

**Investor  
Presentation**

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**1H 2024 RESULTS**

25 July 2024



To be the No. 1 private bank, unique by **value of service, innovation** and **sustainability**

**1H 2024 Financial Results**

**Balance Sheet & Capital Ratios**

**Net Inflows, Assets and Recruiting**

**Business Update and Closing Remarks**

**Annex**





## 1H 2024: sound business trends and favorable financial markets

- Net profit at €239.6m (+37% YoY) with a recurring component at best interim level (€170.4m)
- Buoyant variable net profit (€69.1m) reflecting strong asset performance delivery
- Client assets at €99.0bn (+€6.2bn YTD), of which 70% Private Clients<sup>1</sup>
- Strong increase in capital position (TCR at 23.7%) with an accrued dividend p.s. of € 1.76



## Improvement in business quality confirmed by commercial results

- Net inflows at €3.6bn (+11% YoY) with an acceleration in 2Q to €2.0bn (+21% QoQ)
- Net Inflows into AUI more than doubled (€1.4bn, +126% YoY)
- In-house solutions: accelerating volume growth (1H 2024 +9% YTD, +15% YoY)
- 94 new recruits (+57% YoY), with a boost to younger talents

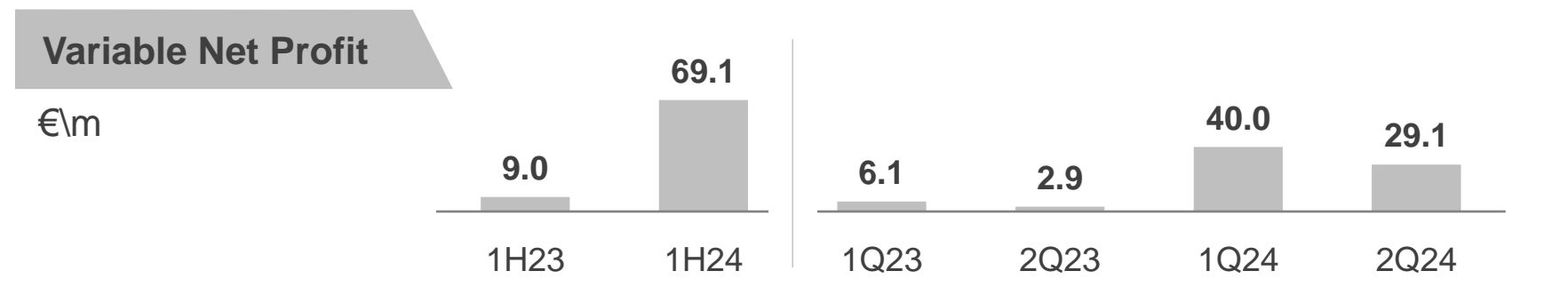
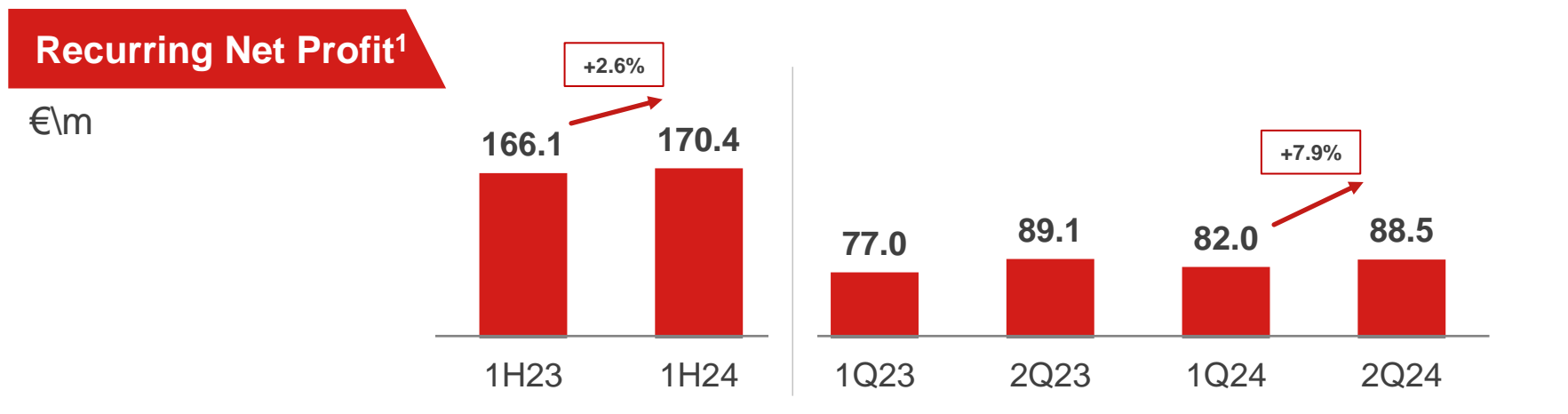
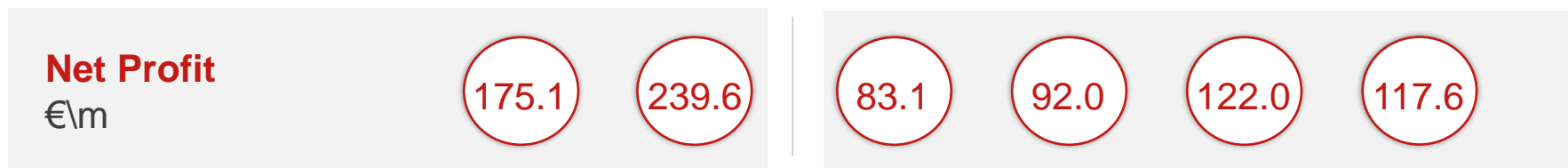


## Fully on track to deliver 2022-2024 plan targets

- 2024 Net inflows target raised to €6.5bn (from ≥€6bn), AUI target (40-60%) confirmed
- 2024 NII guidance raised to €300m (from €280m)
- 2024 management fee margin comfortably ≥1.42% (vs. ≥1.41% 3Y Plan guidance)
- 2022-2025 cumulated DPS (cash view) revised to €8.0-€8.5 p.s. (from €7.5-€8.5)

# NET PROFIT

## STRONG RESULT DRIVEN BY ASSET EXPANSION AND IMPROVING MIX

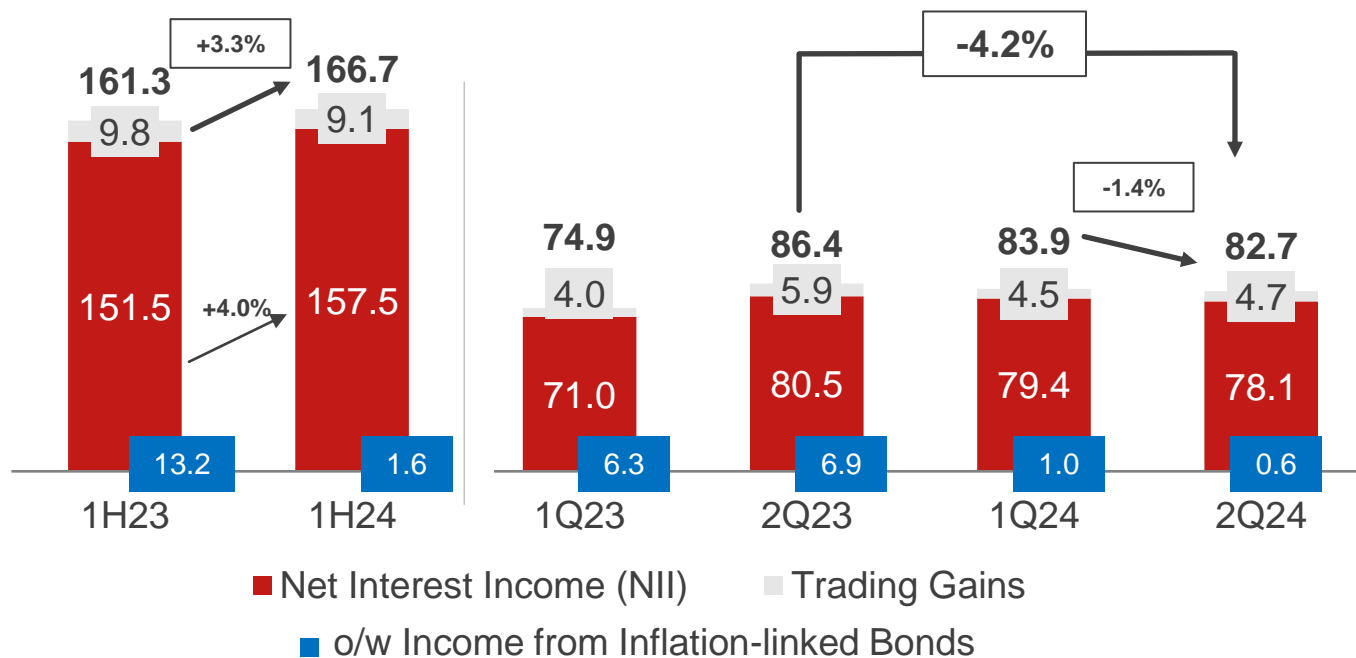


- ▶ **Healthy increase in 1H 2024 net profit** at €239.6m (+37% YoY)
- ▶ **1H 2024 recurring net profit** at €170.4 (+3% YoY) - best interim level - even including
  - i. higher operating costs for: start up of BG Suisse and renewal of the National Banking Contract
  - ii. provision to the new insurance sector resolution fund
- ▶ Sustained contribution from **variable fees** generated by strong asset performance in 1H 2024

# NET FINANCIAL INCOME

SUPPORTED BY VOLUME NORMALIZATION AND HIGH INTEREST MARGIN

## Net Financial Income €m



➤ **1H 2024 NFI at €166.7m (+3% YoY)** as NII benefitted from higher NII margin (NIM) at interim level more than offsetting cash sorting

➤ **2Q 2024 NFI at €82.7m (-4% YoY)** with the decrease mostly linked to a lower contribution from inflation linked bonds and lower trading income

**Total NFI Yield<sup>1</sup>**



**Total NIM<sup>1</sup>**

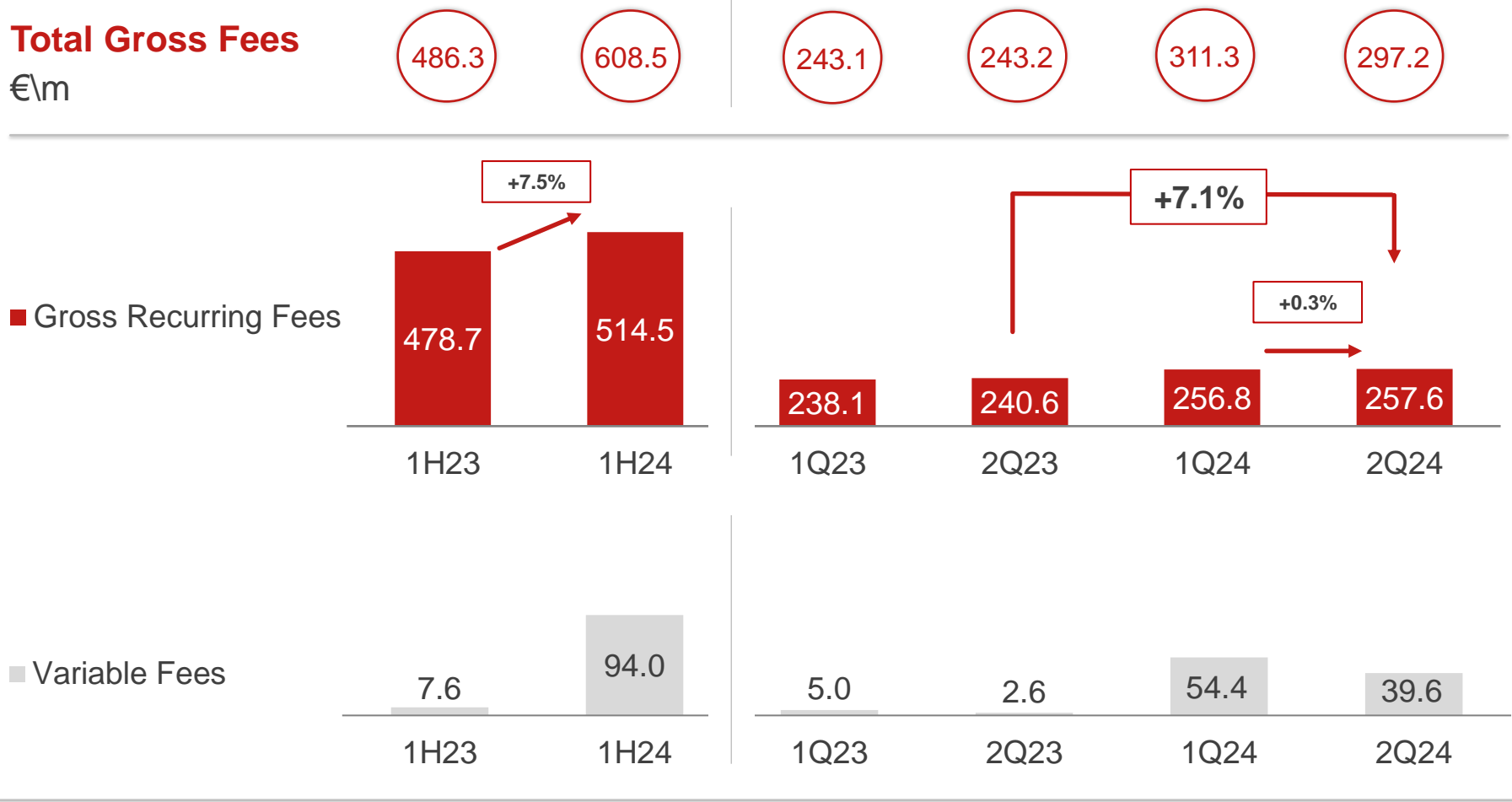


# TOTAL GROSS FEES

POSITIVE CONTRIBUTION FROM BOTH RECURRING AND VARIABLE COMPONENTS

## Total Gross Fees

€\m



## Total Gross Recurring Fees on Total Assets

%



- **1H 2024 gross recurring fees (+7.5% YoY)** benefitted from asset expansion<sup>1</sup> and revenue diversification initiatives<sup>2</sup>
- **2Q 2024 gross recurring fees (+0.3% YoY)** affected by seasonality on entry fees
- **Strong investment performance** of variable fee-generating assets with more 70% of LUX IM funds close to/at HWM levels and an overall net WAP close to 10% YTD

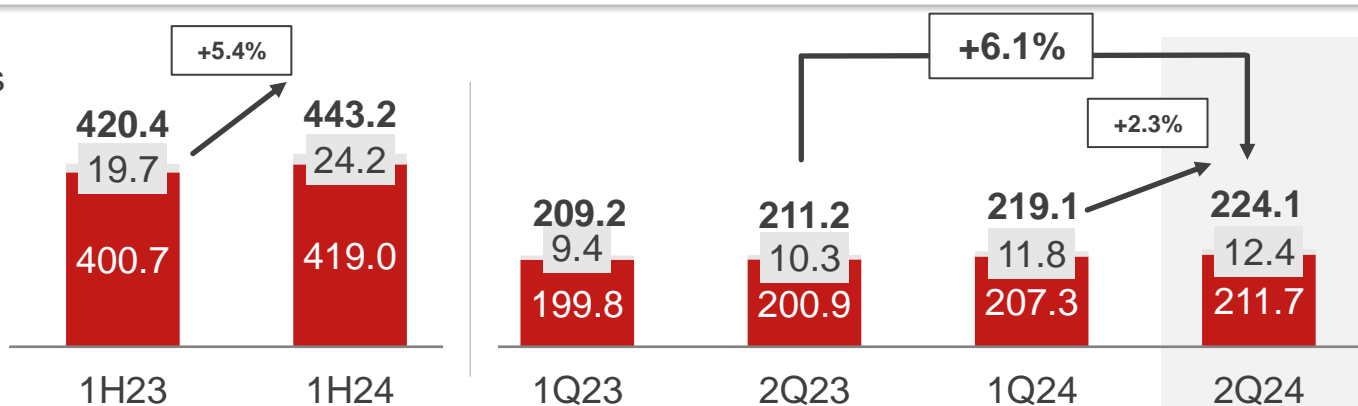
# GROSS RECURRING FEES (1/4)

## SOLID GROWTH DRIVEN BY ASSET EXPANSION AND DIVERSIFICATION

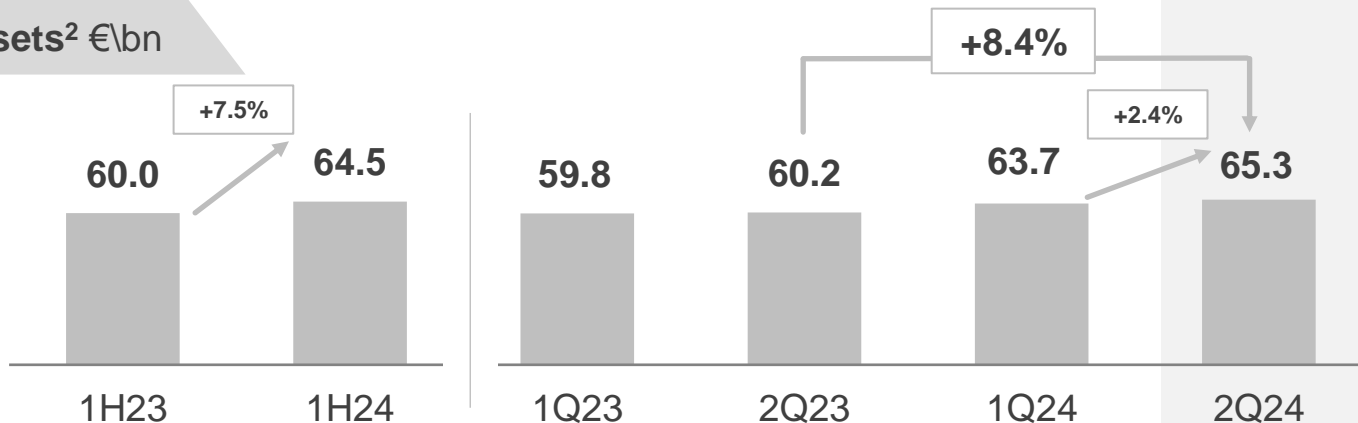
### Investment Fees<sup>1</sup> €\m

Management Fees

Advisory Fees



### Avg. Investment Assets<sup>2</sup> €\bn



Investment Fee Margin %



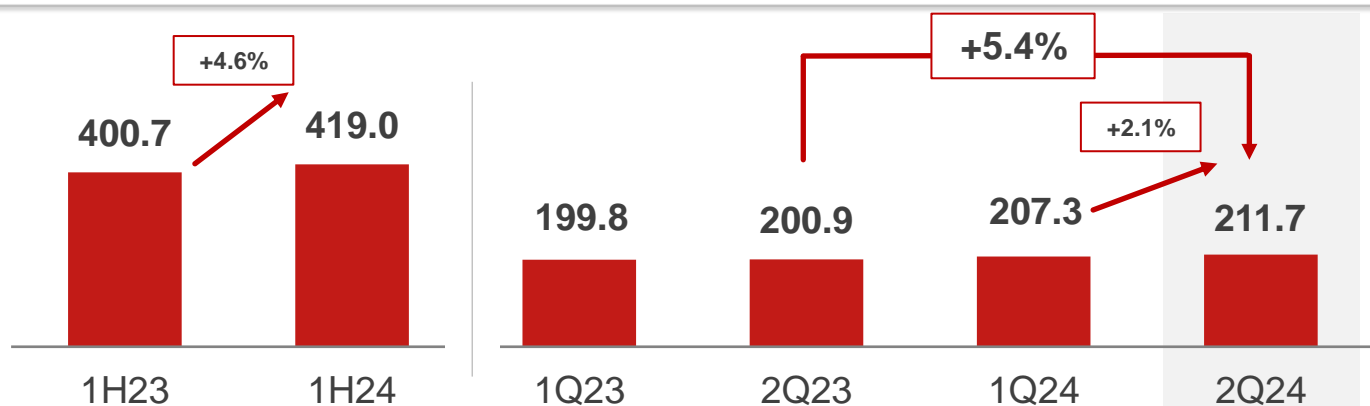
➤ 1H 2024 investment fees (+5% YoY) increased driven by average asset expansion (+€4.5bn YoY)

➤ 1H 2024 investment fee margin at 1.37% (-3bps YoY) for the higher share of assets under advisory (AUC & Banking assets)

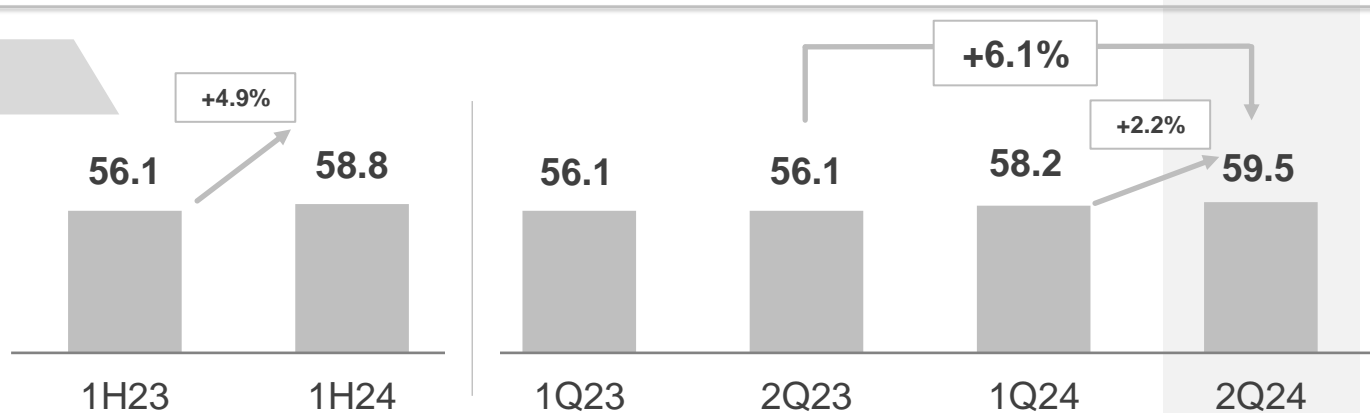
# GROSS RECURRING FEES - MANAGEMENT FEES (2/4)

## FEE GROWTH TRACKING MANAGED ASSETS EXPANSION

### Management Fees €m



### Avg. AUM €bn



### Management Fees on AUM<sup>1</sup> %



➤ **1H 2024 management fees (+5% YoY) tracking average AUM growth, in line with previous quarters**

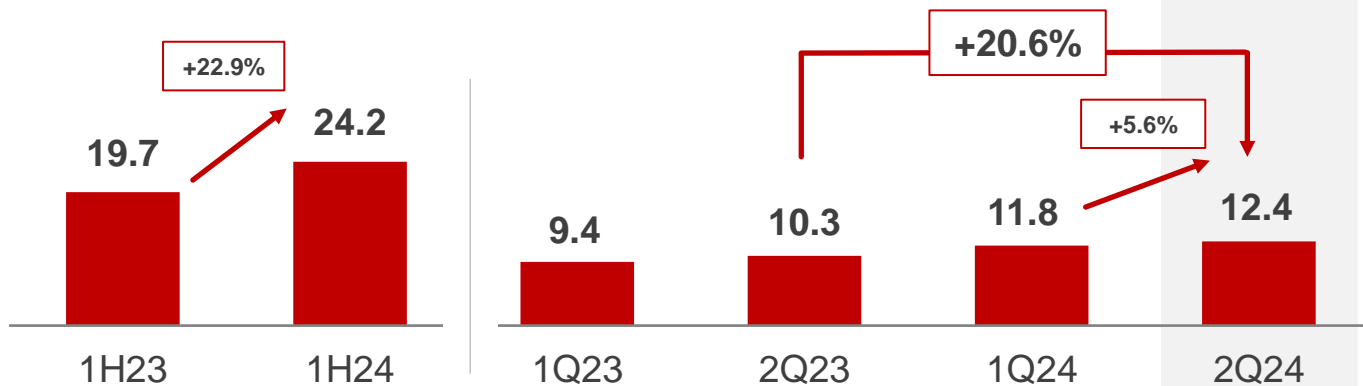
➤ **Management fee margin at 1.42%** (-1bps QoQ on product mix) above 2022-2024 guidance of  $\geq 1.41\%$



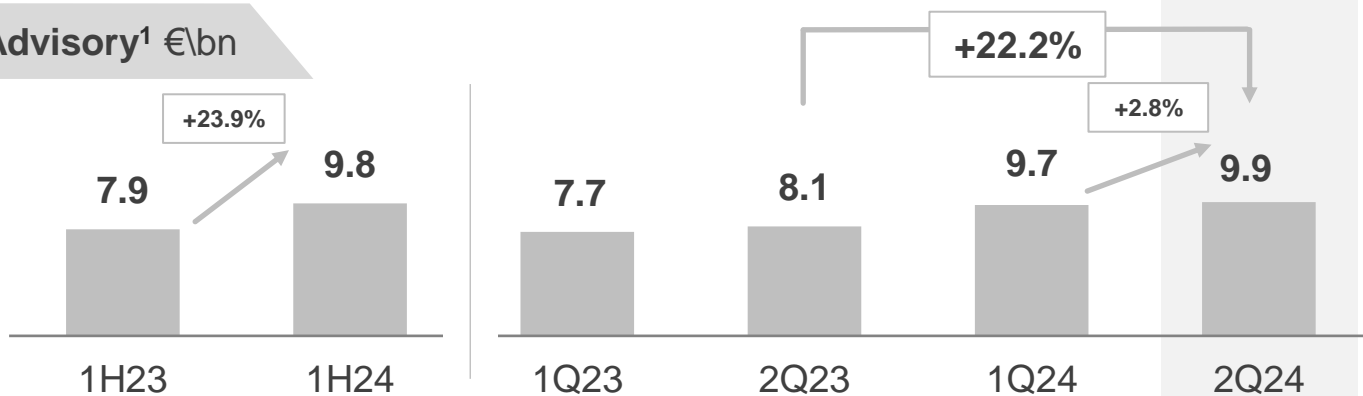
# GROSS RECURRING FEES - ADVISORY FEES (3/4)

## CONTRIBUTION FROM ADVISORY BECOMING INCREASINGLY EVIDENT

### Advisory Fees<sup>1</sup> €\m



### Avg. Assets under Advisory<sup>1</sup> €\bn



### Advisory Fees on Assets under Advisory<sup>1</sup>

%



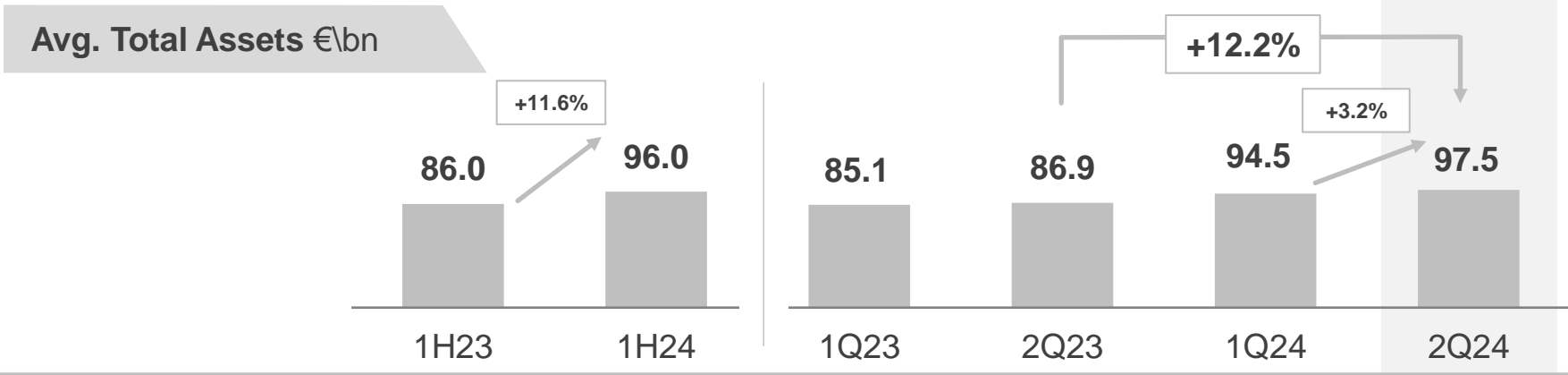
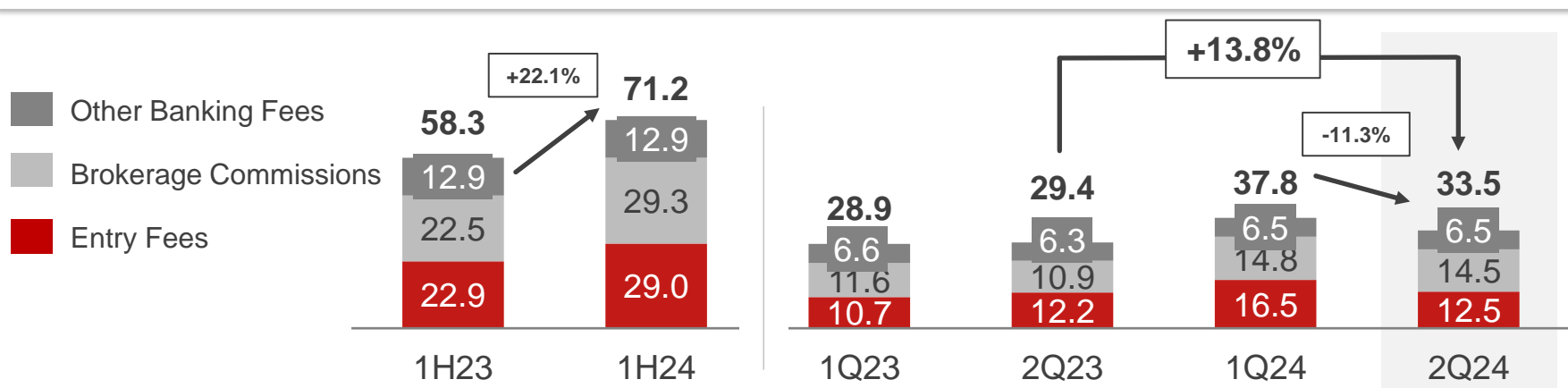
▶ **1H 2024 advisory fees (+23% YoY)** increased in line with average assets under advisory

▶ **1H 2024 fee margin** little changed with quarterly data swings due to underlying product mix (Advisory on AUC at 59% vs. 53% in 1H 2023)

# GROSS RECURRING FEES - OTHER FEES (4/4)

## GROWING CONTRIBUTION OF WELL DIVERSIFIED NEW SERVICES FEES

### Other Fees €\m



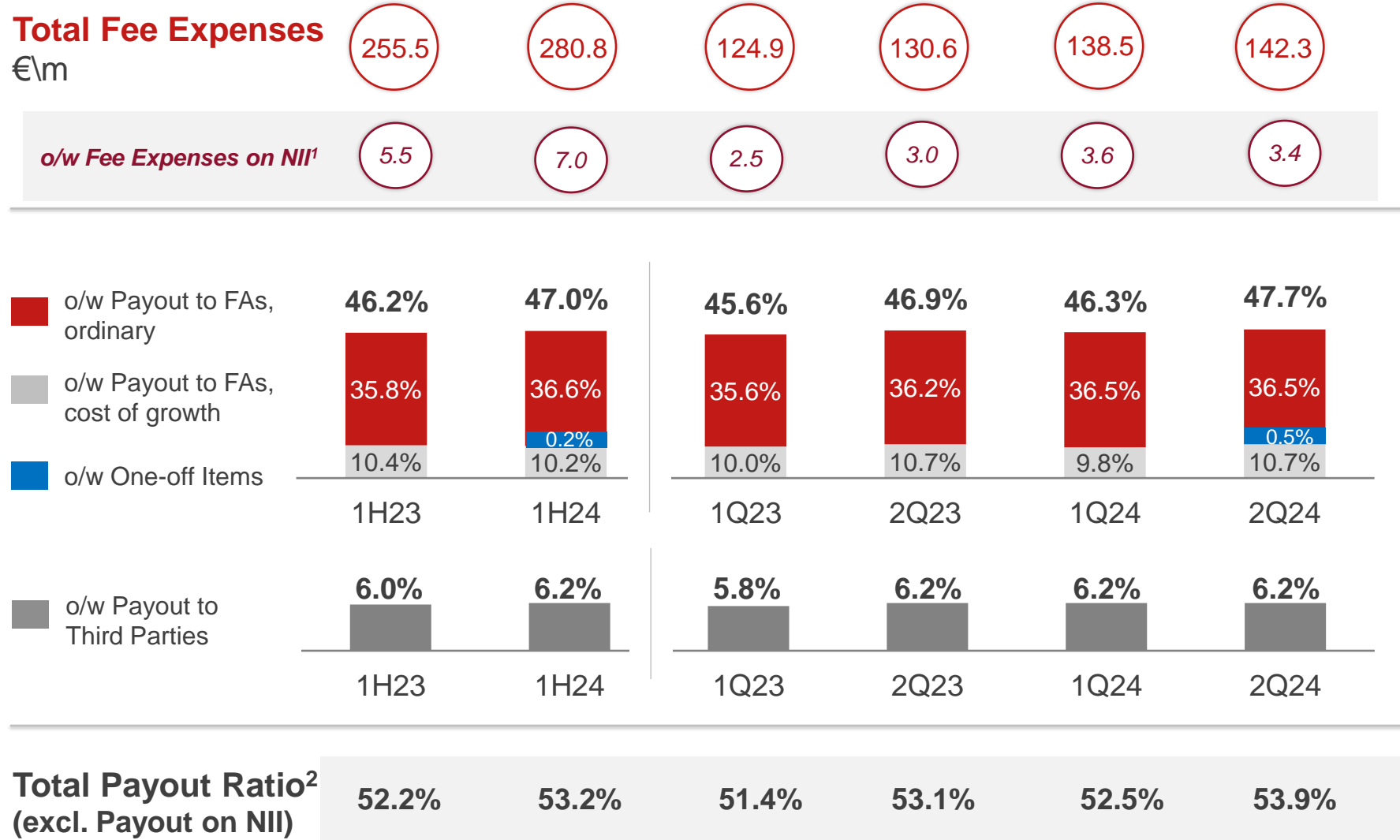
### Other Fees on Total Assets %



- **1H 2024 entry fees (+27% YoY)** with QoQ swings linked to placements of structured products and other securities
- **1H 2024 brokerage fees (+30% YoY)** benefitting from higher volumes and better product mix
- **1H 2024 other banking fees flat YoY**

# TOTAL PAYOUT RATIO ON FEES

STABLE TREND WITH SOME SHORT-TERM VOLATILITY LINKED TO PRODUCT MIX



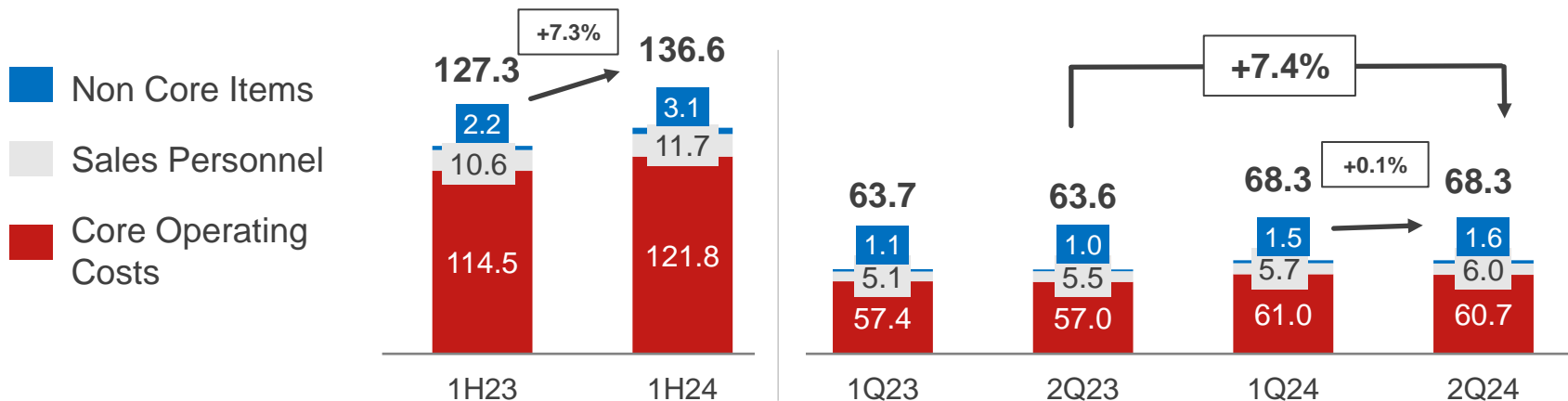
▶ **Total fee expenses at €281m (+10% YoY)** due to product mix (higher new revenue streams) and one-off items mainly linked to network restructuring

▶ **Total payout ratio** posted short term swings linked to product mix as overall payout terms to FAs remained unchanged

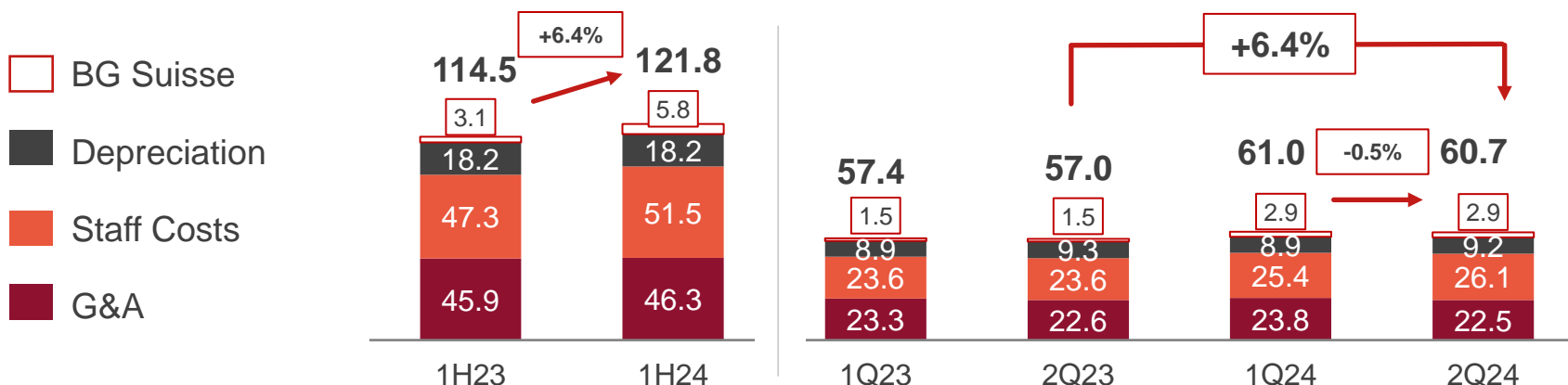
# OPERATING COSTS (1/2)

## COST DISCIPLINE AND ONGOING INVESTMENT ON STRATEGIC PROJECTS

### Total Operating Costs €m



### Core Operating Costs €m



➤ **1H 2024 total operating costs (+7.3% YoY)** including €3.1m one-off items linked to business streamlining

➤ **1H 2024 core operating costs (+6.4% YoY)** in line with guidance. Most of the increase linked to:

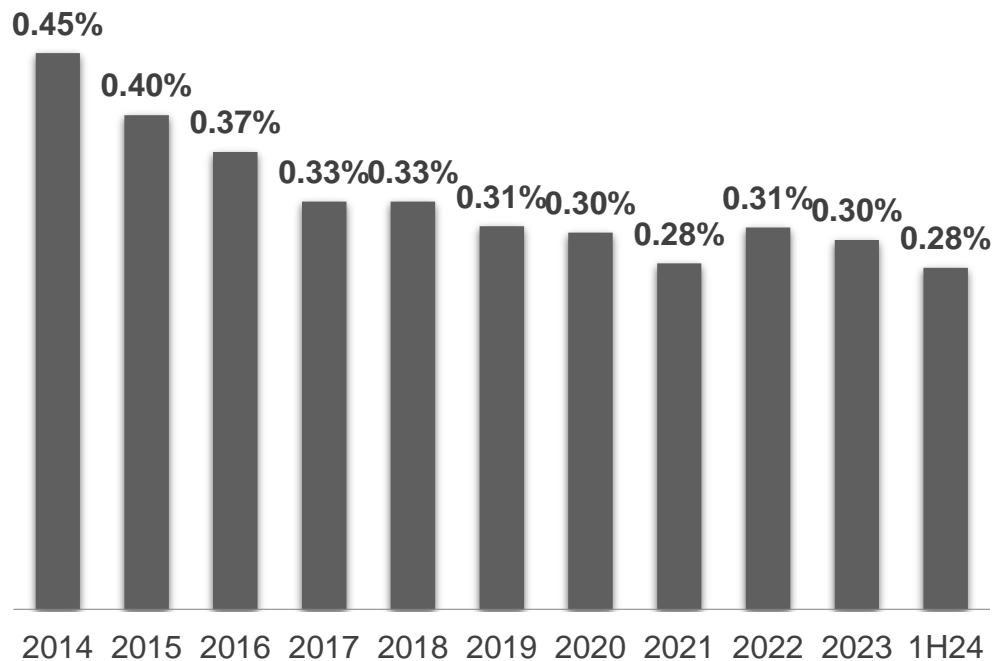
- set-up of **BG Suisse**
- phase in of **National Banking Contract** (€1.7m in 1H 2024)

**Net of the two above items**, core operating costs increased by only 2.6% YoY

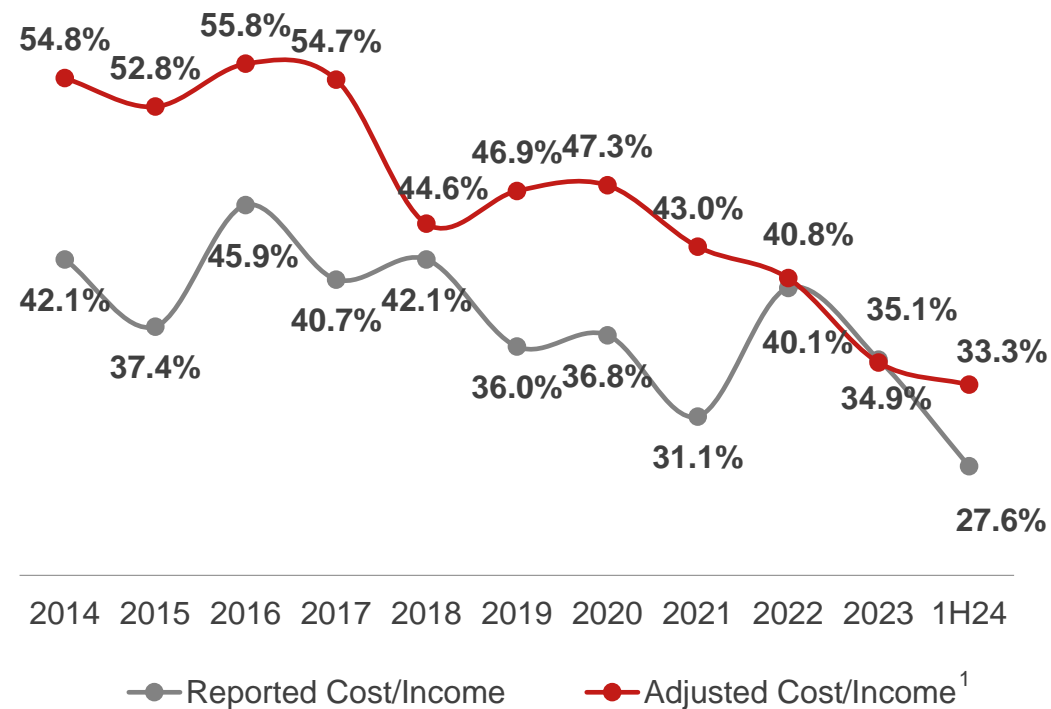
# OPERATING COSTS (2/2)

## COST RATIOS IMPROVING FURTHER

### Operating Costs / Total Assets



### Cost / Income Ratio



(€ m)	1H 23	1H 24	% Chg
<b>Net Financial Income</b>	<b>161.3</b>	<b>166.7</b>	<b>3.3%</b>
<b>Net recurring fees</b>	<b>223.3</b>	<b>233.7</b>	<b>4.6%</b>
Variable fees	7.6	94.0	n.m.
<b>Total Banking Income</b>	<b>392.2</b>	<b>494.3</b>	<b>26.0%</b>
Core operating costs	-114.5	-121.8	6.4%
<b>Total operating costs</b>	<b>-127.3</b>	<b>-136.6</b>	<b>7.3%</b>
<b>Operating Profit</b>	<b>264.9</b>	<b>357.7</b>	<b>35.0%</b>
<b>Operating Profit excl. performance fees</b>	<b>257.3</b>	<b>263.7</b>	<b>2.5%</b>
Net adjustments for impair.loans and other assets	-0.6	0.8	n.m.
Net provisions for liabilities and contingencies	-18.7	-30.2	61.5%
Contributions to banking funds	-5.8	-10.2	74.4%
Gain (loss) from disposal of equity investments	-0.1	0.1	n.m.
<b>Profit Before Taxation</b>	<b>239.7</b>	<b>318.2</b>	<b>32.8%</b>
Direct income taxes	-64.7	-78.6	21.6%
<i>Tax rate</i>	<i>27.0%</i>	<i>24.7%</i>	<i>-2.3 p.p.</i>
<b>Net Profit</b>	<b>175.1</b>	<b>239.6</b>	<b>36.9%</b>
<b>Recurring Net Profit<sup>2</sup></b>	<b>166.1</b>	<b>170.4</b>	<b>2.6%</b>

## Comments

- ▶ **Operating result (+35% YoY)** benefitted from steady asset expansion, diversification and cost discipline as financial market conditions proved supportive for both equity markets and rate environment
- ▶ **Total non operating charges<sup>1</sup> amounted to €39.5m (+57% YoY).** The increase reflects:
  - i) higher contributions to banking funds (+€4.4m)
  - ii) first-time provision for insurance resolution fund (+€1.2m)
  - iii) negative impact for €4.9m linked to discount rate changes applied to actuarial funds
- ▶ **Average tax rate at 24.7%** (-2.3 ppts YoY) for the higher contribution from variable fees compared to last year

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1H 2024 Financial Results

**Balance Sheet & Capital Ratios**

Net Inflows, Assets and Recruiting

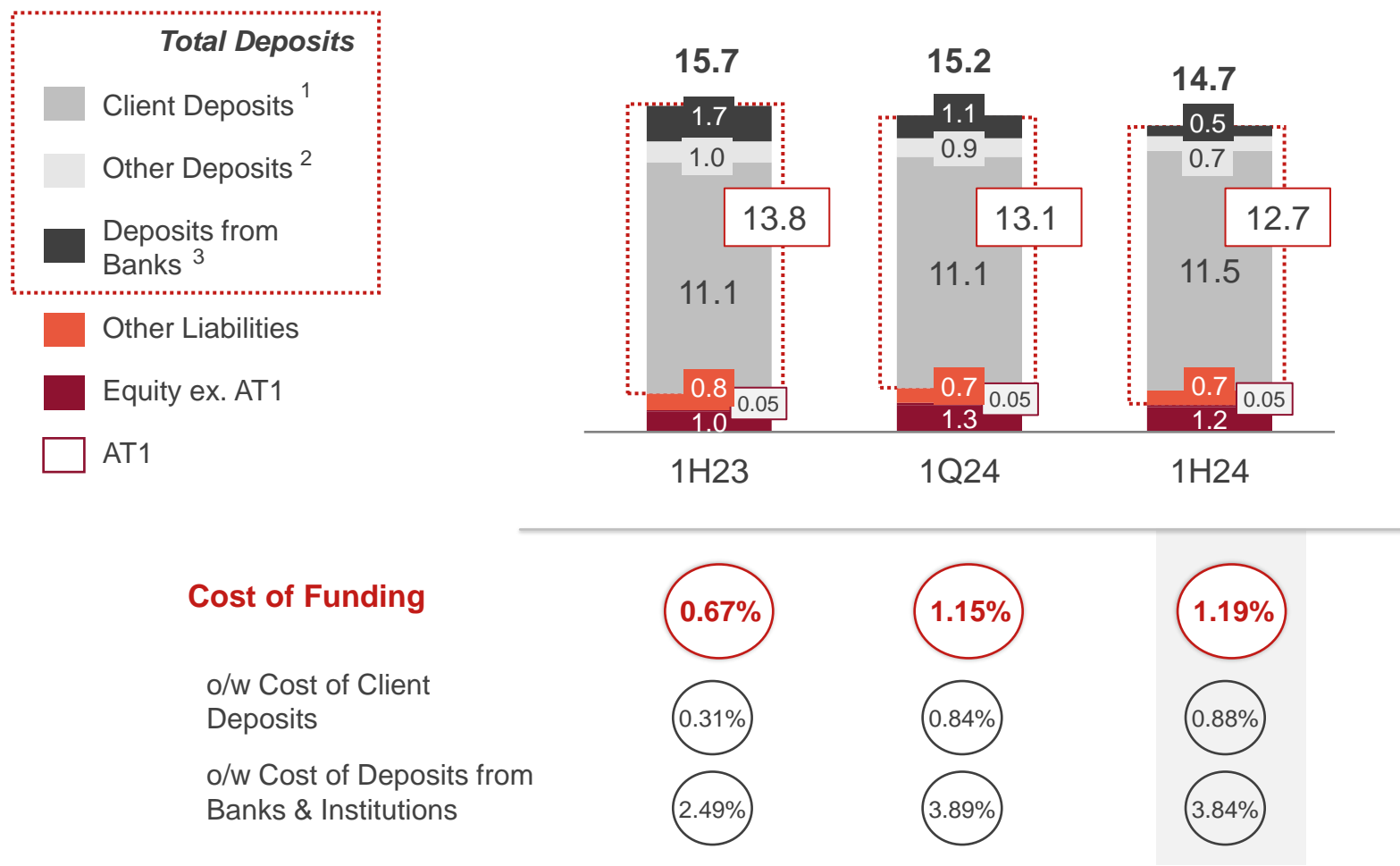
Business Update and Closing Remarks

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# BALANCE SHEET – TOTAL LIABILITIES & EQUITY

## CLIENT DEPOSIT FLOWS TURNED POSITIVE

### Total Liabilities & Equity: Volumes and Yields €\bn



➤ **1H 2024 client deposits** at €11.5bn (+3% QoQ) back to growth reflecting normalization in cash sorting

- **Average deposit balance** at €28k (€77k for private clients)
- **Deposit to asset ratio** at 11.6% (8.8% for private clients)

**1H 2024 deposits from banks** downsized to €0.6bn (-54% QoQ) to optimize cost of funding

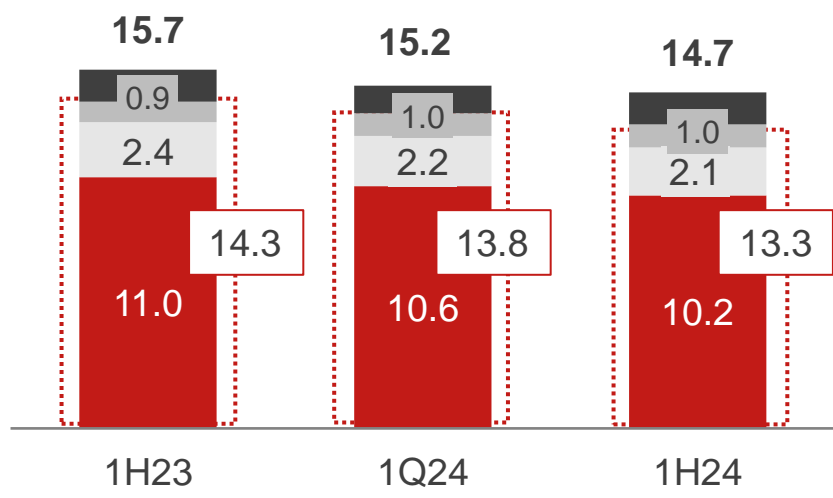
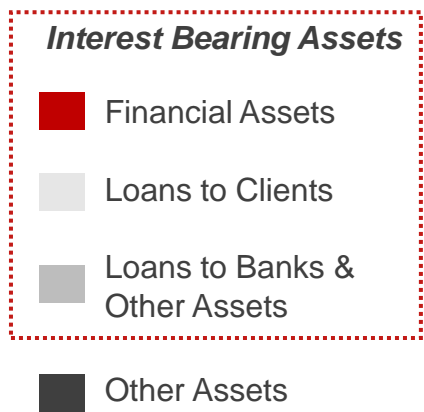
➤ **1H 2024 average cost of funding** at 1.19% (+4bps vs. 1Q 2024) on a small uptick in the retail cost of funding



# BALANCE SHEET – TOTAL ASSETS

## STABLE ASSET RETURN WITH SLIGHTLY LOWER VOLUMES

### Total Assets & Interest Bearing Assets: Volumes and Yields €\bn



**Yield on Interest Bearing Assets**

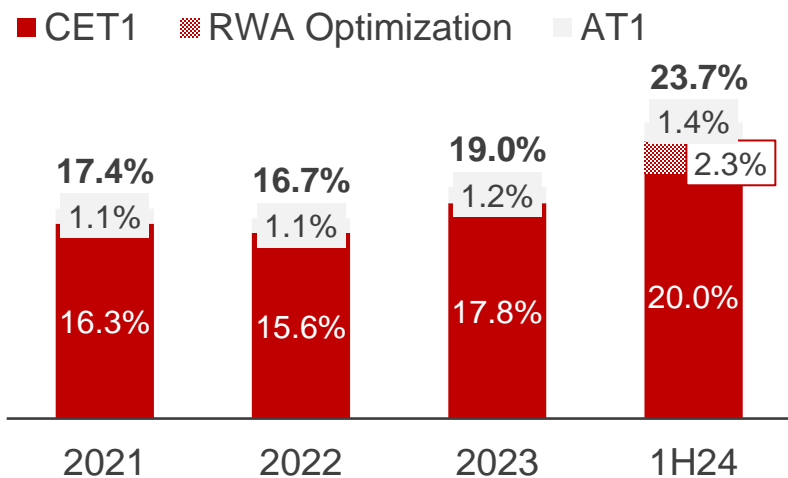
	1H23	1Q24	1H24
<b>Yield on Interest Bearing Assets</b>	2.64%	3.44%	3.44%
o/w Loans to Banks & Other Assets	2.86%	3.56%	3.52%
o/w Loans to Clients	3.80%	4.88%	4.82%
o/w Financial Assets	2.37%	3.14%	3.15%

- **1H 2024 interest bearing assets at €13.3bn (-5% YTD)** with financial assets tracking deleveraging in deposits from banks in 2Q 2024
- **Financial Assets investment returns locked in** by increasing fixed rate component (59% of total), duration (1.5 years) and maturity (3.8 years)
- **1H 2024 yield on interest bearing assets at 3.44%** proving stable QoQ

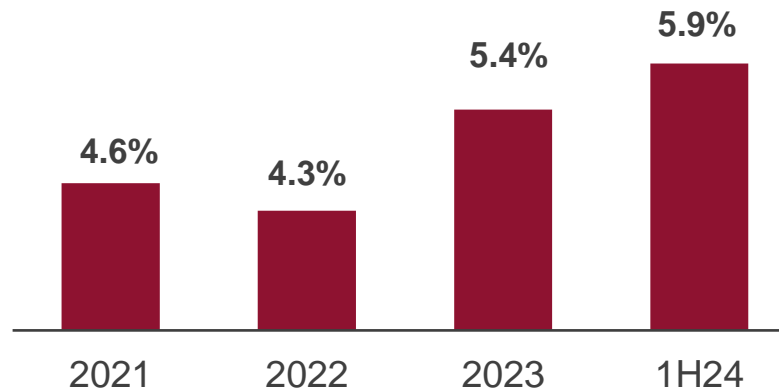
# CAPITAL AND LIQUIDITY RATIOS

## SIZEABLE UPTICKS IN CAPITAL RATIOS AND LEVERAGE

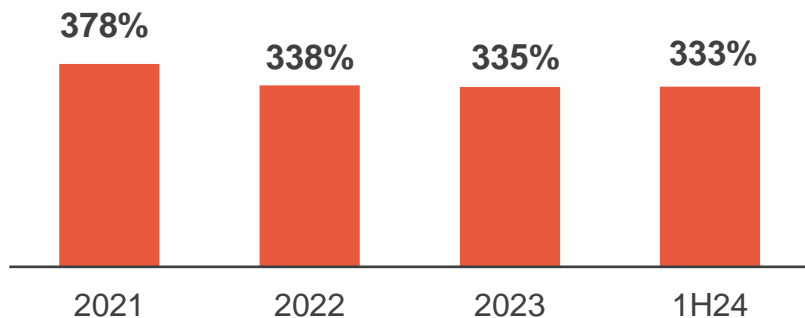
### Total Capital Ratio %



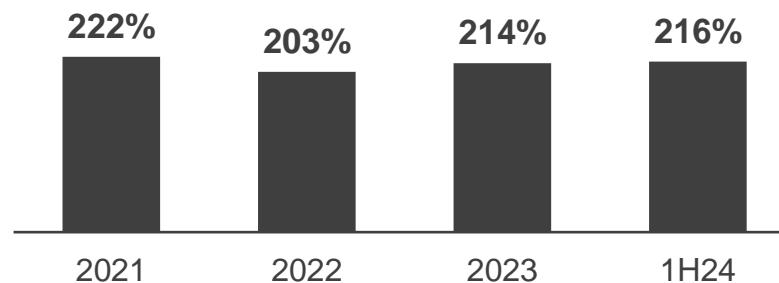
### Leverage Ratio %



### Liquidity Coverage Ratio %



### Net Stable Funding Ratio %



- ▶ **Strong increase in capital position** (CET1 ratio to 22.3%, +4.5ppts YTD) on retained earnings and RWA optimization (+2.3ppts YTD)  
The increase in capital and leverage ratios also has a **positive impact on MREL requirements** (to be phased-in from 2025)
- ▶ **TCR ratios expected to remain >20%** normalizing for Basel 4/CRR3 requirements
- ▶ **1H 2024 dividend payout ratio** implied in Own Funds **estimated at 86%**

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1H 2024 Financial Results

Balance Sheet & Capital Ratios

**Net Inflows, Assets and Recruiting**

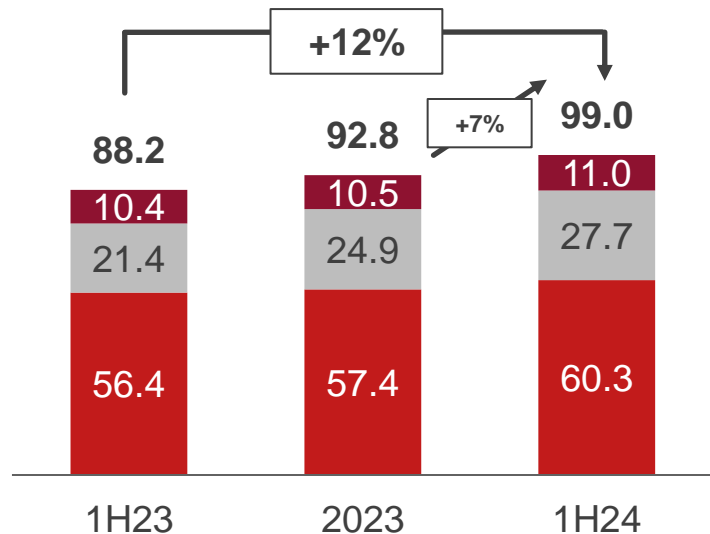
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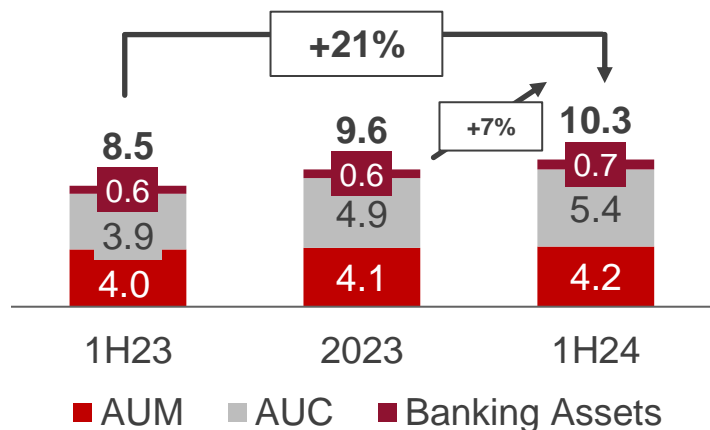
# TOTAL ASSETS (1/2)

## CLOSE TO PASSING THE 100 EURO BILLION MARK

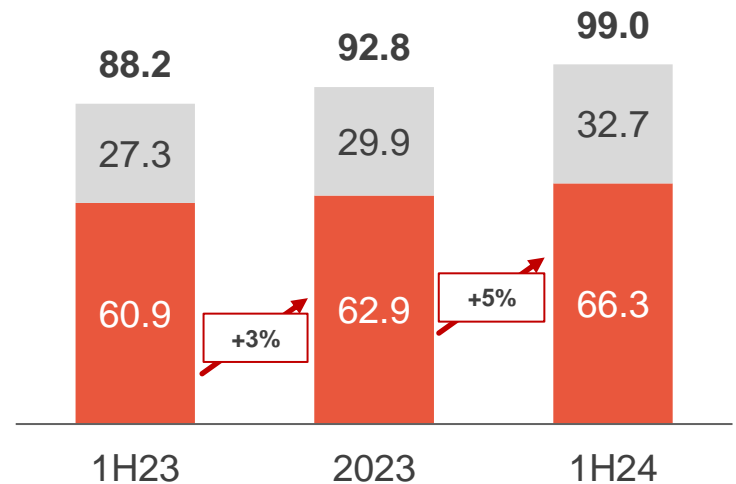
**Total Assets (Traditional View) €\bn**



**o/w Assets under Advanced Advisory €\bn**

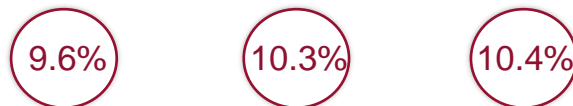


**Total Assets (by Fee Category<sup>1</sup>) €\bn**



■ Other Assets (Other Fees)  
■ Assets under Investment (Investment Fees)

**Assets under Advisory / Total Assets**



**Assets under Investment / Total Assets**



➤ **1H 2024 total assets at €99.0bn (+12% YoY)** supported by net new money (+7%) and asset performance (+5%)

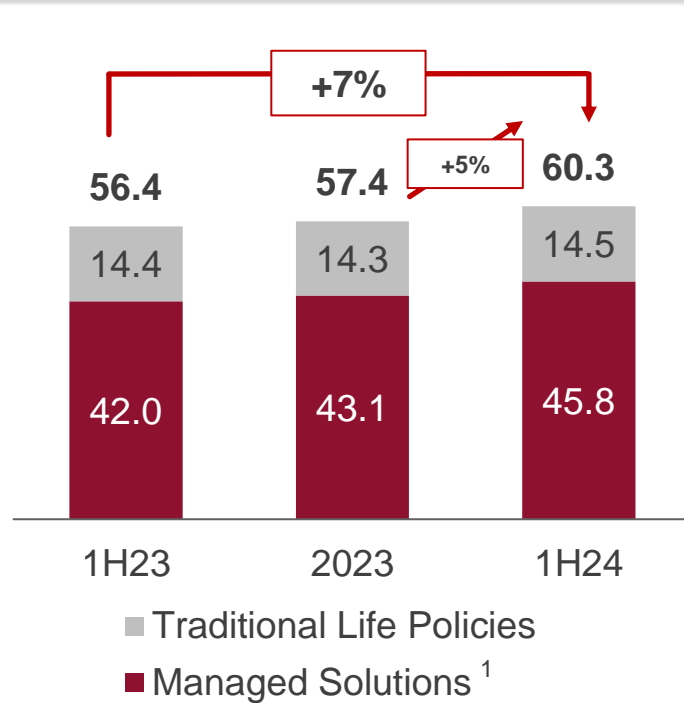
➤ **1H 2024 assets under investment at €66.3bn (+9% YoY)** driven by growth of in-house products and advisory services

➤ **1H 2024 assets under advanced advisory increased to €10.3bn (+21% YoY)** reaching 10.4% of total assets

# TOTAL ASSETS (2/2)

## MANAGED SOLUTIONS BOOSTED BY IN-HOUSE PRODUCTS

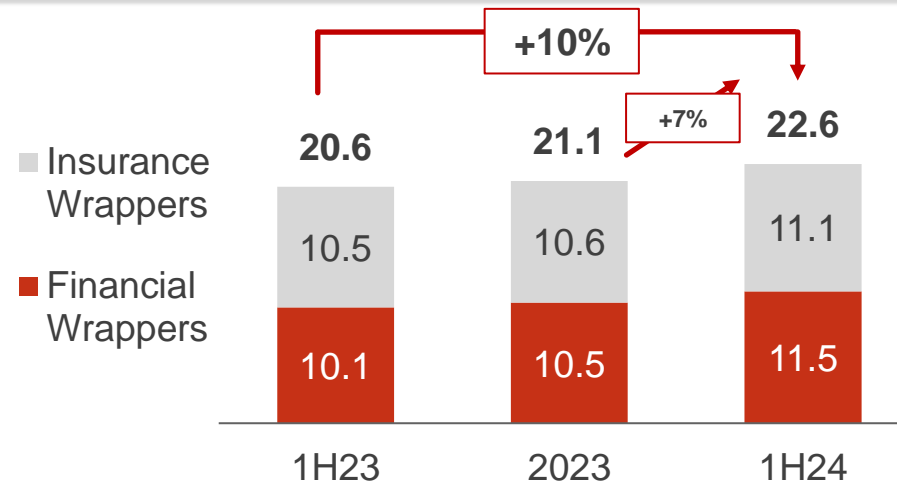
### AUM Products €\bn



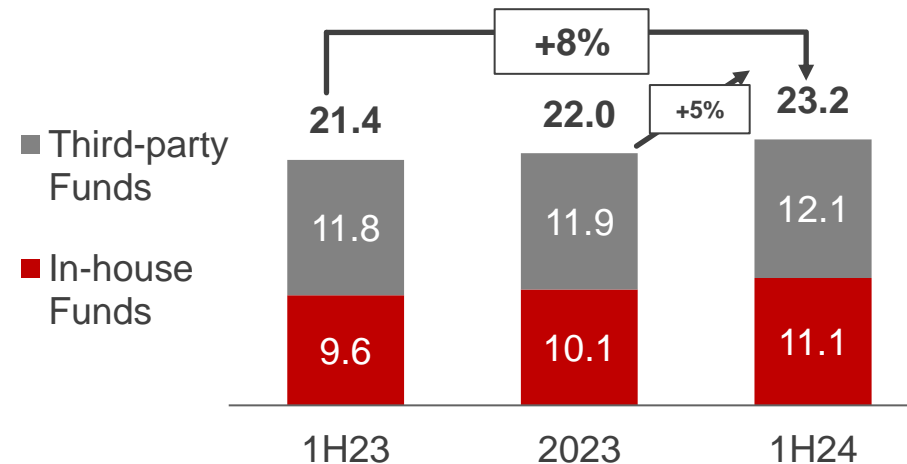
### Managed Solutions / AUM



### o/w Managed Solutions - Wrappers €\bn



### o/w Managed Solutions - Funds €\bn



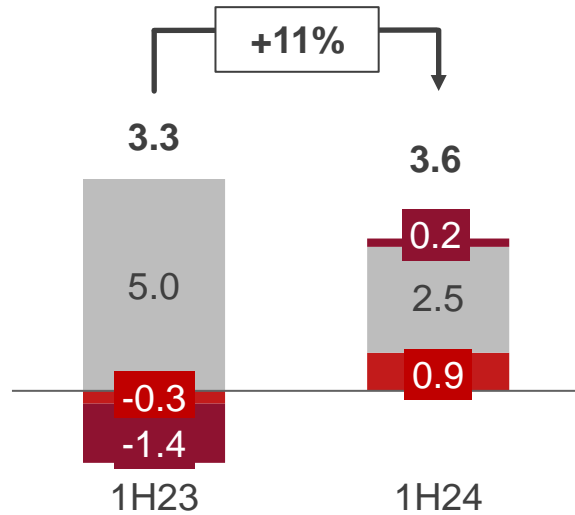
▶ **1H 2024 in-house products delivered above average growth:** financial wrappers (+15% YoY) and in-house funds (+15% YoY)

▶ **1H 2024 insurance assets** staging early signs of recovery in absolute value

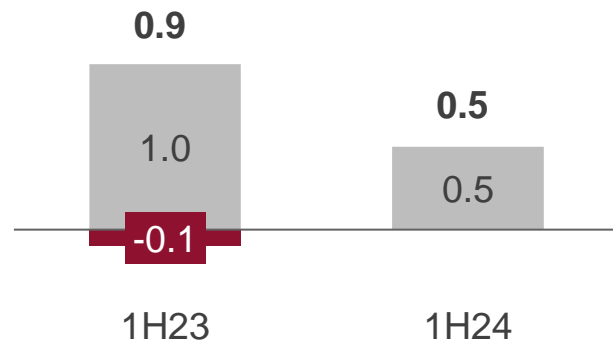
# NET INFLOWS (1/2)

## ASSETS UNDER INVESTMENT DOUBLED OVER THE PERIOD

**Total Net Inflows (Traditional View) €\bn**

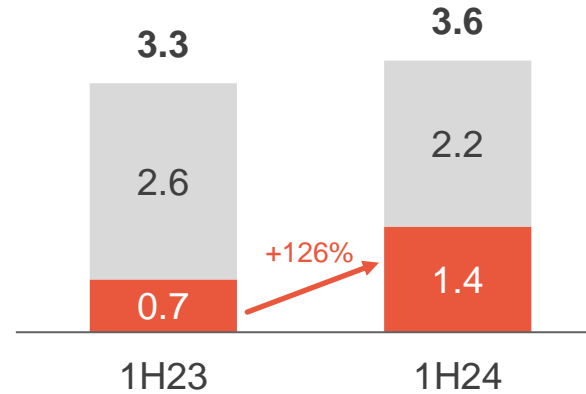


**o/w Net Inflows in Advanced Advisory €\bn**



■ AUM ■ AUC ■ Banking Assets

**Total Net Inflows (by Fee Category<sup>1</sup>) €\bn**



■ Other Assets (Other Fees)  
■ Assets under Investment (Investment Fees)

**Assets under Investment / Total Net Inflows**

19.6%

39.7%

➤ **Solid increase in 1H 2024 net inflows (+11% YoY) amid a sluggish sector volume trend<sup>2</sup>**

➤ **Solid contribution from assets under investment (€1.4bn, +126% YoY) driven by in-house products and advanced advisory services**

➤ **Net inflows in other assets decreased as sign of normalization**

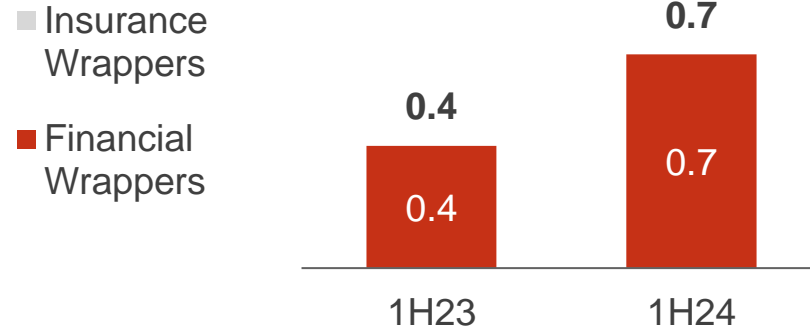
# NET INFLOWS (2/2)

## GROWING QUALITY FOCUSED ON IN-HOUSE PRODUCTS

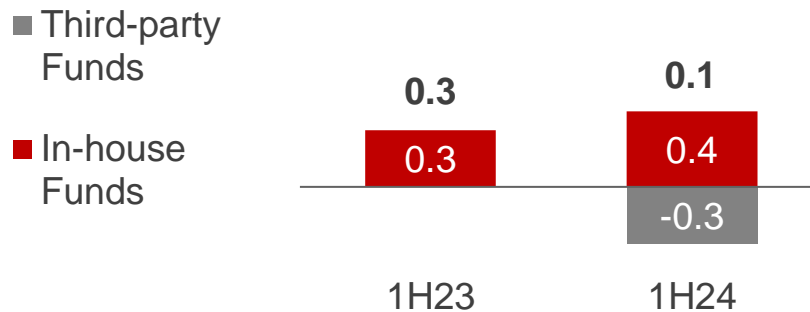
### AUM Products €\bn



### o/w Managed Solutions - Wrappers €\bn



### o/w Managed Solutions - Funds €\bn



▶ **1H 2024 AUM products at €0.9bn** supported by the ongoing stabilization in traditional insurance

▶ **In-house products at €1.1bn (+74% YoY)** driven by:

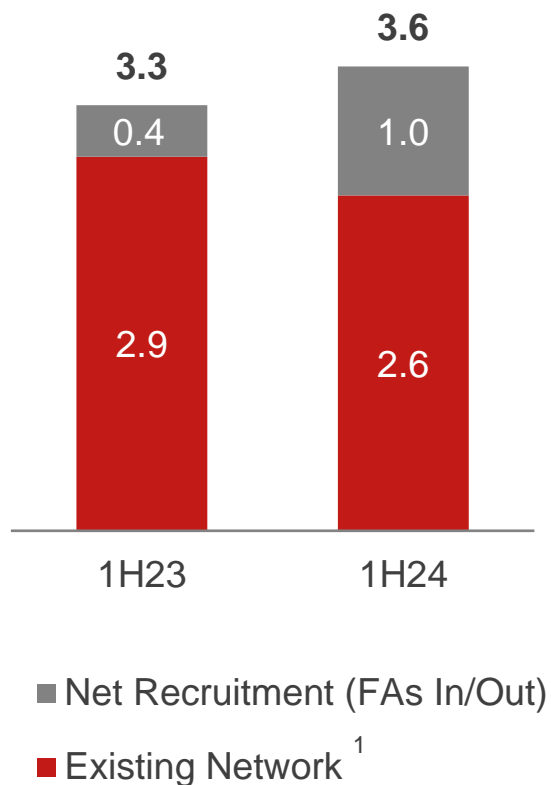
- **financial wrappers** growing the most thanks to their bespoke features (+102% YoY)

- **in-house funds** driven by growing interest for the new LUX-based range of strategies

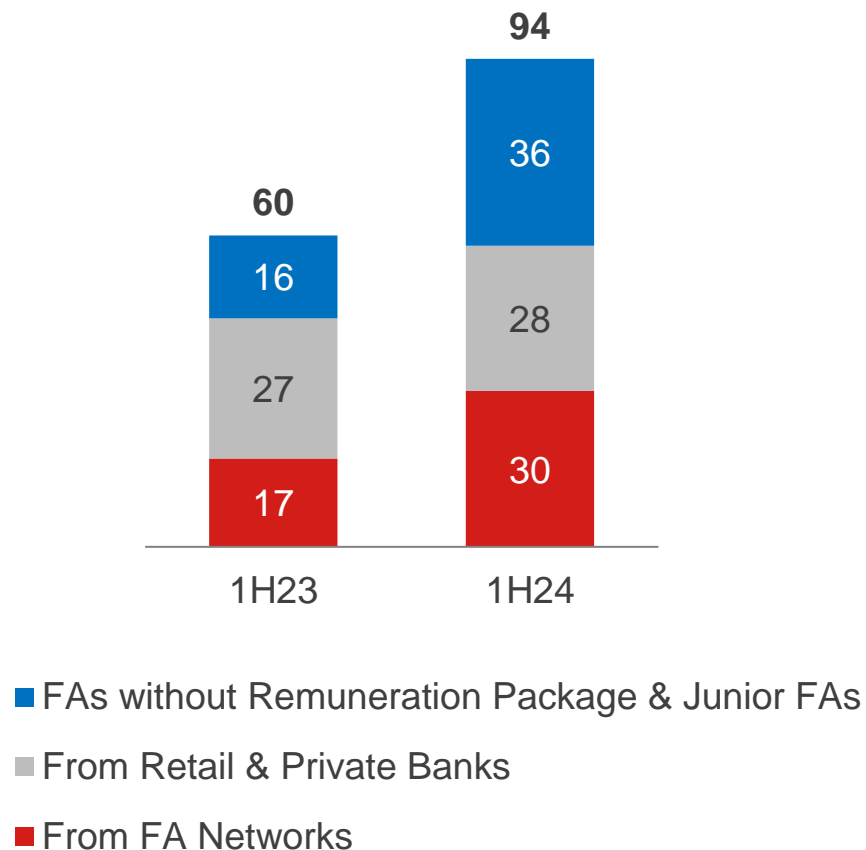
# NET INFLOWS BY ACQUISITION CHANNEL

## GROWING CONTRIBUTION FROM NET RECRUITING

Net Inflows by Acquisition Channel €\bn



Recruitment by Acquisition Channel #



▶ **1H 2024 net inflows** showing a **growing contribution from net recruiting** (27% vs. 13% in 1H 2023) thanks to more favorable business conditions and financial markets

▶ **Push on recruiting of junior talents** -on top of more experienced profiles- to prepare for generational shift



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# 2024 TARGETS CONFIRMED OR INCREASED

SELECTED UPGRADES DUE TO HEALTHY BUSINESS TREND AND FINANCIAL MARKETS

Objectives	KPIs	2024 Prev. Target	2024 New Target	Status
Consistent growth	Net Inflows Volumes	>€6.0bn	>€6.5bn	↑
	Net Inflows Mix	40-60% AUI on Total	40-60% AUI on Total	✓
Profitable growth	1 Net Interest Income	>€280m	~€300m	↑
	2 AUM Profitability	Mgmt Fee Margin ≥1.41%	Mgmt Fee Margin ≥1.42%	↑
Remunerative growth	Dividend per Share (DPS)	€7.5-€8.5 p.s. (cash view, 2022-25)	€8.0-€8.5 p.s. (cash view, 2022-25)	↑

Target	2023	Previous	2024 E New
<b>Net Interest Income (NII)</b>	<b>304 €m</b>	<b>~280 €m</b>	<b>~300 €m</b>
<b>Market Rates (6M Euribor, avg.)</b>	<b>3.69%</b>	<b>3.50%</b>	<b>3.60%</b>
<b>Remuneration on Client Deposits (bps)</b>	<b>46 bps</b>	<b>80-90 bps</b>	<b>90-100 bps</b> ↑
<b>Yield on Financial Assets (%)</b>	<b>2.62%</b>	<b>3.0%-3.1%</b>	<b>3.05%-3.15%</b> ↑
<b>Client Deposits – Volumes (bn/€)</b>	<b>11.2</b>	<b>10.5-11.0</b>	<b>11.0-11.5</b> ↑

**Key Assumptions**

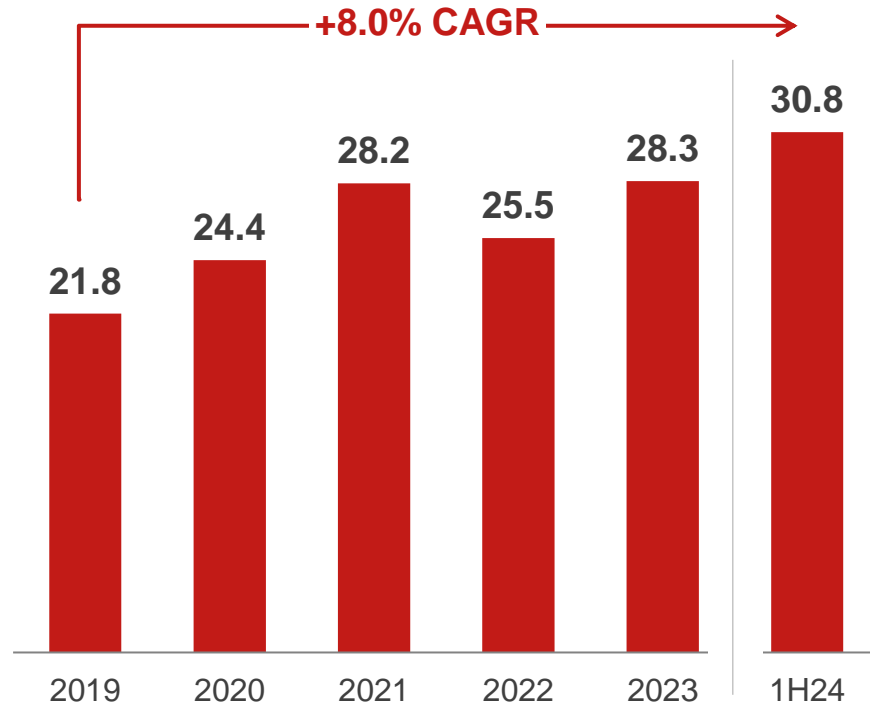
➤ **2024 NII revised upwards to ~€300m (from €280m) for:**

- **stabilization in client deposits** (+0.5bn vs. previous guidance)
- **higher rate environment** with avg. 6M Euribor expected at 3.60% for 2024 (+10bps vs. previous guidance)
- **higher cost of funding** at 90-100bps (+10bps vs. previous guidance)

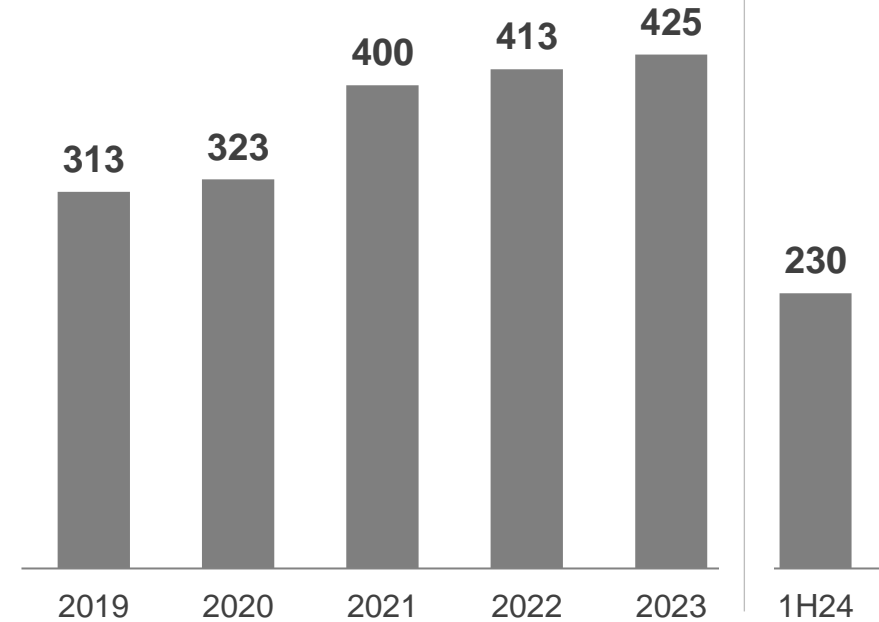
## TREND IN ASSETS AND FEES

### In-House Solutions<sup>1</sup>

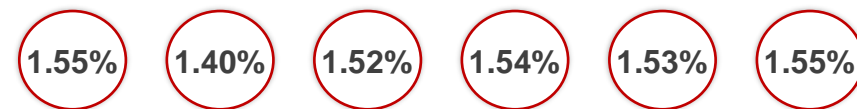
Total Assets €\bn



Total Recurring Fees €\m



Margin



**Quality offer**

Dedicated investment teams

**Offer enrichment**

Focus on best-in-class third party AMs

Launch of new financial wrappers

Launch of new sub-funds

Launch of new units for insurance

To be the No.1 private bank, unique by **value of service, innovation** and **sustainability**

1Q 2024 Financial Results

Balance Sheet & Capital Ratios

Net Inflows, Assets and Recruiting

Business Update and Closing Remarks

**Annex**

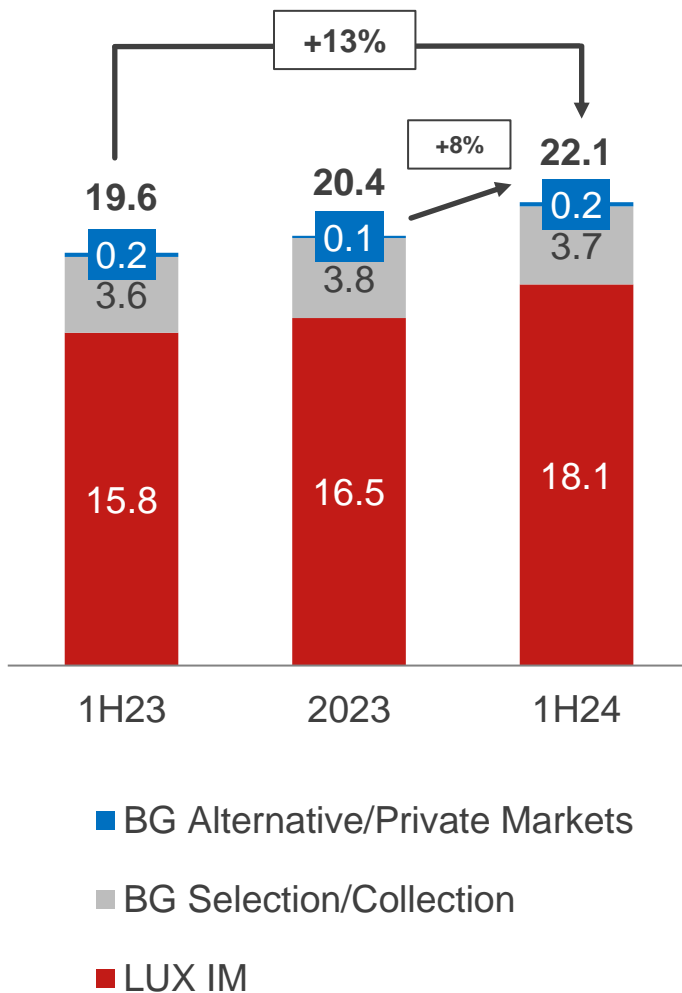
- **Financial Back-up**
- **Banca Generali at a Glance**
- **Key Projects**



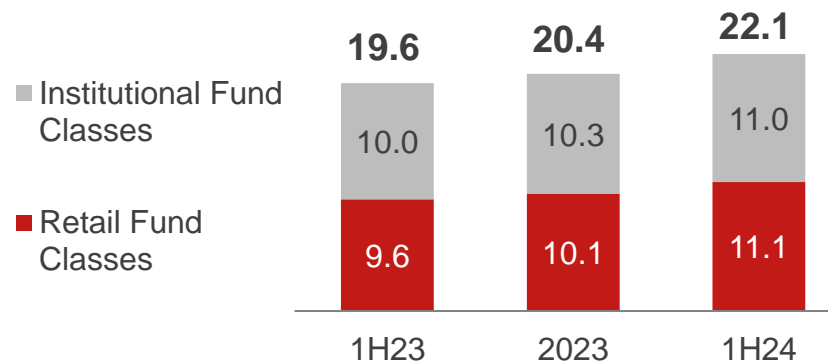
# FOCUS ON BG FUND MANAGEMENT LUXEMBOURG (BG FML)

## DEEP DIVE ON LUX ASSETS

### BG FML - Assets by SICAV €bn

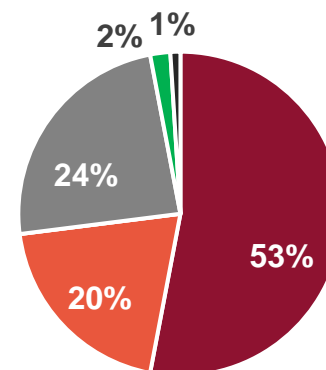


### BG FML – Total Assets €bn



### BG FML – Asset Mix %

- Equity
- Multi-assets
- Liquidity
- Bonds
- Target funds
- Alternative



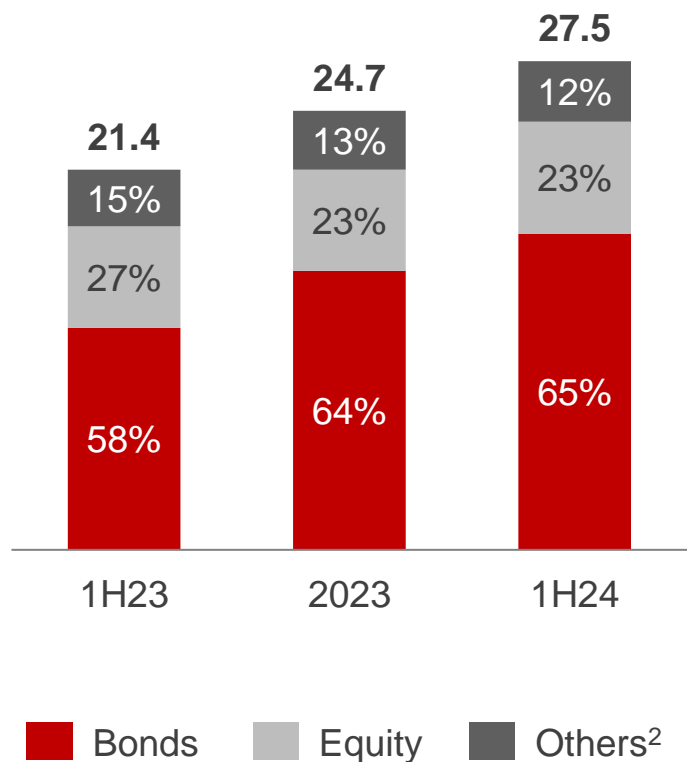
➤ **1H 2024 retail sub-funds increased the most (+15.0% YoY) and now represent 50% of total BG FML assets**

➤ **1H 2024 positive weighted average performance (WAP) at 6.7% YTD net of fees**

# FOCUS ON AUC ASSETS

## PRODUCT MIX & KEY FEATURES

AUC Assets by Product Mix<sup>1</sup> €\bn



Key Features

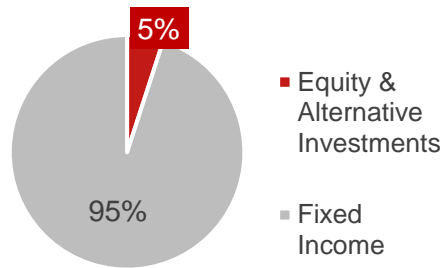
- ▶ €5.1bn bonds due to expire within 1 year
- ▶ >70% of bonds carrying unrealised capital gains
- ▶ Only 5% of total AUC invested in structured products (certificates)
- ▶ 22% of AUC under advanced advisory

# FOCUS ON FINANCIAL ASSETS (1/3)

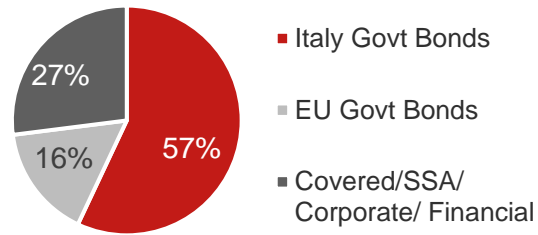
## HIGH QUALITY, LIQUID AND WELL DIVERSIFIED INVESTMENT MIX

### Focus on Financial Assets (Banking Book)

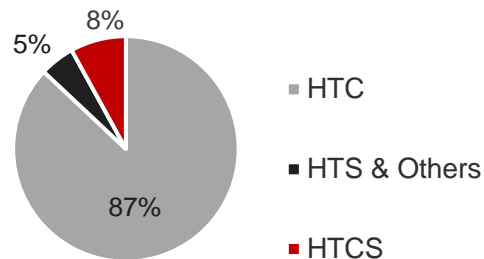
#### Total PTF Classification



#### Bond PTF Classification

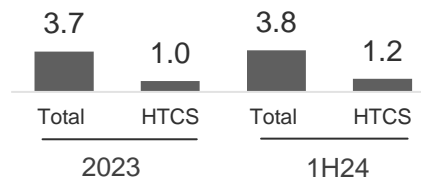


#### Total PTF - IFRS Classification

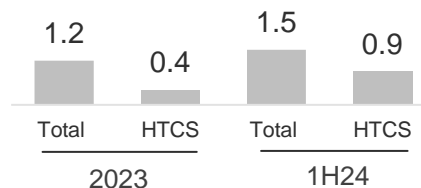


Fixed rate bonds 59%  
(bond portfolio)

#### Bond PTF Maturity



#### Bond PTF Duration



➤ Financial assets are **high quality and well diversified**:

- 98% of the bond portfolio is made up of investment grade securities
- Italy govt bonds represent 57% of total
- 28% of the bond portfolio is rated  $\geq$  A-

➤ Financial assets are mostly accounted at HTC (87% of total) hence have a **limited volatility** on P&L

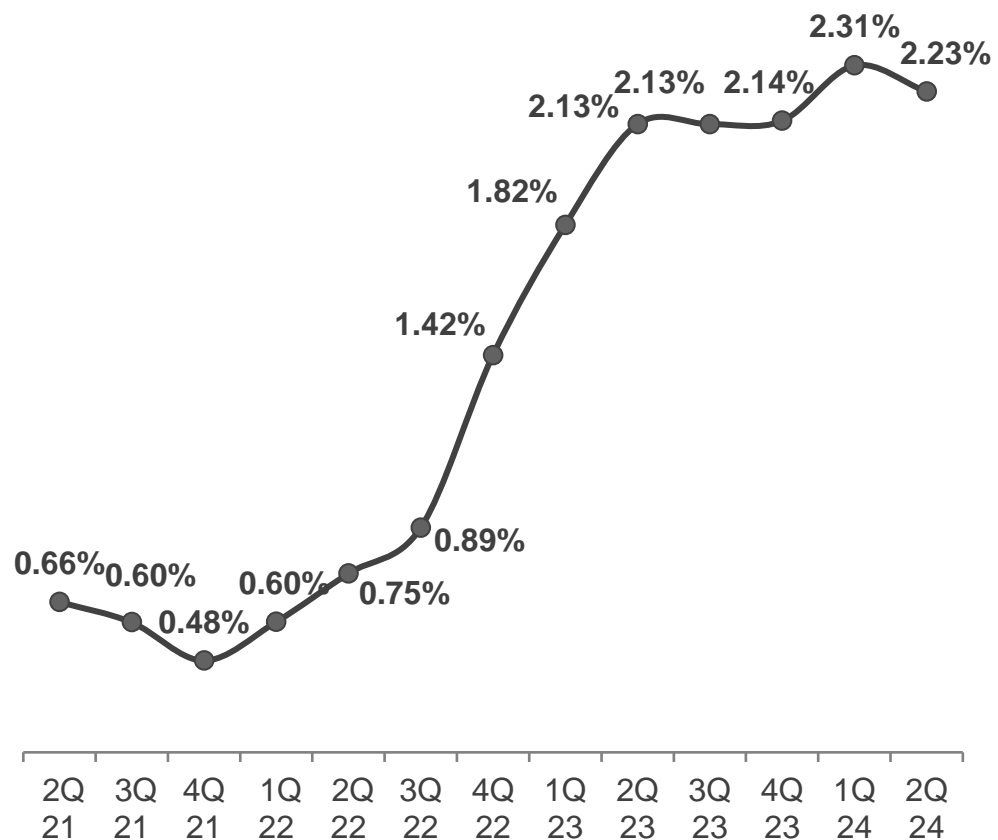
➤ Financial assets posted a small increase in **duration (from 1.2 to 1.5 years)** and **maturity (from 3.7 to 3.8 years)**



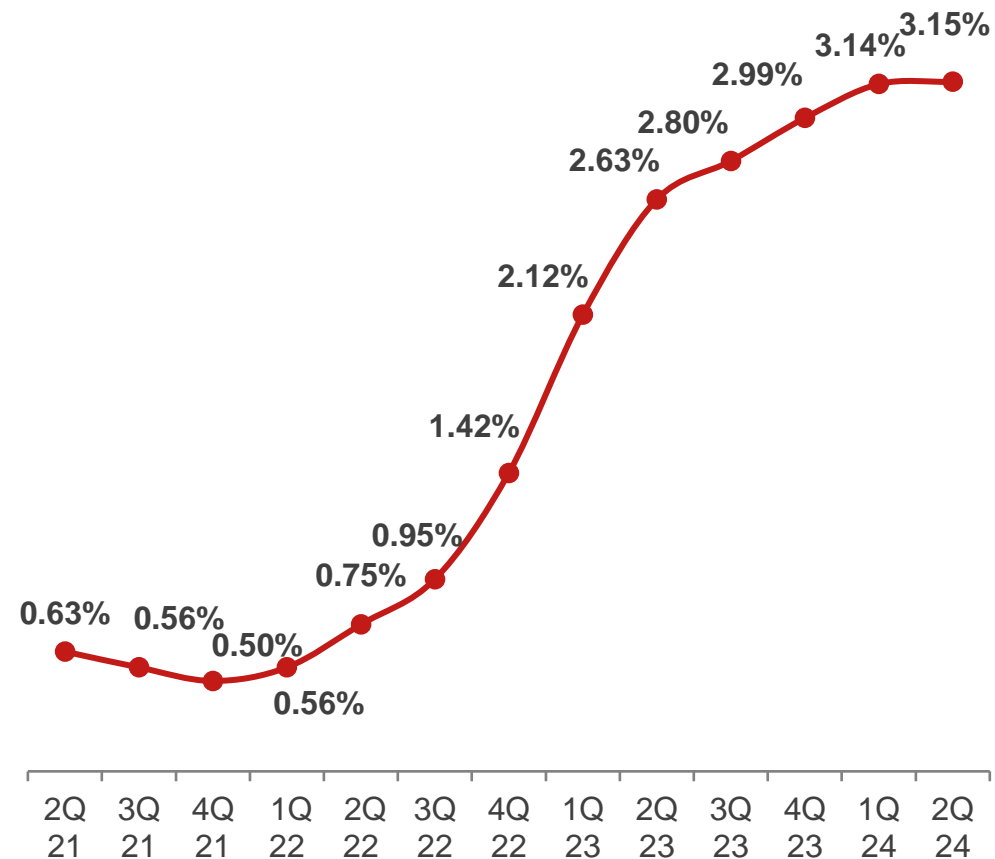
# FOCUS ON FINANCIAL ASSETS (2/3)

## STABILISATION IN INVESTMENT YIELDS

### Total NII Yield: Quarterly Trend



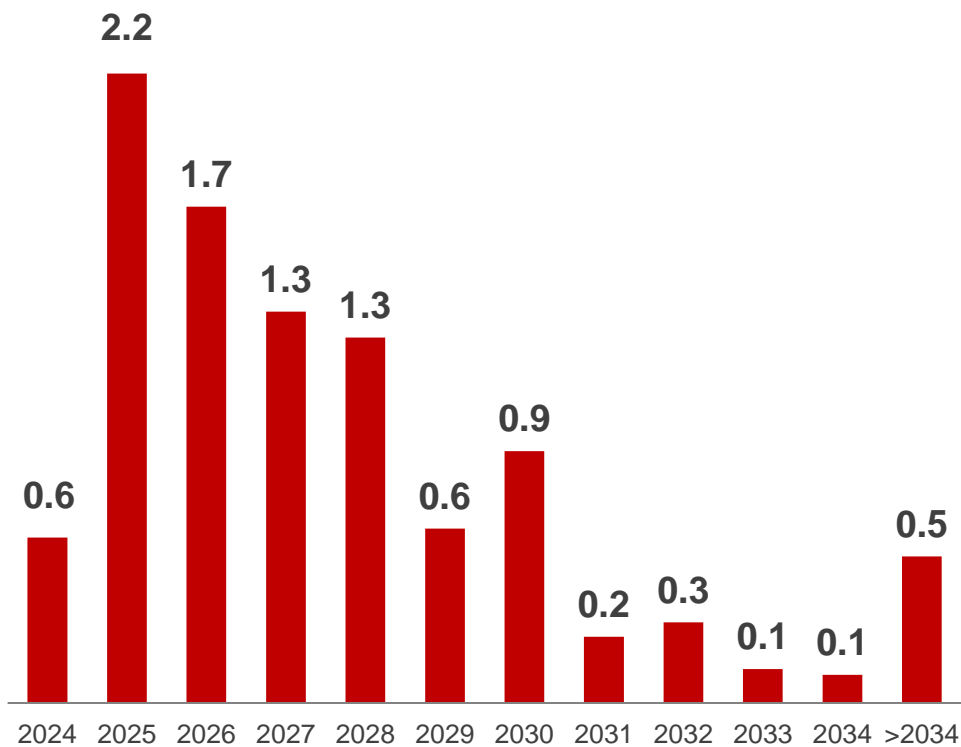
### Financial Assets Yield: Quarterly Trend



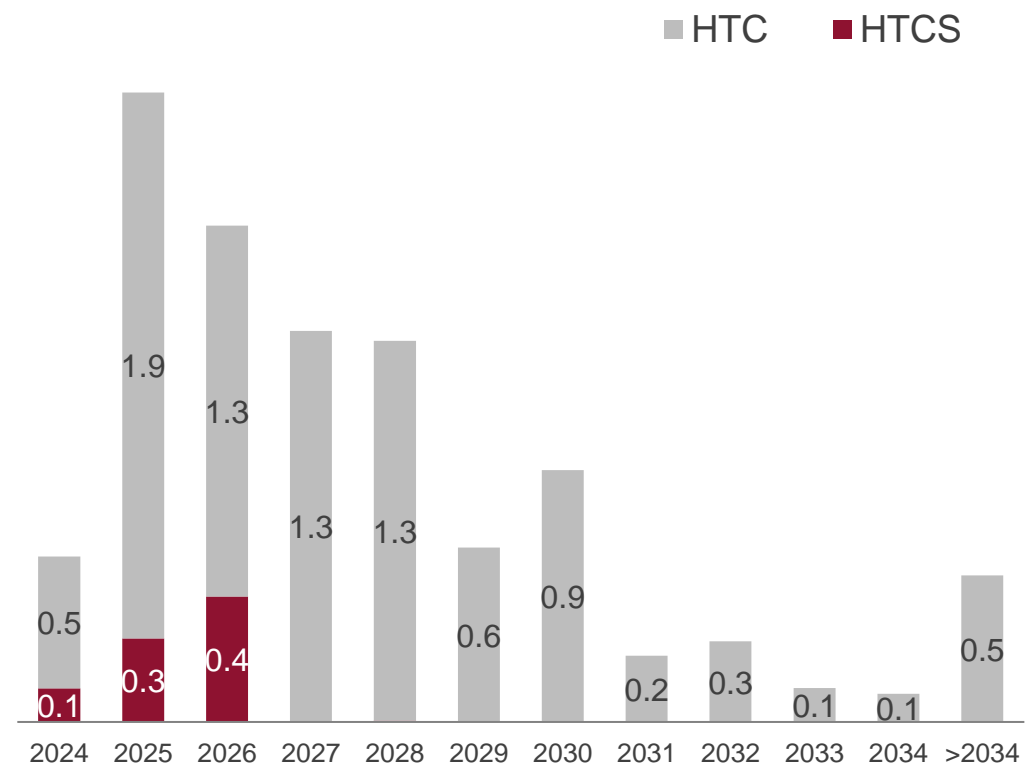
# FOCUS ON FINANCIAL ASSETS (3/3)

## LIQUID INVESTMENT PROFILE THANKS TO SHORT TERM MATURITIES

Bonds - Banking Book Maturities by Year €bn



Bonds - Banking Book Maturities by Accounting Treatment €bn



% of Fixed Rates



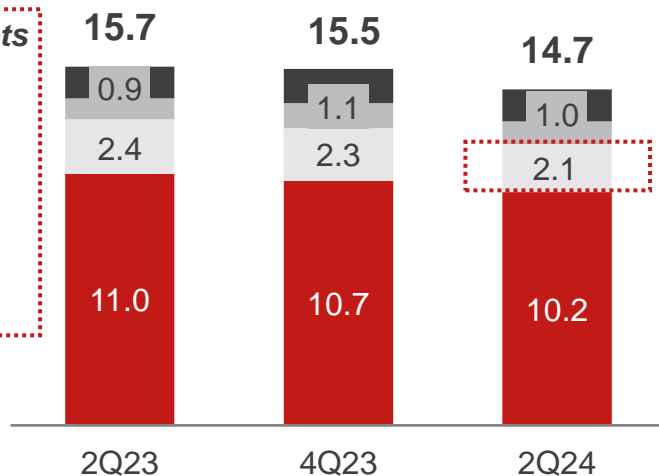
# FOCUS ON LOAN BOOK

## HIGH QUALITY LOAN BOOK

### Total Assets and Interest Bearing Assets €\bn

#### Interest Bearing Assets

- Financial Assets
- Loans to Clients
- Loans to Banks & Other Assets
- Other Assets



Yield – On Loans to Clients %

4.18%

4.79%

4.76%

Cost of Risk bps

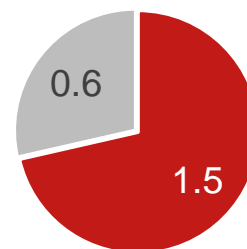
6

2

0

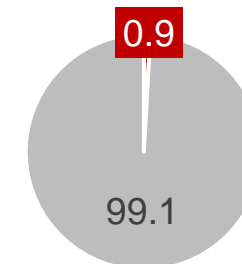
### Focus on Loan Book (Banking Book)

#### 1H24 Credit Book €\bn



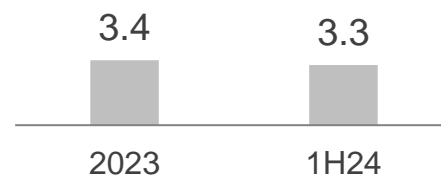
- Lines of Credit
- Mortgages & Personal Loans

#### Lending Quality %

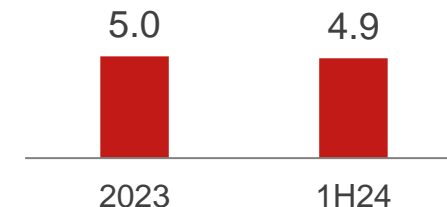


- NPL (Net of Indemnity)
- Performing Loans

#### Granted Loans €\bn



#### Collateral Assets €\bn



Drawn Loans/  
Granted Loans

69%

65%

Collateral Assets/  
Drawn Loans

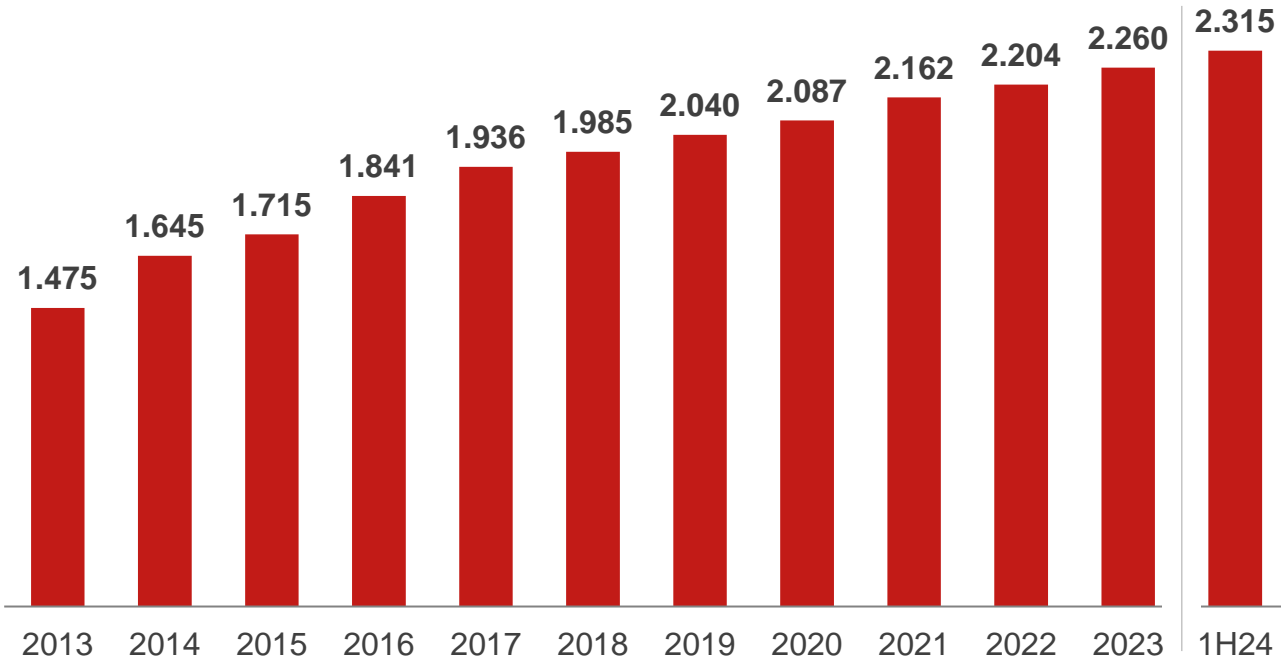
213%

225%

# FOCUS ON FINANCIAL ADVISORY NETWORK (1/2)

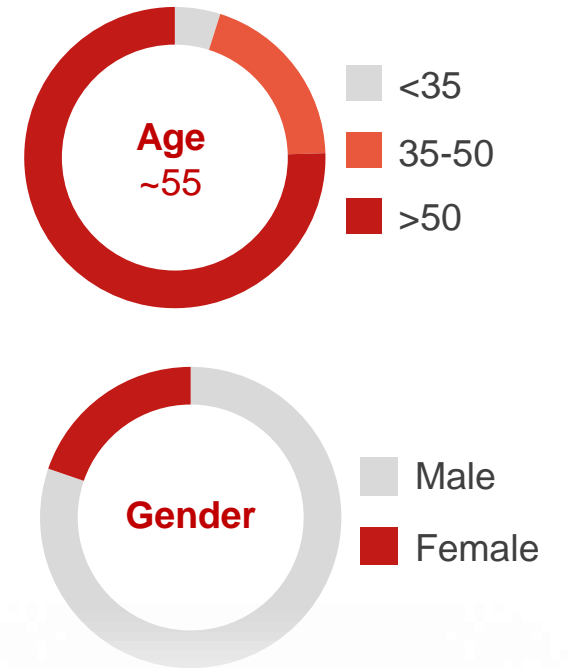
## SIZE OF THE NETWORK AND KEY FEATURES

### No. of FAs #



Headline FA retention at **98.3%** - Core FA retention at **99.4%**

### Key highlights



## BG | TEAM

FA Teams (#)

181

AUM (€\bn)

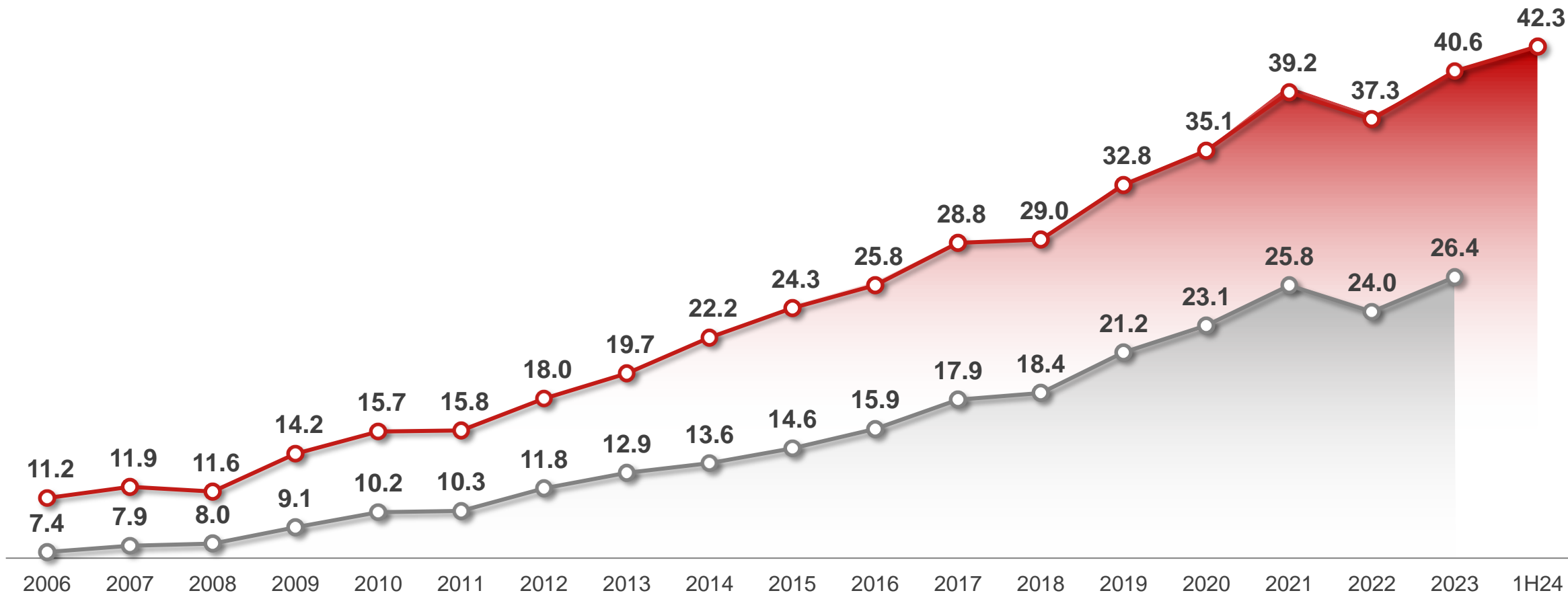
19.6

# FOCUS ON FINANCIAL ADVISORY NETWORK (2/2)

## WIDENING THE GAP WITH THE REST OF THE INDUSTRY

Average FA portfolio (Assets per Financial Advisor) €\m

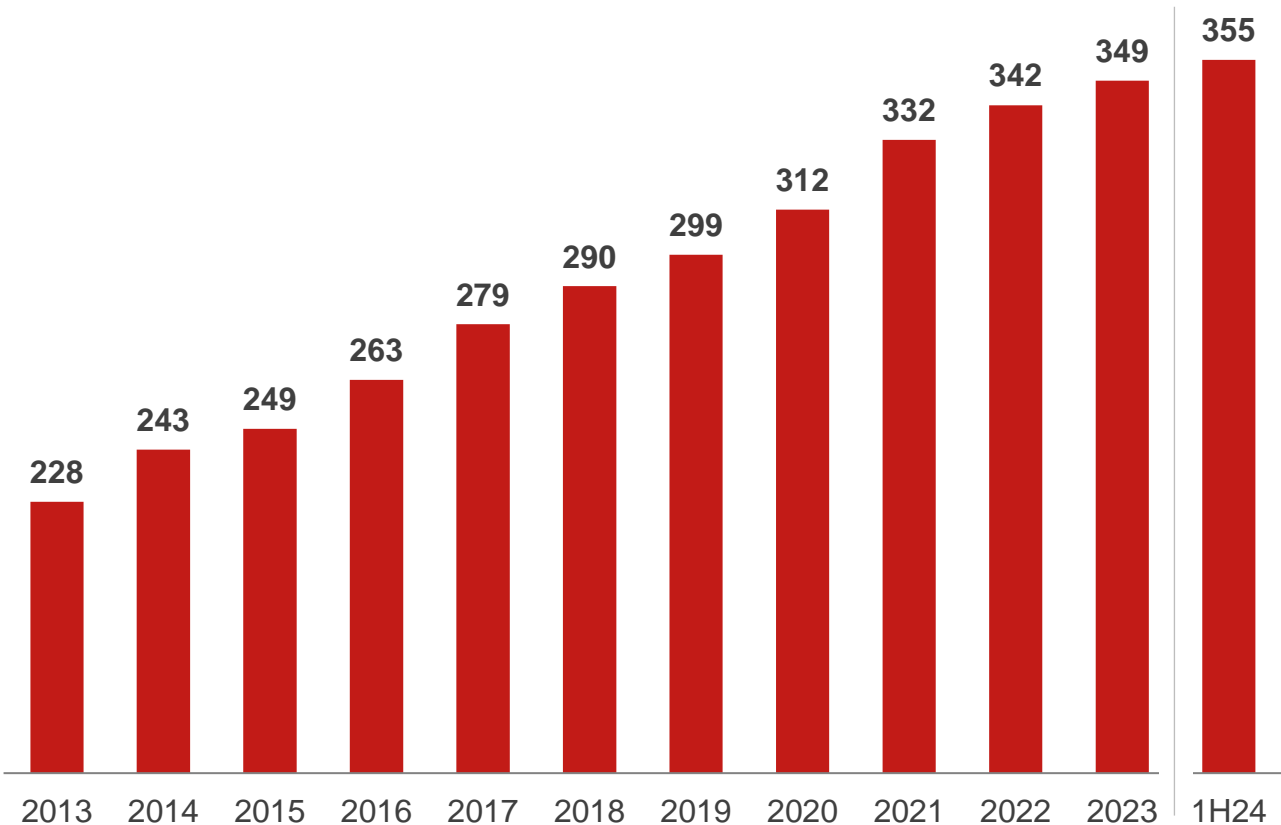
—○— Banca Generali    —○— Assoreti <sup>1</sup>



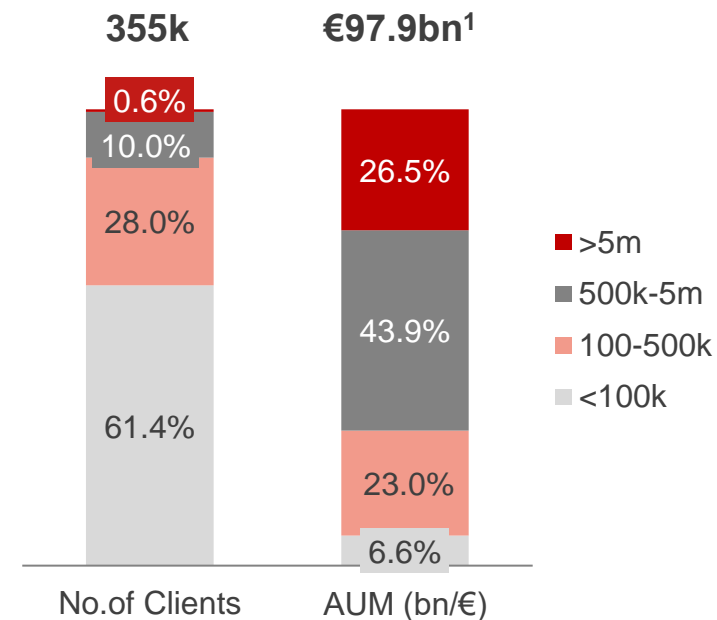
# FOCUS ON CLIENTS

## TREND AND KEY FEATURES

### Total No. of Clients '000



### Breakdown by cluster of Clients



Private Banking Assets<sup>2</sup>: €69.0bn  
 Private Banking Clients: >37k

To be the No.1 private bank, unique by **value of service, innovation** and **sustainability**

1Q 2024 Financial Results

Balance Sheet & Capital Ratios

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Business Update and Closing Remarks

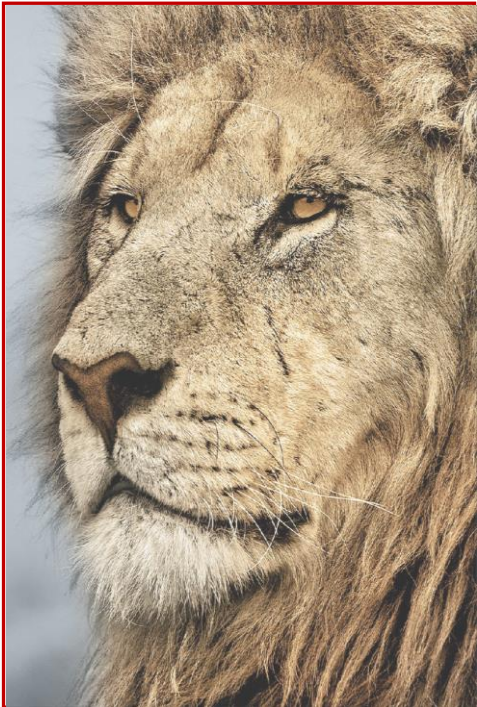
**Annex**

- Financial Back-up
- **Banca Generali at a Glance**
- Key Projects



# BANCA GENERALI IN A NUTSHELL

## MAIN HIGHLIGHTS



**One of the fastest-growing asset gatherers** in Europe<sup>1</sup> (assets tripled in 10Y) and the #3 player in the **Private Banking space** in Italy<sup>2</sup>

Capital-light business model, leveraging on a Network of 2,315 **Financial Advisors ranked at the top of the industry**<sup>3</sup> by quality and productivity

**Awarded Best Private Bank in Italy**<sup>4</sup> and **Best Financial Advisor Network by Customer Satisfaction**<sup>5</sup>, Banca Generali has been adopting since the beginning on an open banking and open architecture business model to leverage on best partners over time

Listed on the **Italian Stock Exchange** since November 2006 with the best Total Return Rate (TRR) amongst financial institutions in Italy since then (+845%<sup>6</sup>), it's **controlled by Assicurazioni Generali** with a stake of 50.2%

ESG reference point for all its Stakeholders leveraging on a clear ESG framework, **distinctive commercial approach** and clear **environmental targets**. Awarded Best Sustainable Private Bank in Italy<sup>7</sup> and included in Sustainalytics' 2024 ESG Top-Rated Companies List

**International footprint** with a consolidated presence in Luxembourg and a growing one in Switzerland, recently strengthened by a fully-fledged banking licence granted by FINMA, for further exploiting its private banking ties



# BANCA GENERALI'S AMBITIONS

## MISSION, VISION AND PURPOSE



**Banca Generali's dynamism** - The fastest growing<sup>1</sup> company in Italy over last 10 years with a unique business model centered around a wealth management approach, a focus on top rated distribution network and a capital light business model

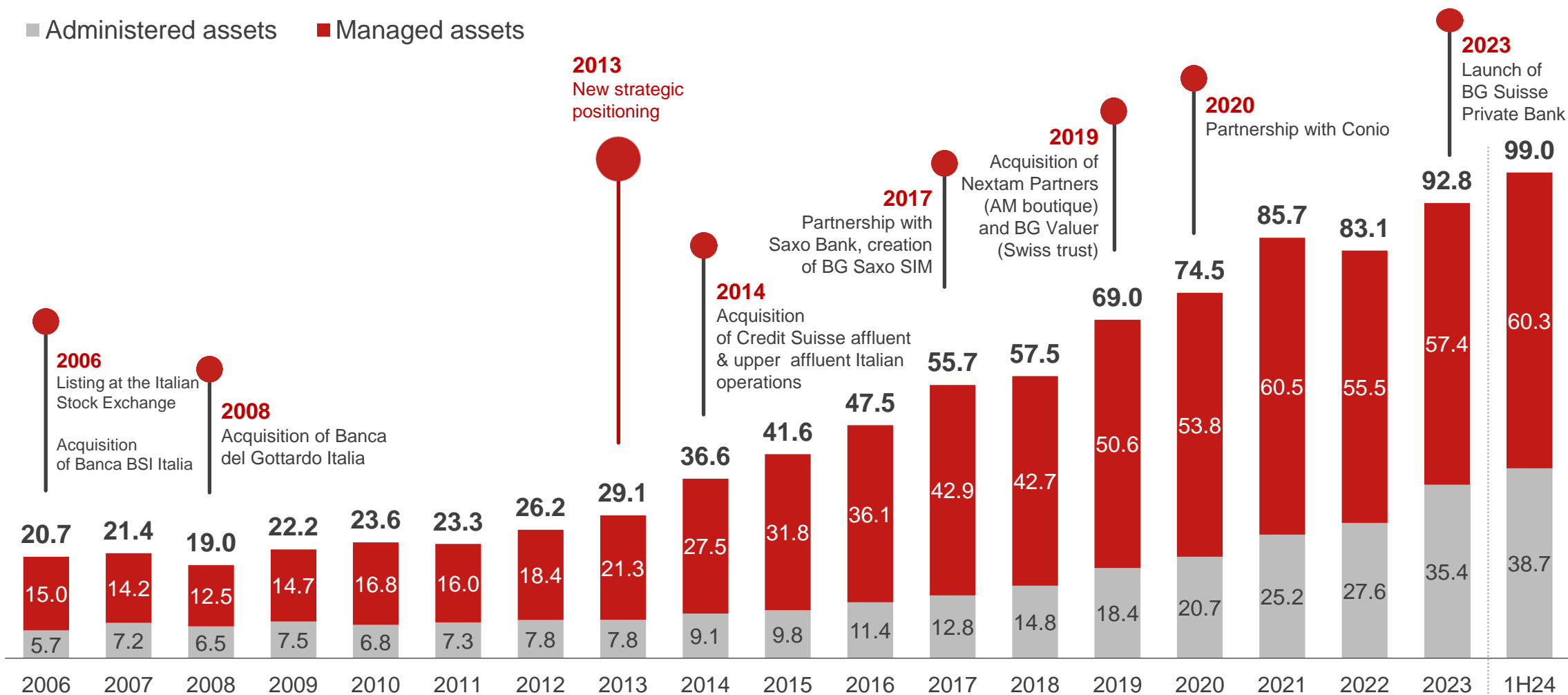
**Assicurazioni Generali's heritage** - Banca Generali can leverage on the financial strength and solid reputation of Assicurazioni Generali, one of the leading insurance groups at European level with a group credit rating (A) above country level (BBB)

# BANCA GENERALI'S KEY MILESTONES

## A YOUNG, YET FAST-GROWING COMPANY

### Total Client Assets €\bn

■ Administered assets ■ Managed assets



# BANCA GENERALI'S MARKET SHARES

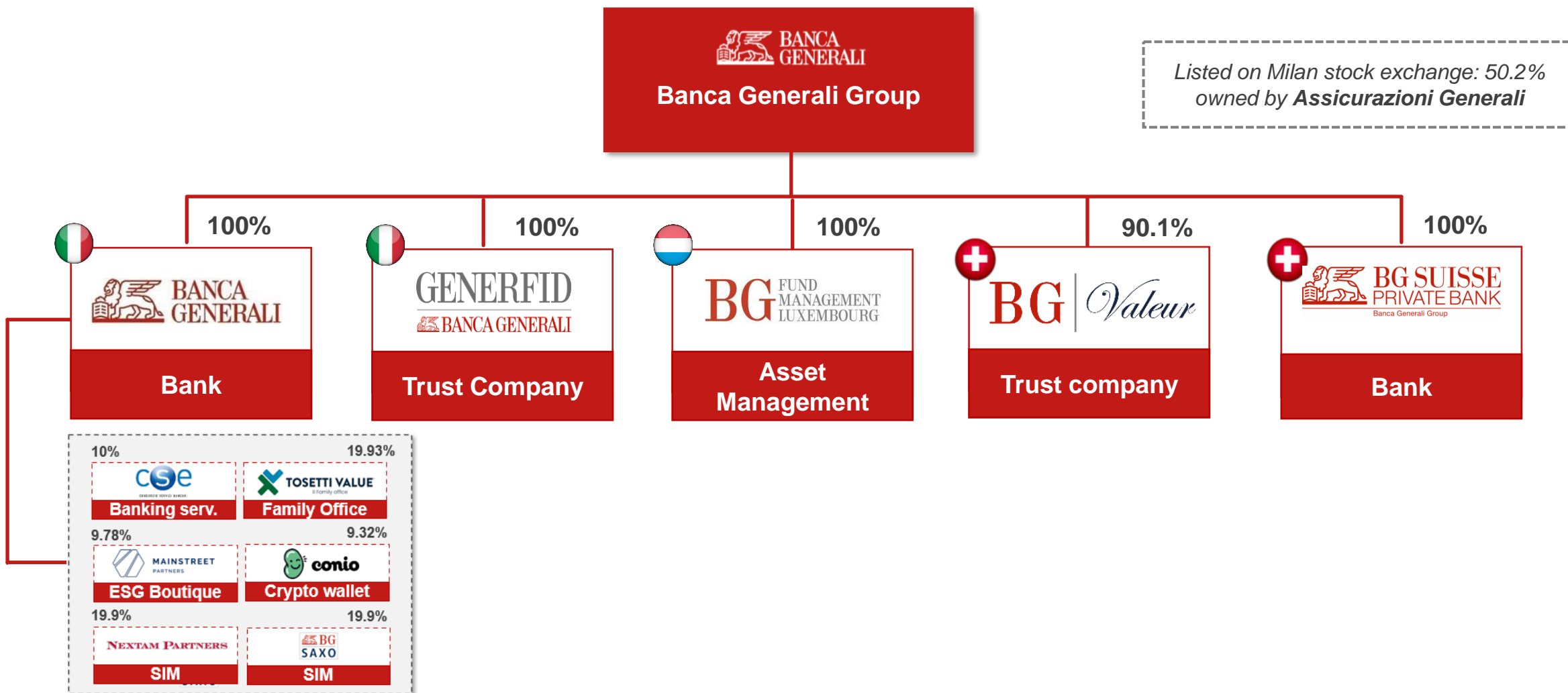
BG HAS SUCCESSFULLY GROWN ITS SHARE ACROSS ALL SEGMENTS

Reference Segment	Banca Generali Share			
	2011	2016	2022	2023
Targetable financial wealth <sup>1</sup>	0.9%	1.6%	2.4%	2.6% <i>Estimate</i>
Private & HNW financial wealth <sup>2</sup>	1.1%	2.8%	4.5%	4.9%
Financial Advisor networks <sup>3</sup>	10.8%	13.9%	15.7%	16.1%

# BANCA GENERALI'S ORGANIZATION

## COMPANY STRUCTURE

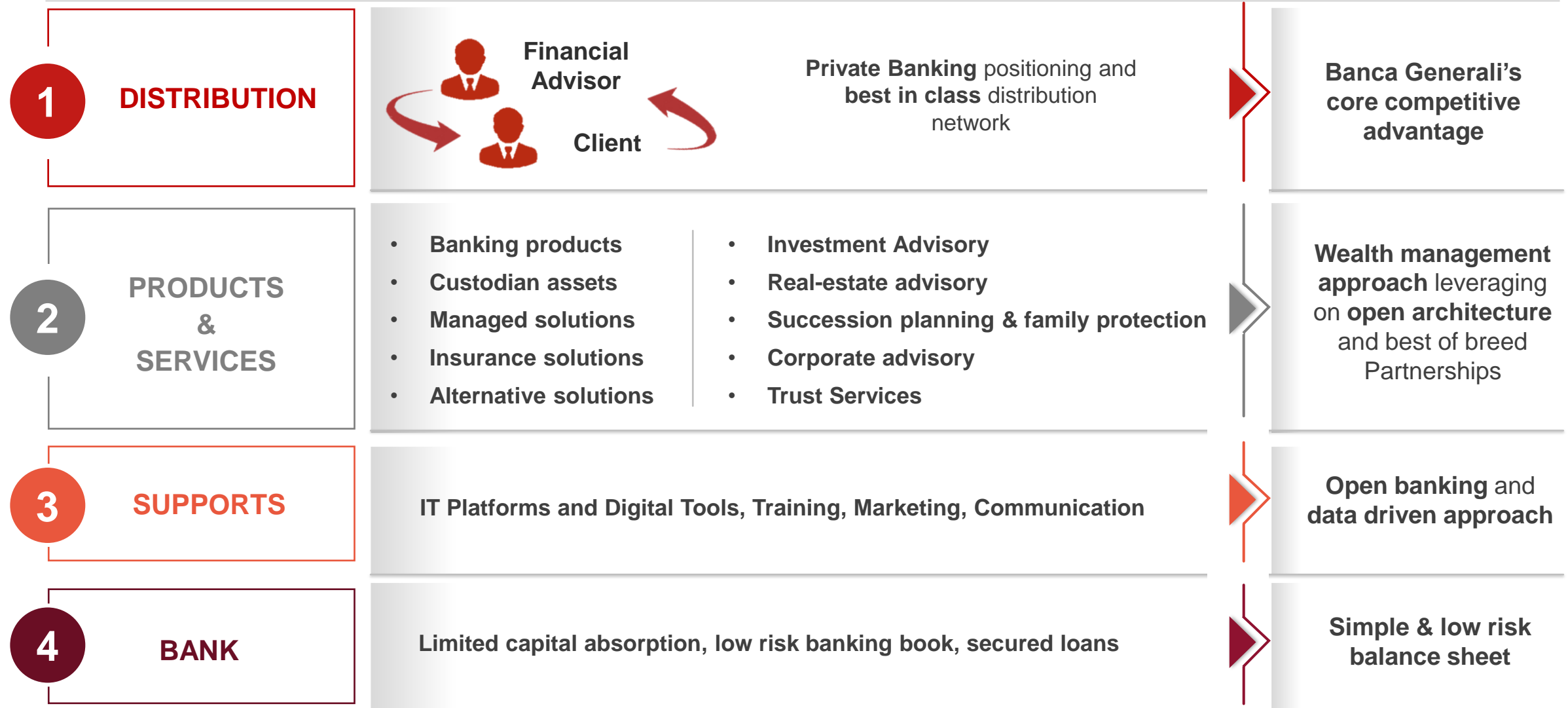
### Company Structure



# BUSINESS MODEL

FOCUSED ON GROWTH AND LEVERAGING ON FLEXIBILITY

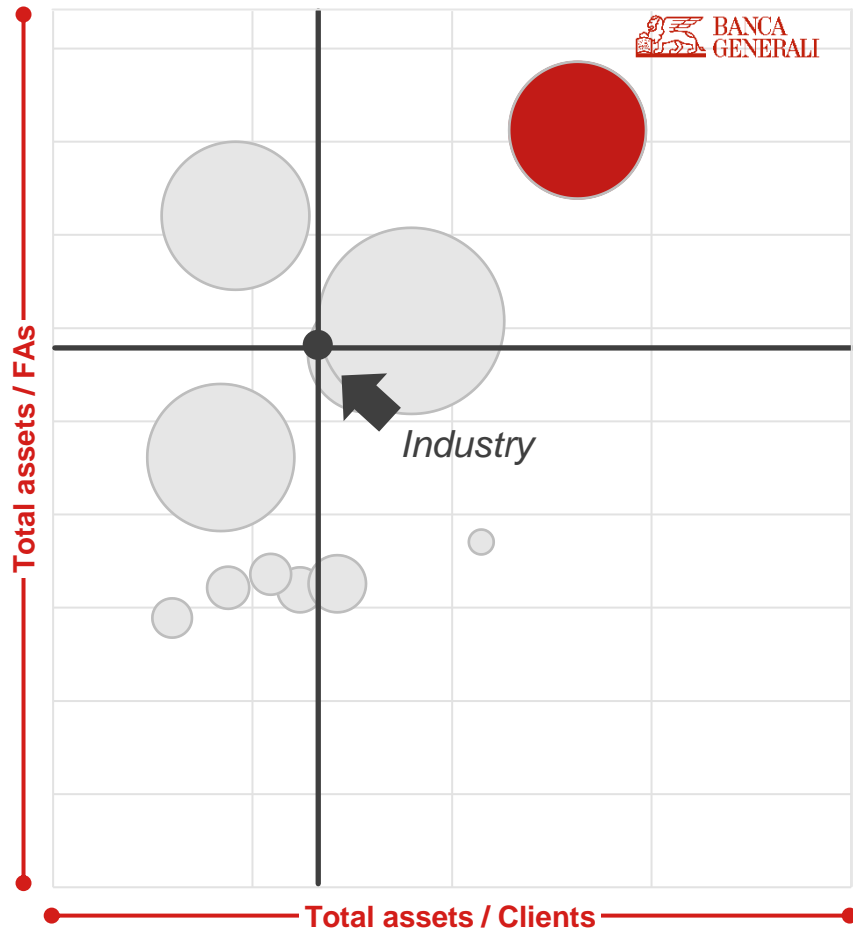
## Banca Generali's Business Model



# BG'S FAs AT TOP RANKING IN THE INDUSTRY BOTH IN TERMS OF POSITIONING AND PRODUCTIVITY

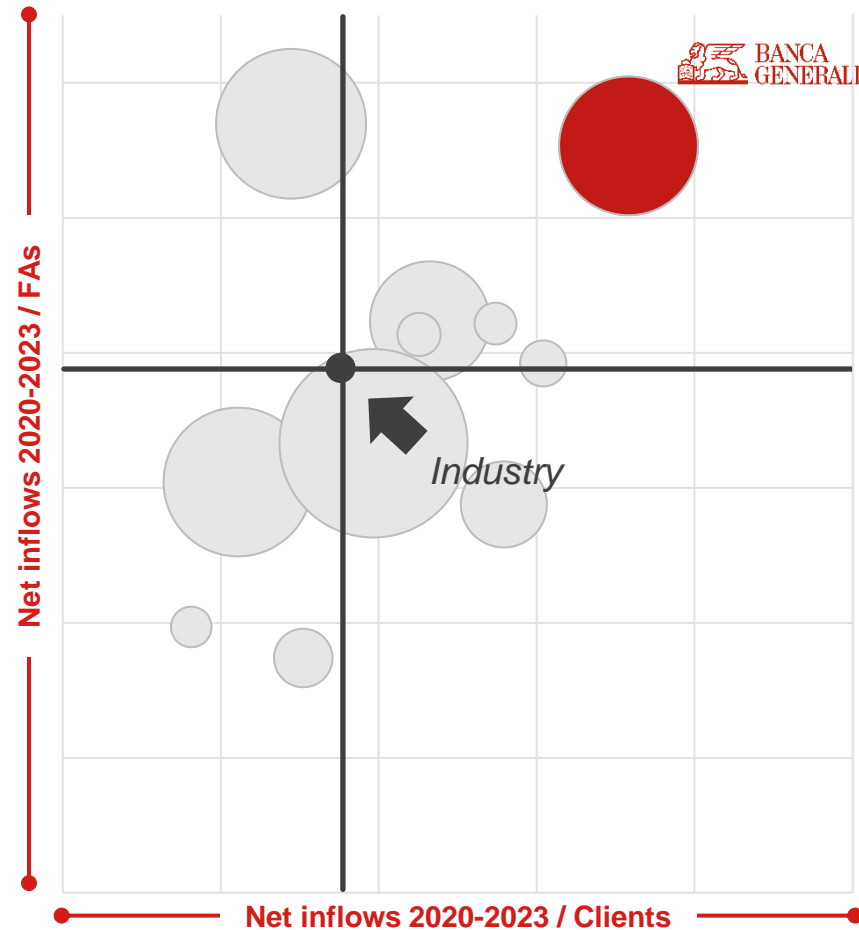
## Positioning vs Industry

FA networks by total assets per capita: FAs vs Client



## Productivity vs Industry

FA networks by net inflows per capita: FAs vs Clients









► Banca Generali ranks at the top of FA networks, by:

- **Positioning** - avg. size of assets for Financial Advisors and Clients;
- **Productivity** - avg. net inflows per Financial Advisor and Clients

# 1 BG NETWORK ARCHITECTURE

## NEW NETWORK ORGANIZATION DRIVEN BY PORTFOLIO SIZE AND TYPE OF CONTRACT

		Cluster	Assets (%)	FAs (#)	Assets/FA (€m)
Senior Partners Network		Senior Partners PTF >€150m	17%	99	166.7
WM & Private Network		Wealth Managers PTF >€50m	21%	320	61.6
		Private Bankers PTF €15-50m	53%	1,453	34.8
		Financial Planners PTF <€15m	3%	257	9.7
FPA Network		Financial Planning Agents (FPAs)	2%	93	21.1
RM Network		Relationship Managers	4%	61	64.8

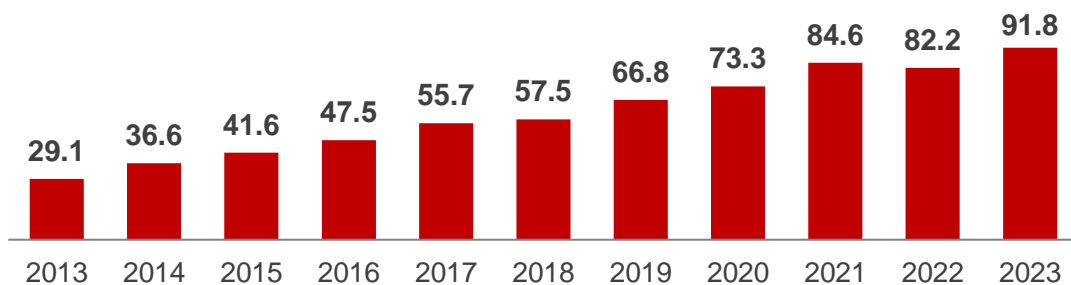
- **Senior Partner Network:** unicum in terms of positioning to enhance excellence, support and service to Clients
- **WM, PB & FB** with one leader on the field and dedicated structures for diverse segments
- **FPAs (AG's salesforce)** focused on cross-selling of banking and investment products
- **Relationship Managers (employees)**

1

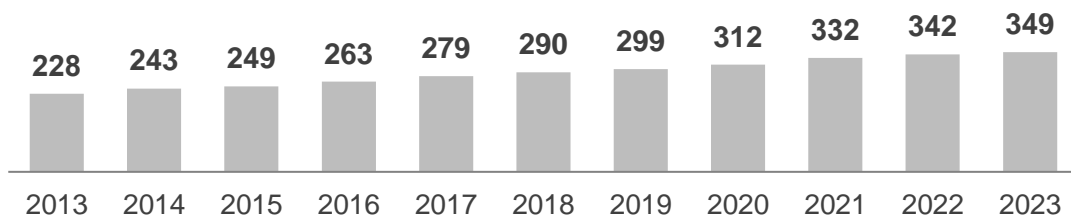
# BG RANKING #4 IN FA NETWORKS IN ITALY

## STRONGEST INCREASE IN ASSETS OVER THE LAST 10 YEARS

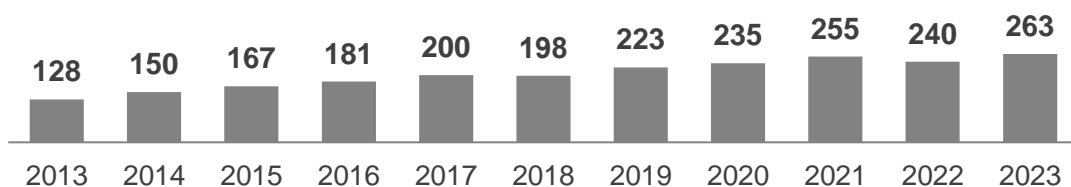
### Banca Generali - Total Assets (Assoreti)<sup>1</sup> €\bn



### Total Clients #k



### Assets / Clients €/k



### FA Network Sector Ranking (Assoreti) €\bn

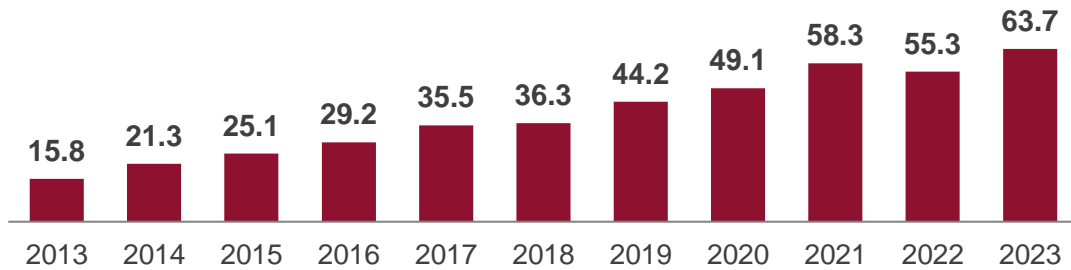




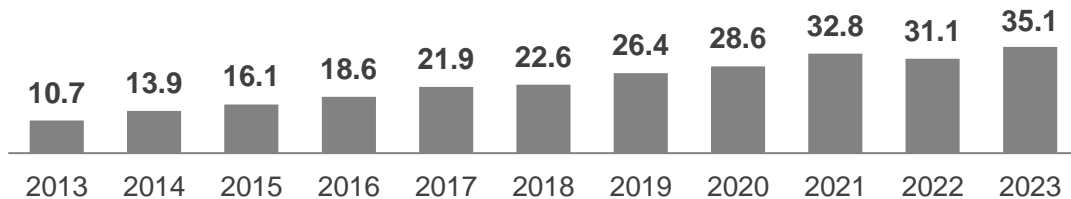
# BG RANKING #3 IN PRIVATE BANKING IN ITALY

## SUCCESSFUL STRATEGIC REPOSITIONING STARTED IN 2013

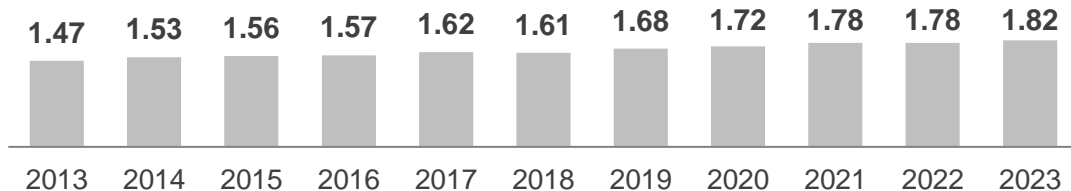
### Banca Generali - Private Banking Assets<sup>1</sup> €/bn



### Total Private Clients #k



### Private Assets / Private Clients €/m



### Private Banking Sector Ranking (Magstat)<sup>2</sup>, €/bn



## Wealth Management


**Best Private Bank in Italy (2023)**

Financial Times - Global Private Banking Awards


**Best Discretionary Mandates Team (2023)**

Deutsche Institut fur Qualitat und Finanzen


**Best Private Bank for Digital Wealth Planning in Europe (2022)**

Professional Wealth Management  
Financial Times

## Financial Advisor Network


**Best Financial Advisor network by Customer Satisfaction (2023)**

Deutsche Institut fur Qualitat und Finanzen


**Top Current Account (2023/2024)**

Deutsche Institut fur Qualitat und Finanzen


**Best Distribution Network (2022)**

ICA – Italian Certificates Awards 2022

## ESG


**Sustainability Awards (2023)**

Banca Generali awarded at the 2023 Sustainability Awards for its commitment to the PRI Principles for Responsible Investment


**Top Sustainable Bank in Italy (2023)**

BFC Media - Private Banking Awards


**Sustainability Awards 2023**

Among the most sustainable companies according to Statista


**Best Green Asset Manager (2023)**

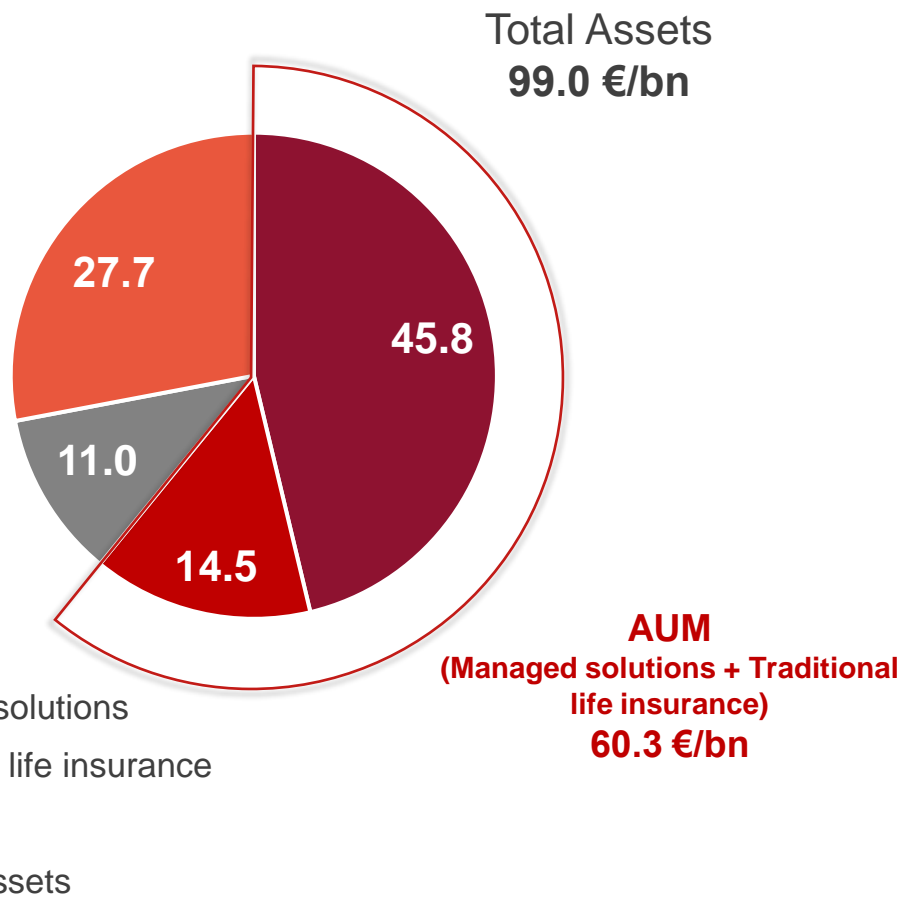
**Italy's Best Employer (2022)**

Deutsche Institut fur Qualitat und Fin

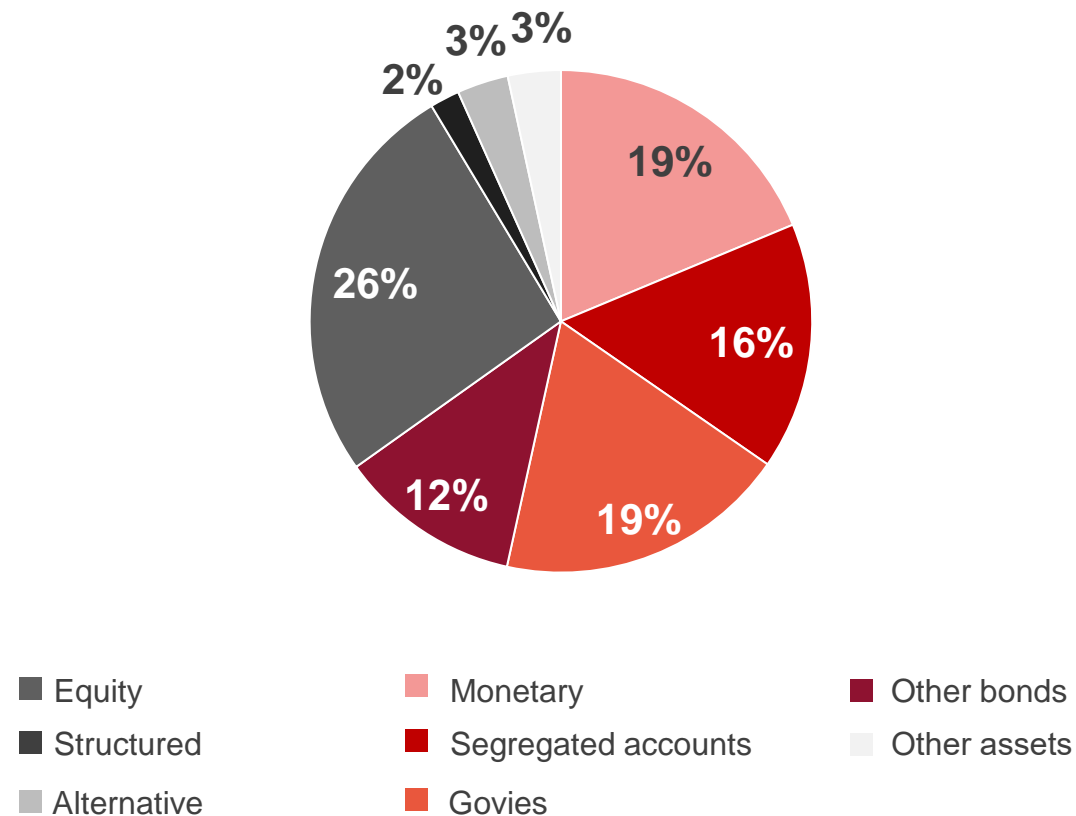


## 2 BG WELL-DIVERSIFIED CLIENT PORTFOLIO ALLOWING A TAILOR-MADE VALUE PROPOSITION

Total Assets by Product Segment €\bn



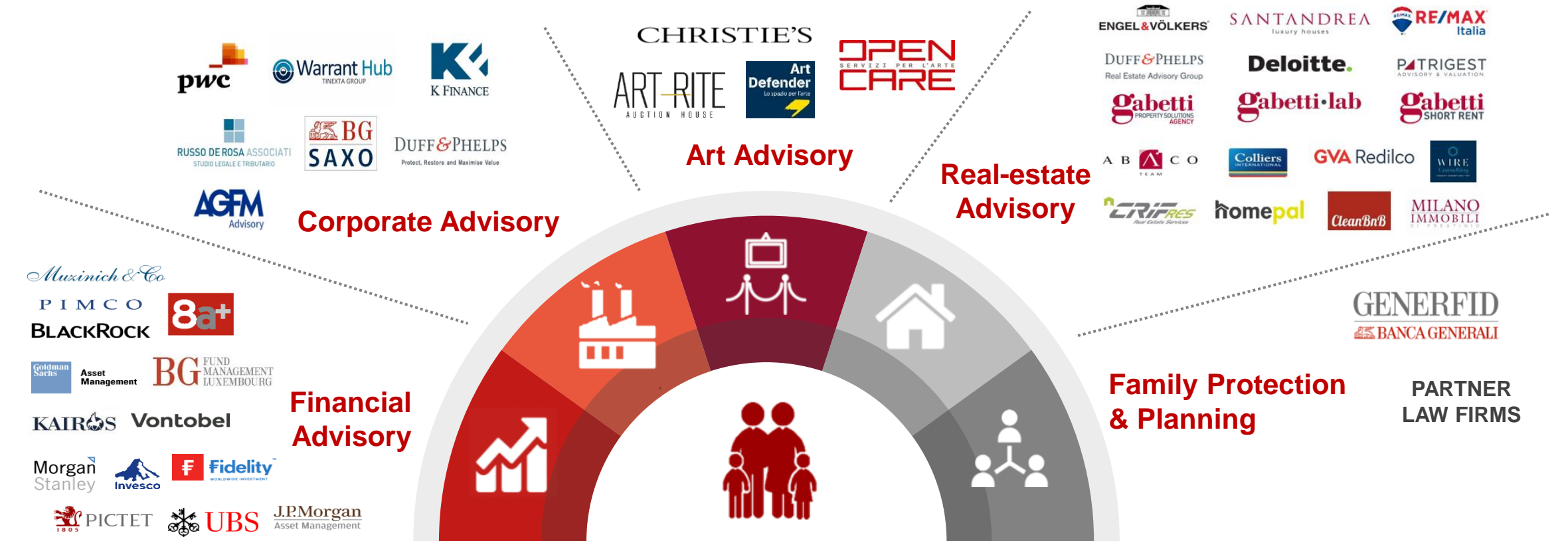
Total Assets by Asset Mix<sup>1</sup> %



# 2 WEALTH MANAGEMENT APPROACH SUPPORTED BY A WIDE RANGE OF PREMIER PARTNERSHIPS



▶ An **Advanced Advisory model** to address financial and non-financial needs of our Clients and their families

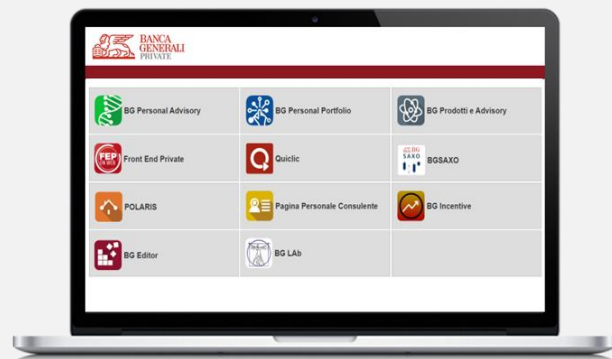


Partnerships with leading services' providers

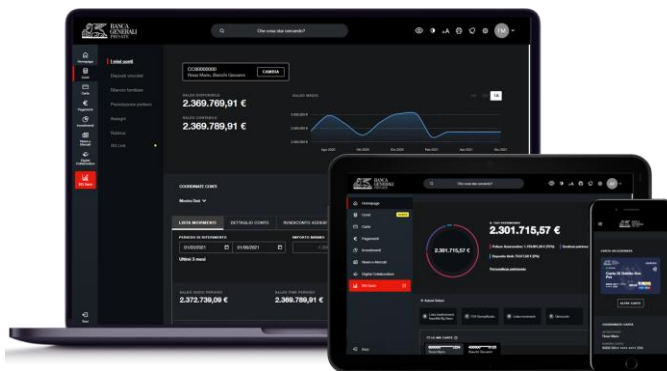
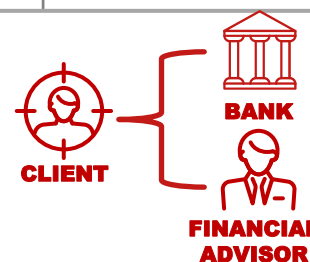
# ADVANCED DIGITAL SUPPORTS

## INCREASING FAs' EFFICIENCY AND SUPPORT TO CLIENTS

With reference to the business model that characterizes Banca Generali, **digitalization and innovation** support the relationships between the different parts



**Ecosystem of digital applications** available to Financial Advisor to support their daily activities and to manage the relationships with their Clients



Digital tools available to the Clients for the analysis of their **financial positions** at the Bank, the execution of banking transactions (e.g. transfers and payments), as well as the **digital confirmation of transactions** prepared by their Financial Advisors

## Physical Location



A space dedicated to **classroom training** for Financial Advisors, as well as a venue for **representation/events**



## Training Platform



A single channel dedicated to **FAs training**



# BANCA GENERALI'S 2022-24 STRATEGIC PLAN

## KEY PILLARS AND TARGETS

The 2022-24 Strategic Plan aims to take Banca Generali Growth to the next level, building on our vision:  
**To be the no. 1 private bank, unique by Value of service, Innovation and Sustainability.**

### Strategic Pillars

#### Value of service

Bring the Bank even closer to the FA network and Clients

#### Innovation

Continue to build a data-driven, digital and open bank

#### Sustainability

Be the ESG reference point for all our Stakeholders

### Financial Targets

#### Consistent growth

Cumulated net inflows 2022-2024

€18bn–€22bn

#### Profitable growth

Increase of recurring net profit<sup>1</sup>  
2021-2024

+10%–15%

2021-2024  
CAGR

#### Remunerative growth

Cumulated DPS<sup>2</sup> 2022-2025 (cash view<sup>3</sup>)

€7.5–€8.5 p.s.

To be the No.1 private bank, unique by **value of service**, **innovation** and **sustainability**

1Q 2024 Financial Results

Balance Sheet & Capital Ratios

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Business Update and Closing Remarks

**Annex**

- Financial Back-up
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- **Key Projects**





# MOST RELEVANT STRATEGIC PROJECTS

## AMBITIONS AT WORK

### **Data-driven Bank**

Continue to build a data-driven, digital and open bank

### **International expansion**

Speed up of business expansion in Switzerland

### **Sustainability**

Be the ESG reference point for all our Stakeholders

### DATA-DRIVEN BANK



**Unrivalled source of direct data collection** for financial companies amid growing market regulation (GDPR/AI Act)

**State-of-the-art data architecture in cloud (AWS)** with reference to data collection, data governance and data management with a single view of data within the entire organization

**Great focus on usage of data to enhance business development** and increase the FAs network productivity (both of the bankers and managers)

**Scoring of client potential** dashboard launched in 2023 with reference to Clients, a powerful tool which provides business insights based on significant events in customer life

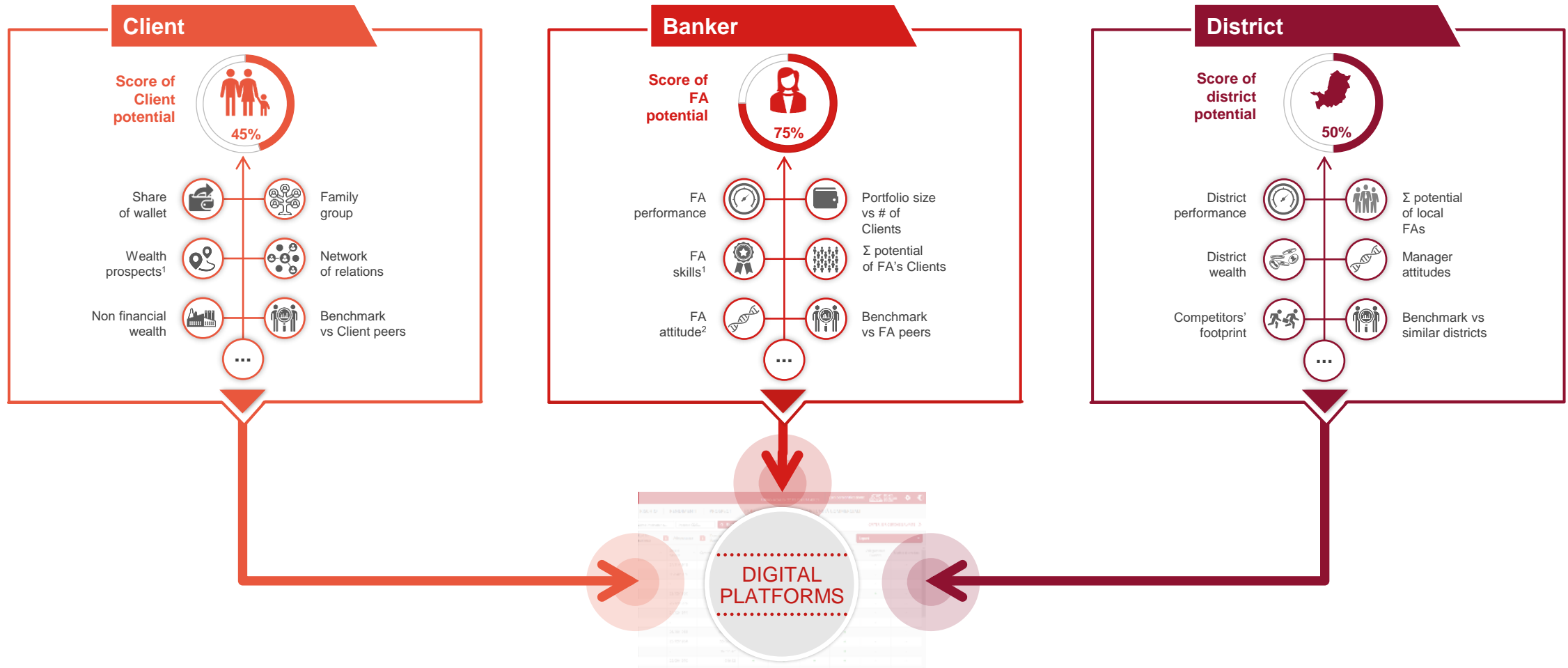
# SCORING OF POTENTIAL (2/3)

## EXPLOITING DATA TO POWER THE COMMERCIAL PROCESS

Cloud architecture in place

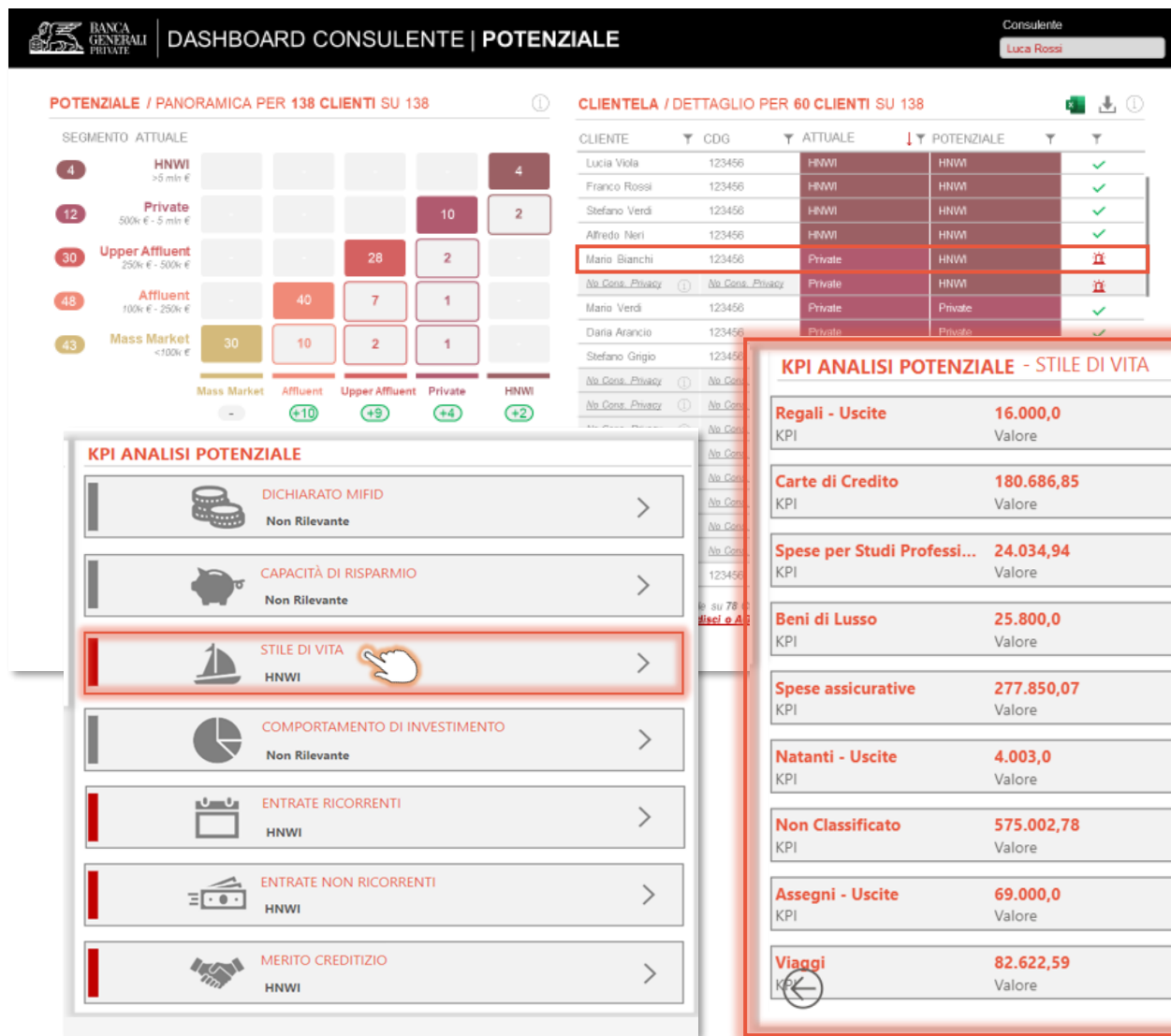
Provide the FA network with engagement ideas to stimulate **commercial process**

Foster **collaboration** between Bank and FA network



# SCORING OF POTENTIAL (3/3)

## FIRST TOOL FOR SCORING CLIENT POTENTIAL



- First proprietary tool for scoring client potential (fully developed in-house)
- Data enrichment and analysis based on PSD2 and machine learning techniques to improve client profiling
- Commercial approach co-designed with FA Network to identify **data-based value proposition** in order to develop relationship with clients
- Continuous monitoring of results and subsequent overall **approach calibrations**

### INTERNATIONAL EXPANSION



**Large targetable market** estimated at ~140 €\bn, of which:

- **80 €\bn<sup>1</sup>** represented by potential assets referring to Italian clients
- **60 €\bn<sup>1</sup>** represented by targetable assets to be managed onshore in Switzerland

Opportunity arising from **change in regulation, ongoing sector consolidation and overwhelming presence of ‘traditional’ business models**

**Launch of disruptive business model through a challenger Bank (“BG Suisse”)** with digital mindset, no IT legacy, strong brand and leveraging on:

1. Two growth engines: clients in Switzerland (onshore) and clients in Italy (offshore) in need of diversification of their booking centers
2. Up and running reporting and investment infrastructure internally developed by Banca Generali (BG International) providing a view on aggregated wealth (Italy + Switzerland)

Target  
Clients



### CLIENTS MANAGED IN SWITZERLAND

- Onshore clients in **Ticino**
- Onshore clients **in the rest of Switzerland**
- Clients resident in selected other countries **already with a custody account in Switzerland or looking for one**

Target  
Model



*Custody and private  
banking services*



### CLIENTS MANAGED IN ITALY

- **BG clients** with need for **diversification in terms of booking centers**
- **BG clients and new clients** that **already have Swiss AUM at third banks** (growth opportunities)



*Private banking services*

+



*Custody*



### CH operations

### KPI

### Target



Total Assets €\bn

**€3.6-4.1bn by 2026**  
o/w €2.6-2.8bn from BG Suisse

Net Inflows €\m

**€500-700m in 2024**  
~€1bn per year from BG Suisse  
once up and running

New Recruits of  
Swiss Bankers #

**New 20-30 private bankers**  
in BG Suisse  
for the 2024-2026 period



**Distinctive ESG commercial approach** leveraging on our ESG-dedicated proprietary platform allowing for a unique investment offer aligned to the 17 UN SDGs

Strong commitment to offer ESG solutions translating into **€19.7bn assets invested in ESG products (43.1% of managed solutions) on behalf of BG's clients**

**In-depth ESG training programme for Financial Advisors** enhanced with the introduction of the role of BG Sustainable Advisor

**Sustainability fully incorporated** into our governance structure - ESG integrated in the Managing Committee and in all Board Committees - and risk management framework

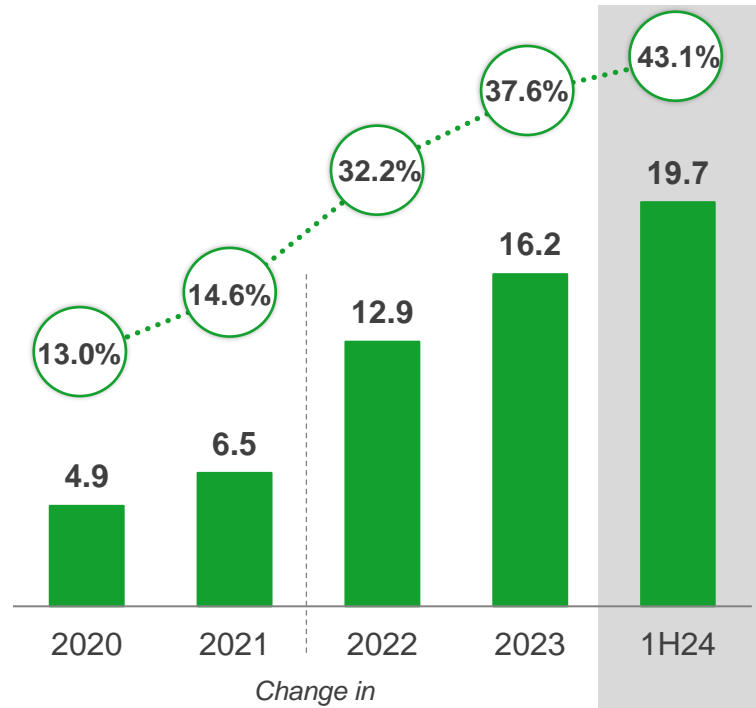
**Investing in the growth of our people:** training hours for employees increased by 10% YoY in 2023, with a focus on sustainability, data and digital topics

Several recognitions by the most relevant ESG rating agencies. Among others, awarded **top ranking company among “Diversified Financials” by Sustainalytics**



### ESG Assets €\bn

► Strong increase in ESG assets<sup>1</sup> to €19.7bn, reaching 43.1% of managed solutions (+5.5 pts YTD)



Change in perimeter<sup>2</sup>

○ % on Managed Solutions

### BGPP: our ESG Platform

► BG Personal Portfolio (BGPP) is our ESG dedicated platform allowing for a unique investment choice aligned to the 17 UN SDGs

#### UN SDGs



#### Fund selection and ranking



#### ESG dedicated platform



#### ESG reporting

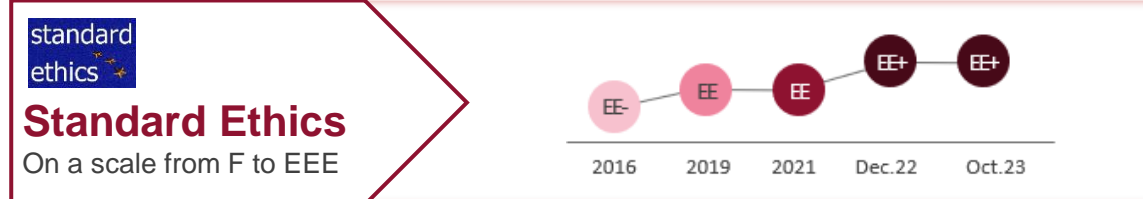
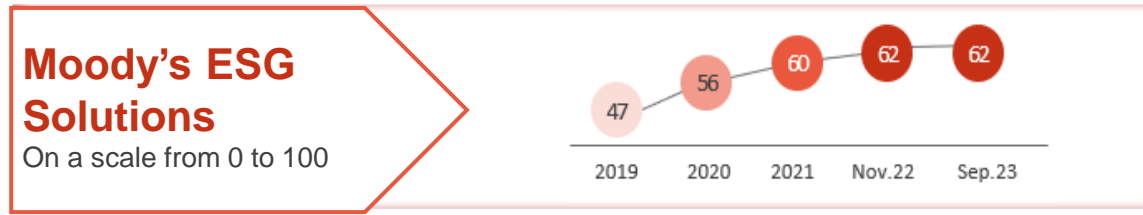
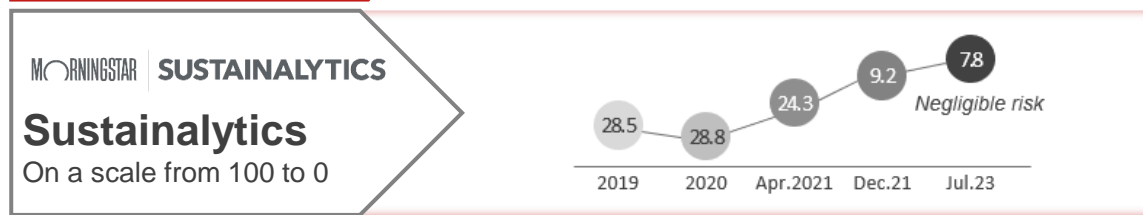
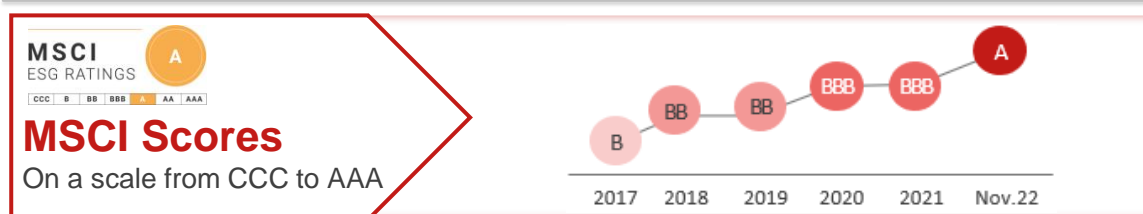


# SUSTAINABILITY (3/3)

## ESG RATINGS: TRENDS & MAIN IMPROVEMENTS

### Key ratings

### Main take-aways



- In 2022, Banca Generali received a **rating of A** (on a scale of AAA-CCC) in the MSCI ESG Ratings assessment
- The rating **has steadily improved** over the past 5 years

- In July 2023, Banca Generali SpA received an **ESG Risk Rating of 7.77** and was assessed by Morningstar Sustainalytics to be at **Negligible level of risk**, coming in **first place** in the world ranking for the **Asset Management and Custody Services subindustry**



- Banca Generali scored **60 (out of 100)** in the 2023 S&P Global Corporate Sustainability Assessment (CSA Score date: 27/10/2023)
- Banca Generali SpA has been **included in the S&P Global Sustainability Yearbook 2024** (score date: 07/02/2024)

- In November 2022, Banca Generali's overall ESG Score was upgraded from **60 to 62/100-Advanced**
- The score has been confirmed in September 2023, as well as the **inclusion in the MIB ESG Index**

- In October 2023, Standard Ethics has confirmed the **"EE+ Very Strong"** Corporate Standard Ethics Rating (SER) of Banca Generali, with a **stable 12-month outlook**

EEE	EEE-	EE+	EE	EE-	E+	E	E-	F
Full	Excellent	Very strong	Strong	Adequate	Non-compliant	Low	Very Low	Lowest level

# 1H 2024 ESG ACHIEVEMENTS (1/2)

## ON THE WAY TO ACHIEVE OUR ESG STRATEGIC AMBITIONS



### Clients & FAs



Ongoing enlargement in perimeter of art.8/9 managed solutions covered by Mainstreet Mifid-ESG score

Deployment of 'BG Sustainable Advisor' project, a new FA professional identity with distinctive ESG focus



'Inclusive Leadership Program' involving 455 female FAs in May/June to promote the managerial growth of female consultants in the network

New FA strategic managerial function dedicated to the support and cascading of ESG initiatives within the Network



### Shareholders & Authorities



Start of engagement and voting procedures post **Active Ownership Policy** adoption in 2023



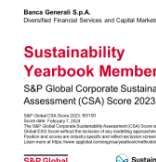
Sustainability and Innovation Committee established in April in support of the BoD on sustainability and innovation

New Sustainability Policy approved by BoD in June

Adhesion to the UN Global Compact



Inclusion in **S&P Global's Sustainability Yearbook** (Feb. 2024)



# 1H 2024 ESG ACHIEVEMENTS (2/2)

## ON THE WAY TO ACHIEVE OUR ESG STRATEGIC AMBITIONS



### Employees



Continuation of 'Digital Minds programme 2022/2024' involving all employees



Long-Term Incentive Plan launched in 2024 for 2024-2026 period **linked to ESG targets** (20% of total)

ESG targets relating to % of ESG assets and avg. ESG rating

Initiatives focused on gender and young generations



### Community & Future Generations



Strong commitment to **reducing carbon footprint** in Banca Generali's direct investments in equity and corporate bonds (-51% in 2023 vs. 2019)

**Sustainability education tour**, in partnership with ELIS Centre linked to the BG4SDGs - Time to Change project

The project involved about 1500 students of the 3rd, 4th and 5th years of high schools in various regions (2024)



NOVEMBER						
Su	Mo	Tu	We	Th	Fr	Sa
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

9M 2024 Results  
Conference Call

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*The manager responsible for preparing the company's financial reports (Tommaso Di Russo) declares, pursuant to paragraph 2 of Article 154-bis of the Consolidated Law of Finance, that the accounting information contained in this presentation corresponds to the document results, books and accounting records.*

*T. Di Russo, CFO*

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These expectations are based on management's current views and assumptions and involve known and unknown risks and uncertainties.

The user of such information should recognize 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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