

Annual results: Generali Switzerland consolidates its financial base and successfully pushes ahead with its transformation

Generali Switzerland closes 2022 with a stable capital base. The volume of premiums declined slightly, due to the difficult market environment. Its transformation was effectively implemented by means of organisational changes. Generali Switzerland has once again increased its guarantee reserves, thereby consolidating its financial base.

Adliswil – In an adverse market environment, Generali Switzerland continued to push ahead with its transformation and ended the year with a stable capital base.

Christoph Schmallenbach, CEO of Generali Switzerland: “Despite the major impact of difficult conditions on the financial markets, the strong Swiss franc and inflation on our day-to-day business, our employees performed exceptionally in this challenging situation. We succeeded in pushing ahead with our transformation in an extremely volatile environment. Our annual results show that our transformation is on the right track.”

The inflationary trend and strained situation in Europe have yet again focused Generali Switzerland’s attention on the importance of financial stability and solvency. In the year under review, the company adopted an appropriately disciplined approach. Generali Switzerland once again consolidated its life insurance business (GPV). Its SST rate was a solid 192.2 per cent at the end of 2022 (previous year 202.8 per cent). This improved its position in collaborating with distribution partners as well as confidence in Generali Switzerland.

Although the interest rate situation eased somewhat, Generali Switzerland transferred its operating profit to its guarantee reserves in accordance with its provisioning plan, as was the case in previous years. This will help to further consolidate the stability of its GPV and secure customer funds in the event of extremely negative future scenarios. In the year under review, Generali Switzerland allocated, in its Swiss statutory accounts, to the guarantee reserve the same amount as in the previous year. In addition, Generali Switzerland increased the equity of its GPV by CHF 40 million.

Christoph Schmallenbach: “These actions secure our obligations to our customers and allow us to continue to pursue our goal of being a lifelong partner who provides the right solutions at the right time.”

The difficult financial market environment and the reserve strengthening in Life had a material impact on the financial year and on the earning power. With gross written premiums of CHF 1,832.8 million (-3.3 per cent), Generali Switzerland posted an Operating Result (IFRS) of CHF 85.2 million for the reporting year, in respect of an Operating Result (IFRS) of CHF 53.8 million in the previous year.



Structures established for the implementation of its transformation

The past financial year was dominated by the implementation of the new strategy, which was announced in early 2022. By 2027, Generali Switzerland aims to become a leading insurance company for private clients and SMEs in the areas of property insurance and private pensions. To ensure that this strategy can be implemented quickly, Generali Switzerland established the necessary structures during last year. The company has undergone a major reorganisation. At the end of February 2022, Christoph Schmallenbach was appointed the new CEO of Generali Switzerland. The insurance expert has held a number of different roles within the Generali Group for more than 30 years. During his many years at Generali in Germany, he was responsible for numerous transformation projects. In addition, the number of directors was reduced from 11 to seven, while the Life & Pension and Non-Life Divisions were merged, as were the Transformation Office and IT & Operations Divisions.

A new Germany, Austria and Switzerland (DACH) Business Unit was created last year and provided additional impetus within the Generali Group. This is managed by DACH CEO Giovanni Liverani and is the second largest business unit within the Generali Group, as well as the second largest primary insurer in the DACH region. This organisational realignment makes it possible to bundle expertise and potential, to make even better use of these and benefit from joint projects and initiatives.

Giovanni Liverani, DACH CEO at Generali and Chair of the Generali Switzerland Board of Directors:

“This reorganisation will provide even greater impetus for our strategy, improve coordination between our corporate divisions and streamline our structures, in order to make faster, more efficient decisions.”

Life business

Generali Switzerland's core business held its ground, despite difficult geo-political developments. The volume of premiums in its life insurance business (GPV), including Fortuna Lebens-Versicherungs AG, fell by 2.9 per cent to CHF 1,078.3 million. Compared to previous years, the positive trend in new business did not continue in the year under review, declining by 8 per cent.

Property & Casualty business

P&C business (GAV) was impacted by rising inflation. Generali Switzerland took appropriate measures, such as adjusting its rates due to the inflationary trend. The number of insured vehicles remained solid. The volume of premiums fell by 3.9 per cent to CHF 754.5 million. The Combined ratio of 95% increased slightly by 3 percentage points due to a higher claims frequency ('accident & illness') and various major loss events affecting 'other property insurance'.

The capital base for Generali Allgemeine Versicherungen (GAV) remained solid. GAV recorded an SST ratio of 250.4 per cent (previous year 249.7 per cent) as of the end of the reporting year. Fortuna Rechtsschutz-Versicherungs-Gesellschaft (RVG) significantly improved its SST ratio to 261.8 per cent (previous year 178.3 per cent).



2023 will once again be dominated by the implementation of Generali Switzerland's strategy and its transformation. **Christoph Schmallenbach**: "In the year under review, we laid the foundations for driving the implementation of our strategy forward and replacing our core IT systems. Our new product portfolio addresses the needs of our customers and supports our aim to become a leading insurance company for private clients and SMEs in the areas of property insurance and private pensions by 2027."

ABOUT GENERALI SWITZERLAND

The Generali Group one of the largest global insurance and asset management providers. Established in 1831, it is present in over 50 countries in the world, with a total premium income of EUR 81.5 billion in 2022. With 82,000 employees serving 69 million customers, the Group has a leading position in Europe and a growing presence in Asia and Latin America. At the heart of Generali's strategy is its Lifetime Partner commitment to customers, achieved through innovative and personalised solutions, best-in-class customer experience and its digitalised global distribution capabilities. The Group has fully embedded sustainability into all strategic choices, with the aim to create value for all stakeholders while building a fairer and more resilient society.

Generali's roots in Switzerland date back to 1887. Today, Generali (Switzerland) Holding Ltd. operates throughout Switzerland, with two head offices – one in Adliswil and one in Nyon – and a wide network of agencies. The insurer has more than one million customers and offers products for every situation in life. These include property, legal protection, life insurance and pension solutions. Generali Switzerland is part of the DACH Business Unit, which includes Generali Germany, Austria and Switzerland. With EUR 19.4 billion of premium income and around 13 million customers, this Generali Group business unit is one of the leading primary insurance companies in Germany, Austria and Switzerland.