITAL INTERACTIONS

- **Mobile & Web Hub** live in Spain, Switzerland and Turkey. Expected launch in 2019 in Argentina, India, Portugal, Greece and Malaysia
- Significant enhancement of **digital customer communication** strategy

### INNOVATION AND DATA ANALYTICS

- **Open collaboration** in Switzerland
- **Blockchain** pilots and **AI/RPA** solutions to achieve operational excellence in Spain, Switzerland, India, Thailand
- **Machine learning** models in Spain

## ...TO LEAD DIGITAL WAY

- Enable B2B2C distribution model with **API layer**
- **Insurance-in-a-box IT solutions** for high potential and small countries
- **Mobile & Web Hub** capabilities in all markets
- Provide **full digital agent journey** to Asia Region leveraging Global Agent Hub Program
- Accelerate seamless customer experience and digital ecosystem strategy to all geographies
- Enhance data analytics capabilities through **regional hubs**
- **360 customer view** in most of international countries

**c. €110 million**  
**INVESTMENT IN TRANSFORMATION IN 2019-2021**



# Generali International: profitable growth underpinned by focus and discipline

## TECHNICAL AND OPERATING EXCELLENCE IN MATURE MARKETS

- **Focus on technical excellence** in pricing and claims handling
- **Prioritize Capital light** production, particularly protection
- **Drive further operational efficiency** via discipline and digitalization

## SUSTAINED GROWTH IN HIGH POTENTIAL MARKETS

- **Scale up and professionalize** agent franchise
- **Pursue new distribution agreements** with discipline and focus on B2B2C model
- **Extend good practices** in technical and operations from mature markets

## INNOVATION AND DIGITAL TRANSFORMATION EVERYWHERE

- **Strengthen data analytics** capabilities tied with front-ending activities and core insurance practices
- **Grow significantly share of fully digital policies** and customer interactions
- **Digitize and automate** low value adding and non core activities

**FOCUS AND DISCIPLINE IN MATURE MARKETS  
STRONG PROFITABLE GROWTH IN HIGH POTENTIAL MARKETS**



# Exploring Generali

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**OPTIMIZING CASH  
AND CAPITAL MANAGEMENT**

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**CRISTIANO BOREAN**

Group Chief Financial Officer

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# Strategic pillars to drive financial performance

## STRATEGY PILLARS

PROFITABLE GROWTH

CAPITAL MANAGEMENT  
AND FINANCIAL OPTIMIZATION

INNOVATION AND DIGITAL  
TRANSFORMATION

## FINANCIAL IMPACT

- Stronger and more predictable **EPS** growth

### TODAY'S FOCUS

- Resilient **balance sheet** fueling **growing capital and cash generation**
- Driving **efficiency** while **investing for the future**

# Optimized cash and capital management: an integral part of Generali 2021

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## PROACTIVE MANAGEMENT OF LIFE BUSINESS LIABILITIES

Continued momentum towards more profitable, less capital intensive life business mix

---

## RESILIENT CAPITAL POSITION

Robust Solvency at Group and major BUs, even under severe market stress scenarios

---

## STRONG AND SUSTAINABLE CAPITAL GENERATION

Business mix shift and new capital management framework supportive of capital generation

---

## MATERIAL INCREASE IN CASH REMITTANCES TO HOLDING

Profitable growth and disciplined capital management at BUs to deliver > € 7 billion Net Holding Cash Flow by 2021

---

## STRATEGIC OPTIMIZATION ACTIONS FURTHER SUPPORTING CASH POSITION AT HOLDING

> € 1 billion cash received from 89.9% Generali Leben disposal (including related net debt reimbursed)

---

## FULL COMMITMENT TO ANNOUNCED DEBT MANAGEMENT TARGETS

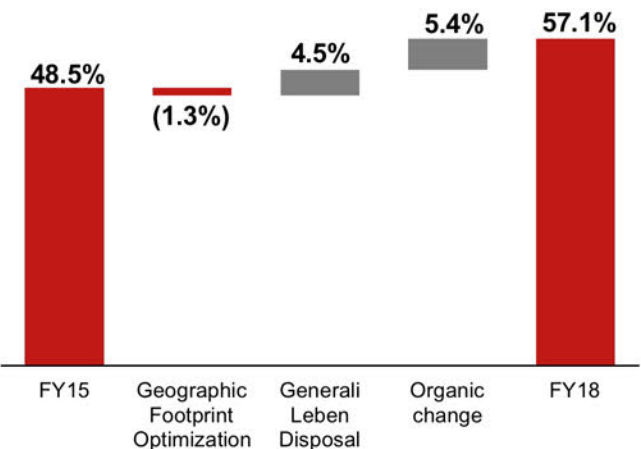
€ 1.25 billion senior debt repayment by 2020

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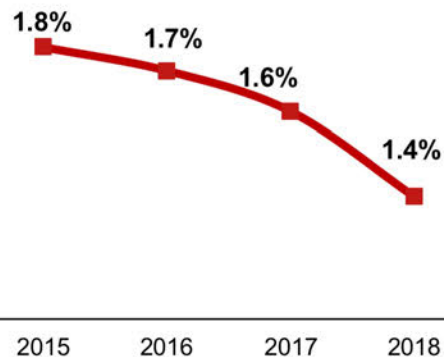
# Proactive management through liabilities: shifting towards more profitable, less capital intensive life business mix

## LIFE IN FORCE BUSINESS

**CAPITAL LIGHT<sup>1</sup> RESERVE MIX DEVELOPMENT ON TOTAL GROUP LIFE PORTFOLIO (%)**



**AVERAGE GUARANTEE FOR GROUP LIFE PORTFOLIO (%)**

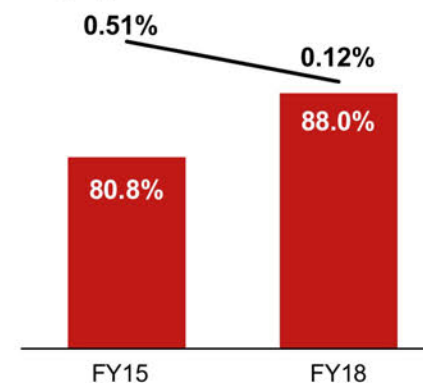


- New business capital light focus supporting lower average guarantee across portfolio
- Back-book optimization initiatives

## LIFE NEW BUSINESS

**CAPITAL LIGHT<sup>1</sup> ON NBP (%)**

— Average guarantee on total NBP



**NBV (€ million)**

FY15 NBV	1,097
Impact from management actions on product features and mix	643
Economic variances & Other	137
FY18 NBV	1,877

- More capital light products sold: unit linked, zero guaranteed saving business, protection

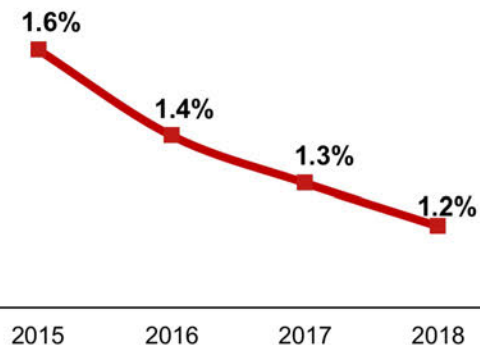
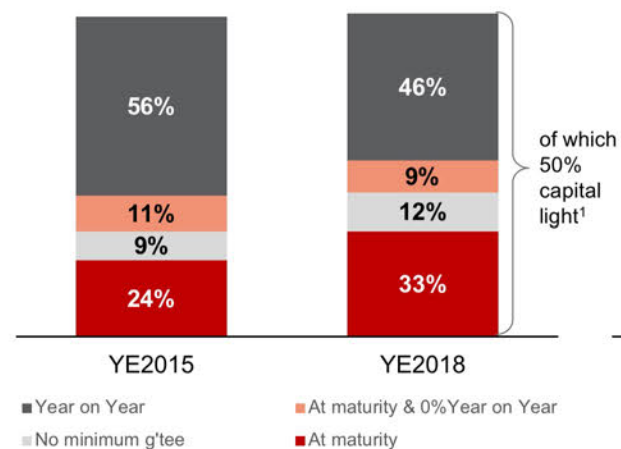


# Italy proactively improving its life business sustainability and profitability

## LIFE IN FORCE BUSINESS

TECHNICAL PROVISIONS BY TYPE OF GUARANTEE (%)

AVERAGE GUARANTEE FOR LIFE PORTFOLIO (%)

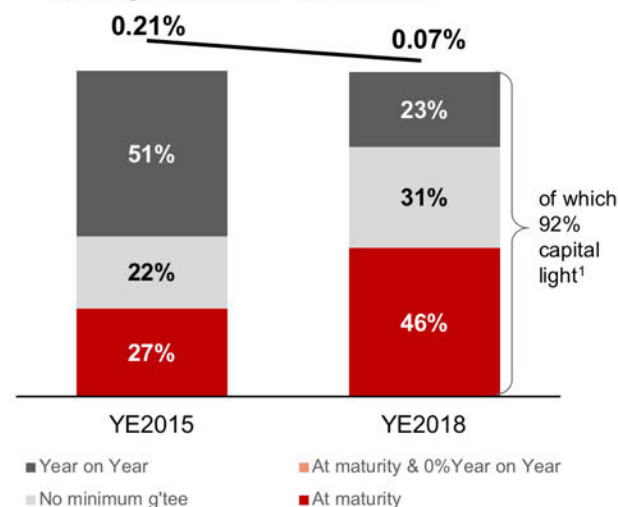


## LIFE NEW BUSINESS

NBP BY TYPE OF GUARANTEE (%)

NBV (€ million)

— Average Guarantee on total NBP



FY15 NBV	589
Impact from management actions on product features and mix	271
Economic variances & Other	118
FY18 NBV	978

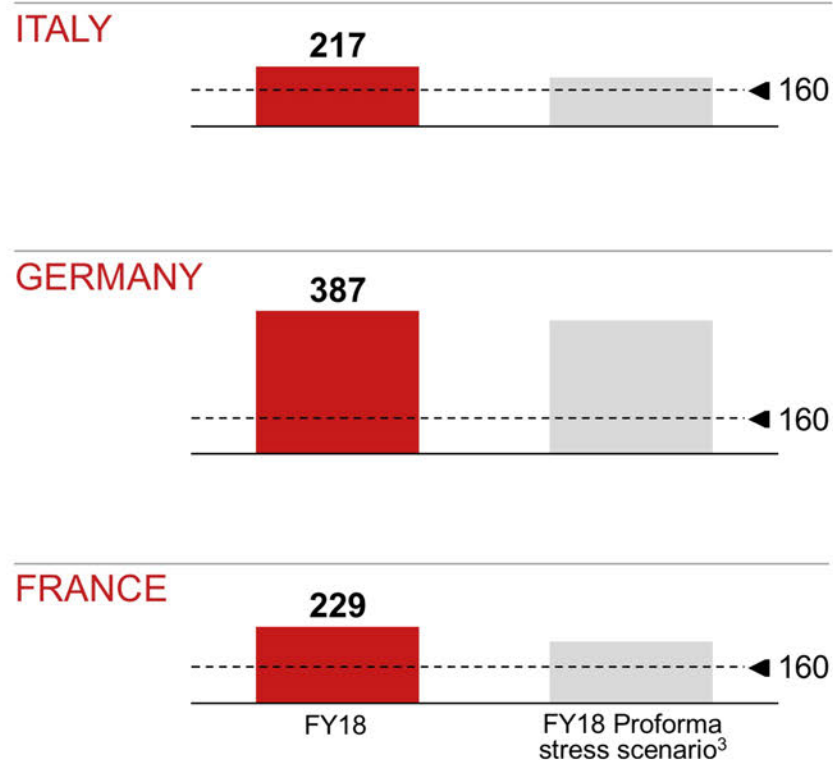
- Own distribution network an enabler, facilitating dynamic shift in new production
- In 2019 more than 85% and in 2020 around 95% of guaranteed-linked new business premiums to be related to maturity guarantee only
- As an example, new product with at maturity guarantee of 0 increases profitability through a lower cost of guarantee and absorbs approximately 15%-20% less capital than a Year on Year guarantee product
- Future earnings with limited sensitivity to low interest rates. In recent years new production is approximately 95% fee based mechanism
- Around 95% of Group BTP exposure is in Italy

# Strong and resilient capital position at Group and at major BUs

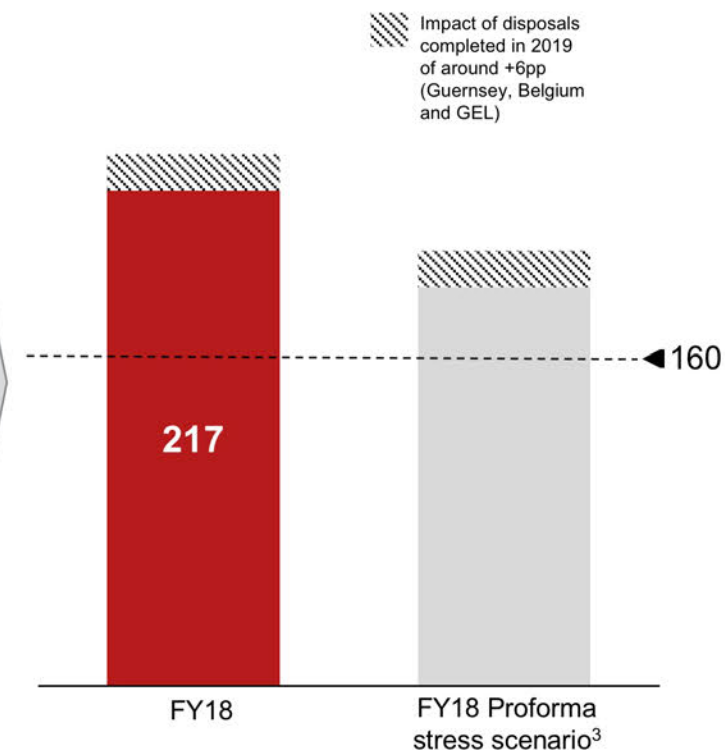
## STRESS SCENARIO HYPOTHESIS ON FY18

- +300 basis points additional widening in the Italian BTP spread against Euro swap
- -20% Equity market
- +125 basis points extra widening of spreads on corporates

## MAJOR BUs<sup>1</sup> SOLVENCY POSITION (Regulatory<sup>2</sup>, %)

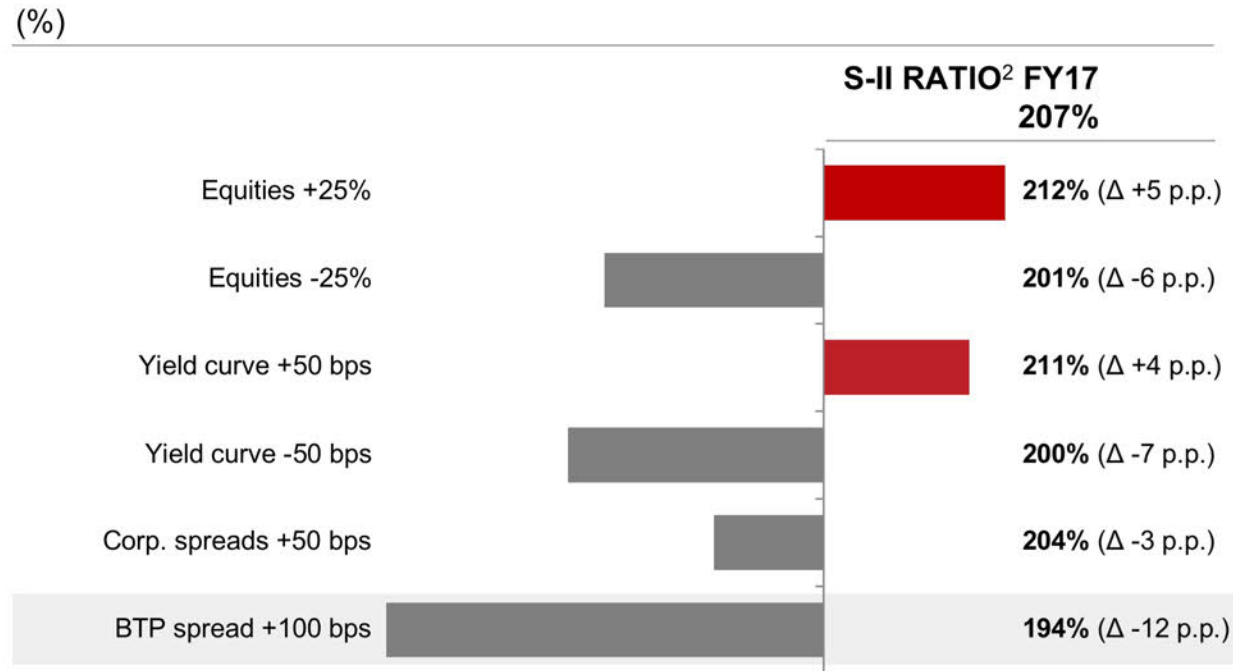


## GROUP SOLVENCY POSITION (Regulatory<sup>2</sup>, %)

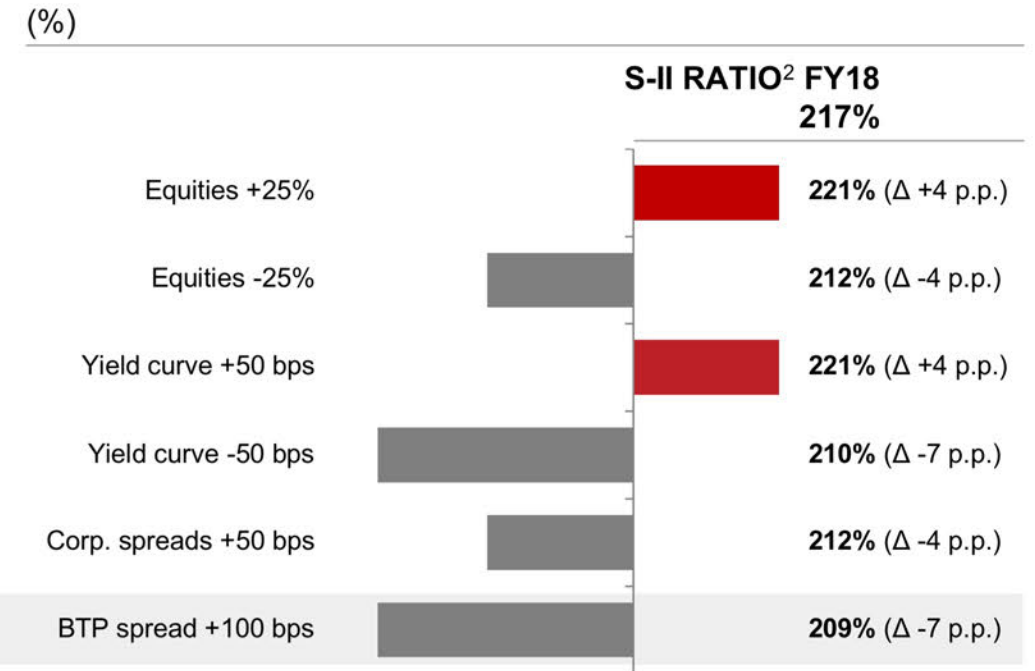


# Activation of Country Volatility Adjustment reduces Group Solvency volatility

## KEY SENSITIVITIES FY17

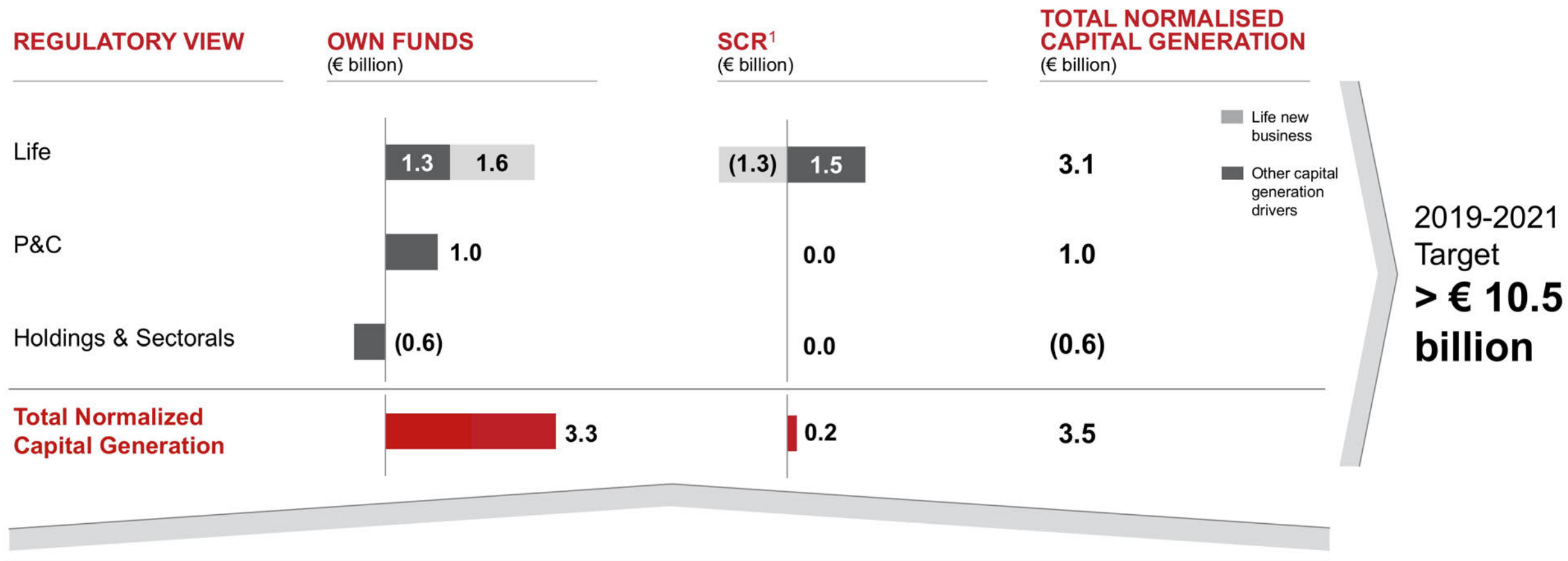


## KEY SENSITIVITIES FY18



- The activation of the Country VA depends on the level of the spread<sup>1</sup> between the Italian EIOPA reference portfolio and the European EIOPA reference portfolio. The weight of BTP in the Italian EIOPA reference portfolio is higher than in the European EIOPA reference portfolio.
- From the activation onwards, further incremental BTP spread widening vs. interest swap curve and bond corporate spread receives a higher degree of compensation from the discount rate of net technical provisions, thus reducing the volatility of Group Solvency ratio

# Strong capital generation sustained by growth of capital light life, P&C, AM and fee-based revenues



- Self-financed new business
- € 0.2 billion capital saving from new business vs. outflows, releasing trapped capital available for remittance (€ 0.4 billion as Own Funds are around 2x SCR)



# Reinforced framework for transparent and disciplined capital management

**Clear risk adjusted metrics utilized to evaluate capital deployment** into existing BUs and new ventures (e.g., ROCE and RORC<sup>1</sup>). Cost of capital defined on a country and business line basis

**Reinforced capital planning and monitoring processes at entity level** to evaluate remittance capacity

**Standardized mapping of free excess capital and cash available**, leveraging deployment of internal model and accounting for (i) local GAAP, (ii) liquidity constraints, and (iii) risk tolerances

**Clear governance and procedures for management of cash and capital transfers** between Holding and BUs



**Preferred solvency range** for main entities linked to risk appetite framework;  
**clear and simple rules for capital upstream**

# > € 7 billion Net Holding Cash Flow 2019-2021, based on new cash based metric

## OLD METRIC

(€ million)

vs.

## NEW METRIC

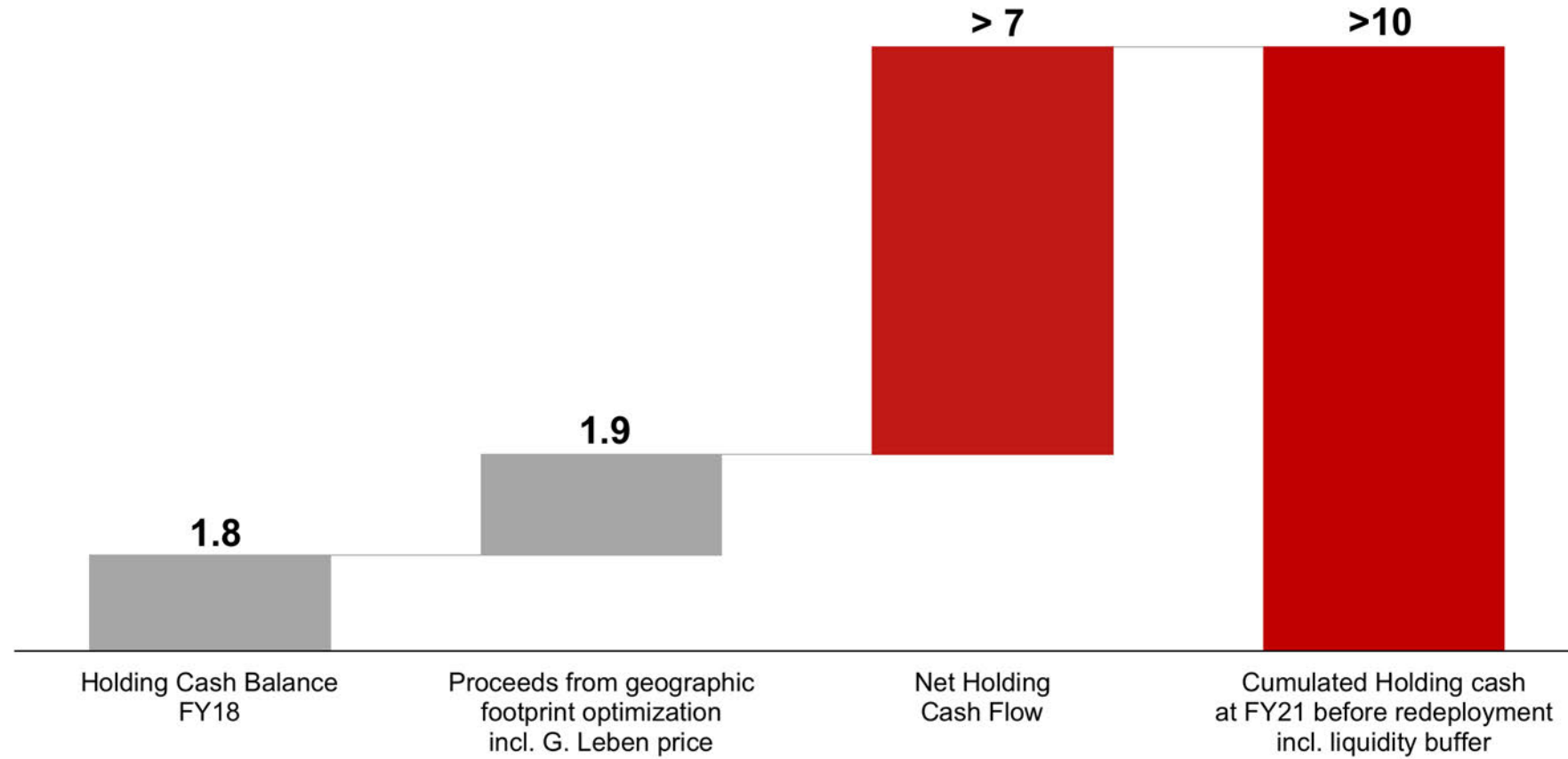
(€ million)

METRIC APPLIED 2015-2018	2018 OLD METRIC		METRIC APPLICABLE 2019-2021	2018 NEW METRIC
Remittance from subsidiaries	2,794	→	▪ Cash basis instead of accrual basis and Holding view vs. BU view	↓
Result of reinsurance	145	→	▪ Cash basis instead of accounting basis	↑
Interest & holding expenses <sup>1</sup>	(752)	→	<ul style="list-style-type: none"> <li>▪ Cash basis instead of accounting basis</li> <li>▪ Paid/reimbursed taxes instead of normalized tax benefit on interest&amp;expenses</li> <li>▪ Expense perimeter extension</li> <li>▪ Add free cash upstream</li> </ul>	↓
<b>Net Operating Cash generation</b>	<b>2,187</b>		<b>Net Holding Cash Flow</b>	<b>1,952</b>

**2019-21 TARGET: > € 7 billion**

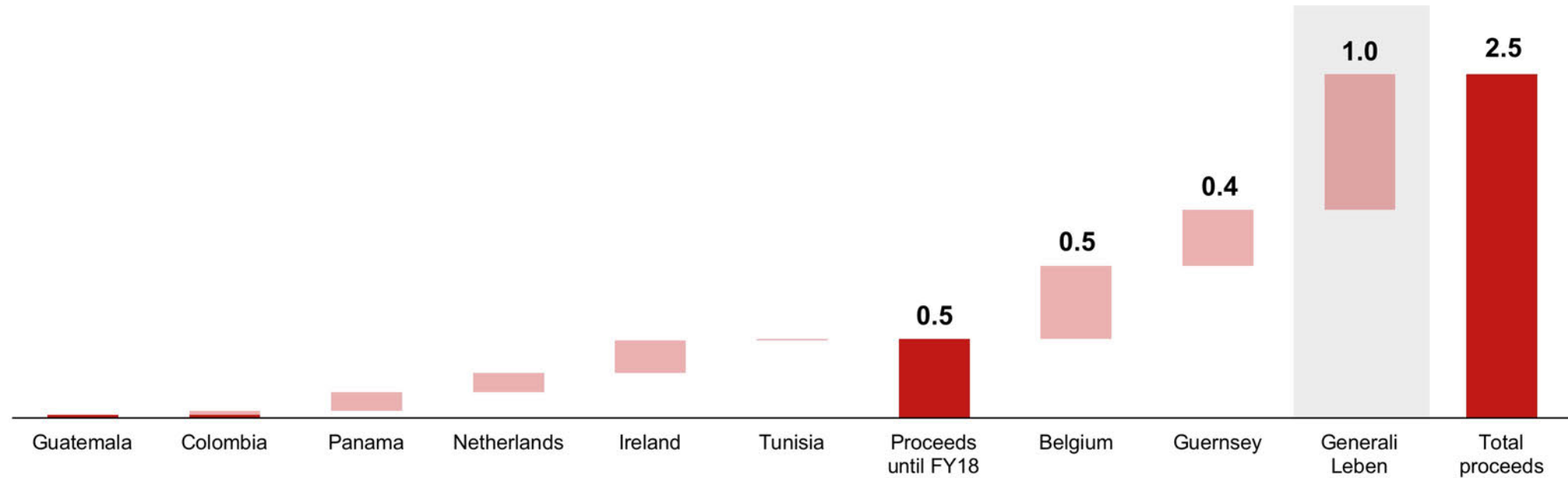
# Material increase in cash remittances from BUs to Holding

(€ billion)



## Over € 1 billion cash proceeds for Holding from Generali Leben disposal (incl. related net debt reimbursed)

(€ billion)



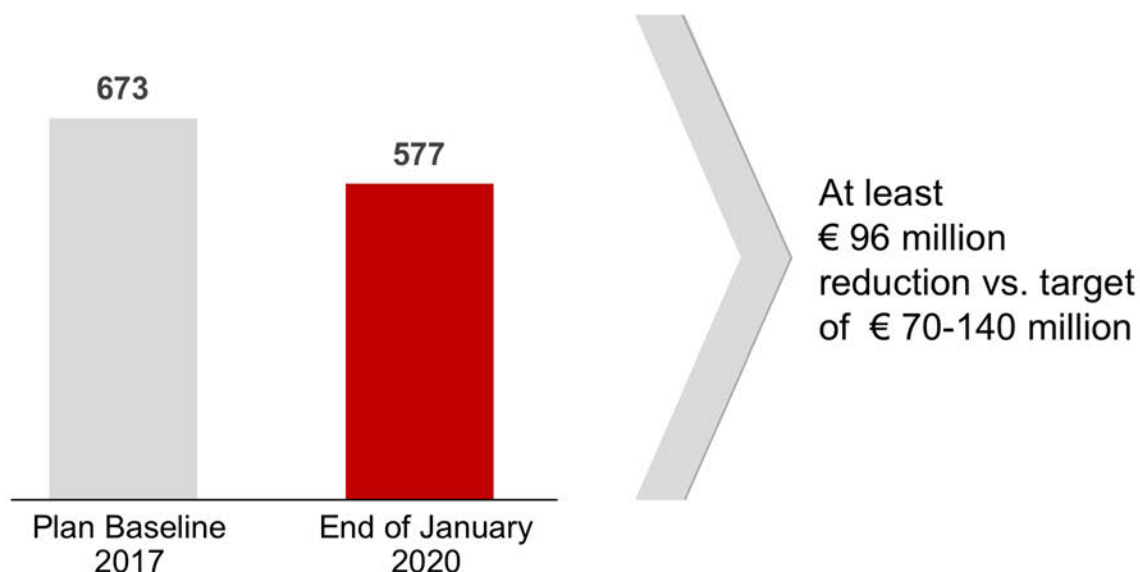
- Cash proceeds for Holding over € 1 billion as Generali keeps c. 10% ownership in Generali Leben
  - **€ 0.9 billion** G. Leben price reflected in the “Proceeds from geographic footprint optimization including G. Leben price”
  - **€ 0.1 billion** related net debt reimbursement reflected in the “Net Holding Cash Flow”
- Positive impact for Group in terms of business mix, guarantee level, solvency position



# Full commitment to Generali 2021 debt management targets

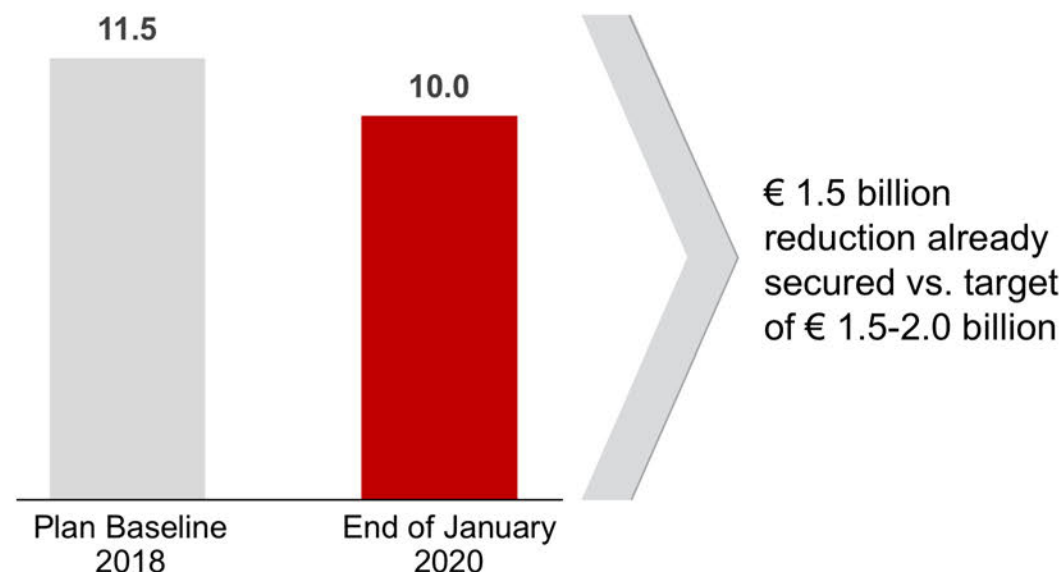
## INTEREST EXPENSE REDUCTION

Gross of tax (€ million)



## FINANCIAL DEBT REDUCTION

(€ billion)



- € 60 million interest expense and € 250 million debt reduction from actions already taken as of 1Q2019
- Additional € 1.25 billion senior January 2020 bond to be repaid with internal resources by 2020
- Strong demand for the new 2029 tier 2 bond – lowest coupon ever paid by Group on subordinated security

# Optimized cash and capital management: an integral part of Generali 2021

PROACTIVE MANAGEMENT OF LIFE BUSINESS LIABILITIES

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RESILIENT CAPITAL POSITION

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STRONG AND SUSTAINABLE CAPITAL GENERATION

---

MATERIAL INCREASE IN CASH REMITTANCES TO HOLDING

---

STRATEGIC OPTIMIZATION ACTIONS FURTHER SUPPORTING CASH POSITION AT HOLDING

---

FULL COMMITMENT TO ANNOUNCED DEBT MANAGEMENT TARGETS

# Exploring Generali

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## **CLOSING REMARKS**

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**FRÉDÉRIC DE COURTOIS**

Group General Manager

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## Closing remarks

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Focus on technical excellence

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Portfolio of promising options in high potential markets

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Continuous de-risking of Group balance sheet: debt reduction, inforce optimization actions, promotion of capital light products

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Achievement of Group EPS, dividend and ROE targets by 2021

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Disciplined execution, entrepreneurial spirit encouraged by management team

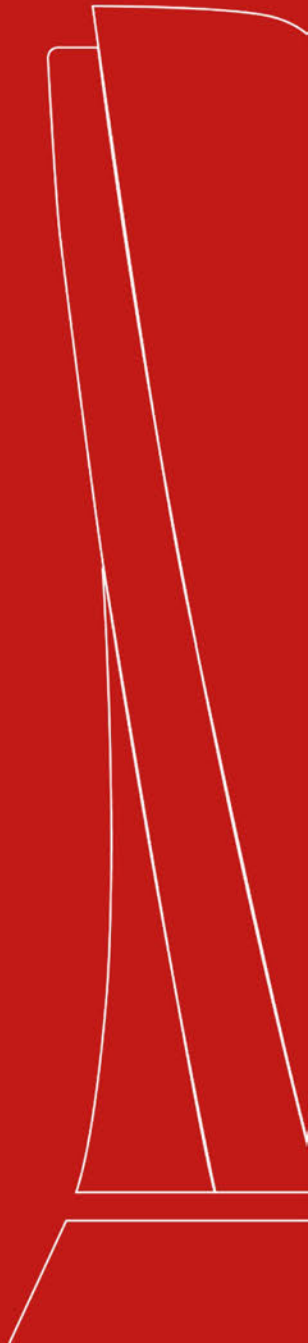
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# Exploring Generali

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**THANK YOU**



# 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.

## Next Events

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**August 1, 2019**

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**1H19 Results  
release**



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**November 7, 2019**

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**9M19 Results  
release**

# Team

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# 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>Earnings</b>	Net Result
<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</b> (Profit and Loss statement)	The profit and loss statement is a financial statement that summarizes the revenues, costs and expenses incurred during a specified period.
<b>RNPS</b> (Relationship Net Promoter Score)	Management tool used to gauge the loyalty of a firm's customer relationships
<b>PVNB</b> (Present Value New Business Premiums)	Present value of the expected future new business premiums
<b>RoCE</b> (Return on Capital Employed)	<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</b> (Return on Equity)	Ratio between net profit and Equity
<b>RoRC</b> (Return on Risk Capital)	Ratio between net profit and Solvency Capital Requirement
<b>SCR</b> (Solvency Capital Requirement)	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</b> (Small – Medium Enterprises)	Businesses whose personnel number falls below <250 people, and either turnover <50 million € or balance sheet total <43 million €
<b>YTD</b>	Year To Date

## Notes, for your convenience



## Notes, for your convenience

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