

# Investor's Info



**Published by:** Assicurazioni Generali S.p.A., 34132 Trieste, Piazza Duca degli Abruzzi 3, VAT number 00079760328  
**Editor in chief:** Roberto Alatri – **Issued:** twice a year – **Registered at:** Court of Trieste, no. 1263, 28 February 2013 – **Graphic Design:** Zues – Vicenza – **Printed by:** Art Group, Trieste, via Malaspina 1, 34147  
**PDF version:** [www.generali.com/info/download-center/publications/investors-info](http://www.generali.com/info/download-center/publications/investors-info) – **Issue no.** 16 closed on December 15, 2020

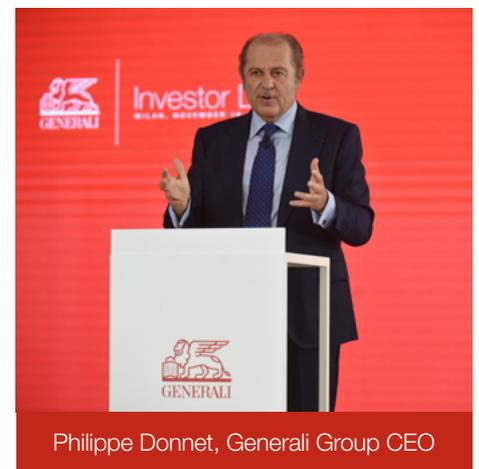


December 2020

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## Investor Day 2020: The Group confirmed the Generali 2021 strategy and full commitment to financial targets

“ Our Generali 2021 strategy remains effective and even more valid in the current market context. The Group is navigating the most serious post-war global crisis by leveraging its strengths: disciplined strategy execution, focus on technical excellence, strong distribution network and a diversified business model. These strengths, combined with our solid capital position and excellence in innovation, allow us to fully commit to the financial targets of our strategy and to be well-positioned to capitalize on future opportunities. Two years after the launch of the plan, we are maintaining our commitments to all stakeholders, thanks also to the empowerment of our people, an increasingly strong brand and our growing commitment to sustainability ”



Philippe Donnet, Generali Group CEO

Strategy confirmed and full commitment to financial targets: the synthesis of the virtual Investor Day that Generali held with the financial community to provide an update on the Generali 2021 strategy and its results, achieved two years following the launch of the plan, in these unprecedented circumstances.

Among the targets already achieved, **financial debt reduction** stands at € 1.9 billion. The 2021<sup>1</sup> **expense reduction** target has been increased from € 200 to € 300 million. Generali is therefore committed to achieving an additional € 100 million in savings.

In 2020, the Group took proactive and decisive actions to minimize the direct business impact of the pandemic, protect shareholder value and support customers, agents and communities including the € 100 million **International Extraordinary Fund** deployed across 25 countries.

Generali confirms its **best-in-class** status thanks to a diversified business model with optimized risk selection. The top-

line has shown resilience, despite market headwinds and macro slowdown, and the Group has continued to deliver excellent technical performance. The Asset Management strategy is delivering greater revenue diversification. The Group's balance sheet remains strong with robust capital buffers and solid cash remittances.

Generali is now well positioned to seize opportunities for profitable growth in Life and pensions.

The Group can also leverage on the excellence of its proprietary distribution network as well as technical margins, together with a comprehensive product suite that combines asset management solutions with ESG options, biometric riders and solutions for seniors.

Since the introduction of Generali 2021, the **Lifetime Partner** promise was further strengthened thanks to the quality of agency networks and direct channels as well as increasing digitalisation.

The execution of the **Asset Management** strategy is positively contributing to the achievement of the goals outlined in

the Generali 2021 strategic plan, thanks to the implementation of the multi-boutique platform, which is delivering strong performance to its clients and enabling the growth of the external customer base. Additionally, for the first time Generali presented to the financial community a session dedicated to sustainability, considered as a key enabler of the strategy.

### FINANCIAL TARGETS

**GROWING EARNINGS PER SHARE:**  
6%-8% Eps Cagr range 2018-21<sup>1</sup>

**GROWING DIVIDEND:**  
€ 4.5-5 billion cumulative dividends 2019-2021;  
55%-65% dividend pay-out range 2019-21  
subject to regulatory environment<sup>2</sup>

**HIGHER RETURN FOR SHAREHOLDERS:**  
2019 and 2021 expected ROE >11.5% while 2020  
adversely impacted by Covid-19 and one-offs

1. 3 year CAGR; adjusted for impact of gains and losses related to disposals.  
2. Adjusted for impact of gains and losses related to disposals.

## Dividend plans confirmed

Generali remains focused on pursuing its dividend plan and, in particular, achieving the objective set out in the strategic plan for the distribution of cash dividends worth €4.5-5 billion in the period 2019-2021, subject to regulatory recommendations. The Board of Directors recognises the importance of dividend income to many institutional investors as well as retail investors, particularly in the current environment. However, the Board took note of the demands received from IVASS on 10th November 2020, and therefore decided to comply with the current demands of the regulator and consequently not to proceed with the payment of the second tranche of the 2019 dividend, equal to € 0.46 per share, by year-end. In 2021, the Group, subject to a positive regulatory position, intends to seek shareholders' approval also for the distribution of the second tranche of the 2019 dividend, in addition to the 2020 dividend proposal.

## ESG driven strategy

**Sustainability is an enabler of Generali 2021**, driving the transformation of the business and the strategy in the long term. The Group is fully on track to meet the 2021 sustainability objectives: € 4.5 billion increase in new green and sustainable investments and 7% - 9% growth in gross written premiums from products with green and social value, while also developing dedicated solutions for responsible consumers. The first European insurer to have issued a Green bond, Generali confirms a clear ESG framework, integrated across all levels of the business. As a responsible investor, Generali is proactively integrating ESG considerations into the investment process across all asset classes, supporting the Group to deliver long-term financial returns while reinforcing its risk management approach. The top management and leadership group's remuneration is now linked to ESG goals, confirming a pervasive commitment.

## Resilient 9m2020 results

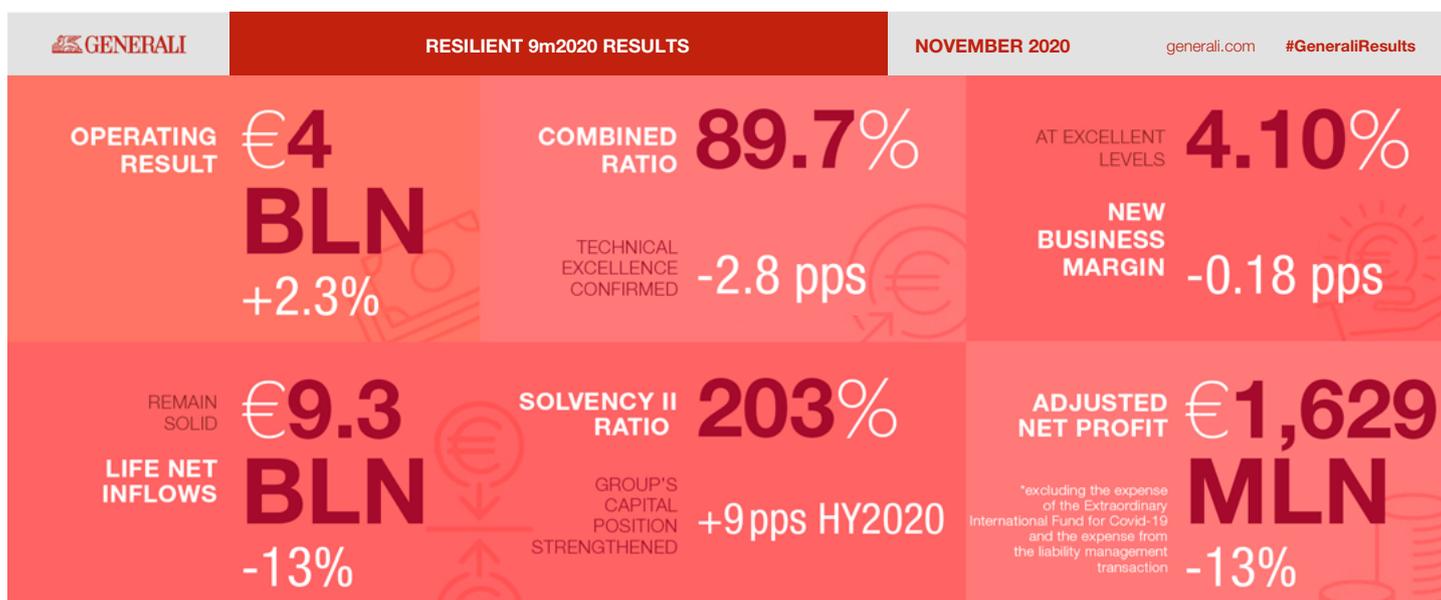
The results<sup>1</sup> for the first nine months continue to demonstrate Generali's resilience as demonstrated by the excellent technical margins supporting the operating result and capital position. The operating result was up to € 4 billion, thanks to positive development of the P&C and Asset Management segments, supported also by recent acquisitions, as well as of the Holding and other businesses segment. Technical excellence was confirmed with a Combined Ratio at 89.7% (-2.8 pps) and the New Business Margin reached excellent levels (4.10%; -0.18 pps). Total gross written premiums reached € 52 billion (+0.3%), with resilient P&C premiums and a positive development in the Life segment (+0.4%). Life net inflows remained solid at € 9.3 billion (-13%) and Life technical provisions

increased to € 376.3 billion (+1.9%). The Group's capital position strengthened, with a Solvency II Ratio at 203% (+9 pps HY20). The Group's net profit was € 1,297 million (-40%), affected by € 310 million in net impairments on investments related to the performance of the financial markets, € 183 million for the arbitration settlement on the BSI disposal, the contribution of € 100 million<sup>2</sup> for the Extraordinary International Fund for the pandemic emergency and € 73 million expense from the liability management transaction. Excluding the expense of the Extraordinary International Fund for Covid-19 and the expense from the liability management transaction, adjusted net profit<sup>3</sup> reached € 1,629 million (-13%).

1. Changes in premiums, Life net inflows and PVNB (present value of new business premiums) were presented in equivalent terms (at constant exchange rates and consolidation scope). Changes in operating result, own investments and Life technical provisions excluded assets disposed of during the same period of comparison.

2. This amount, after taxes, was € 77 million.

3. The adjusted net profit did not include the impact of gains and losses related to disposals, amounting to € -183 million 9M20, deriving from the settlement agreement for the BSI disposal (€ 475 million 9M19, relating to the disposal of Generali Leben and business in Belgium).



### Shareholders Unit

For further information, concerns or questions about the role of shareholder of our group contact the Shareholders Unit: [azionisti@generali.com](mailto:azionisti@generali.com), [shareholders@generali.com](mailto:shareholders@generali.com), ph. +39 040-671621; fax +39 041.3362876.

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