



Triglav Group



Investor Presentation

October 2022

Building a
Safer Future.

Disclaimer



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About Triglav Group

H1 2022 Results

Financials & Investments

Appendix

Performance by Insurance Markets

Structure of Investment Portfolios by
Insurance Segments



About Triglav Group





Triglav Group

Triglav Group

45 companies, parent company founded in 1900
 Market leader in Adria region¹ and Slovenia, internationally present through reinsurance & FOS
 > 5.300 employees
 Balance Sheet (H1 2022): € 4.2Bn
 Rating A/Stable outlook
 Auditor Deloitte



Core business

INSURANCE

GWP (H1 2022): € 1,353M

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

ASSET MANAGEMENT (H1 2022):

Insurance portfolios & own funds:
 AUM € 2,714M

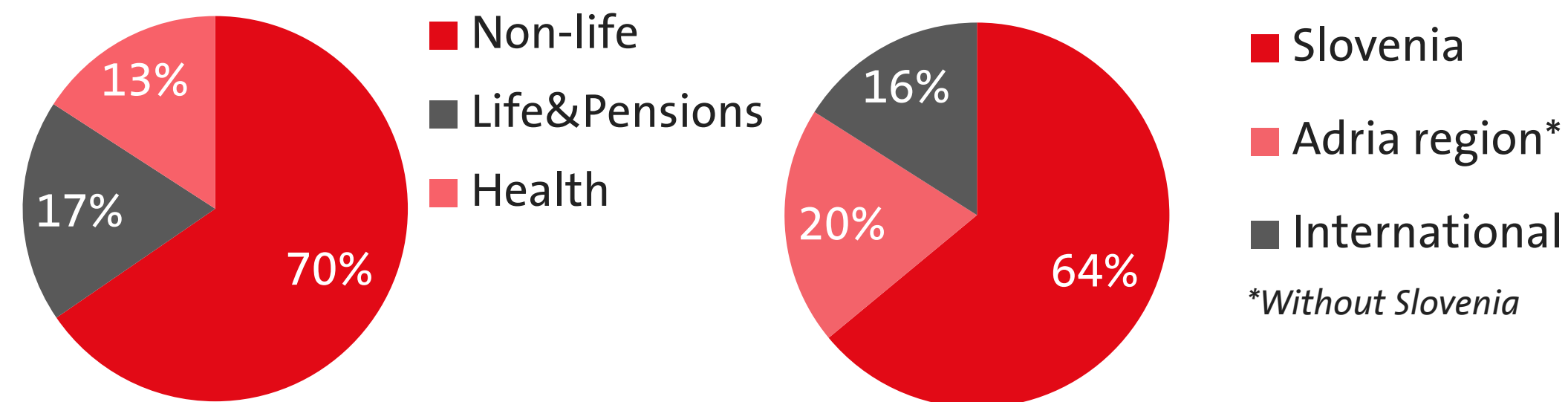
Investment funds & discretionary
 mandate assets:
 AUM € 1,360

Shareholders

ZPIZ (35%) and SDH (28%)
 predominant shareholders
 37% free float
 16% international share
 ≈ 8,200 shareholders



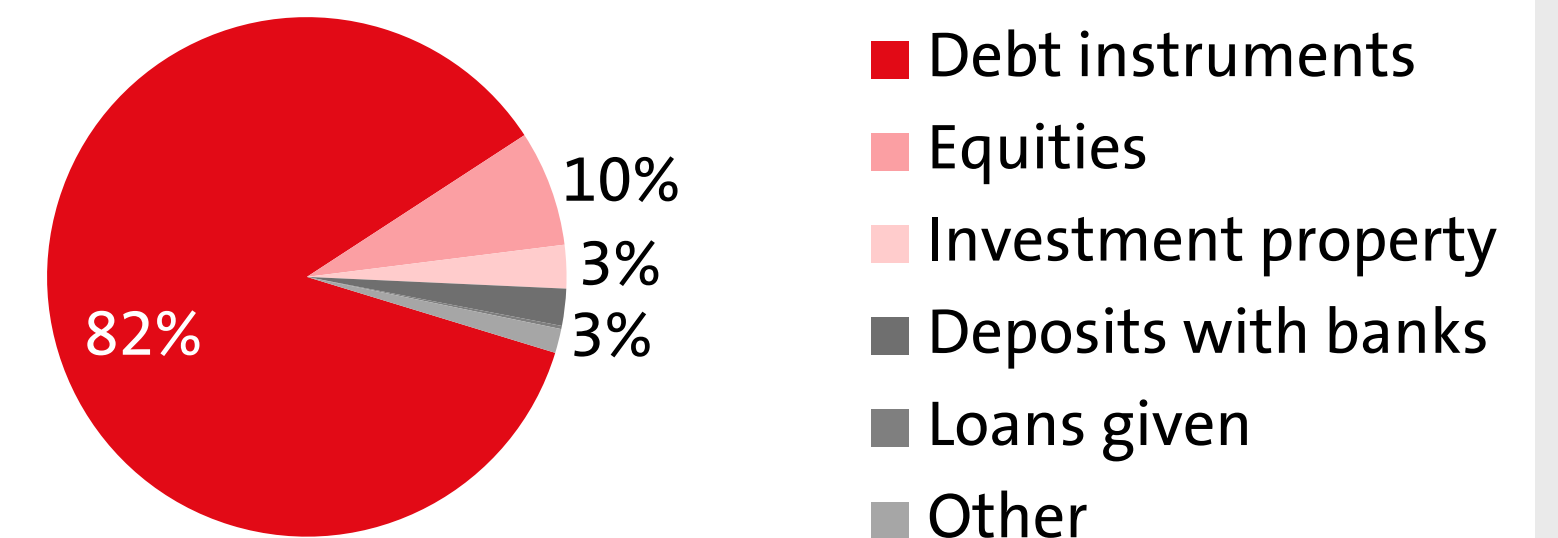
GWP Diversification (H1 2022)



¹ Adria region: Slovenia, Croatia, Serbia, Bosnia and Herzegovina, Montenegro, North Macedonia

High quality investment portfolio (H1 2022; Unit-linked ins. contracts excluded)

91% with investment grade credit rating of at least “**BBB**”, mostly invested in the euro area.



Triglav Story





Strategic Guidelines 2019 – 2021 Successfully Implemented

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

2018	2019	2020	2021	Strategy 2019 - 2021
Rating A/Stable	Rating A/Stable	Rating A/Stable	Rating A/Stable	Rating A
ROE 10.8 %	ROE 10.9 %	ROE 8.9 % ¹	ROE 12.5%	ROE > 10 %
CoR NL 91.8 %	CoR NL 91.5 %	CoR NL 91.2 %	CoR NL 88.9 %	Average target CoR NL around 95 %
GWP +7 % AUM (<i>mutual funds</i>) -10.9%	GWP +11 % AUM (<i>mutual funds</i>) +68%	GWP +4 % AUM (<i>mutual funds</i>) +4%	GWP +10 % AUM (<i>mutual funds</i>) +33%	Increased volume of business
Market leader in Adria region (20.0% m.share)	Market leader in Adria region (19.9% m.share)	Market leader in Adria region (20.4% m.share)	Market leader in Adria region (21.1% m.share)	Market leader
% GWP outside SLO 17.9%	% GWP outside SLO 18.1%	% GWP outside SLO 18.2%	% GWP outside SLO 19.0%	Increased % GWP outside SLO

¹ Lower due to lower profit, higher retained earnings and increased fair value reserve.

Strategy Upgraded to 2025



Some development activities in H1 2022:

- Activities aimed at achieving **synergy effects at Group level** and **strengthening competitive position of each Group member**.
- Focus on **high responsiveness, reliability and transparency in all communication channels with clients**. High client satisfaction score (NPS = 76).
- **Further digital onboarding of clients** (*23% increase in number of i.triglav digital office users, surpassing 72,000 users*) and **incorporation of digital identity into Triglav komplet - client loyalty bonus system**.
- **Redesign of existing insurance products and development of new ones** (*non-life, life and health insurance policies focused on digitalisation, flexibility and accessibility*).
- In Health **upgraded client assistance model** (*establishment of Triglav zdravje asistenca*) and **new online portal www.triglavzdravje.si**. In AM (mutual funds) **conversion-focused website www.triglavskladi.si**.

Building Triglav's Ecosystem Platform as One of Development Activities

Triglav Zdravje (Health)

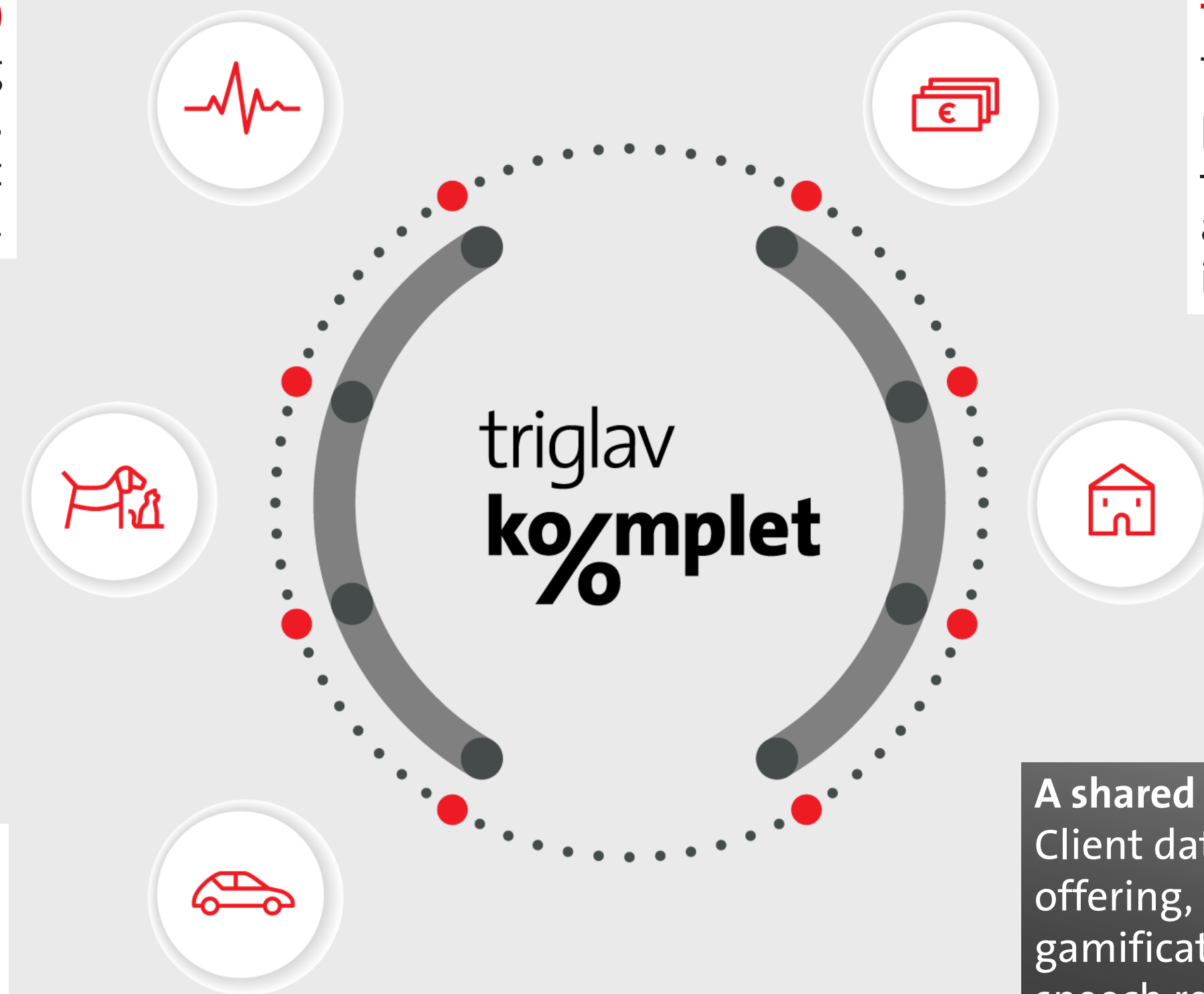
Connecting partners in providing comprehensive healthcare services, which ensure an outstanding client experience in different stages of life.

Triglav Male živali (Pets)

For the wellbeing of pets, assistance in their acute health problems and insurance of the owner's personal liability caused by their pet

Triglav Mobilnost (Mobility)

The provision of various forms of safe and sustainability-oriented mobility



Triglav Financial security

The central point for planning and creating a person's financial security in all their stages of life – from saving to pension, access to (financial, tax) advisers or the use of various payment instruments

Triglav Dom (Home)

The ecosystem of assistance services in eliminating damages, access to the services of verified providers and to solutions and systems for assistance and remote monitoring and security of your home

A shared platform

Client data management, provision of security, personalised offering, a loyalty programme, assessment of providers, gamification, joint digital technologies (e.g. Image and speech recognitions, AI/ML, bots, geolocation services, AR)



Strategic Focus on Profitable and Safe Operations

Independent insurance and financial group with dominant market position in Adria region

Insurance markets in Adria region, internationally through reinsurance:

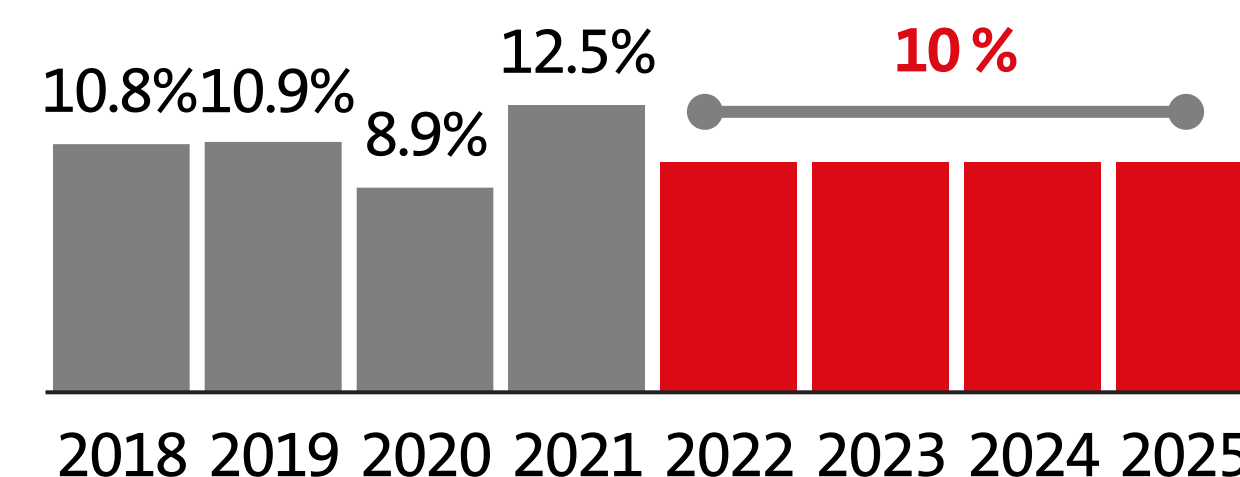
As at H1 2022	Market share	Market position
Slovenia	39.4%	1 st
Croatia	6.3%	7 th
Serbia	8.0%	5 th
Montenegro	39.9%	1 st
Bosnia and Herz.	9.6%	3 rd
North Macedonia	15.9%	2 nd
Adria Region (2021)	21.6%	1st

High profit and profitable growth

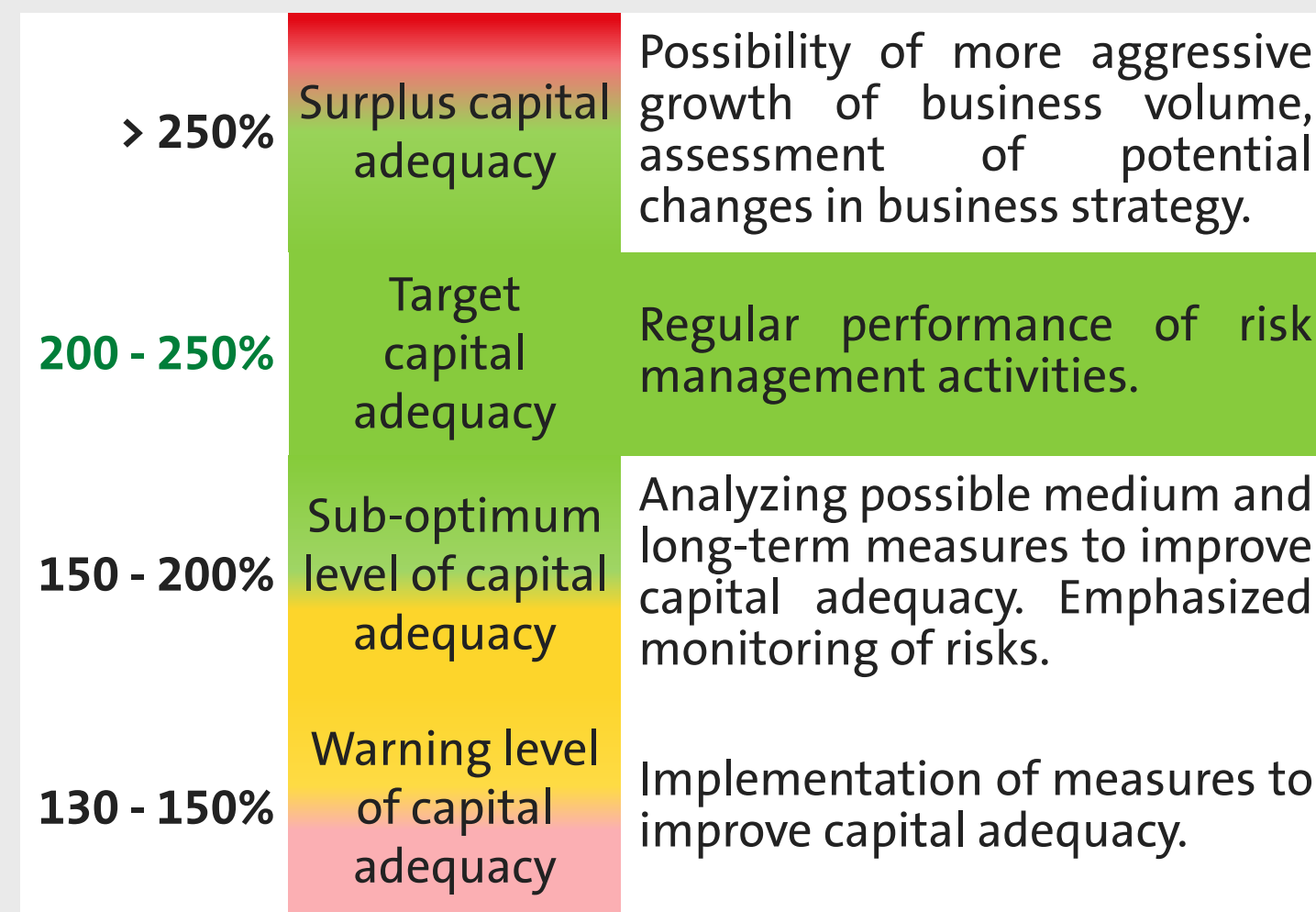
Total revenues



ROE



Disciplined capital management



Rating A/Stable
(2016 – 2022)

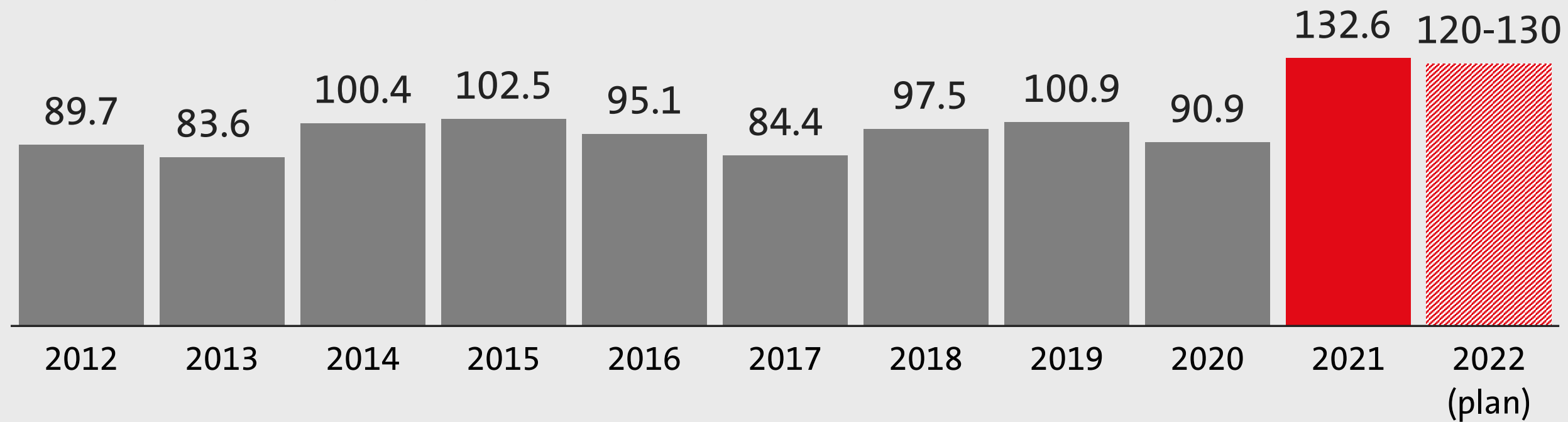
S&P Global
Ratings





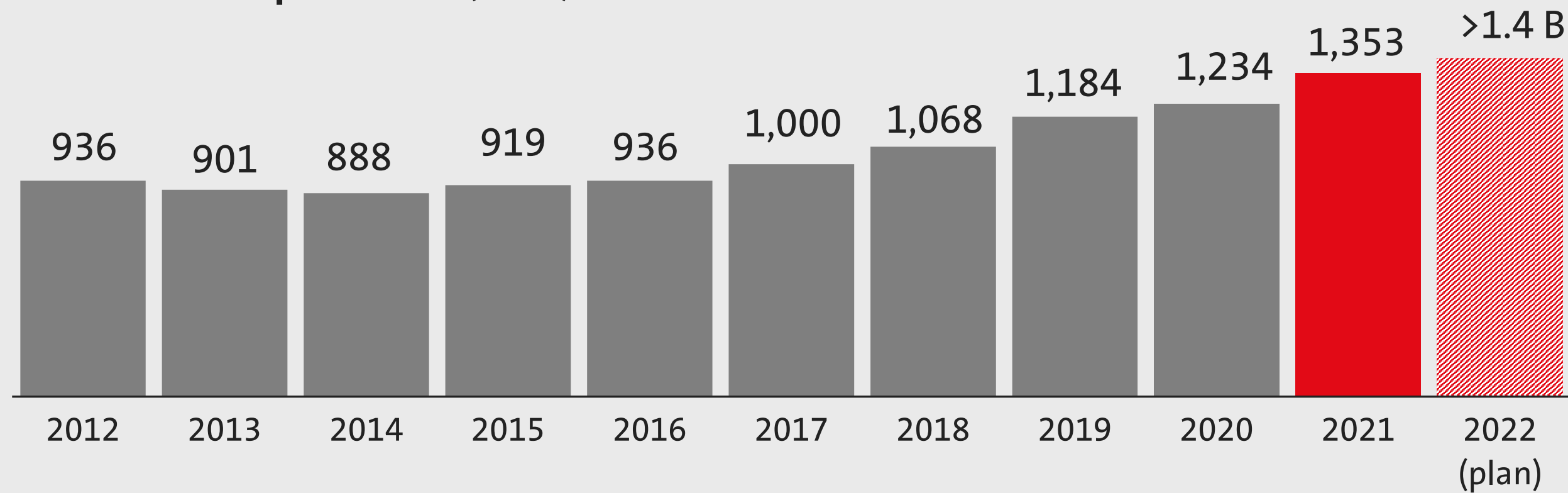
2022 Outlook

Profit before tax (in €M)

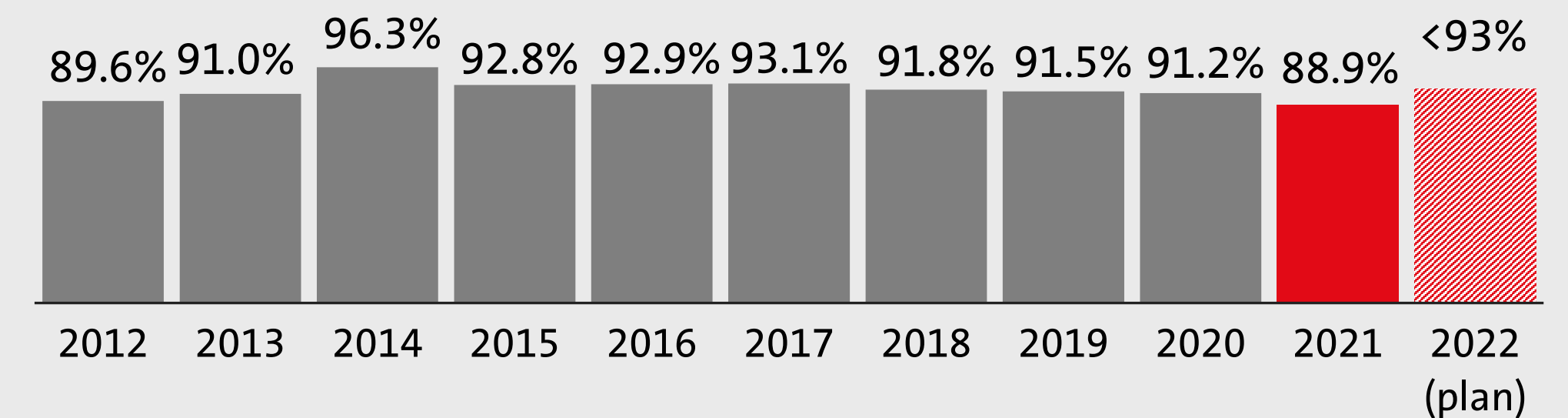


We estimate that **2022 annual profit will be within initially planned range**; however, we stress that **risks related to realisation of target profit have increased significantly** due to negative influences from business environment.

Gross written premium (in €M)



Combined ratio NL

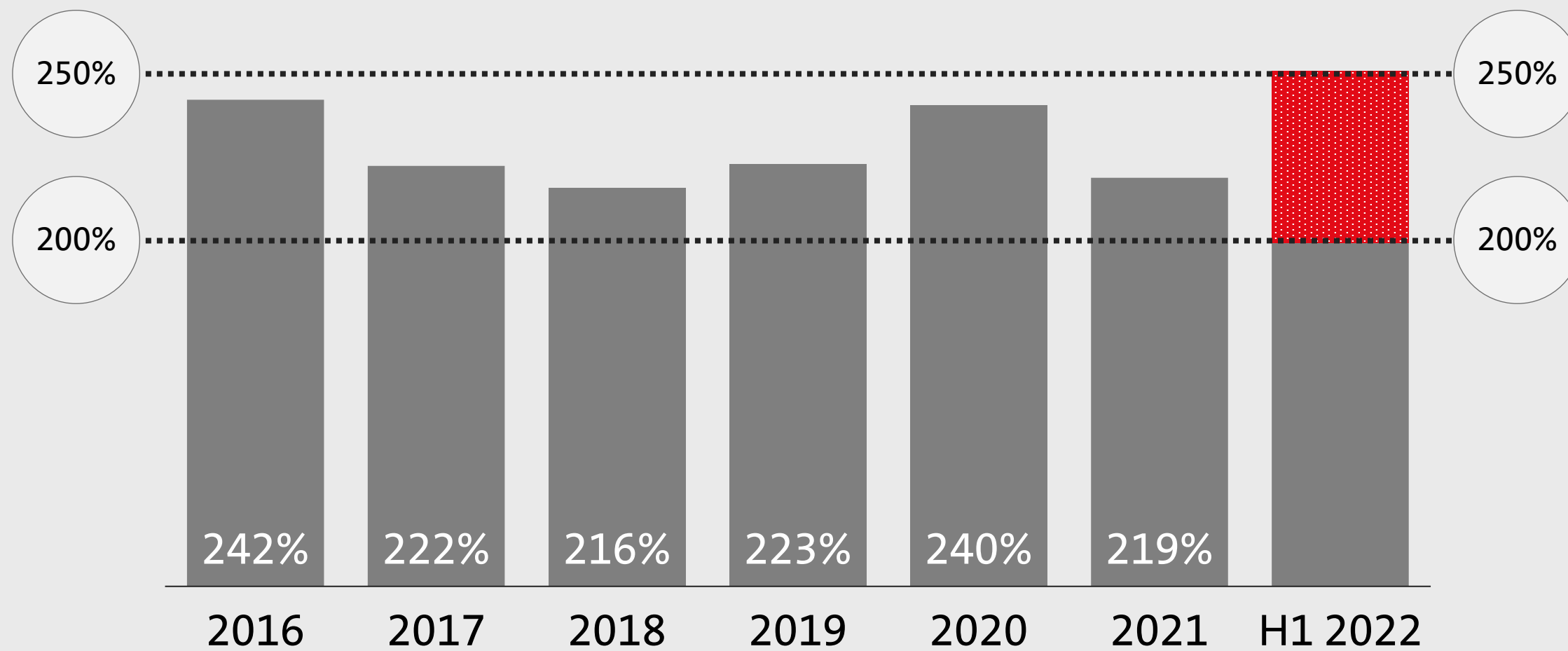




Disciplined Capital and Risk Management

Solvency Ratio

H1 2022: Good capital position, within target level of 200–250%



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

Risk exposure (2021)

H1 2022: Risk profile does not deviate significantly compared to 2021 YE.





Attractive & Sustainable Dividend Policy

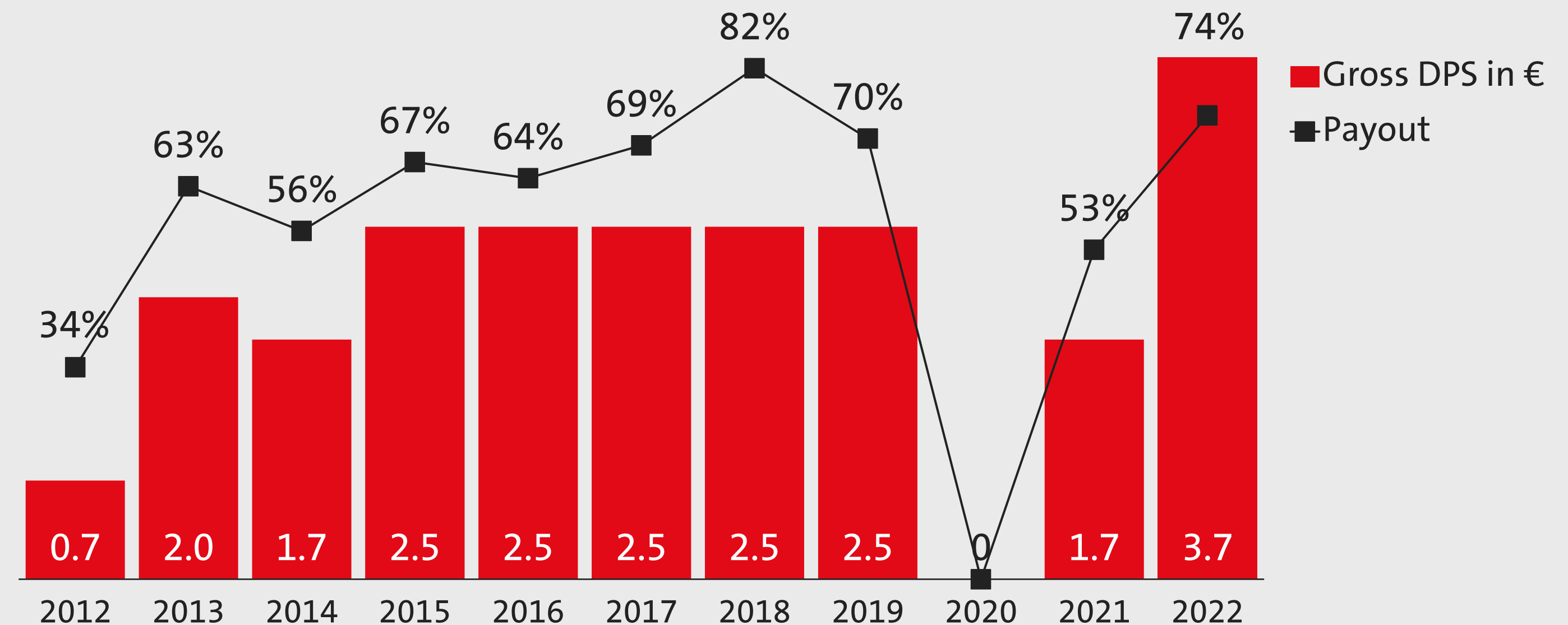
Minimum dividend pay-out is set to 50% of consolidated net profit for the previous year. Triglav will strive not to reduce its dividend payment below the level of the previous year.

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 DPS (in €) and Dividend Payout Ratio (% consolidated net profit)

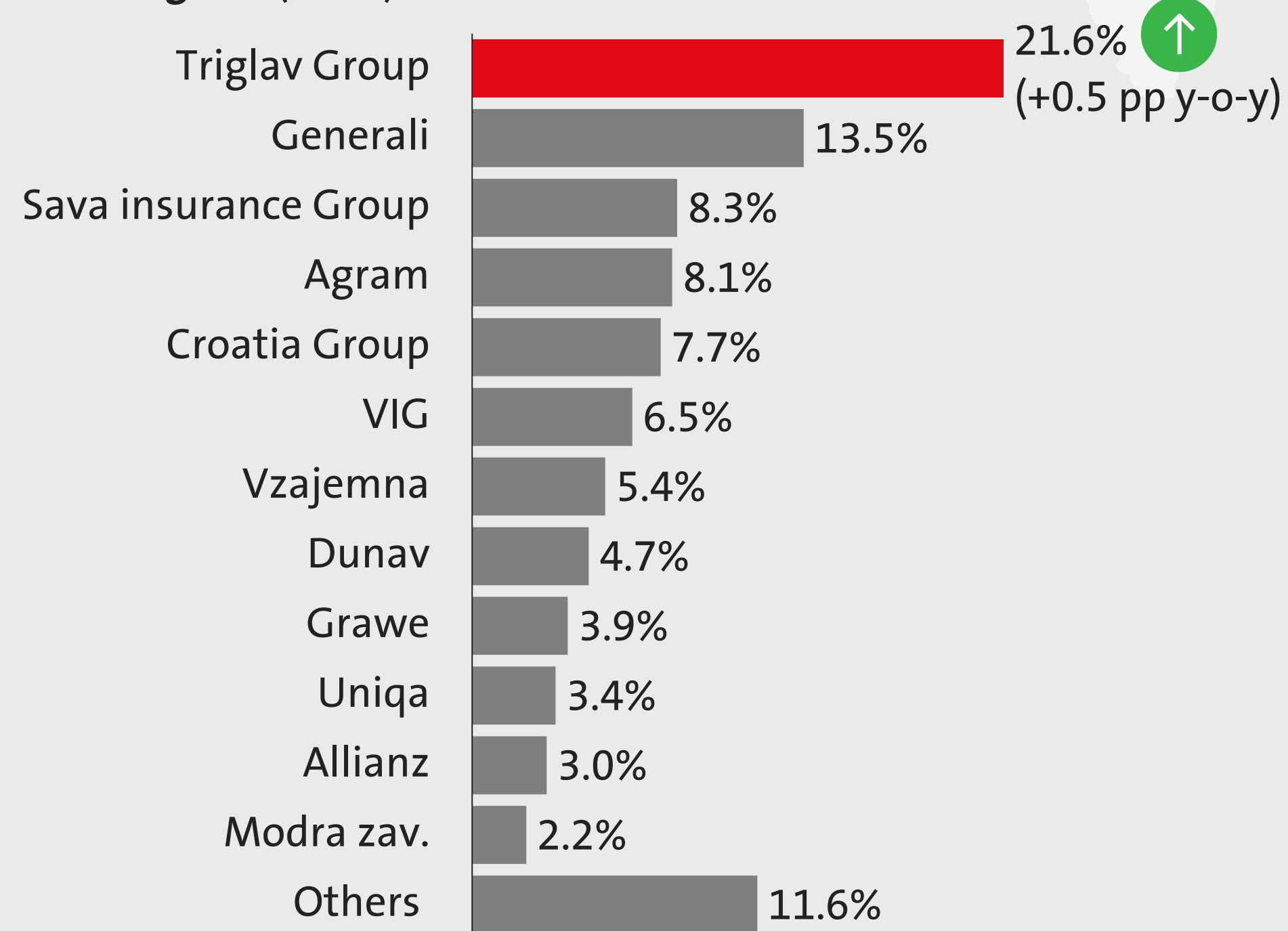


In 2020: Regulator's call upon insurance companies in Slovenia to suspend payout of dividends. **In 2021:** Triglav met regulator's requirements for dividend payment related to uncertainties in markets due to pandemic.

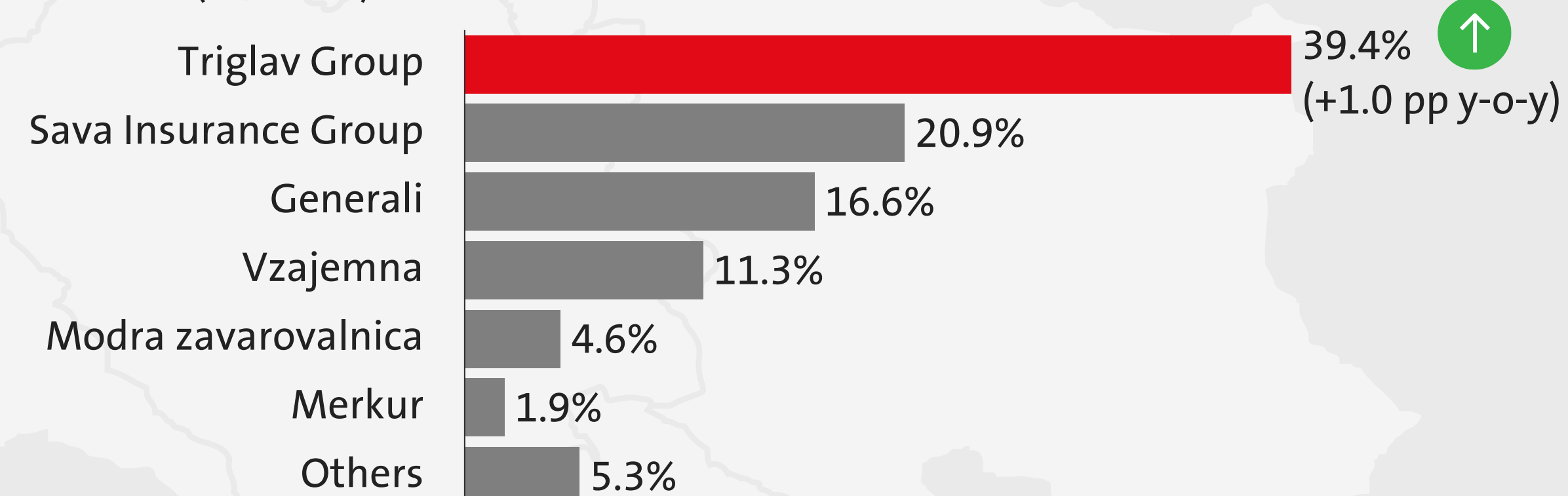


Leading Insurance /Financial Group in Adria Region

Adria Region* (2021)



Slovenia (H1 2022)



Triglav's market share by insurance segments:

46.6% in Non-life (+0.7 pp y-o-y)
 32.3% in Life & Pensions (+1.5 pp y-o-y)
 30.3% in Health (+0.1 pp y-o-y)

* Adria region: Slovenia, Croatia, Serbia, Bosnia and Herzegovina, Montenegro, North Macedonia



Sustainability – our E, S & G

Sustainable (ESG) ambitions of Triglav

Triglav aims to play the leading role in integrating the best global ESG practices into its operations in Adria region.

Our sustainable (ESG) ambitions for 2025 are divided into four key areas:

- insurance and AM
- business processes
- responsible stakeholder engagement
- effective CG

More information available on our website (2021 Sustainable business report <https://www.triglav.eu/en/sustainable-development/sustainable-business>)

In 2022 continuation of process of integrating sustainability risks and opportunities into Triglav' business (*e.g. a further increase in sustainable fixed-income investments in Group's investment portfolio*) and participation in several international initiatives in the field of sustainable development and disclosure (UN PSI, UNEP FI, PCAF, CDP).

Memberships and ESG disclosure standards





H1 2022 Results

Financials & Investments





Key Takeaways

- H1 results confirm robustness of our business model and resilience of our underwriting activities and solvency position to deteriorating economic situation
- Annual profit guidance confirmed, risks considerably higher due to the adverse effects of the business environment
- In line with revised strategy to 2025, we carried out number of activities aimed at promoting client focus, digital transformation and sustainable development



H1 2022 Key Financials

Growth in business volume and stable business results despite challenging economic situation. H1 2022 profit confirms robustness of our business model and resilience of our underwriting activities and solvency position to deteriorating economic situation.

TOTAL REVENUE

€861.2M

 Up by 11% y-o-y

GWP	+9%	€797.2M
OTHER INSURANCE INCOME	+25%	€32.2M
OTHER INCOME	+42%	€31.8M

PROFIT BEFORE TAX


€57.5M

 Up by 2% y-o-y

- Growth in business volume
- Negative investment returns due to challenging conditions on financial markets
- Traditionally prudent reserving (*normalization of reserving in Non-life and Health, lower pressure on reserves for guarantees in Life & Pensions*)

COMBINED RATIO NON-LIFE&HEALTH

89.5%

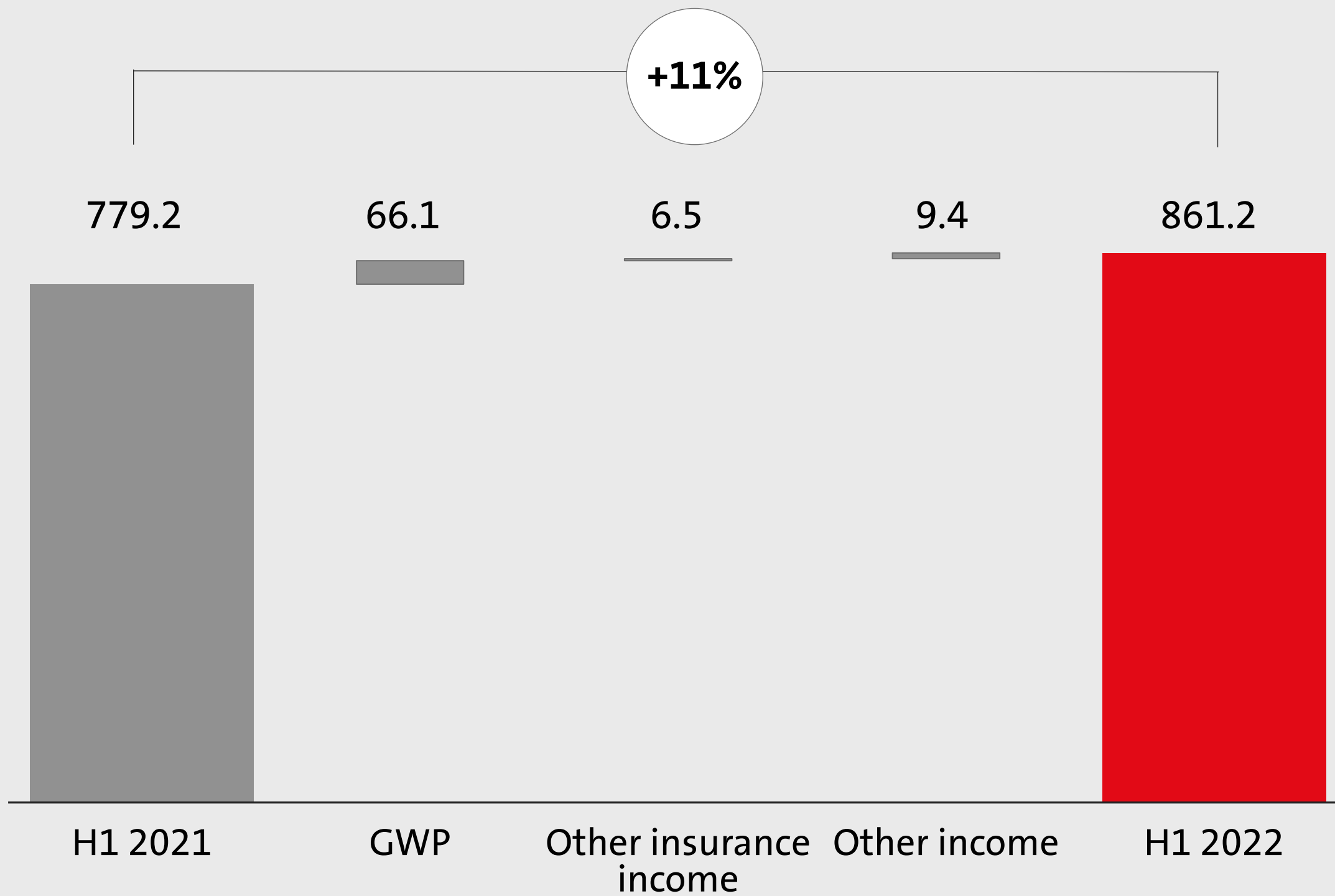
 89.6% in H1 2021

- Improved expense ratio due to higher net premium income and lower expenses for bonuses and discounts
- Positive runoff



Total Revenue Growth

Total revenue development from H1 2021 to H1 2022 (in €M)



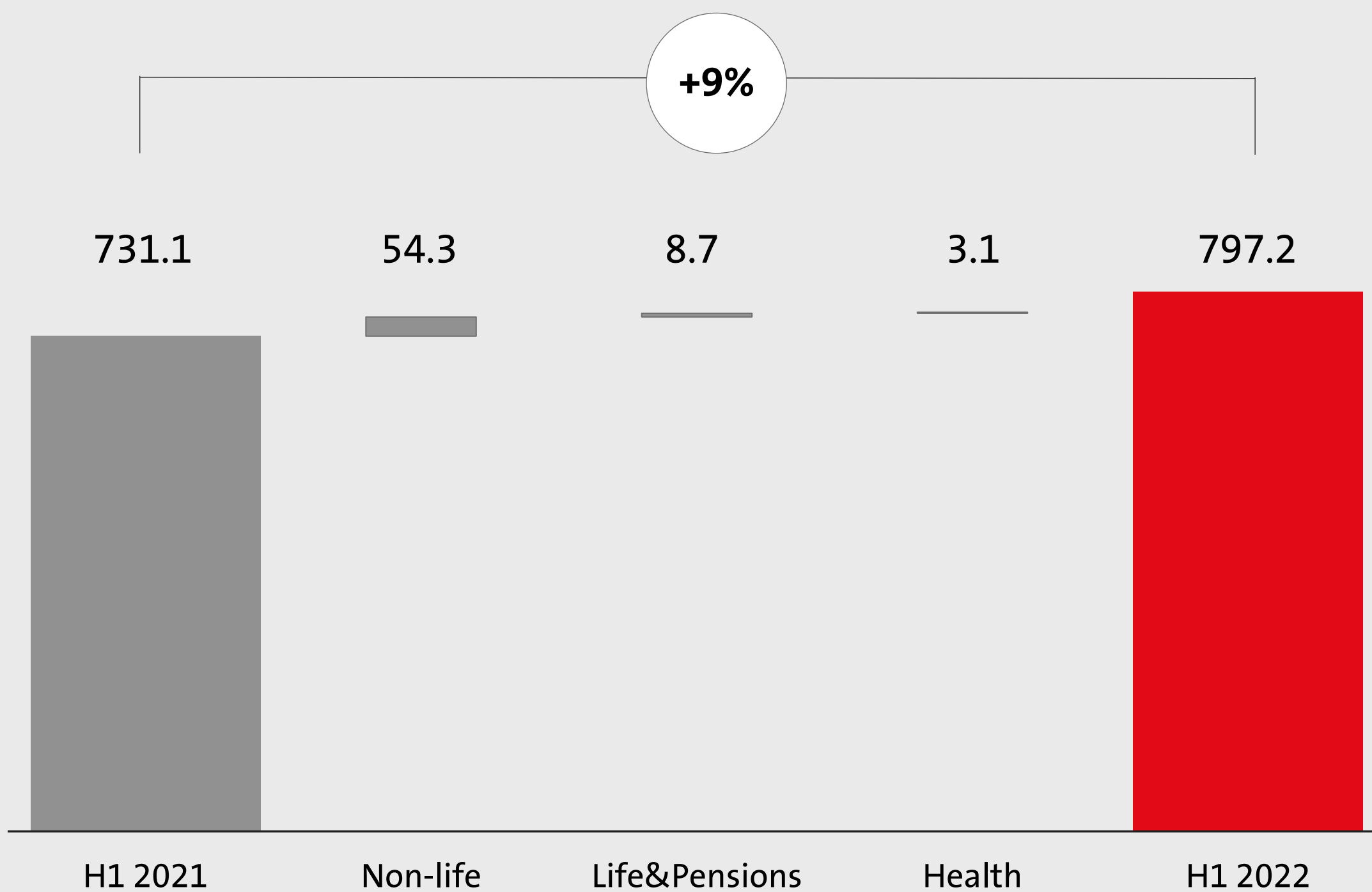
Components (in €; growth y-o-y)		
GWP	797.2 (+9%)	↑
Other insurance income	32.2 (+25%)	↑
Other income	31.8 (+42%)	↑
Total revenues	861.2 (+11%)	↑

GWP growth. Realized gains in Group's real-estate portfolios and results of AM (€15.1M of income from AM of mutual funds, up by 11% y-o-y).



GWP Growth In All Insurance Segments

GWP development from H1 2021 to H1 2022 (in €M)



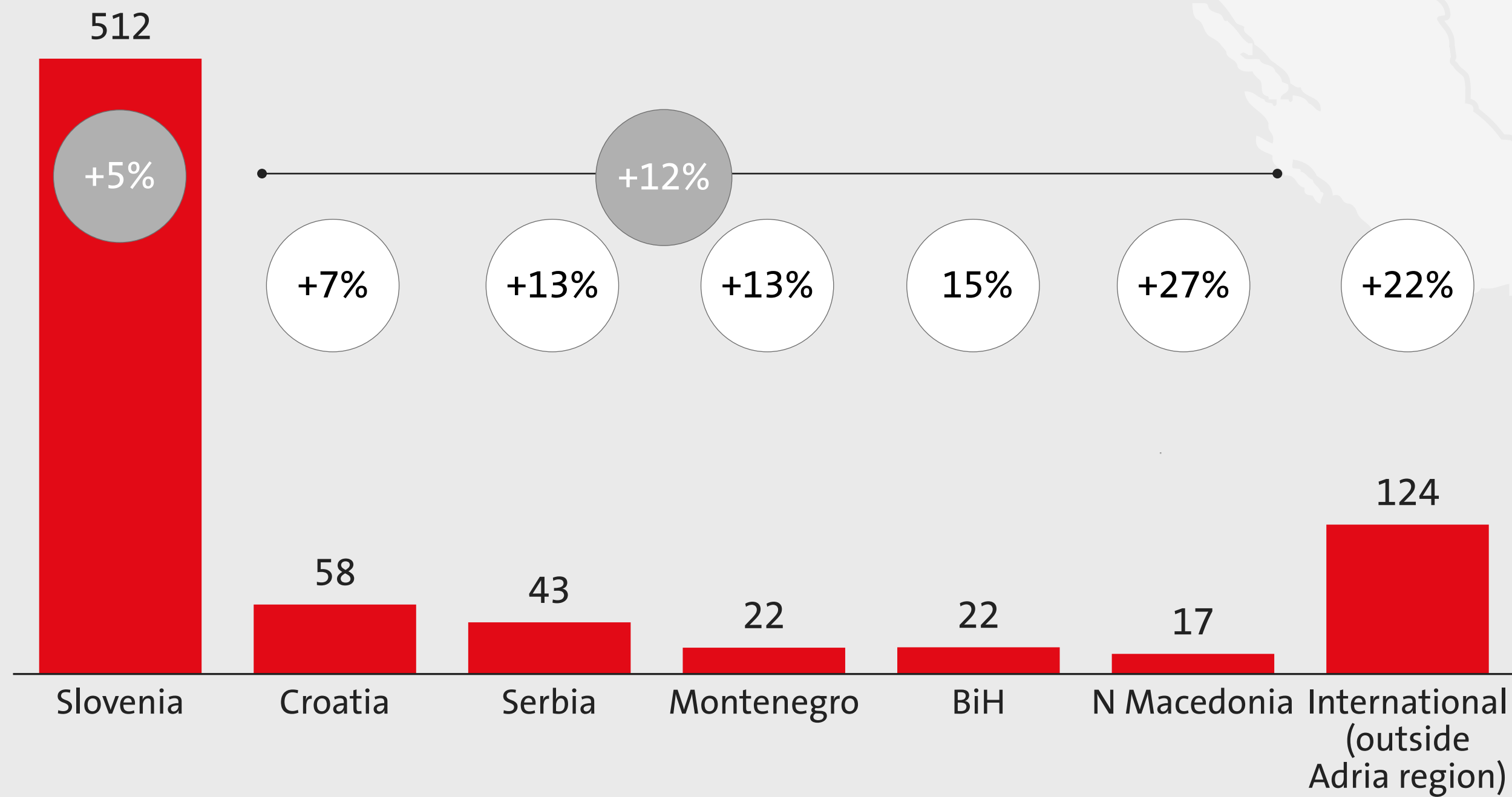
GWP growth by segments

Insurance Segment	GWP (in €; growth y-o-y)
Non – life	560.8 (+11%)
Life & Pensions	134.4 (+7%)
Health	101.9 (+3%)
GWP TOTAL	797.2 (+9%)



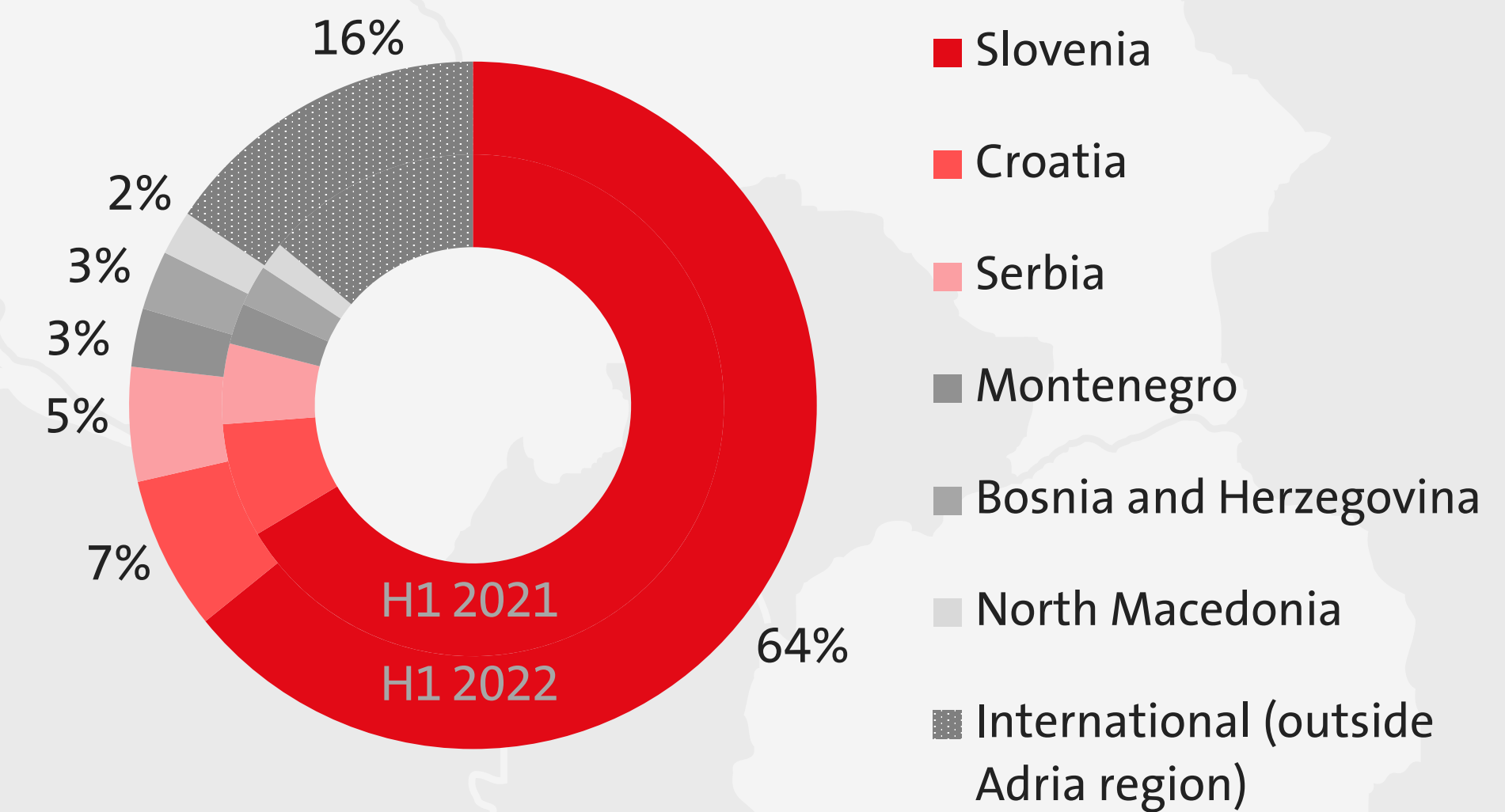
GWP Growth In All Markets

H1 2022 GWP by markets (GWP in €M; GWP growth y-o-y in %)



Structure of GWP by markets

Consistently increasing share of GWP in Adria region outside Slovenia, in H1 2022 +0.6 pp y-o-y to 20.2%.





Well Balanced GWP Structure

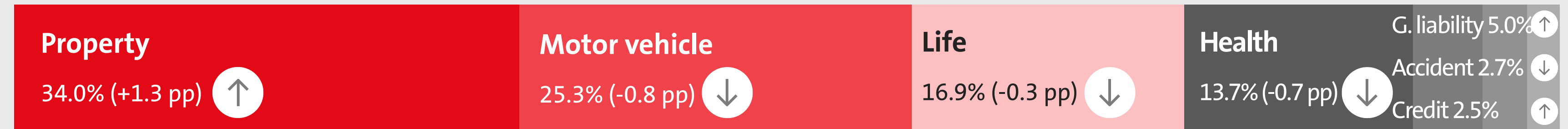
Data for H1 2022, change y-o-y

Well balanced structure of GWP

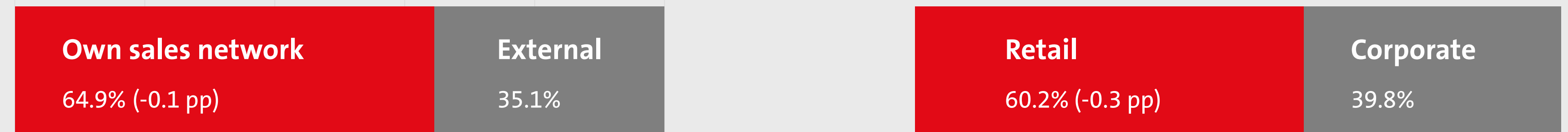


Constant upgrading product /service mix

Consolidated data



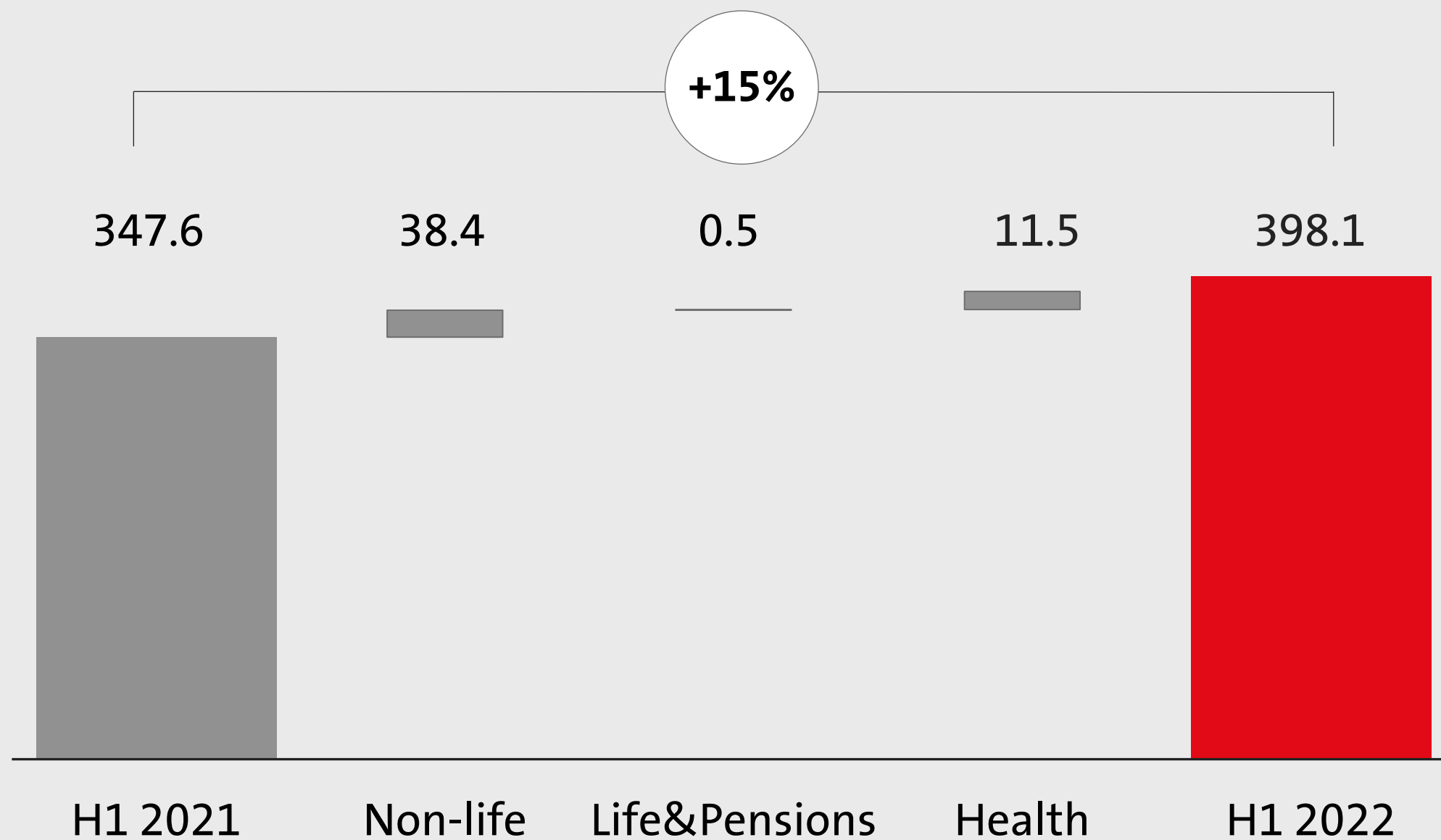
Omni-channel sales approach





Claims Experience Under Influence of Higher Frequency & Inflation

Gross Claims Paid Development from H1 2021 to H1 2022 (in €M)



H1 2022 Gross Claims Paid

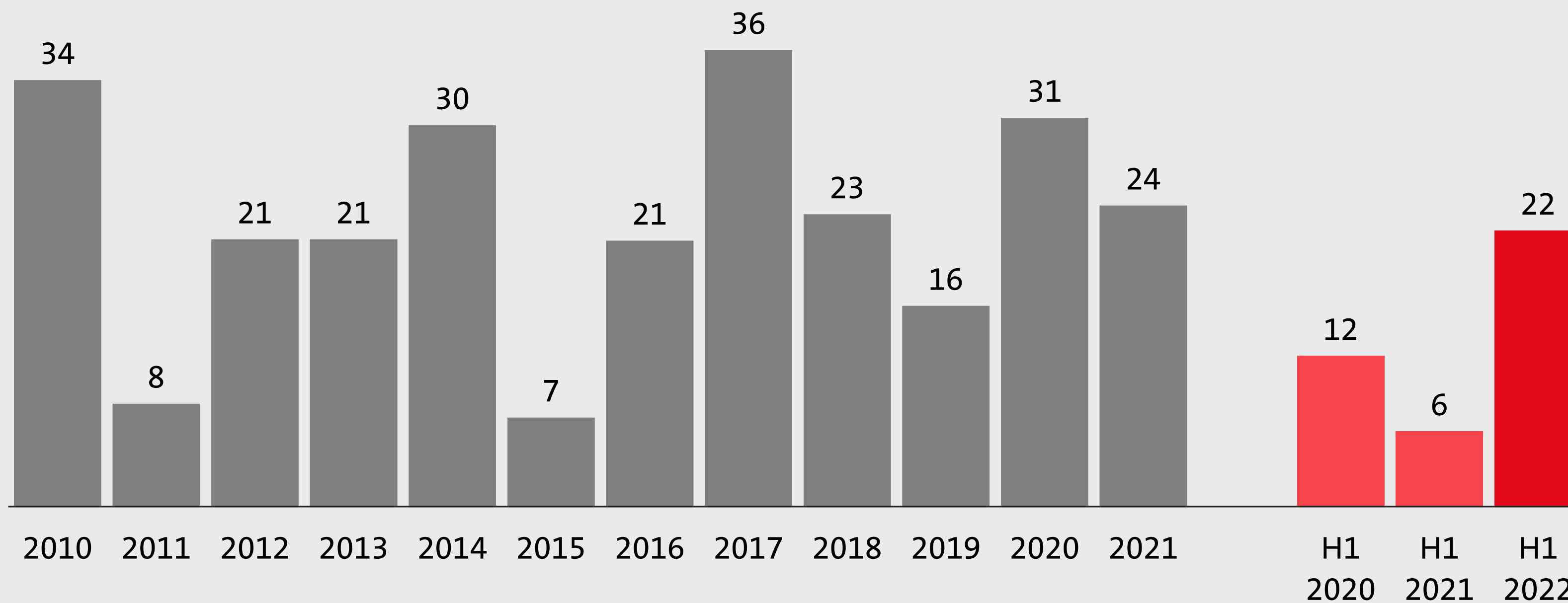
Insurance Segment	Gross claims paid (in €; growth y-o-y)
Non – life	211.3 (+22%) ↑
Life & Pensions	98.8 (+1%) ↑
Health	88.0 (+15%) ↑
GWP TOTAL	398.1 (+15%) ↑

Claims experience influenced by GWP growth, end of last year's pandemic-related restrictions, higher prices of materials and services and major CAT loss events.



Major CAT Loss Events

CAT losses in last 12 years (estimated values; in €M; Triglav Re's non-group CAT losses included)



Major CAT events in H1 2022 (estimated values):

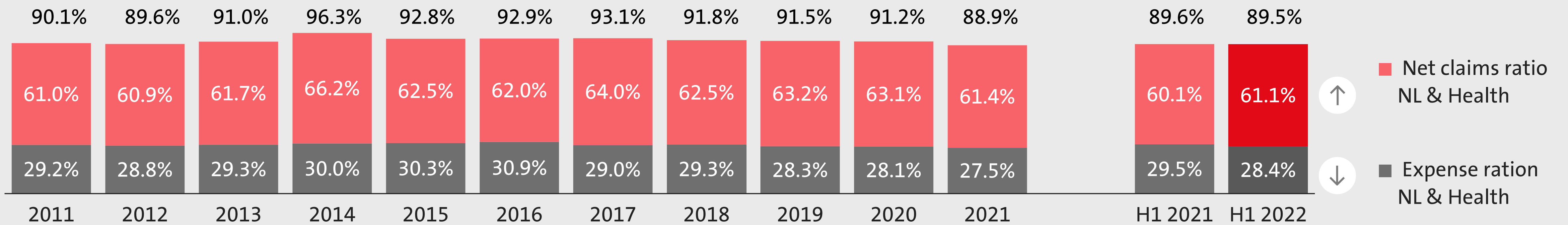
- Hailstorms in May and June in Slovenia (€16.6M), North Macedonia (€0.4M) and Montenegro (€0.3M).
- Group's reinsurance claims (€4.3M) due to February storms in Great Britain, the Benelux countries, Germany and April floods in South Africa.

Most frequent Triglav's CAT loss events are flood, storm, hail and frost.

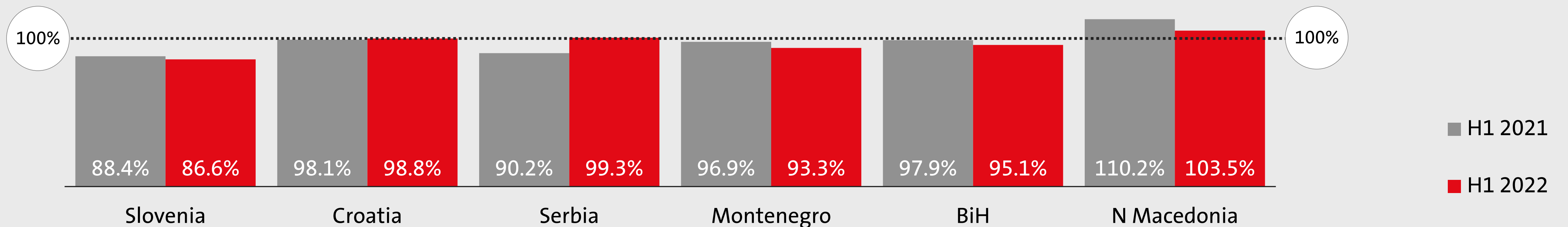


Continued Underwriting Discipline

Triglav Group Combined Ratio Non-life & Health



Triglav Group Combined Ratio NL & Health by markets

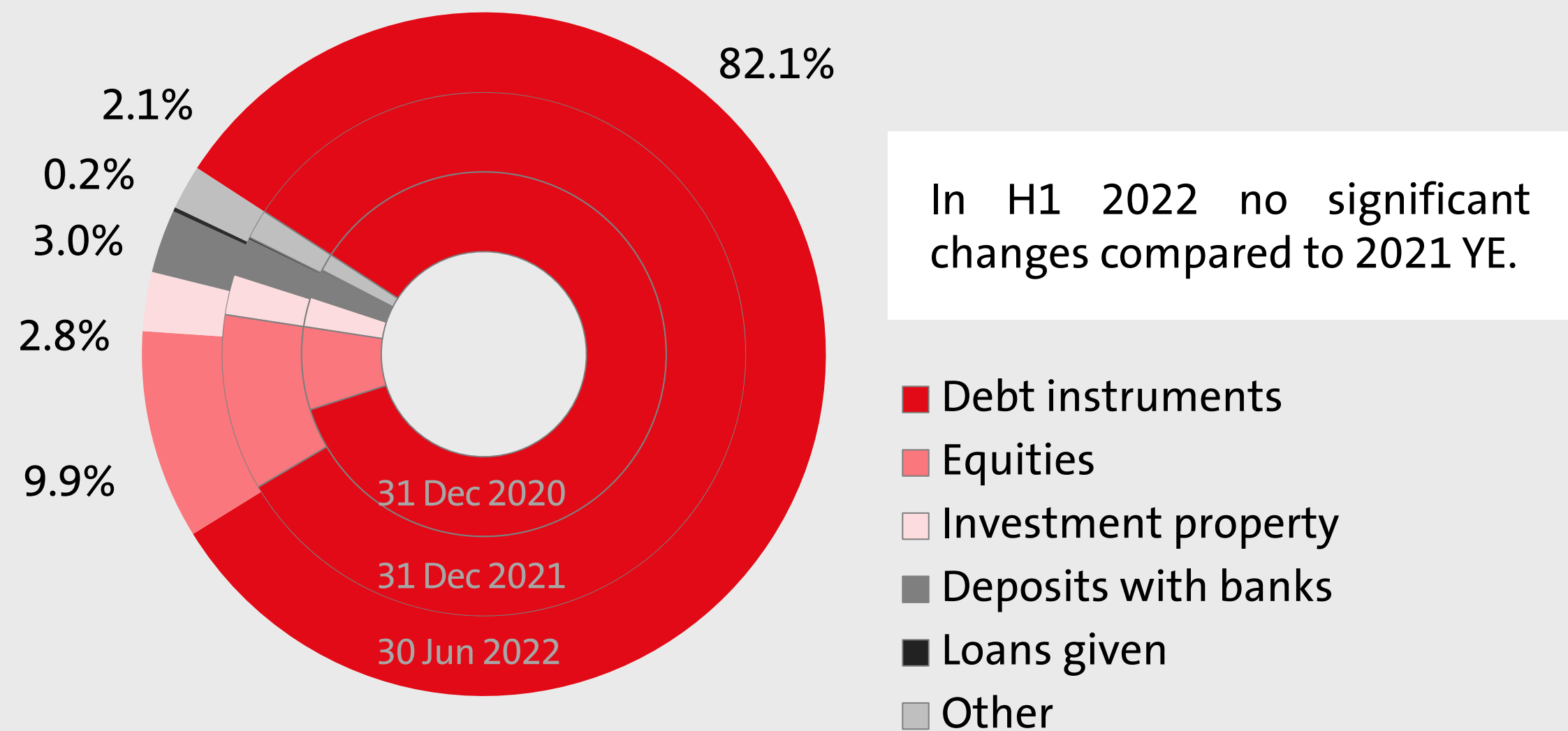




High-Quality Investment Portfolio

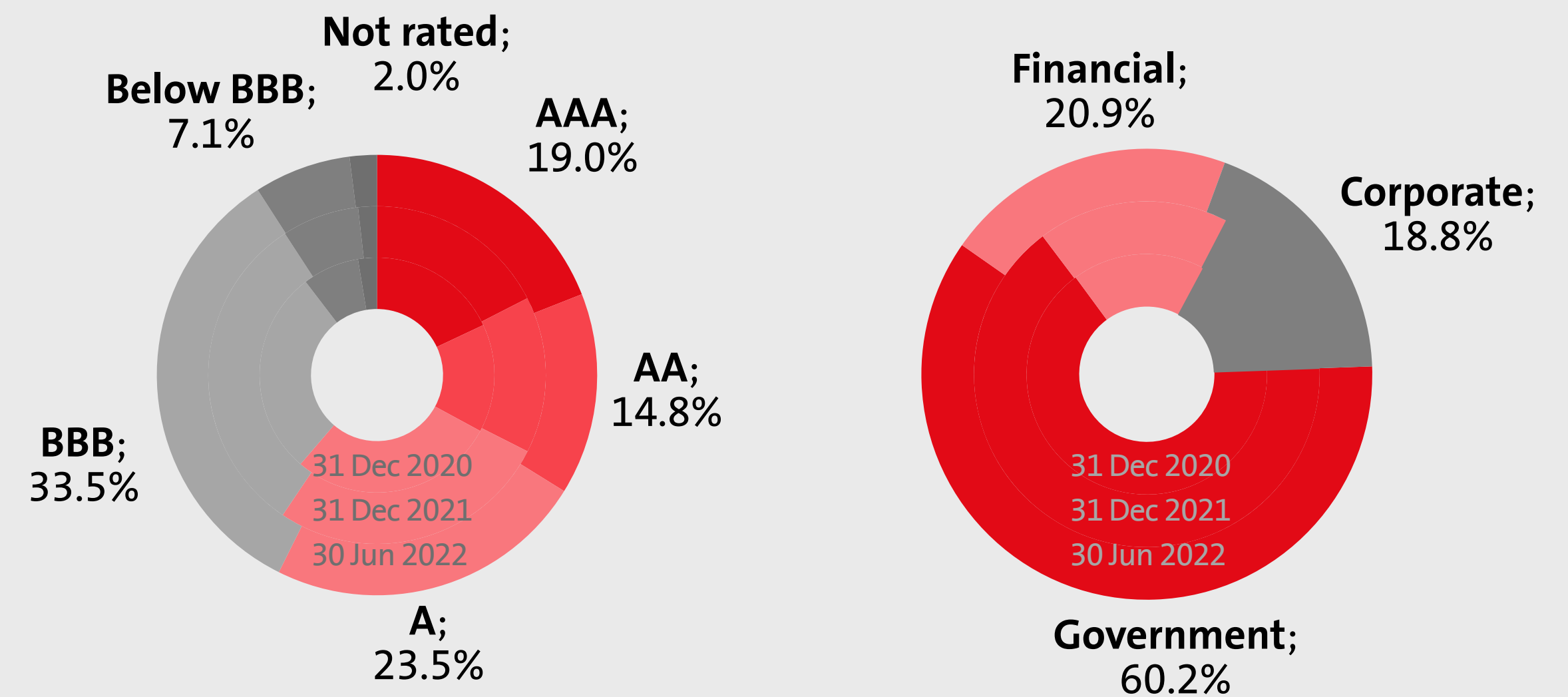
Asset Allocation¹

Total as at 30 Jun 2022: € 2,714M (-11% compare with 2021 YE)



Debt Instruments¹ by Rating and by Type of Issuer:

Total as at 30 Jun 2022: € 2,228M (-11% compare with 2021 YE)

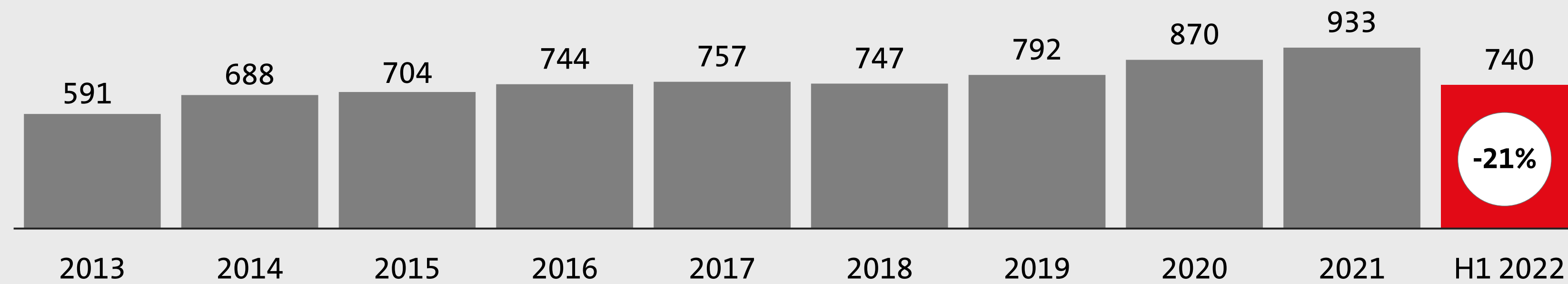


¹ Unit-linked insurance contract investments excluded



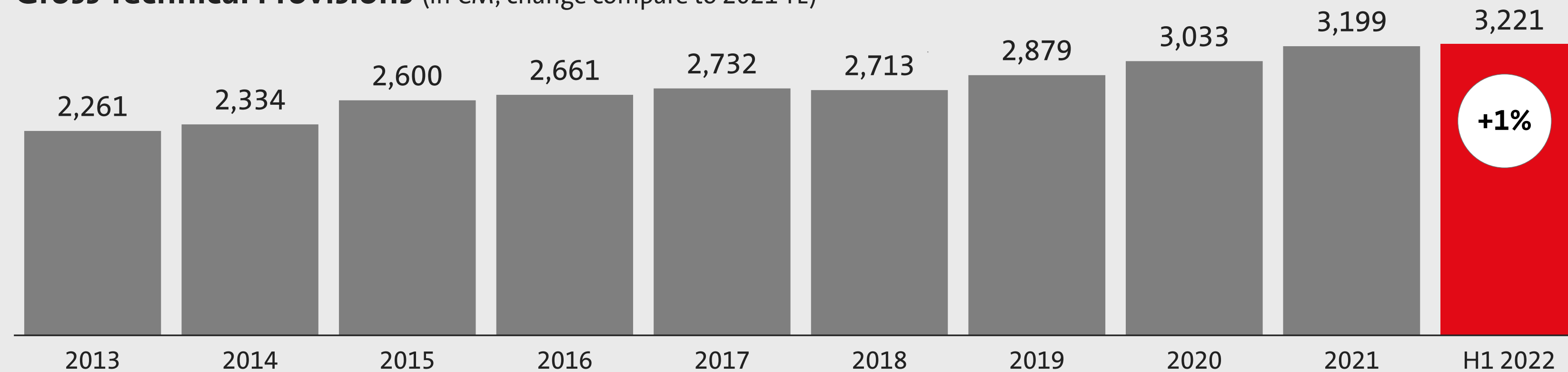
Resilience And Financial Strength

Equity (in €M, change compare to 2021 YE)



Total equity decrease relative to 2021 YE primarily due to lower fair value reserve and high dividend payment.

Gross Technical Provisions (in €M; change compare to 2021 YE)



Prudent reserving. Last year's practice positively influenced underwriting activities in H1 2022. In Life & Pensions release of part of reserves for guarantees due to rising interest rates in H1 2022.



H1 2022 Performance at a Glance

	In € million				
	H1 2022	H1 2021	H1 2020	Index 2022/2021	Index 2022/2020
Total revenue	861.2	779.2	717.6	111	120
Gross written premium	797.2	731.1	673.4	109	118
Net premium income	573.3	544.1	523.1	105	110
Gross claims paid	398.1	347.6	330.8	115	120
Net claims incurred	368.9	351.3	338.3	105	109
Gross operating costs	181.6	163.6	148.5	111	122
Profit before tax	57.5	56.2	40.6	102	142
Net profit	45.3	47.0	33.5	96	135
Expense ratio NL	28.4%	29.5%	28.2%		
Net claims ratio NL	61.1%	60.1%	64.3%		
Combined ratio NL	89.5%	89.6%	92.4%		
	H1 2022	2021 YE	Index Q1 2022/2021 YE		
Gross insurance technical provisions	3,221.2	3,198.7	101		
Total equity	739.9	933.0	79		
Number of employees	5,304	5,264	101		



Structure of Profit Before Tax of Triglav Group

Consolidated PBT from (in € M):	Non-life 	Life & Pen. 	Health 	TOTAL	H1 2022 y-o-y
Underwriting activities (1)	43.8	8.6	0.8	53.3	+9%
Investment activities net of investment guarantees (2)	-0.5	-3.0	-0.7	-4.1	In H1 2021 €3.9M
INSURANCE (1+2) H1 2022 y-o-y	43.3 +2%	5.7 +13%	0.2 -97%	49.1	-7%
NON-INSURANCE (3)				8.3	+140%
TOTAL PBT (1+2+3)				57.5	+2%



Robust underwriting profitability. GWP growth.



Influence of repricing of reserves in in Life & Pensions, unfavourable situation in financial markets with declining values of bond and equity investments not reflected in P&L on net basis & impairment of Russian bonds.



Realized gains in Group's real-estate portfolios and results of AM.



Appendix

Performance by Insurance Markets

Structure of Investment Portfolios by Insurance Segments



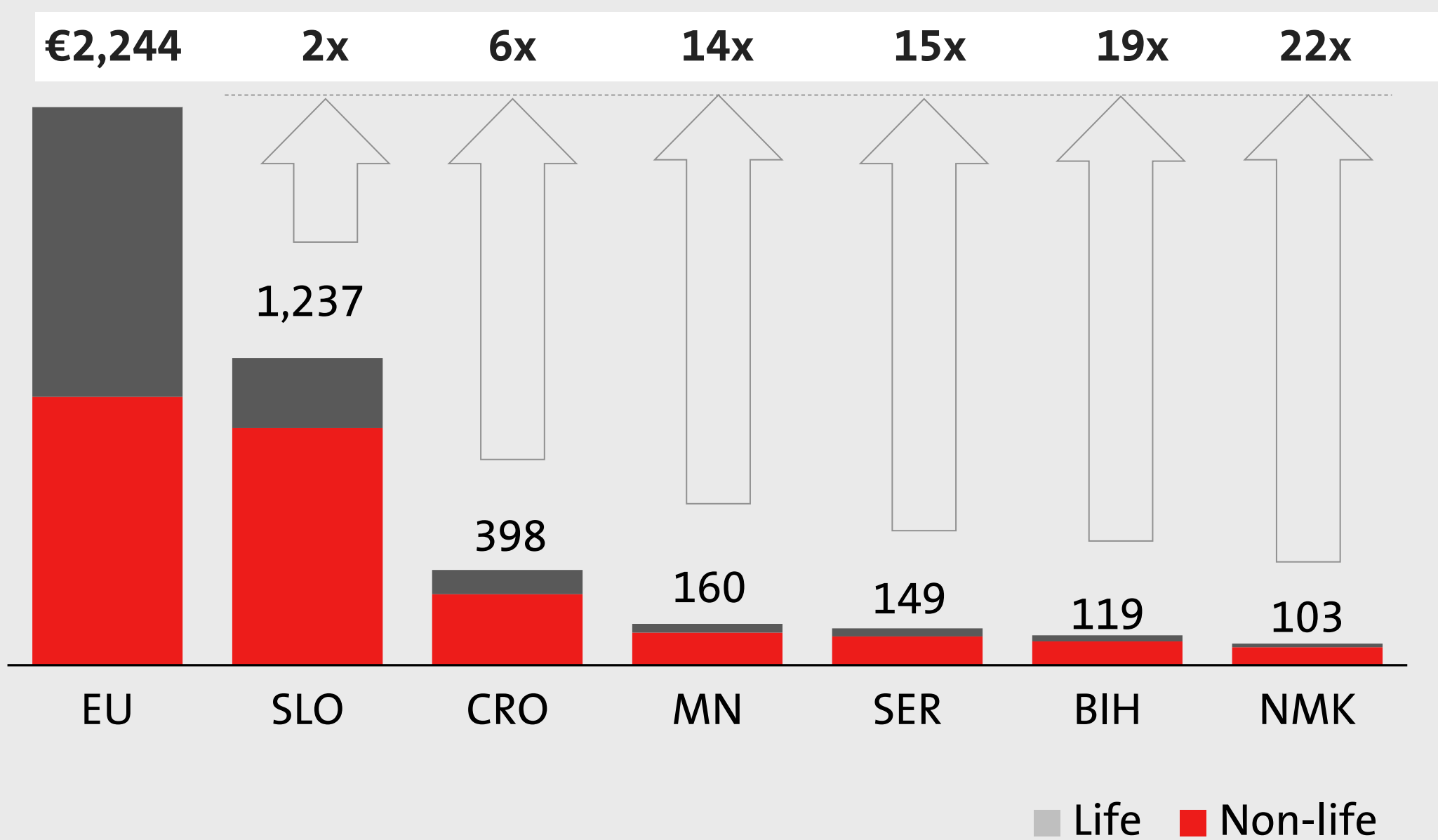


GDP Growth and Low Insurance Density Key Growth Drivers

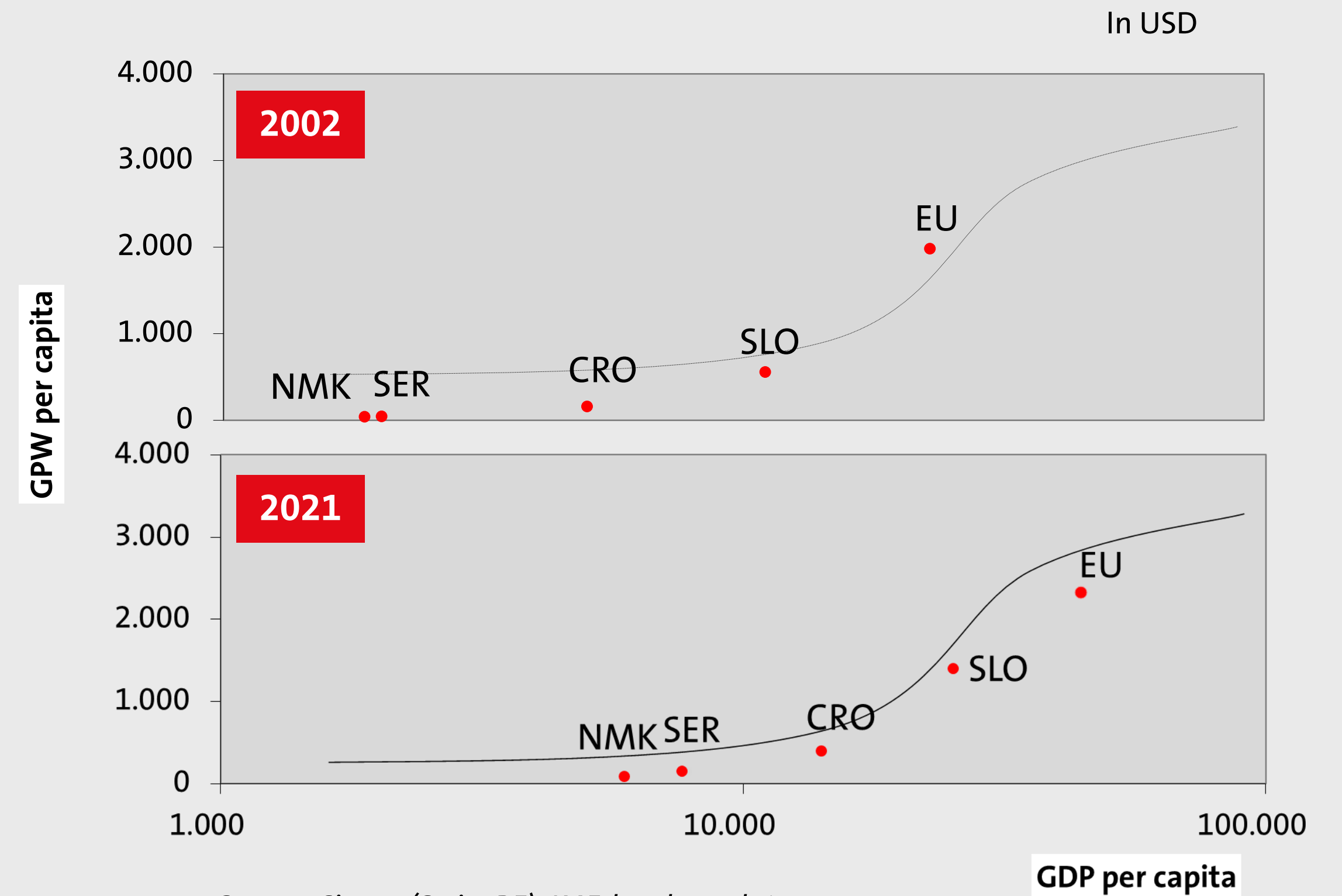
Insurance penetration by Triglav's markets in 2021 (Premium share in GDP)

EU	SLO	CRO	MN	SER	BiH	NMK
7.4%	5.0%	2.7%	2.0%	1.9%	2.2%	1.6%

Insurance density by Triglav's markets in 2021 (GWP per capita, in €)



Correlation between GWP and GDP





Position by Adria Region Markets (as at H1 2022)



SLOVENIA

39.4%  (+1.0 pp y-o-y)

Market share
1st rank



CROATIA

6.3%  (unchanged)

Market share
7th rank



SERBIA (Q1 2021)

8.0%  (+0.3 pp y-o-y)

Market share
5th rank



MONTENEGRO

39.9%  (+0.5 pp y-o-y)

Market share
1st rank



BOSNIA & HERZEGOVINA

9.6%  (+0.4 pp y-o-y)

Market share
3rd rank



NORTH MACEDONIA

15.9%  (+2.2 pp y-o-y)

Market share
2nd rank



Slovenia

NON-LIFE & HEALTH
LIFE & PENSIONS

GWP
(Non-consolidated)
€ 592.5M
↑ +7%

Gross operating costs
€ 119.0M
↑ +10%

Gross claims paid
€ 312.6M
↑ +12%

Combined ratio NL
86.6%
↓ -1.8 pp

Market Share
39.4%
↑ +1.0 pp

Market Position
1
●

GWP growth above market. Rising price competition on selected insurance lines, upward pressure on the acquisition costs. Market share by segments: 47% in non-life, 32% in life and pension insurance and 30% in health insurance.



Croatia

NON-LIFE & HEALTH
LIFE

GWP

€ 57.7M

↑ +7%

Gross operating costs

€ 14.8M

↑ +5%

Gross claims paid

€ 26.6M

↑ +24%

Combined ratio NL

98.8%

↑ +0.7 pp

Market Share

6.3%

● 0.0 pp

Market Position

7

●

GWP growth and stable market position. Performance indicators influenced by lose of one big client.



NON-LIFE & HEALTH
LIFE

GWP

€ 42.9M

↑ +13%

Gross operating costs

€ 14.7M

↑ +4%

Gross claims paid

€ 13.5M

↑ +5%

Combined ratio NL

99.3%

↑ +9.0 pp

Market Share
(Q1 2022)

8.0%

↑ +0.3 pp

Market Position
(Q1 2022)

5



Strong GWP growth in Non-life. Normalization of MTPL sales & distribution. Improved market share in Q1 2022.



Montenegro

NON-LIFE & HEALTH
LIFE

GWP

€ 21.9M

↑ +13%

Gross operating costs

€ 6.2M

↑ +14%

Gross claims paid

€ 9.4M

↑ +2%

Combined ratio NL

93.3%

↓ -3.6 pp

Market Share

39.9%

↑ +0.5 pp

Market Position

1



Leading market position. GWP growth, in Life as result of successful bancassurance operations. Improved market share.



Bosnia and Herzegovina

NON-LIFE & HEALTH
LIFE & PENSIONS

GWP

€ 22.2M

↑ +15%

Gross operating costs

€ 7.9M

↑ +16%

Gross claims paid

€ 8.5M

↑ +34%

Combined ratio NL

95.1%

↓ -2.8 pp

Market Share

9.6%

↑ +0.4 pp

Market Position

3



Improved market share mainly because of higher growth in Life.



North Macedonia

NON-LIFE & HEALTH
LIFE & PENSIONS

GWP

€ 16.7M

↑ +27%

Gross operating costs

€ 5.1M

↑ +30%

Gross claims paid

€ 5.0M

↑ +11%

Combined ratio NL

103.5%

↓ -6.7 pp

Market Share

15.9%

↑ +2.2 pp

Market Position

2

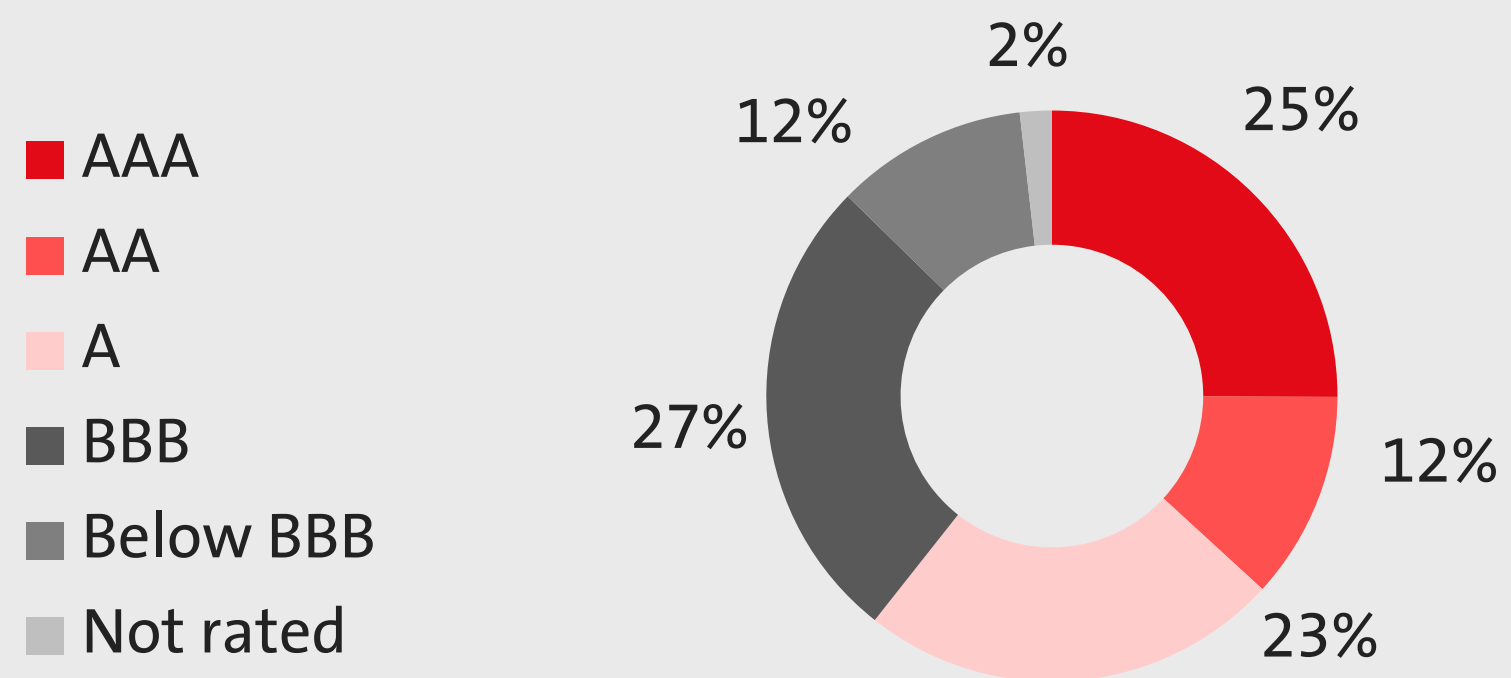
↑ 3rd in H1 2021

Improved market share and market position.
Strong growth in Life.

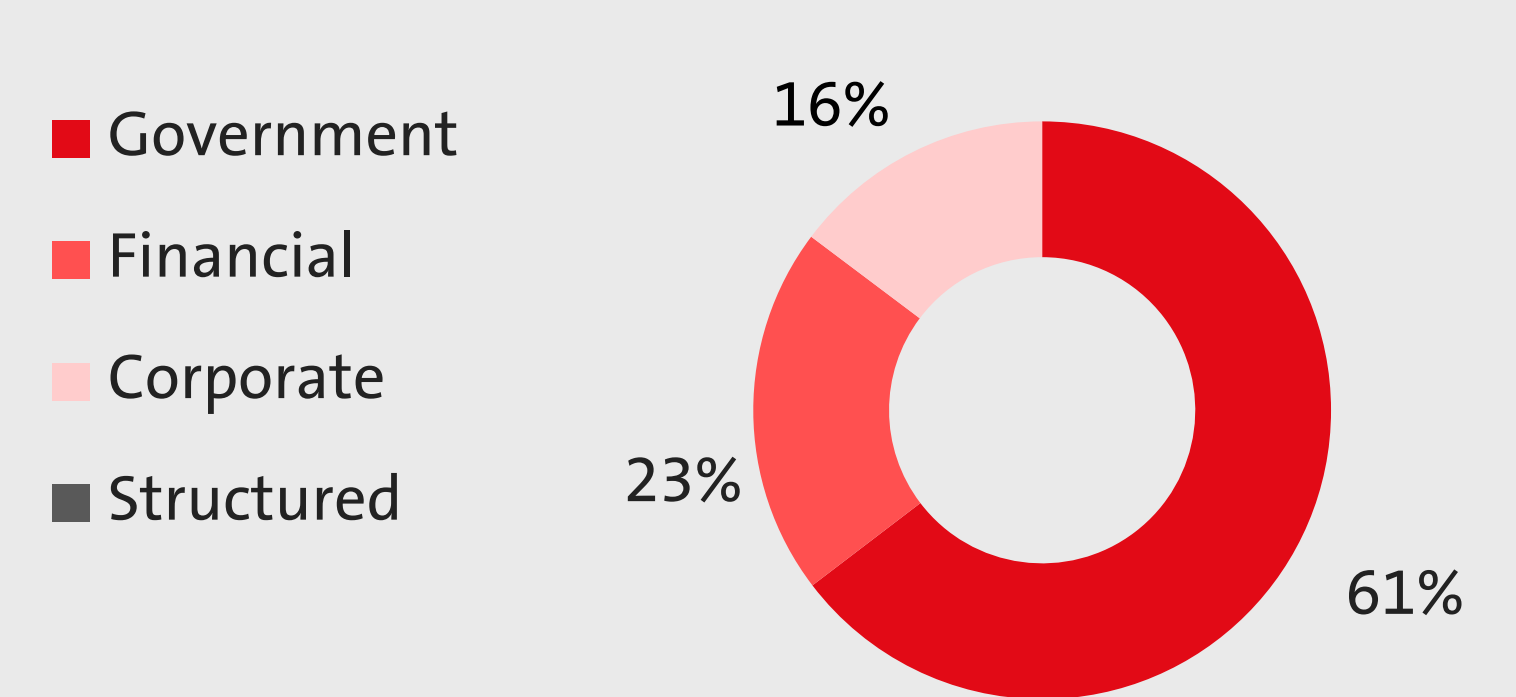


Non-life and Health Investment Portfolios (as at H1 2022)

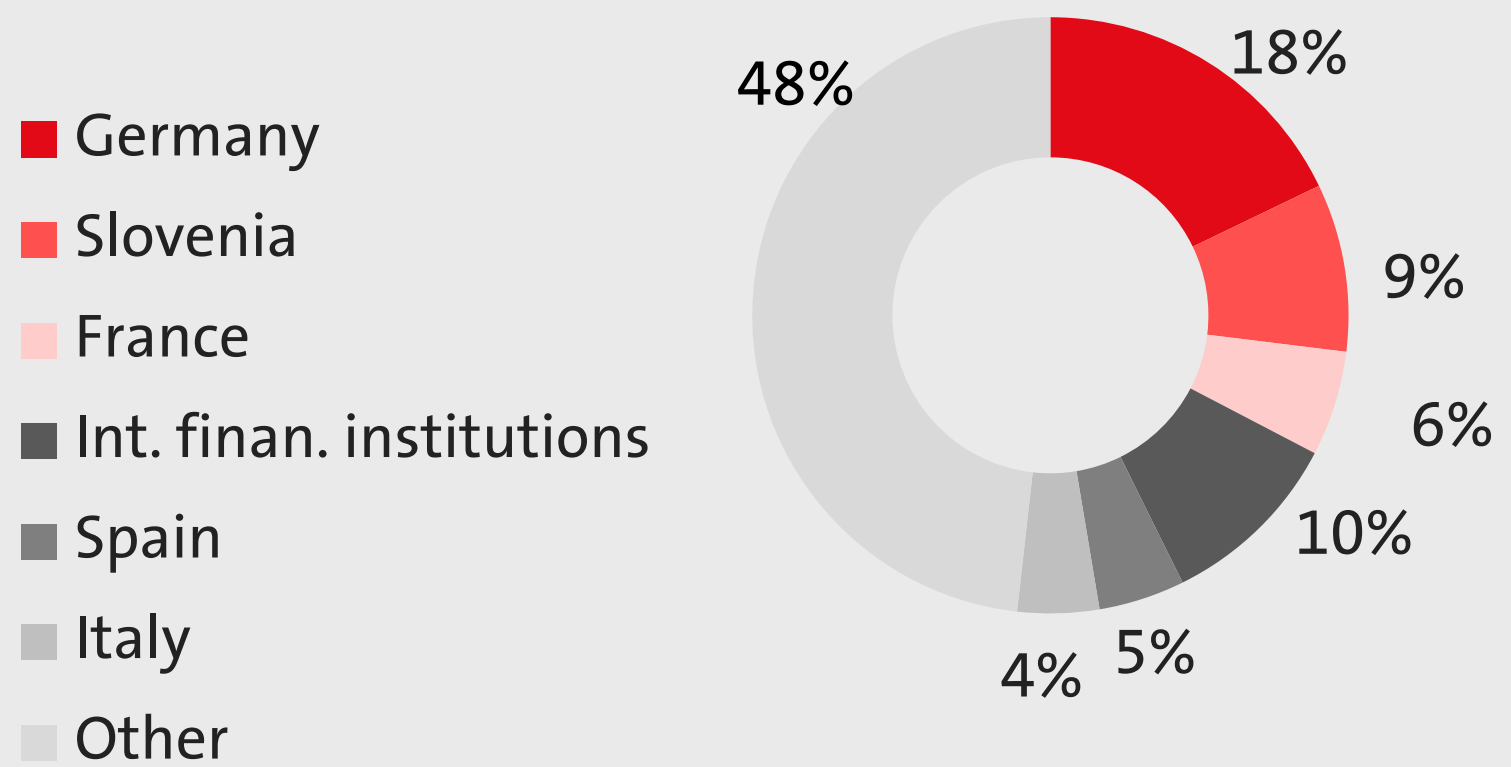
Bonds by Rating



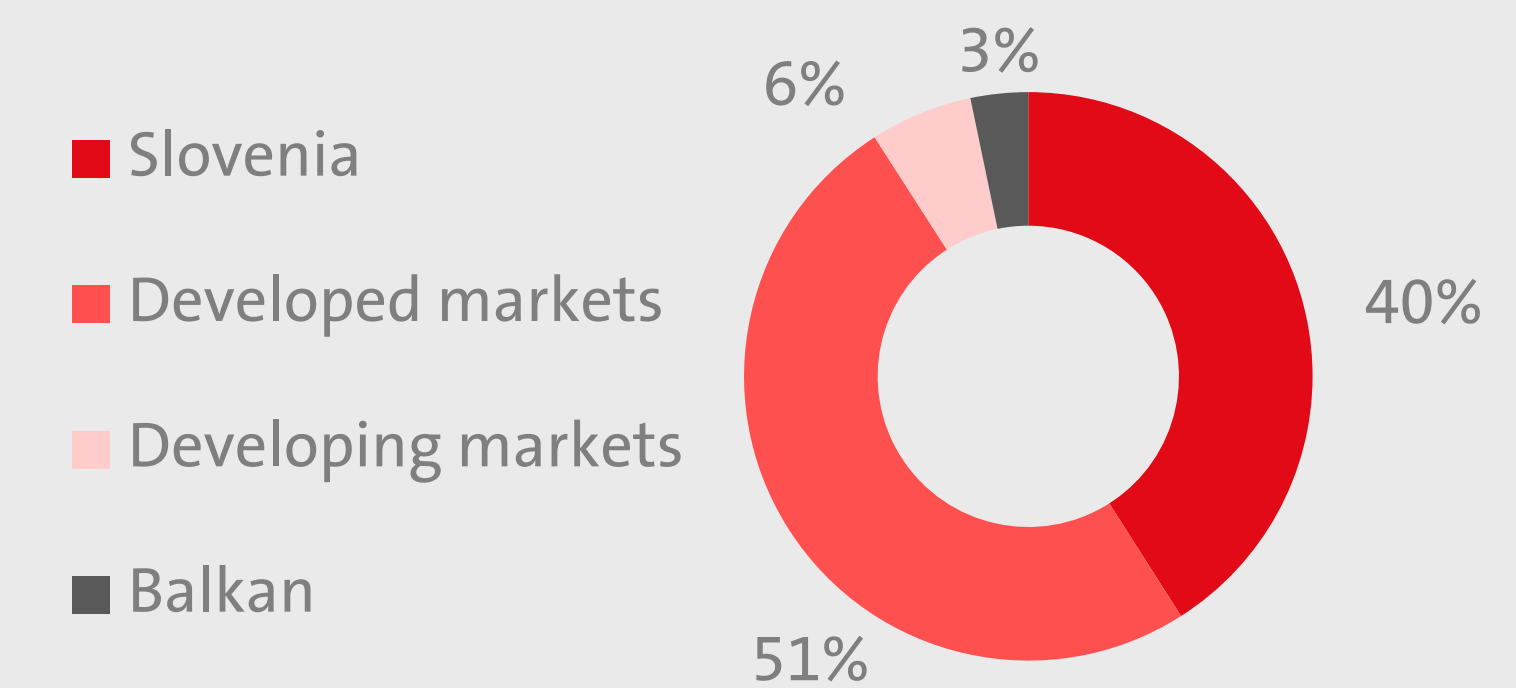
Bonds by Type of Issuer



Top Bond Exposures by Country



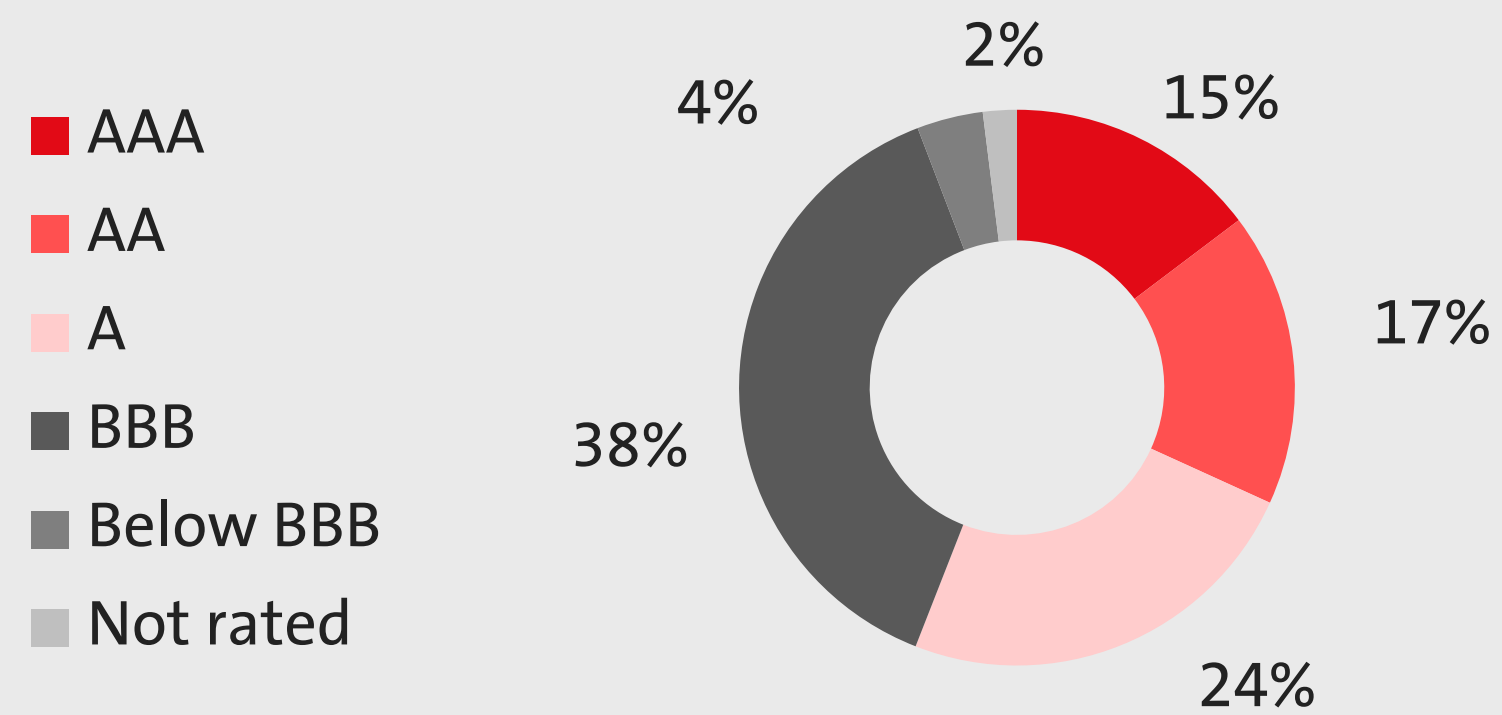
Equity Exposures by Region



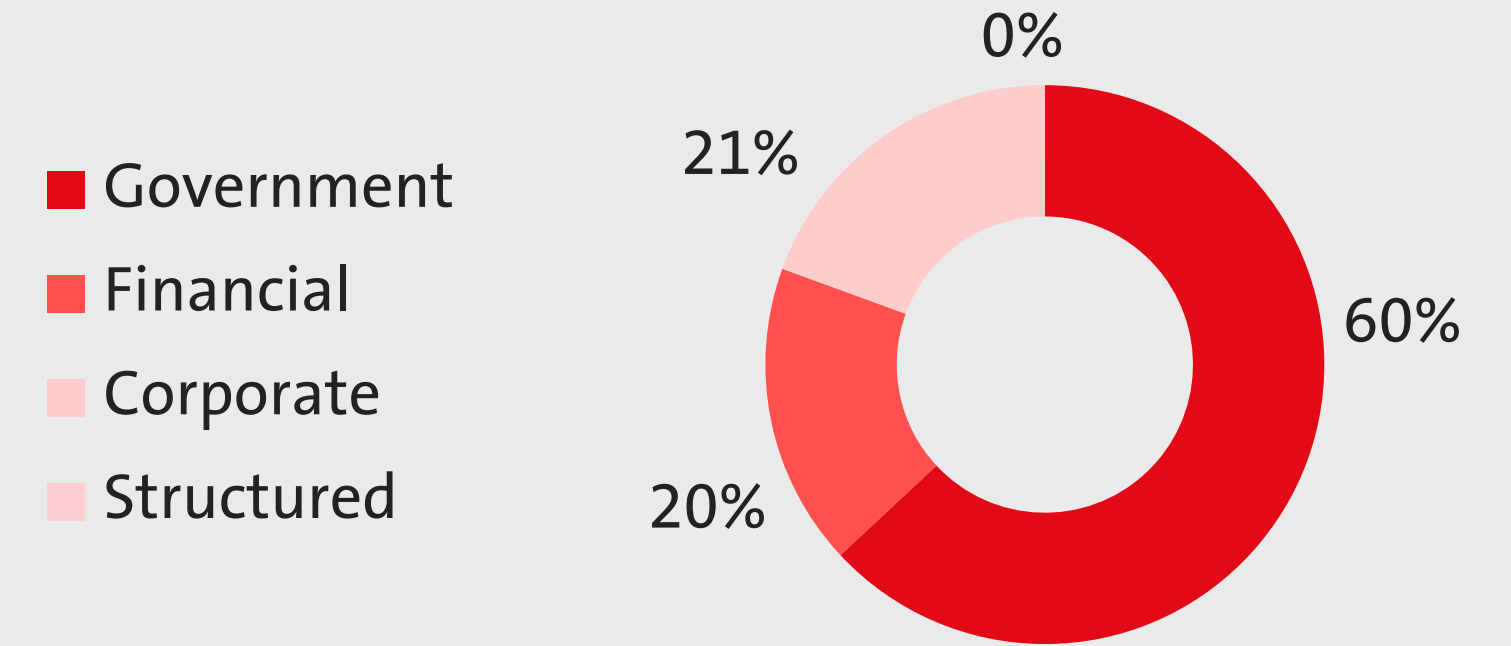


Life and Pensions Investment Portfolios (as at H1 2022; Unit-Linked Investments Excluded)

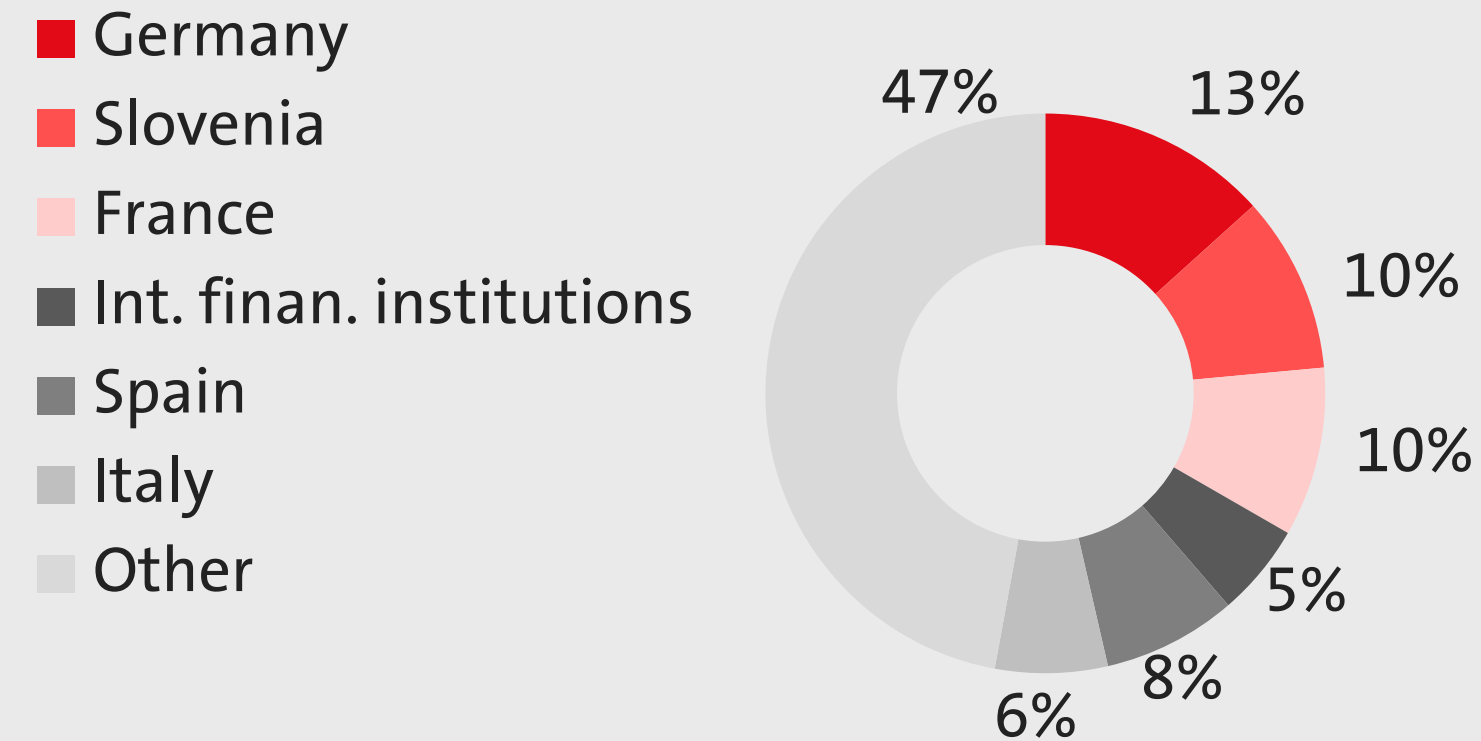
Bonds by Rating



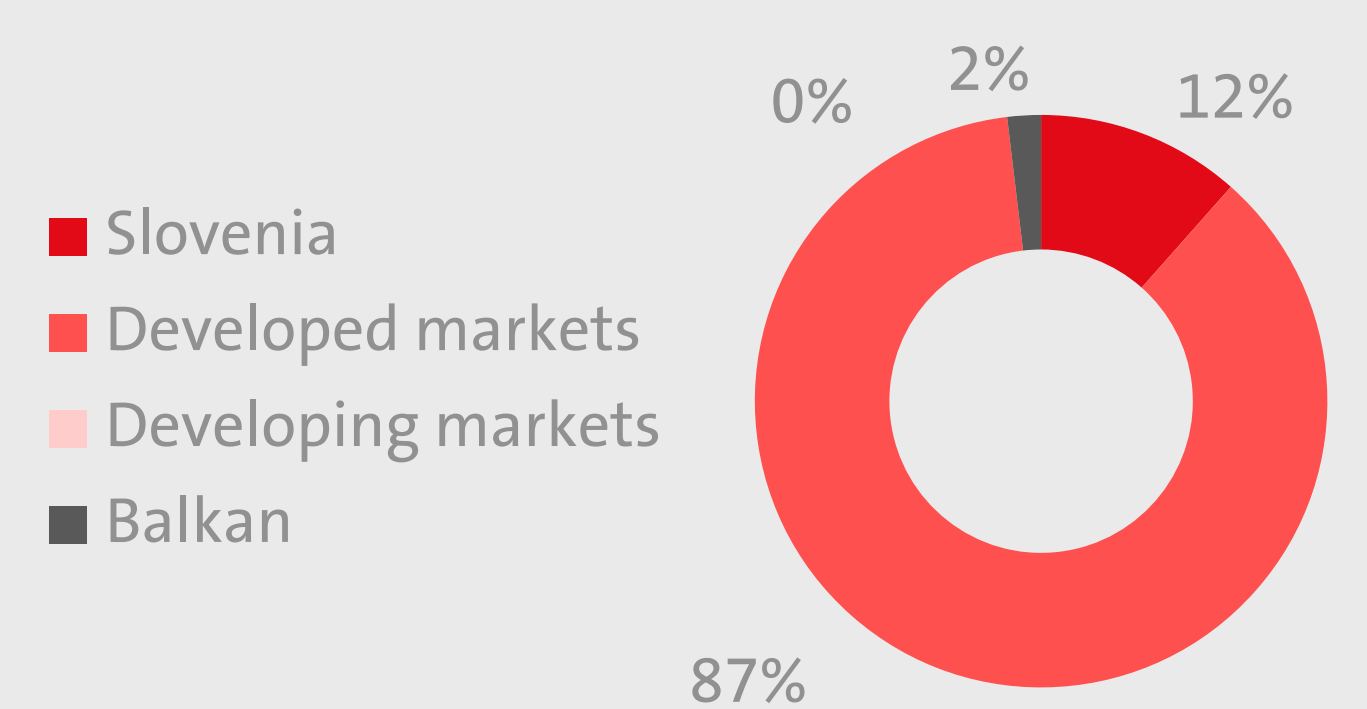
Bonds by Type of Issuer



Top Bond Exposures by Country



Equity Exposures by Region



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