

# Annual General Meeting

Chairman Speech

Gabriele Galateri

Trieste – April 29, 2021



## Welcome and introduction

Dear shareholders,

Good morning everyone and **thank you for taking part** in our Shareholders' Meeting, demonstrating your loyalty and the interest you have always shown in the Company.

**This year, among other things, is the 190<sup>th</sup> anniversary of Assicurazioni Generali** and, as is tradition, we are in Trieste, where the Company was founded in 1831, connected by live video stream from Palazzo Berlam, one of our historic buildings, next to Palazzo Carciotti, where the Company's deed of incorporation was signed.

It is also the second Shareholders' Meeting that we have held engaging our Shareholders **with a virtual platform**. Although the human aspect is certainly sacrificed, tools such as this have **allowed us to keep the relation with all our stakeholders alive** during the pandemic, while remaining fully operational in compliance with social distancing measures, to protect the health and safety of everyone involved.

On this occasion, as always, I would like to comment on the development of the **global economy**, the **insurance market**, and our **Company**.

## Economic and geopolitical situation

**Starting from the economic and geopolitical situation, there is no doubt that the pandemic has been a dramatic event, resulting in over 3 million deaths worldwide and triggering the most serious economic crisis since the post-war period:** as you know, the IMF estimates registered a 3.3% drop in global GDP in 2020, 6.6% in the Eurozone, and 8.9% in Italy.

The **insurance sector**, which has proved to be **solid and resilient** overall, has weathered the crisis very well.

The challenge now is to respond to the new needs and lifestyles triggered by the pandemic, especially in the area of health and prevention.

**In this macroeconomic context, the results obtained by Generali in 2020 were excellent**, as Philippe and Cristiano will show you in detail.

### **Encouraging signs**

**Looking to the future, there are several encouraging signs on the horizon.** As a result of the more stringent lockdown measures, **the spread of the virus is declining.**

Also, the progress of the **vaccine programme** around the world is laying the groundwork for **economic recovery** and, despite significant distribution inequalities, we know that vaccines are a safe and effective response to block the spread of infection. **In Italy too**, the government is taking all the necessary steps for the success of the vaccine programme and to restart the economy.

In this regard, **global growth is expected to recover** in 2021, driven by **China** (+8.4% according to the IMF) and the **United States** (+6.4%). Growth will also return in **Europe** (around 4.4%) and a positive upturn of around 4.1% is expected in **Italy**, as reported in the latest Economics and Finance Document presented by the Government.

With its large-scale and rapid financial action plan, **Europe has sent a strong signal of unity** and, although coordination among member States could be improved, it is regaining and strengthening the trust of its citizens.

The arrival of the **Recovery Plan Funds** could be the real driving force behind the transformation needed to deal with **a new political, economic and social phase for the Union**. I think that the scale of these funds for Italy is extraordinary, but fundamental to this will be the **ability to use them** to achieve actual development priorities, which I consider to be: **infrastructure, education, research and innovation.**

Never before has there been such a strong international consensus on the need for immediate action to tackle the **environmental crisis**. Europe's goal of becoming **carbon neutral by 2050** is now also backed by **China's** target for 2060 and the **United States**, which recently rejoined the **Paris Agreement** to keep the increase in global temperature below 2 degrees.

**In this context, Europe** is positioning itself as a **central player in the green economy** and the link in discussions among the most important global players. This will help to make it a **safer and more liveable place for its citizens** and will open up many **new opportunities**.

I am also convinced that this crisis can lead to a **new phase for insurance companies**. The European insurance industry manages €11 trillion in assets. It is a firepower, which can **contribute to the recovery** and to the development of areas such as **renewable energy and digital transition**.

### **Generali is looking towards the future**

Looking forward to the future, with a **joint public and private effort**, the economy and consumption can be restarted and a more resilient system can be built. Generali is, as always in its history, ready to play its part.

Our 2021 Strategic Plan has enabled us not only to respond to the pandemic, but to **anticipate the challenges of the immediate future**, thanks to far-sighted decisions.

A **pioneering spirit and a strong international outlook** have been our hallmark since our foundation in 1831, when Assicurazioni Generali Austro-Italiche was founded to support, through an insurance company, the international expansion of the large commercial sea routes departing from the port of Trieste.

**Today, the Company is one of Europe's leading insurance and asset management groups**, with a presence in 50 countries worldwide, more than 400 companies, 72,000 employees, and **premiums of about €70 billion, of which more than 65% are abroad**.

Through **innovative products and services**, we also contribute, and have done so since our foundation, to the development of the economy and society. Recently, I had the opportunity to visit the Generali **Historical Archives** located in this building, finding **evidence of these innovations**, which I would like to share with you. In the Naples newspaper *Il Mattino* dated 30 May 1899, we can read an article written from Naples railway station by Matilde Serao, writer and first woman to have founded and edited an Italian daily newspaper: *“For just a few pence, my readers, you can benefit from this brilliant idea... dropped into the slot of a vending machine, instead of some run-of-the-mill chocolate you’ll get no less than accident insurance... and you’ll be insured for the journey you’re about to take, at that moment, on that train, until noon the following day.”* These were two innovations in one: an **early example of a “time policy”** on the one hand, and on the other a policy provided through an **automatic dispenser** installed in the most important railway stations in Italy. Back then, Generali was already providing **insurance cover tailored to customer needs at a given moment of their lives** – a specific train journey, the first example of modularity and flexibility in our insurance product.

Today, Generali continues to focus on **innovation**, making it one of the priorities in its strategic plan. Through new digital technologies and **big data analytics, robotics, home automation, telemedicine** and **artificial intelligence**, the Company can offer increasingly customer-centric services.

In this regard, I take the opportunity to mention the **Memorandum of Understanding just signed in Trieste** by Generali, local research entities and MIB School of Management to create the **Data Science & Artificial Intelligence Institute**, a centre of innovation to generate research and new business opportunities in this field.

Finally, we come to the **deeper meaning that shapes our mission** – which has allowed us, **for 190 years**, to find the best solutions to be a **Lifetime Partner to our customers**.

One of our founders, Giuseppe Lazzaro Morpurgo, said that insurance companies operate by “matching the general with the specific interest, which is the true goal of human endeavours”.

This vision is certainly at the heart of **our sustainability model**, which is integrated into every aspect of our insurance business, our investments and our community actions, such as The Human Safety Net project. It allows us to **grow profitably** while also looking at the interests of all our stakeholders.

## **Conclusions**

Finally, I would like to thank you once again for your participation, and **I will hand over** to Group CEO **Philippe Donnet** for a progress report on the strategic plan and to CFO **Cristiano Borean** to talk about financial reporting and asset management.