

 **120years**

# TRIGLAV GROUP

## INVESTOR PRESENTATION

### H1 2020 RESULTS

SEPTEMBER 2020



# H1 2020 AT A GLANCE

**Our  
mission is  
to build a  
safer  
future.**



# H1 2020 KEY FINANCIALS

## GROSS WRITTEN PREMIUM

€ 673.4M

GWP UP 7% Y-O-Y

### BY MARKETS:

Slovenia: +4%; Other markets: +8%

### BY SEGMENTS:

Non-life: +6%; Life & Pensions: +3%;

Health: +17%

## PROFIT BEFORE TAX

€ 40.6M

DECREASED BY 3% Y-O-Y

Decrease primarily due to deteriorating situation in financial markets and partly due to major CAT and other one-off events

## COMBINED RATIO NON-LIFE

92.4%

93.2% IN H1 2019

Favourable, below 95%

## H1 2020 HIGHLIGHTS



### COVID-19 PANDEMIC

Quick and effective adaptation to situation with additional impetus to planned development activities.

H1 20  
Results

### SOLID PERFORMANCE

Despite challenging conditions during the pandemic, profitable and safe operations as outlined in strategy.



### AGM (ON 2 JUNE 2020)

2019 accumulated profit remained undistributed. Decision in line with regulator's call (*more on page 8*).



### CAT EVENTS

Earthquake in Zagreb and hail storms in Slovenia.



### CORPORATE GOVERNANCE

SB: Reappointment of Mr Stebernak. Resignation of Ms Damjanovič (*due to commitments related to her new employment*). Appointment Mr Andoljšek as Chairman of SB.

# QUICK AND EFFECTIVE ADAPTATION TO COVID-19 PANDEMIC SITUATION

- Protection of our clients, employees and other stakeholders
- Client service continuity
- Efficient risk management
- Transparent disclosure of information to our investors, shareholders, analysts<sup>1</sup>
- Focus on our sustainability goals and solidarity with the environment

Challenging conditions caused by the COVID-19 pandemic gave additional impetus to our planned development activities and we assess that we have made an **important step towards our digital transformation**.

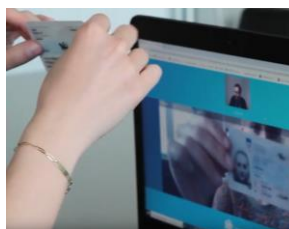
## IMPROVED DIGITAL APPEARANCE



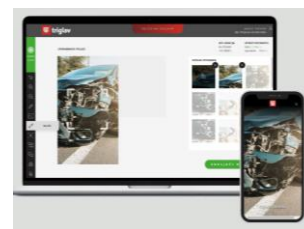
## REMOTE AND E-SIGNING



## VIDEO IDENTIFICATION



## REMOTE ASSESSMENT



## MOBILE



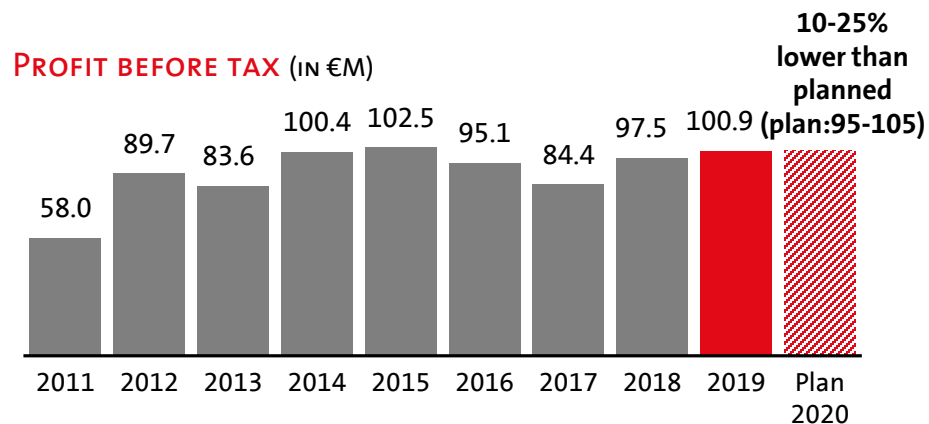
<sup>1</sup>Announcements, published on 16 March 2020, 22 April 2020, 14 May 2020

# COMMENT ON PERFORMANCE OF TRIGLAV GROUP IN 2020 (AS AT H1 2020)

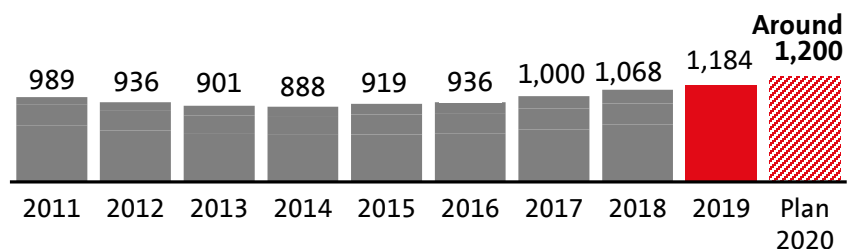
## Focus on long term profitability and safety of operations

As at H1 2020, there is still high level of uncertainty about impact of pandemic on economy and international financial markets, which remain highly volatile. In view of above, Group re-examined bases and assumptions of 2020 plan.

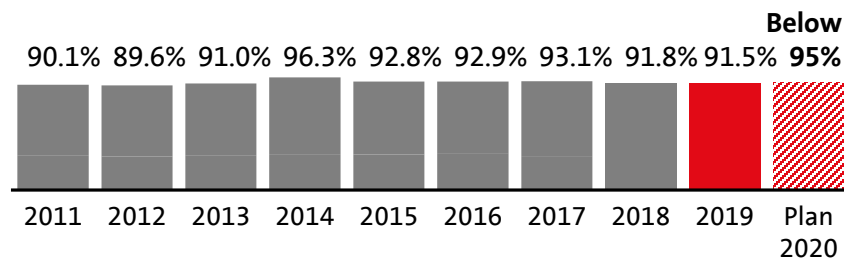
The high level of uncertainty prevents Triglav Group from giving relatively reliable annual profit guidance this year. PBT was planned between EUR 95M and 105M. Triglav Group confirms its assessment made in April 2020 that **annual PBT will be 10–25% lower than planned**. It is estimated that **GWP and CoR will be as originally planned**.



## GROSS WRITTEN PREMIUM (IN €M)



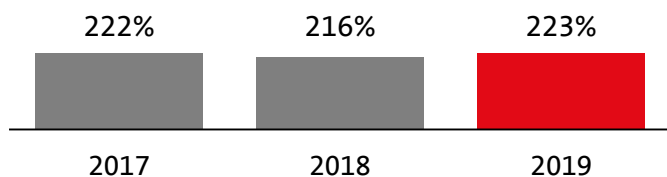
## COMBINED RATIO NL



## DISCIPLINED CAPITAL MANAGEMENT

Triglav Group's capital position is appropriately strong to effectively cope with increased risks arising from the COVID-19 pandemic situation.

### 2019 CAPITAL ADEQUACY WITHIN THE TARGET RANGE



Majority of capital is Tier 1 eligible. Capital management centralised at Group level (capital concentration at the parent company).

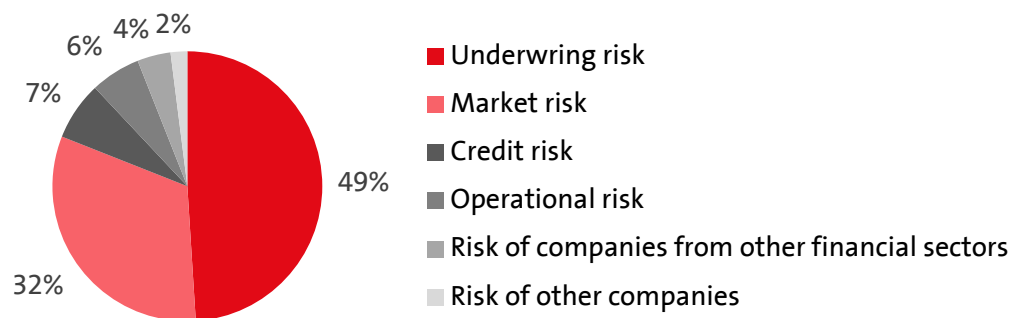
### COMMENT ON CAPITAL ADEQUACY AS AT H1 2020:

Due to increased volatility in financial markets, **decrease** in capital adequacy was recorded across EU insurance sector, **by average of 20 p.p. (in range of 10–40 p.p.)**, which is **estimated to coincide with effects at Triglav Group level**. Triglav assesses that its insurance and investment portfolios are sufficiently resilient and that **capital position is appropriate to effectively cope with increased risks arising from business environment due to coronavirus pandemic**.

> 250%	Surplus capital adequacy	Possibility of a more aggressive growth of business volume, assessment of potential changes in the business strategy
200 - 250%	Target capital adequacy	Regular performance of risk management activities
150 - 200%	Sub-optimum level of capital adequacy	Analyzing possible medium and long-term measures to improve capital adequacy and emphasized monitoring of risks
130 - 150%	Warning level of capital adequacy	Implementation of measures to improve capital adequacy
< 130%	Insufficient capital adequacy	

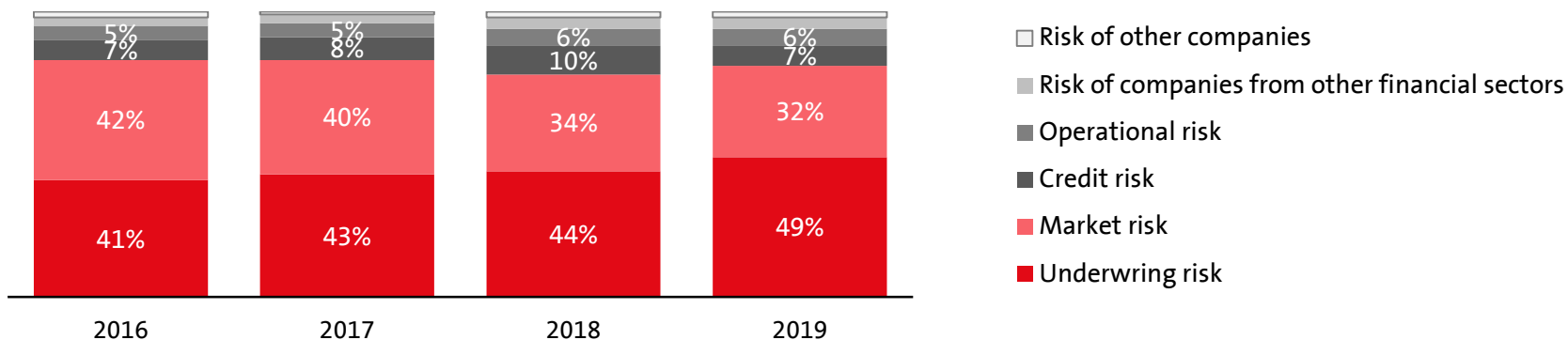
# DISCIPLINED CAPITAL MANAGEMENT

RISK EXPOSURE IN LINE WITH THE DEFINED RISK APPETITE (AS AT 31 DEC 2019)



OPERATIONAL RISK RELATED TO COVID-19 PANDEMIC WELL MANAGED: Based on current situation, Group has successfully adapted to extraordinary situation and ensured uninterrupted operations during the pandemic-related crisis, as well as effectively managed the increased operational risks. **No material operational risk related to COVID-19 pandemic was realised within Triglav Group.** Group effectively overcame challenges of gradually returning operations to pre-crisis levels and gradual return of employees to companies' premises. Group will continue to regularly monitor the situation and on this basis take the necessary additional measures.

CONSISTENTLY DECREASING EXPOSURE TO MARKET RISK AND PRUDENTLY INCREASING UNDERWRITING RISKS



## 2019 ACCUMULATED PROFIT UNDISTRIBUTED

**AGM, held on 2 June 2020, adopted resolution to keep 2019 accumulated profit undistributed.** Decision is in line with the Insurance Supervision Agency's call upon insurance companies in Slovenia to suspend payout of dividends and not to undertake any irrevocable commitment to pay out dividends by 1 October 2020. **Triglav is not changing its dividend policy** (see below), which is not only attractive to shareholders but has to be and is sustainable therefore subordinated to achieving the medium-term sustainable target capital adequacy of Triglav Group. Due to coronavirus pandemic, the financial and operating conditions have deteriorated in 2020 and Triglav's various scenarios of assessed impacts on performance in 2020 among other things show potential decrease of Group's capital adequacy. Nevertheless, Triglav's solvency position remains strong.

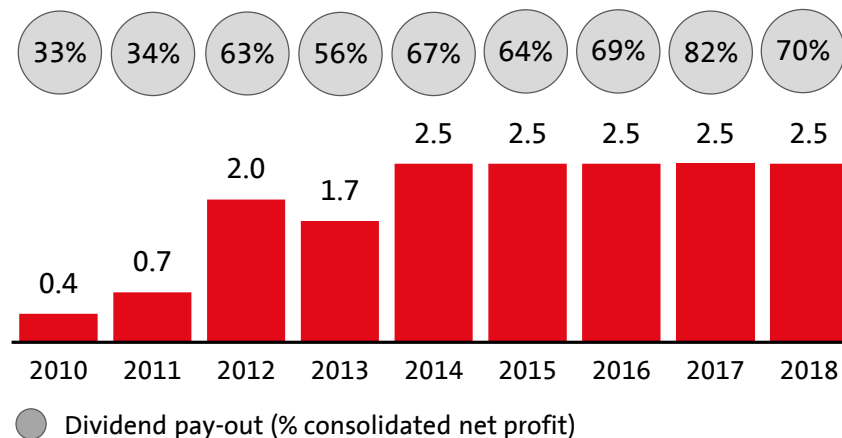
**On 20 August 2020 insurance sector in Slovenia received another letter from regulator** recommending it to suspend the payment of dividends even after 1 October 2020 with the aim of ensuring financial stability during the COVID-19 epidemic. The regulator requires a special upfront stress test resilience reporting, should some insurance company decide to act against its recommendation.

### DIVIDEND POLICY OF TRIGLAV

Minimum dividend pay-out is set to 50% of consolidated net profit for the previous year. Triglav will strive not to reduce its dividend payment below the level of the previous year. **Dividend policy subordinated to achieving the medium-term sustainable target capital adequacy of Triglav Group.** Three objectives are followed in a balanced manner:

- to ensure prudent capital management of Triglav Group and its financial stability,
- to reinvest net profit in the implementation of the strategy of growth and development of Triglav Group and
- to pay out attractive dividends to the shareholders.

### GROSS DIVIDEND PAID PER SHARE (IN €) AND PAY-OUT RATIO





# H1 2020 RESULTS

## FINANCIALS & INVESTMENTS

Our  
mission is  
to build a  
safer  
future.



# H1 2020 PERFORMANCE AT A GLANCE

In € million

	H1 2020	H1 2019	Index
Gross written premium	673.4	630.2	107
Net premium income	523.1	491.8	106
Gross claims paid	330.8	334.8	99
Net claims incurred	338.3	330.1	102
Insurance business gross operating costs	133.5	133.3	100
Profit before tax	40.6	41.7	97
Net profit	33.5	34.7	97
Gross insurance technical provisions	3,008.2	2,878.9	104
Total equity	814.7	792.0	103
Number of employees	5,231	5,281	99
Expense ratio non-life	28.2%	28.1%	
Net claims ratio non-life	64.3%	65.1%	
Combined ratio non-life	92.4%	93.2%	

Strong underwriting performance. Premium growth in almost all markets and all three insurance segments.

Higher growth of net premium earned (+6% y-o-y) compared to growth of net claims incurred (+2% y-o-y). Costs well managed.

PBT down by 3% y-o-y primarily due to lower return on investment, partly also due to major CAT events<sup>1</sup> (earthquake in Zagreb, hailstorms in Slovenia) and other one-off events (e.g. increased claims provisions due to Court decision in Croatia).

Equity up by 3% y-o-y, gross provisions up by 4% y-o-y (*more on slide 13*).

Favourable CoR at 92.4%

<sup>1</sup> Individual CAT events can cause volatility of interim results, but on annual basis operating results are much more predictable and stable due to Triglav's annual aggregate reinsurance programme.

## STRUCTURE OF PROFIT BEFORE TAX

In € million

CONSOLIDATED	H1 2020					H1 2019				
	Non-life	Life & Pen.	Health	Total	In % total PBT	Non-life	Life & Pen.	Health	Total	In % total PBT
PBT from:										
Underwriting activities	25.5	4.3	4.8	34.6	85%	26.3	7.6	-0.4	33.4	80%
Investment activities <sup>1</sup>	9.0	-4.0	0.3	5.3	13%	10.9	-4.9	0.4	6.4	15%
Insurance	34.5	0.3	5.1	39.9	98%	37.2	2.7	-0.1	39.8	96%
Non-insurance <sup>2</sup>				0.6	2%				1.9	4%
Total PBT				40.6	100%				41.7	100%

In € million

NON-CONSOLIDATED	H1 2020					H1 2019				
	Non-life	Life & Pen.	Health	Total	In % total PBT	Non-life	Life & Pen.	Health	Total	In % total PBT
PBT from:										
Underwriting activities	25.7	2.8	4.2	32.7	81%	26.4	6.6	-1.2	31.7	76%
Investment activities <sup>1</sup>	9.0	-3.9	0.2	5.3	13%	11.1	-4.9	0.3	6.6	16%
Insurance	34.7	-1.2	4.4	38.0	94%	37.5	1.7	-1.0	38.2	92%
Non-insurance <sup>2</sup>				2.6	6%				3.4	8%
Total PBT				40.6	100%				41.7	100%

<sup>1</sup> Life investment result net of guarantees and additionally formed mathematical reserves and other investment-related provisions.

<sup>2</sup> PBT from non-insurance consists mainly from results of performance of Triglav AM company, Triglav real estate management company and holding company TINT.

### H1 2020 CONSOLIDATED PBT:

Underwriting results up by 3% y-o-y, investment results down by 17% y-o-y due to lower net gains on sale of financial investments and continued deterioration of regular investment income.

### PBT by segments:

- **From non-life business** down by 7% y-o-y primarily due to lower gains on sale of financial assets and lower interest income, also influenced by formation of additional provisions due to pandemic and increased claims provisions (*impact of Supreme Court decision in Croatia, obligatory for the whole market, which changes monetary compensation for non-pecuniary damages*).

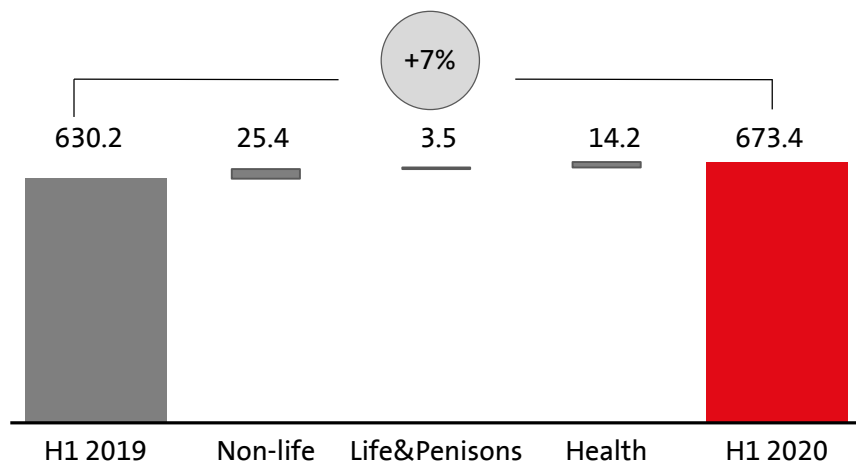
- **From life & pensions business** down by 89% y-o-y mainly due to creation of provisions as a result of liability adequacy test in pension insurance segment. Profit of parent company's life insurance business is at last year's level, profit of other Group members € 0.5M higher y-o-y.

- **From health insurance business** increase due to higher growth in net premium income and lower operating expenses.



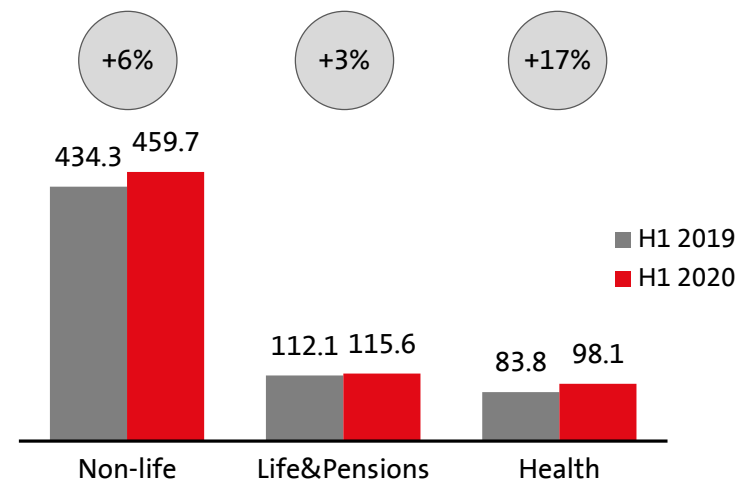
# GWP GROWTH OF 7% Y-O-Y

GWP DEVELOPMENT FROM H1 2019 TO H1 2020 (in €M)



GWP GROWTH BY SEGMENTS

(GWP in €M; GWP growth y-o-y in %)



H1 2020 performance by insurance segments:

**Non-life:** Growth in most insurance classes with the exception of accident and credit insurance.

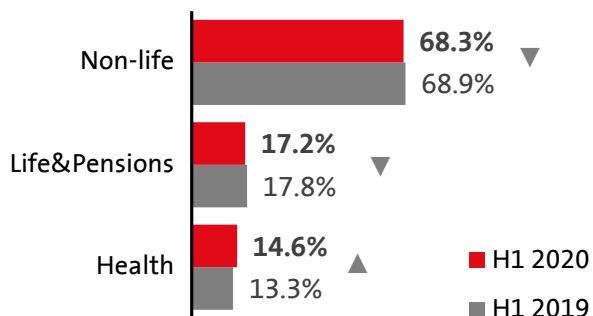
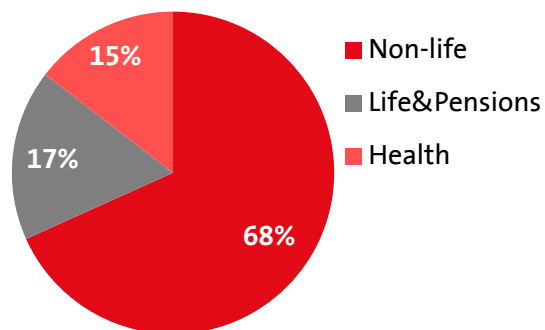
**Life & Pensions:** Higher single premium sales, increased sales through bank channels.

**Health:** Growth of supplemental health insur. premium (stable number of policies and carry-on impact of price increases in 2019). Successful marketing of additional health insurance products inside and outside Slovenia.

# GWP DIVERSIFICATION BY PRODUCTS

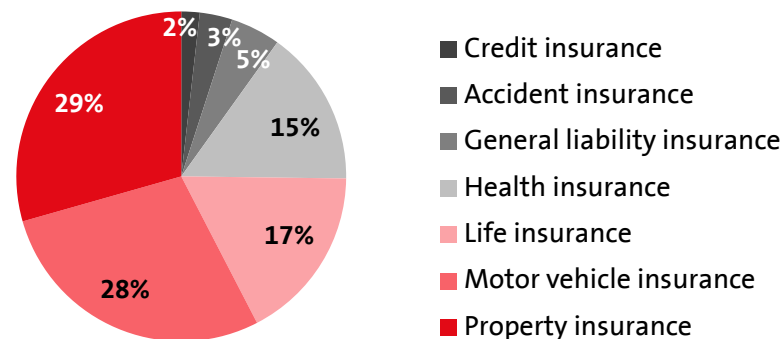
## GWP BY MAIN INSURANCE SEGMENTS

Total (H1 2020): € 673M



## WELL BALANCED STRUCTURE OF GWP

Total (H1 2020): € 673M

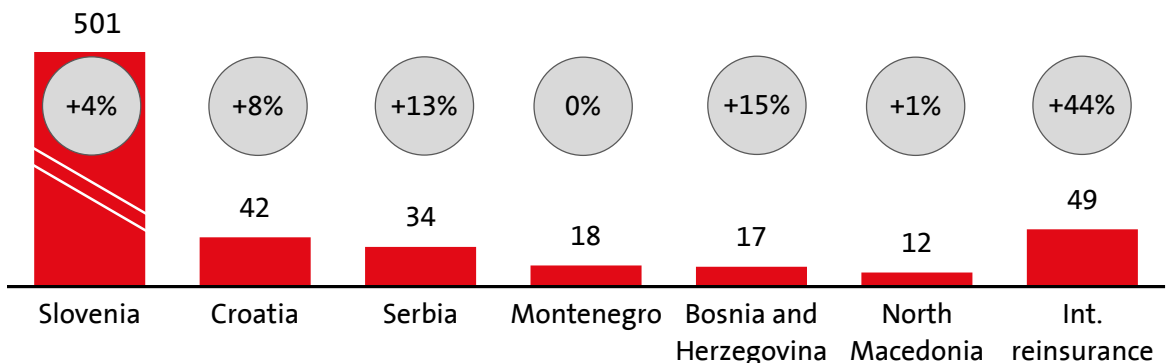


Efficient and intensive sales activities by using **omni-channel sales approach** (internal sales network, external network, online sales, partnerships with banks and companies selling cars and providing telecommunication services).

**Upgrading product/service mix** (i.e. cyber insurance for businesses), to be more flexible and understandable. Any identified risks (i.e. those related to climate change) is prudently managed in the processes.

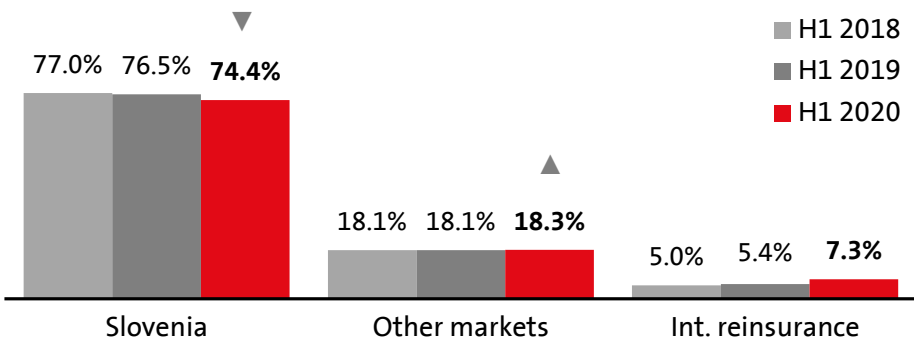
# GWP DIVERSIFICATION BY MARKETS

H1 2020 GWP BY MARKETS (GWP in €M; GWP growth y-o-y in %)

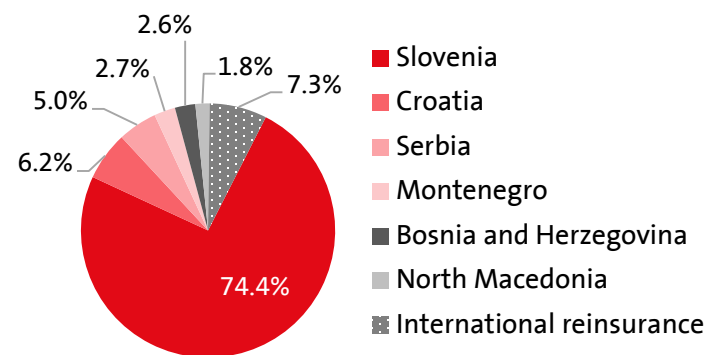


The average premium growth:  
Slovene market +4%  
Markets outside Slovenia +8%

GWP SHARE FROM OUTSIDE SLOVENIA CONSISTENTLY INCREASING (% GWP)

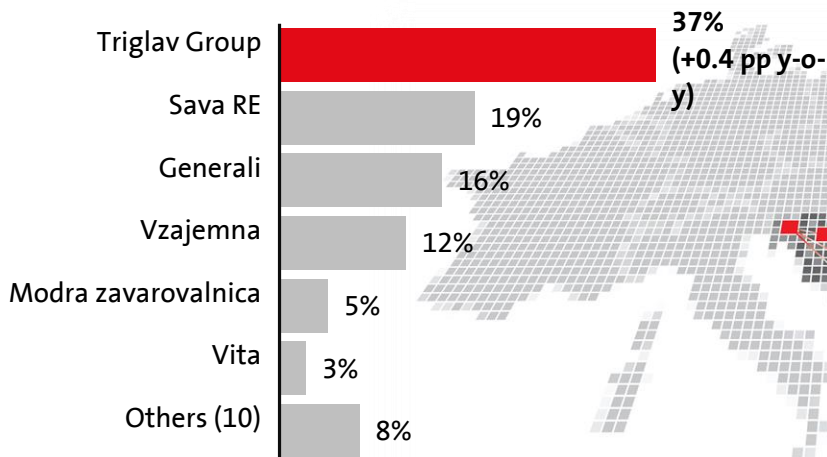


STRUCTURE OF GWP BY MARKETS (H1 2020; % GWP)



# LEADING INSURANCE /FINANCIAL GROUP IN ADRIA REGION

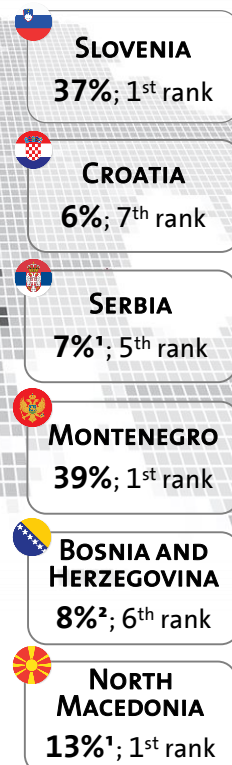
## SLOVENIA (% market share; H1 2020)



**TRIGLAV MARKET SHARE IN SLOVENIA BY SEGMENTS (H1 2020):**  
44% in non-life, 30% in life and in health

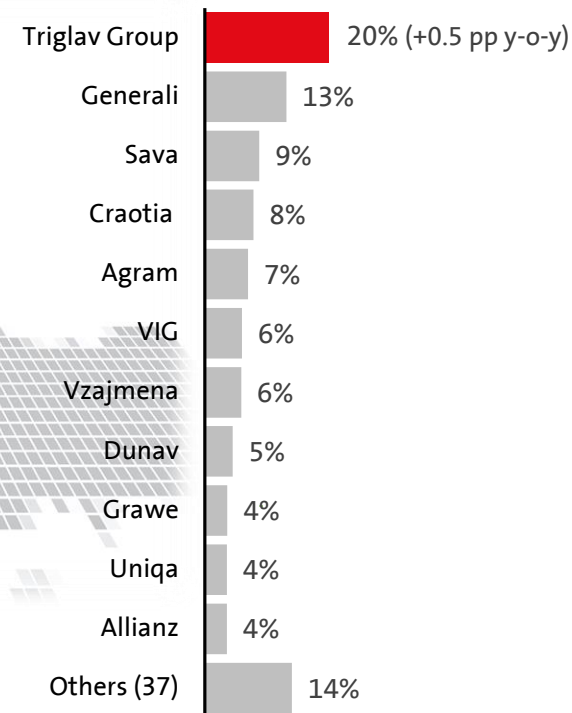
**STRONG COMPETITIVE ADVANTAGES** – good knowledge of regional markets, trustworthy brand, capital strength, comprehensive client portfolio, quality and comprehensive services, developed sales channels (strong own sales network), quick settlement of claims, focus on excellent client experience.

## POSITIONS ON MARKETS (% market share; H1 2020)



<sup>1</sup> Q1 2020   <sup>2</sup> Q4 2019

## ADRIA REGION (% market share; 2019)

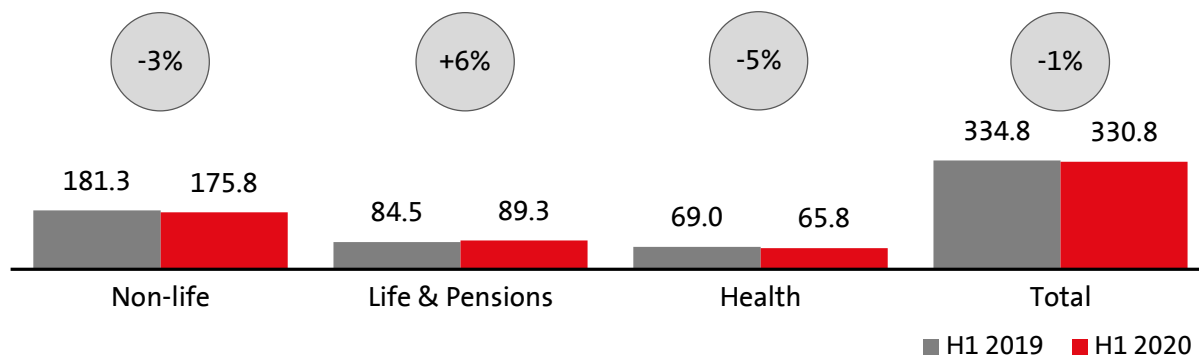


Source: Calculation based on the data of regional regulators and insurance associations



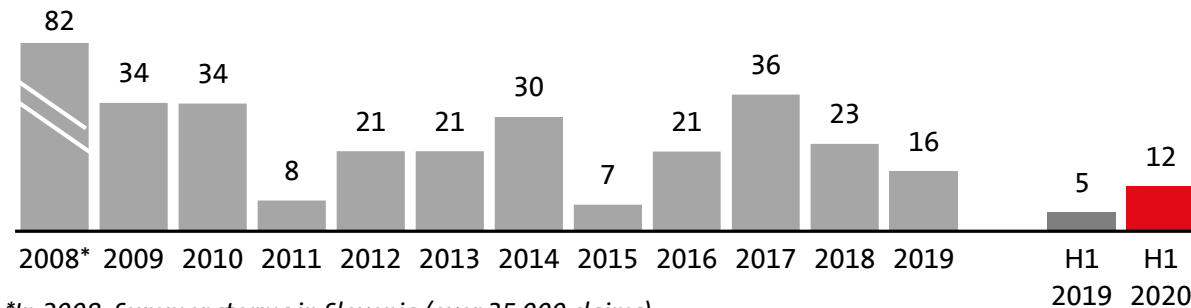
# CLAIMS EXPERIENCE

## GROSS CLAIMS PAID (IN €M, CHANGE IN %)



Gross claims paid down by 1% y-o-y due to fewer claims incurred and reported (e.g. in motor vehicle insurance), in health insurance due to fewer health services provided. In life & pensions segment increase due to active approach to payouts of capitalised life policies with high guarantees, and higher surrenders.

## CAT LOSSES SINCE 2008 (ESTIMATED VALUES; IN €M; TRIGLAV RE'S NON-GROUP CAT LOSSES INCLUDED)



\*In 2008: Summer storms in Slovenia (over 35,000 claims)

Most frequent CAT loss events are **flood, storm, hail and frost**.

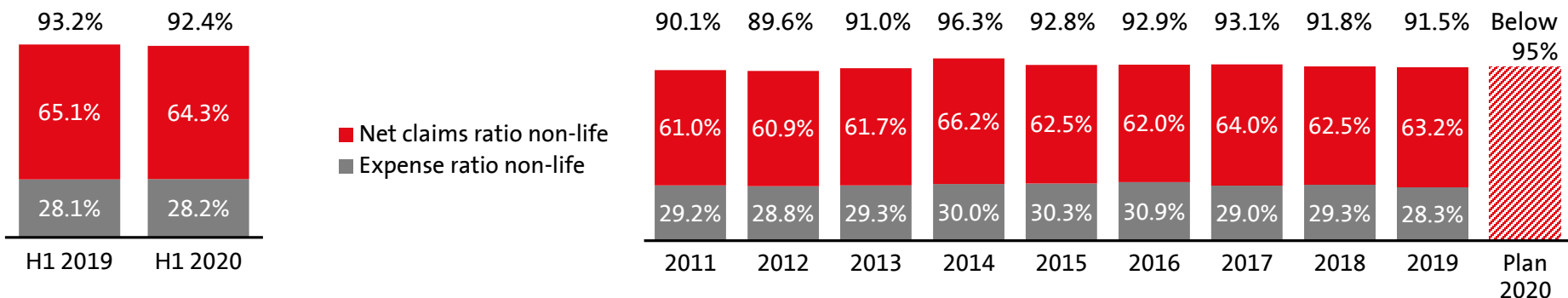
H1 2020 major CAT events (estimated value): Earthquake in Zagreb (EUR 6.7M), hail storms in Slovenia (EUR 5.0M of which claims of EUR 3.3M already reported and settled), hail in North Macedonia and Croatia (EUR 0.5M damage on crops).



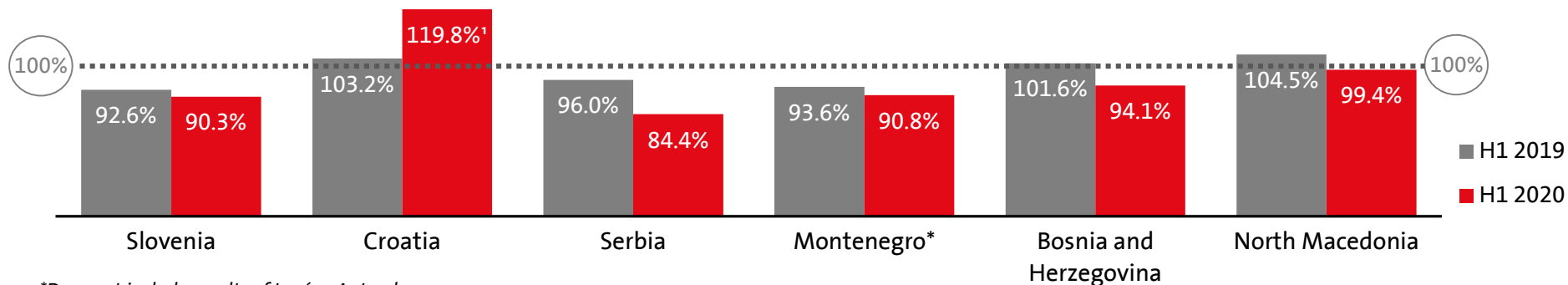
# CONTINUED UNDERWRITING DISCIPLINE

## TRIGLAV GROUP COMBINED RATIO NL

STRATEGY: Average target combined ratio NL at around 95%



## TRIGLAV GROUP COMBINED RATIO NL BY MARKETS



\*Does not include results of Lovćen Auto, d.o.o.

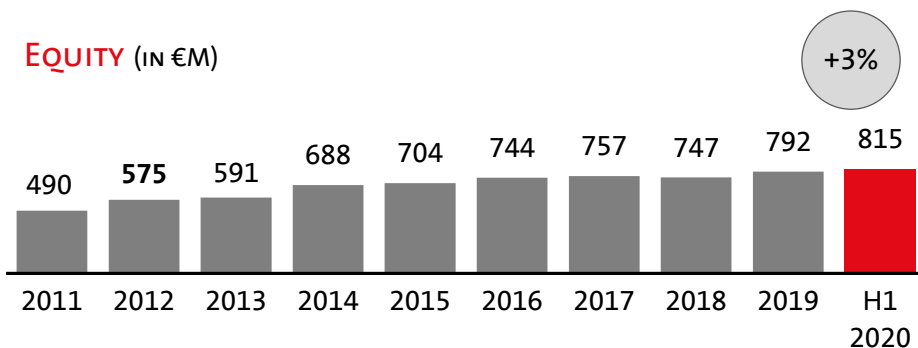
<sup>1</sup> High growth, in addition to earthquake, mainly result of increased claims provisions due to Court decision, obligatory for the whole market, which changes criteria and amounts for determining monetary compensation for non-pecuniary damages.



120years

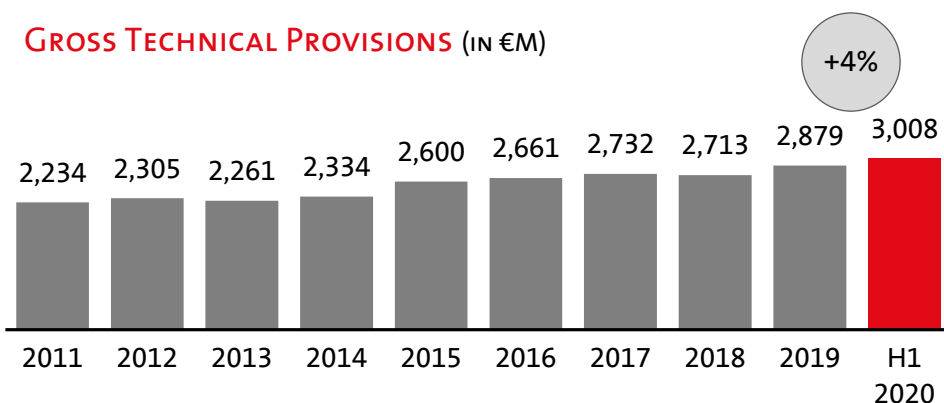
# FINANCIAL STRENGTH, PRUDENT MANAGEMENT OF PROVISIONS

## EQUITY (IN €M)



Equity up by 3% primarily due to higher retained earnings.

## GROSS TECHNICAL PROVISIONS (IN €M)



Gross insurance technical provisions, which are basis for balanced operations and long-term safety of clients, were up by 4% compared to end of 2019.

### Provisions by type:

- Mathematical provisions on similar level (€ 1,880M),
- Gross claims provisions increased by 5% to € 644M,
- Gross unearned premium up by 27% to €423M,
- Provisions for bonuses and discounts up by 21% to € 24M (additional provisions due to pandemic),
- Other provisions grew by 69% to € 37M (mainly additional provisions in health segment for unexpired risks due to pandemic).

# TRIGLAV GROUP ASSET ALLOCATION

30 June 2020	NON-LIFE & HEALTH <sup>1</sup>		LIFE & PENSIONS <sup>1</sup>		TOTAL	
	In €M	In %	In €M	In %	In €M	In %
<b>Investment property</b>	79.3	6%	1.8	0%	81.1	3%
<b>Investments in associates<sup>2</sup></b>	26.3	2%	0.5	0%	26.8	1%
<b>Shares and other floating rate securities</b>	120.6	9%	84.8	5%	205.3	7%
<b>Debt and other fixed return securities</b>	982.2	77%	1,459.0	93%	2,441.2	86%
<b>Loans given</b>	1.9	0%	3.5	0%	5.4	0%
<b>Bank deposits</b>	59.3	5%	21.3	1%	80.6	3%
<b>Other financial investments</b>	6.3	0%	0.4	0%	6.7	0%
<b>Derivative financial instruments</b>	0.3	0%	0.0	0%	0.3	0%
<b>Investments</b>	<b>1,276.3</b>	<b>100%</b>	<b>1,571.2</b>	<b>100%</b>	<b>2,847.4</b>	<b>100%</b>
<b>Financial investments of reinsurance companies in reinsurance contracts with cedents</b>	11.0		0.0		11.0	
<b>Unit-linked insurance contract investments</b>	0.0		458.6		458.6	
<b>Group financial investments</b>	<b>1,287.3</b>		<b>2,029.8</b>		<b>3,317.1</b>	

<sup>1</sup> Includes investments of own funds of the Group

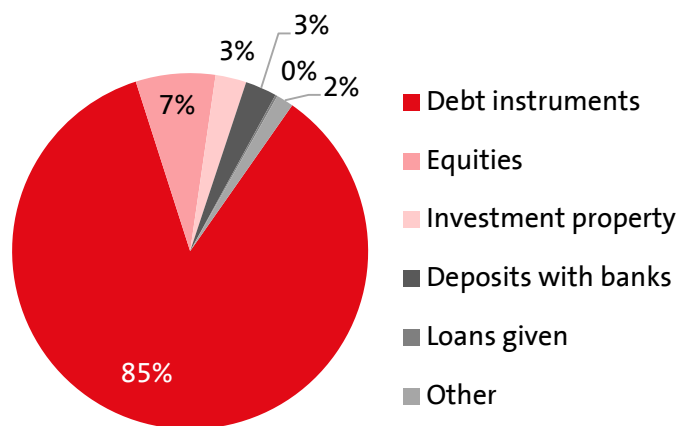
<sup>2</sup> Investment in associates are mainly additional real estate exposure

# HIGH-QUALITY INVESTMENT PORTFOLIO

Asset allocation subject to ALM on portfolio basis and ERM principles (relatively conservative investment policy, focusing on investment security and liquidity governed by adequate profitability; key objective is to maintain a high overall rating of the whole investment portfolio).

## ASSET ALLOCATION<sup>1</sup> SIMILARLY CONSERVATIVE AS AT 2019 YE

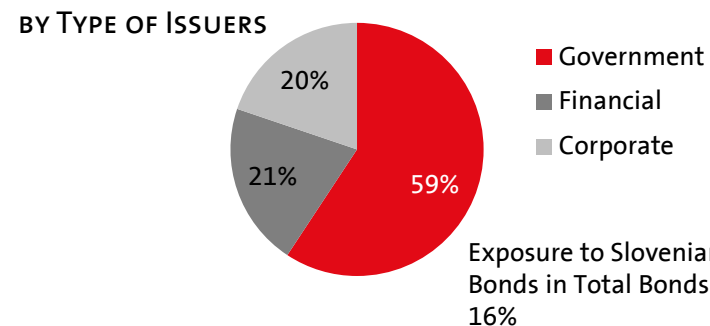
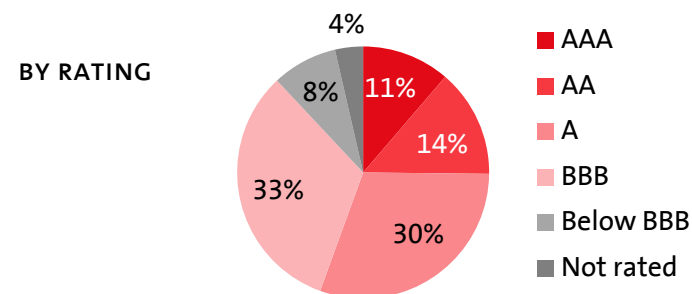
TOTAL (H1 2020): € 2,858M



<sup>1</sup> Unit-linked insurance contract investments excluded

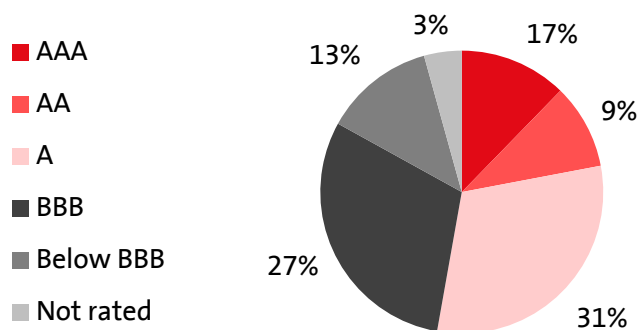
## DEBT INSTRUMENTS

TOTAL (H1 2020): € 2,441M

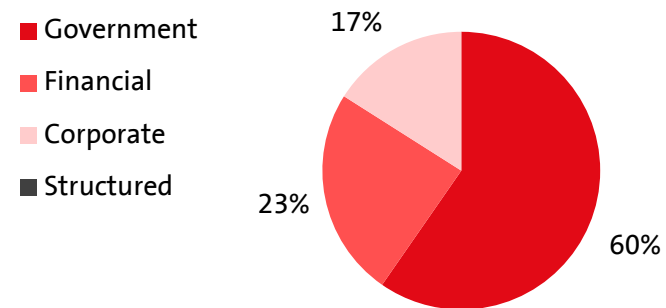


# NON-LIFE AND HEALTH INVESTMENT PORTFOLIOS

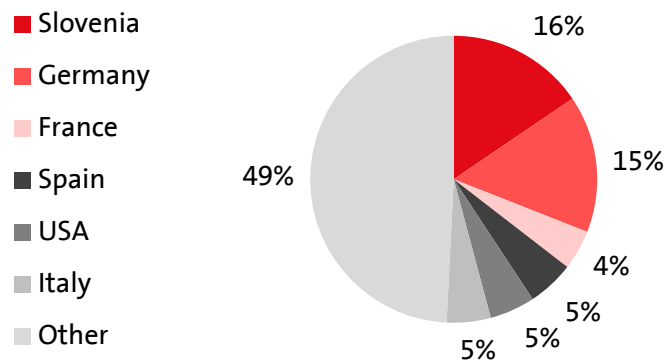
## BONDS BY RATING



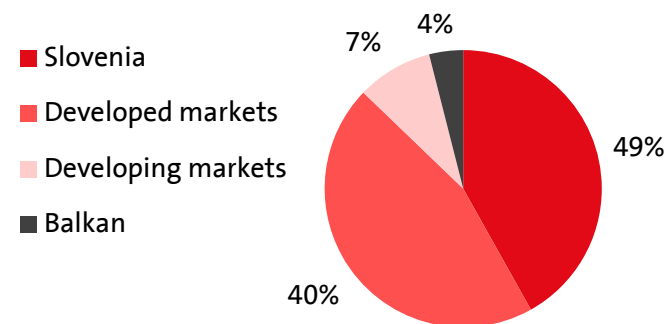
## BONDS BY TYPE OF ISSUER



## TOP BOND EXPOSURES BY COUNTRY

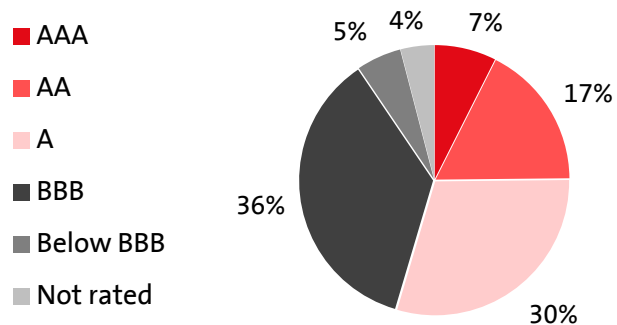


## EQUITY EXPOSURES BY REGION

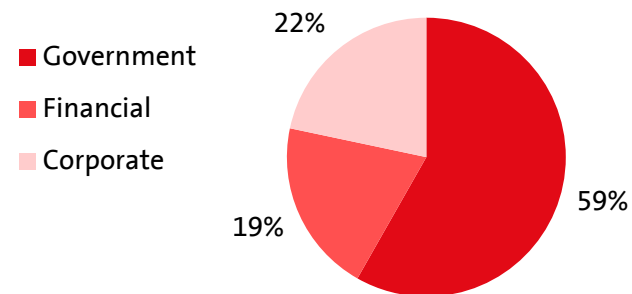


# LIFE AND PENSIONS<sup>1</sup> INVESTMENT PORTFOLIOS

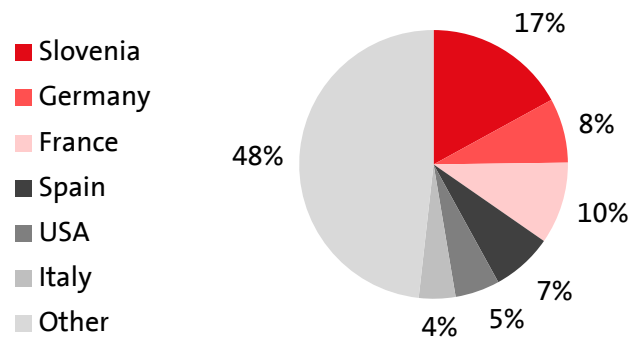
## BONDS BY RATING



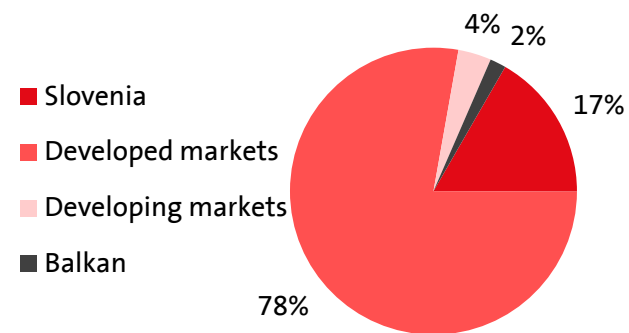
## BONDS BY TYPE OF ISSUER



## TOP BOND EXPOSURES BY COUNTRY



## EQUITY EXPOSURES BY REGION



*<sup>1</sup>Unit-linked investments excluded*

# H1 2020 PERFORMANCE BY MARKETS

Our  
mission is  
to build a  
safer  
future.



# SLOVENIA



ZAVAROVALNICA TRIGLAV

TRIGLAV, ZDRAVSTVENA  
ZAVAROVALNICA

TRIGLAV, POKOJNINSKA DRUŽBA

## Key figures (H1 2020)

Gross written premium (non-consolidated)	▲	+6%	€ 514.7 M
Gross operating costs	▼	-3%	€ 98.8 M
Gross claims paid	●	0%	€ 267.2 M
Combined ratio	▼	-2.3 p.p.	90.3%
Market share*	▲	+0.4 p.p.	37.0%
Market position	●		1

## Market development

Insurance penetration (2019)	5.2%
GWP (H1 2020)	€ 1,390 M (+4.7%)
Insurance density (2019)	€ 1,210 per capita

## Comment

GWP growth above the market.

GWP of Zavarovalnica Triglav increased by 4%, TZZ by 17%, TPD decreased by 1%

Upward pressure on the acquisition costs

*\*Market share by segments: 44% in non-life, 30% in life and in health insurance*



# CROATIA



TRIGLAV OSIGURANJE, ZAGREB



## Key figures (H1 2020)

Gross written premium	▲	+8%	€ 42.0 M
Gross operating costs	▲	+21%	€ 12.2 M
Gross claims paid	▼	-22%	€ 16.7 M
Combined ratio	▲	+16.6 p.p.	119.8%
Market share	▲	+0.6 p.p.	5.6%
Market position	▲		7

## Market development

Insurance penetration (2019)	2.6%
GWP (H1 2020)	€ 752 M (-2.3%)
Insurance density (2019)	€ 349 per capita

## Comment

Strong GWP growth above the market (primarily due to new clients). Increased market share and position.

Focus on increasing profitability through improved underwriting and cost optimization initiatives.

Earthquake in Zagreb in March 2020.

Supreme Court decision, obligatory for all market participants, which changes monetary compensation for non-pecuniary damages.

# SERBIA



TRIGLAV OSIGURANJE, BELGRADE

## Key figures (H1 2020)

Gross written premium	▲	+13%	€ 33.9 M
Gross operating costs	▲	+9%	€ 11.0 M
Gross claims paid	▲	+18%	€ 11.8 M
Combined ratio	▼	-11.6 p.p.	84.4%
Market share (Q1 2020)	▲	+0.6 p.p.	7.3%
Market position (Q1 2019)	●		5

## Market development

Insurance penetration (2019)	1.9%
GWP (Q1 2020)	€ 229 M (+8.5%)
Insurance density (2019)	€ 125 per capita

## Comment

Strong GWP growth above the market and across all lines of business, new clients.

Increased market share, improved combined ratio.

Improved structure of GWP.



# MONTENEGRO



LOVĆEN OSIGURANJE

LOVĆEN ŽIVOTNA OSIGURANJA



## Key figures (H1 2020)

Gross written premium	●	0%	€ 18.1 M
Gross operating costs	▼	-8%	€ 5.6 M
Gross claims paid	▼	-3%	€ 8.1 M
Combined ratio	▼	-2.8 p.p.	90.8%
Market share	▲	+0.1 p.p.	38.9%
Market position	●		1

## Market development

Insurance penetration (2019)	1.9%
GWP (H1 2020)	€ 46 M (-0.2%)
Insurance density (2019)	€ 152 per capita

## Comment

Leading market position with increased market share.

GWP growth in life insurance business due to bancassurance.

Improved core operating profitability, focus on cost efficiency.

# BOSNIA AND HERZEGOVINA



TRIGLAV OSIGURANJE, SARAJEVO

TRIGLAV OSIGURANJE, BANJA LUKA



## Key figures (H1 2020)

Gross written premium	▲	+14%	€ 17.5 M
Gross operating costs	▲	+8%	€ 6.1 M
Gross claims paid	▼	-29%	€ 5.2 M
Combined ratio	▼	-7.5 p.p.	94.1%
Market share (Q4 2019)	▲	+0.1 p.p.	7.8%
Market position (Q4 2019)	●		6

## Market development

Insurance penetration (2019)	2.2%
GWP (Q4 2019)	€ 390 M (+7.0%)
Insurance density (2019)	€ 110 per capita

## Comment

Strong growth of GWP (new clients), in life insurance due to bancassurance

Improved combined ratio

Upward pressure on the acquisition costs

Focus on profitability in challenging market environment, especially in Republika Srpska

# NORTH MACEDONIA



TRIGLAV OSIGURUVANJE, SKOPJE

TRIGLAV OSIGURUVANJE ŽIVOT,  
SKOPJE



## Key figures (H1 2020)

Gross written premium	▲	+1%	€ 11.9 M
Gross operating costs	▲	+1%	€ 3.7 M
Gross claims paid	▼	-9%	€ 4.2 M
Combined ratio	▼	-5.0 p.p.	99.4%
Market share (Q1 2020)	▼	-1.4 p.p.	12.7%
Market position (Q1 2020)	●		1

## Market development

Insurance penetration (2019)	1.5%
GWP (Q1 2020)	€ 42 M (+4.5%)
Insurance density (2019)	€ 83 per capita

## Comment

Challenging market conditions, decrease of market share

Modest GWP growth primarily due to health insurance and motor liability insurance

Improved combined ratio

# ABOUT TRIGLAV GROUP

Our  
mission is  
to build a  
safer  
future.

*Triglav is the highest mountain in Slovenia and the highest peak of the Julian Alps (2,864 meters/9,396 ft).*



# TRIGLAV STORY



Profitability  
Client-centric approach  
New ways of doing business  
**2019-2022**

Fast growth in the markets  
outside Slovenia

**2010**  
Profitability  
Selective expansion

**2008**  
Listing on the Ljubljana SE

**2000**  
Leading position in Slovenia,  
expansion started

Established in Austro-Hungarian Empire  
as the first Slovenian insurance company  
founded with domestic capital  
**1900**

Transformation into a public  
limited company Expansion of  
business  
**1990**

## GROUP

39 companies

Parent company founded in 1900

Market leader in Adria region<sup>1</sup> and Slovenia, internationally present through reinsurance

> 5.200 employees

Balance Sheet (H1 2020): € 4.1Bn

Rating A/Stable outlook

S&P Global Ratings



## CORE BUSINESS

### INSURANCE

GWP (2019): € 1,184M

- Non-life
- Life
- Pensions
- Health
- Reinsurance

### ASSET MANAGEMENT

Insurance portfolios & own funds (H1 2020):

AUM € 2,858M

Investment funds & discretionary mandate assets (H1 2020):

AUM € 1,062M

## SHAREHOLDERS

ZPIZ and SDH with 35% and 28% respectively predominant shareholders

31% free float

17% international share

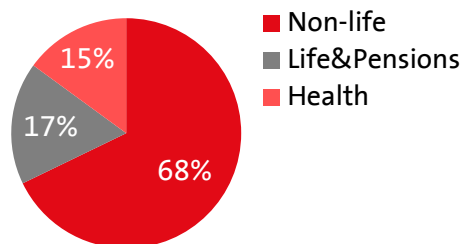
≈ 13,000 shareholders



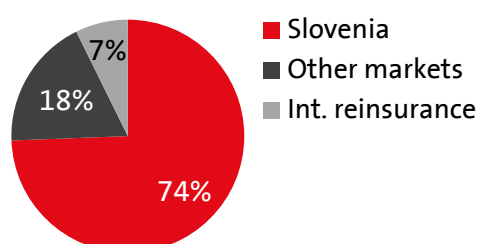
LJSEPRIME  
LIJUBLJANA Stock Exchange

## GWP DIVERSIFICATION (H1 2020)

### BY PRODUCTS



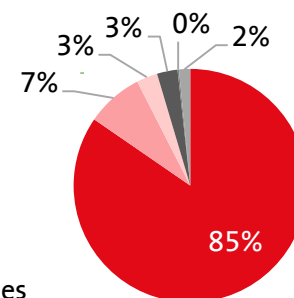
### BY MARKETS



## HIGH QUALITY INVESTMENT PORTFOLIO (H1 2020)

88% of bonds with rating of at least BBB, mostly invested in the euro area, which ensures adequate liquidity for Triglav Group.

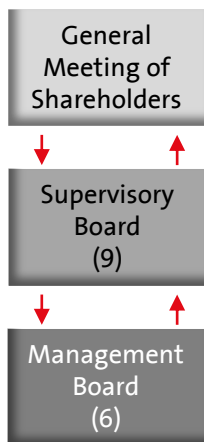
- Debt instruments
- Investment property
- Loans given
- Equities
- Deposits with banks
- Other



<sup>1</sup> Adria region: Slovenia, Croatia, Serbia, Bosnia and Herzegovina, Montenegro, North Macedonia



## TWO TIER GOVERNANCE SYSTEM, EXPERIENCED MANAGEMENT TEAM



**Andrej Slapar**

President

CEO



**Uroš Ivanc**

Member

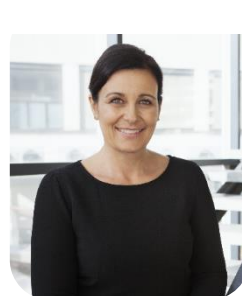
CFO



**Tadej Čoroli**

Member

Non-life, Sales,  
Marketing



**Barbara Smolnikar**

Member

Life & Pensions



**David Benedek**

Member

Triglav Group  
subsidiaries,  
Investments



**Marica Makoter**

Member and  
Employee  
Representative

HRM, Operations, IT,  
Fraud prevention

The first start/end of  
term of office:

2013 – 2024

2014 – 2024

2014 – 2024

2017 – 2022

2019 – 2024

2011 – 2021

Employed at Triglav  
since:

1997

2001

2001

2017

2014

2001

# TRIGLAV GROUP STRATEGY

## OUR MISSION

### BUILDING A SAFER FUTURE

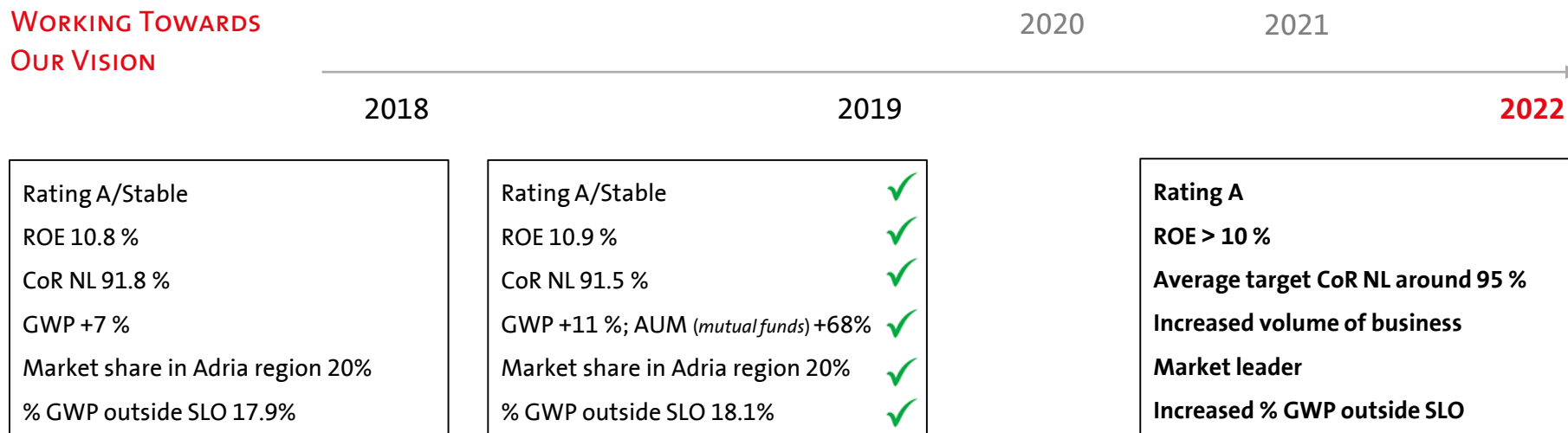
## OUR VISION

By adopting a client-centric approach, we dynamically develop new ways of doing business as the foundation of the Group's responsible long-term development, while at the same time operating profitably and safely

## STRATEGIC GUIDELINES

- Long-term stable and profitable operations and greater value of Triglav Group
- Client focus and development of related services
- Developing even more cooperative and agile organisation and culture

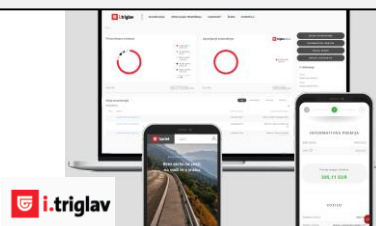
## WORKING TOWARDS OUR VISION



# DIGITAL & INNOVATIONS

Challenging conditions caused by the COVID-19 pandemic gave additional impetus to our planned development activities and we assess that we have made an important step towards our digital transformation.

## IMPROVED DIGITAL APPEARANCE



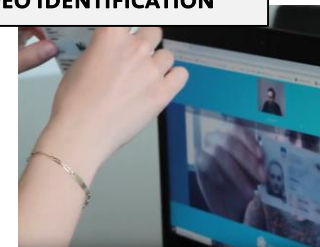
Digital portal **i.triglav** with additional functionality. New design and process of **online** sales. Digital onboarding of clients in process. New websites [triglav.si](http://triglav.si) and [triglav.eu](http://triglav.eu).

## REMOTE AND E-SIGNING



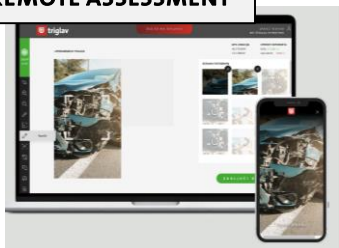
**Remote signing** „Click2sign“ introduced in start of 2020. High % during lock down (2 % before, 80 % during).

## VIDEO IDENTIFICATION



Promptly implemented during lock down.

## VIDEO REMOTE ASSESSMENT



Insurance & claims process with **live Video and Remote Assistance**. 24/7.

## MOBILE



All digital solutions are made **mobile** friendly.

## DRAJV APPLICATION

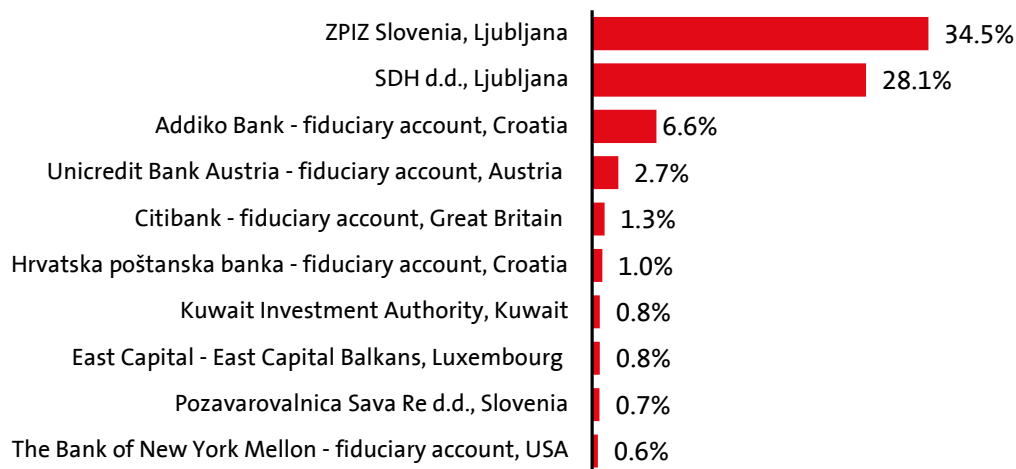


First telematic application in Slovenia, launched 5 years ago, at the forefront of innovation.

## INTERNATIONAL SHAREHOLDERS WITH 17% STAKE

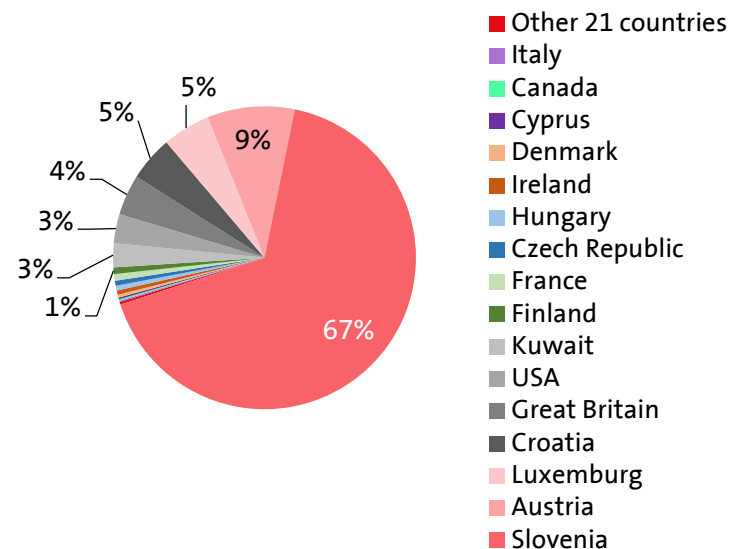
Two state-owned funds predominant shareholders. Around 13.000 shareholders. International shareholders from 35 countries with 17% stake (2008: 4%) or 35% of the free float (i.e. the shares held by the shareholders with less than a 5% ownership stake).

### STABLE STRUCTURE OF TOP 10 (AS AT 30 JUN 2020)



### 30.9% SHARES ARE FREE FLOATING

FREE FLOAT SHAREHOLDER STRUCTURE BY THE COUNTRY OF ORIGIN OF SHAREHOLDER/SUBSCRIBER IN THE SHARE REGISTER (AS AT 30 JUN 2020):



### ACTIVE INVESTOR RELATIONS POLICY

**Transparent operations, open contact with investors.** Triglav each year on average participates in 11 – 15 events held for institutional investors in Europe and the USA, in addition to meetings, conference calls and other contacts. During the pandemic, IR activities are adapted to restrictions and maintaining contact remotely. Emphasis is placed on webcasts of Ljubljana SE, email, conference calls etc.

IR calendar available on our website at [www.triglav.eu](http://www.triglav.eu).

# ZVTG SHARE AND SHAREHOLDERS

**IN H1 2020 3<sup>TH</sup> MOST TRADED ON LJSE, TURNOVER UP BY 28%**  
(COMPARE TO 2019 AVERAGE):

**Total Return:** 2019: +17%;  
2015 - 2019: +119% (market+55%, sector +58%)  
H1 2020: -17% (market -8%, sector -19%)

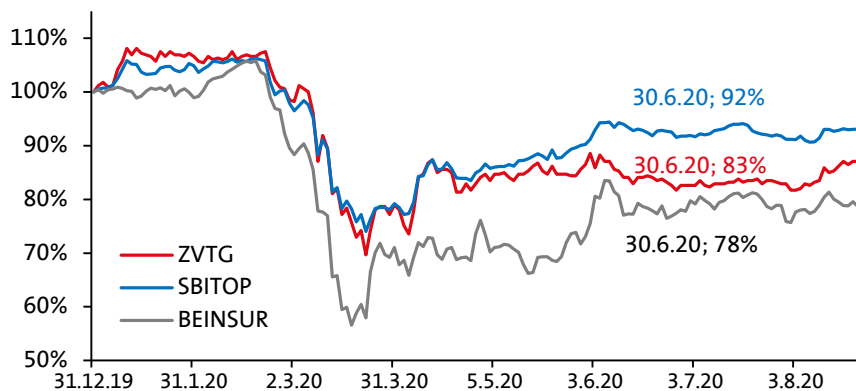
**P/B:** 2019: 1.0; H1 2020: 0.8  
**P/E:** 2019: 9.3; H1 2020: 7.7

**Turnover** (average daily): 2019: 136T €; H1 2020: 174 €

**Market cap:** 2019: 757M €; H1 2020: 625 M €

**Active IR:** In 2019 over 80 meetings. New MM service. In 2020 IR activities adapted to restrictions and performed remotely (webcasts, confcalls, virtual conferences).

## IN 2020 ZVTG UNDER INFLUENCE OF GLOBAL STOCK MARKET CRASH



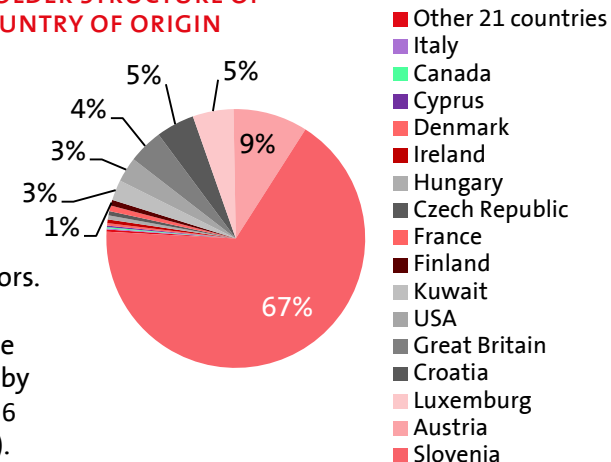
## MINORITY SHAREHOLDER STRUCTURE OF TRIGLAV BY THE COUNTRY OF ORIGIN

(30 June 2020)

Stable ownership structure.

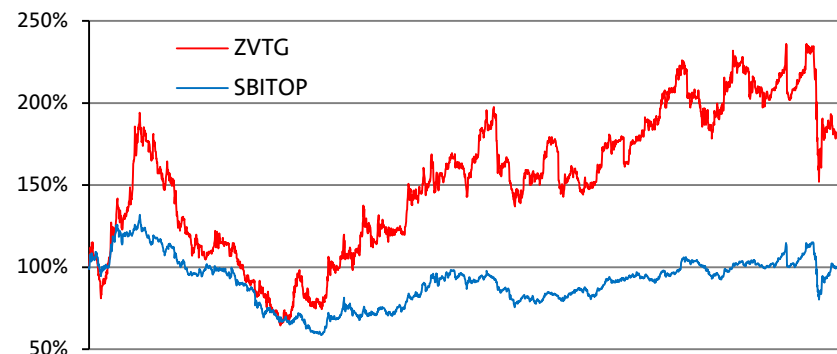
17% of all shares owned by international investors.

30.9% shares are free floating and owned by shareholders from 36 countries (see chart).



Source: LJSE, Bloomberg, KDD

## ZVTG PRICE SINCE 2009



# CORPORATE RESPONSABILITY – OUR E, S & G

## ENVIRONMENT

### CARE FOR NATURAL ENVIRONMENT

Carbon reduction. Low-carbon work-related transport  
 Introducing paperless business  
 Activities for cleaner environment  
 Promotion of extensive farming  
 Waste reduction and separation

In 2019 mixed waste down by **36%** y-o-y<sup>1</sup>.

10-year project „Let's Clean the Mountains“.

In 2019 carbon footprint and electricity consumption down by **6%** and **3%** y-o-y respectively<sup>1</sup>.

**11%** of vehicle fleet<sup>1</sup> are electrical vehicles. Company bicycles & electric scooters at disposal for employees.

## SOCIAL

### SOCIAL INCLUSION

Net Promoter Score  
 Prevention activities for reducing risks in environment (e.g. traffic safety, fire prevention, Health prevention)  
 For our clients  
 Care for employees  
 Support for sports, culture, education and health

**24/7** worldwide assistance for clients.

Investments in private pensions, health ins. and healthcare systems.

ORVI index<sup>2</sup> **3.88** in 2019 (+ 0.1 pp y-o-y).

*Drajv* application for safe driving. *Vozimse.si* road traffic prevention portal.

**140** advanced traffic systems and signals for dangerous road sections.

Young potentials (*Mladi upi*) project to support young talent in culture, sport, art etc.

## GOVERNANCE

### INTEGRITY, CORPORATE GOVERNANCE

Stable and profitable operations  
 High standards of corporate governance  
 Efficient risk management  
 Active investor relations policy  
 Fair business practises

Slovene Corporate Governance Code. Triglav Group Code

Fraud prevention and detection.

Anti-corruption activities  
 Protection of competition

Commitment to respect human rights in business.

<sup>1</sup> Data for parent company <sup>2</sup> Indicator of employee satisfaction

## DISCLAIMER

THE INFORMATION, STATEMENTS OR DATA CONTAINED HEREIN HAS BEEN PREPARED BY TRIGLAV CORPORATE OFFICERS. ZAVAROVALNICA TRIGLAV, D.D., OR ANY MEMBER OF TRIGLAV GROUP, OR ANY ZAVAROVALNICA TRIGLAV EMPLOYEE OR REPRESENTATIVE ACCEPTS NO RESPONSIBILITY FOR THE INFORMATION, STATEMENTS OR DATA CONTAINED HEREIN OR OMITTED HERE FROM, AND WILL NOT BE LIABLE TO ANY THIRD PARTY FOR ANY REASON WHATSOEVER RELATING TO THE INFORMATION, STATEMENTS OR DATA CONTAINED HEREIN OR OMITTED HERE FROM. SUCH INFORMATION, STATEMENTS OR DATA MAY NOT BE PREPARED ACCORDING TO THE SAME STANDARDS AND REQUIREMENTS THAN THE INFORMATION, STATEMENTS OR DATA INCLUDED IN TRIGLAV'S OWN REPORTS AND PRESS RELEASES ARE PREPARED TO, AND ACCORDINGLY THE LEVEL OF INFORMATION AND MATERIALITY AND NATURE OF THE DISCLOSURES MAY BE DIFFERENT. UNDUE RELIANCE SHOULD NOT BE PLACED ON THE INFORMATION, STATEMENTS OR DATA CONTAINED HEREIN BECAUSE THEY ARE SUBJECT TO KNOWN AND UNKNOWN RISKS AND UNCERTAINTIES AND CAN BE AFFECTED BY OTHER FACTORS THAT COULD CAUSE ACTUAL RESULTS TO DIFFER MATERIALLY FROM THOSE EXPRESSED OR IMPLIED IN SUCH INFORMATION, STATEMENTS OR DATA. MOREOVER, THE INFORMATION, STATEMENTS AND DATA CONTAINED HEREIN HAVE NOT BEEN, AND WILL NOT BE, UPDATED OR SUPPLEMENTED WITH NEW OR ADDITIONAL INFORMATION, STATEMENTS OR DATA.