



*Building a Safer Future*

# Triglav Group

Investor Presentation

March 2024

[triglav.eu](http://triglav.eu)



# Disclaimer

*Information in this presentation is based on the audited financial statements prepared in accordance with the new IFRS 9 and IFRS 17 standards effective from 1 January 2023. The data for the comparative periods were adjusted to reflect the implementation of the specified new standards from 1 January 2022 onwards.*

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# Agenda

## **1** About Triglav Group

## **2** Appendix

- 2023 Results
- 2024 Outlook

# About Triglav Group





# Equity Story

## Over 120 years of operation

- Strong balance sheet<sup>2</sup>: € 4.1Bn
- Profitable and safe operations
- Auditor Deloitte
- Rating A/Stable outlook
- Rigorous ERM
- Market leader in Adria region<sup>1</sup>
- > 5.300 employees
- Committed to sustainability



<sup>1</sup> Adria region: Slovenia, Croatia, Serbia, Bosnia and Herzegovina, Montenegro, North Macedonia. <sup>2</sup> Unaudited 2023 YE

## Two core activities<sup>2</sup>

### Insurance

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

GWP: € 1.5Bn

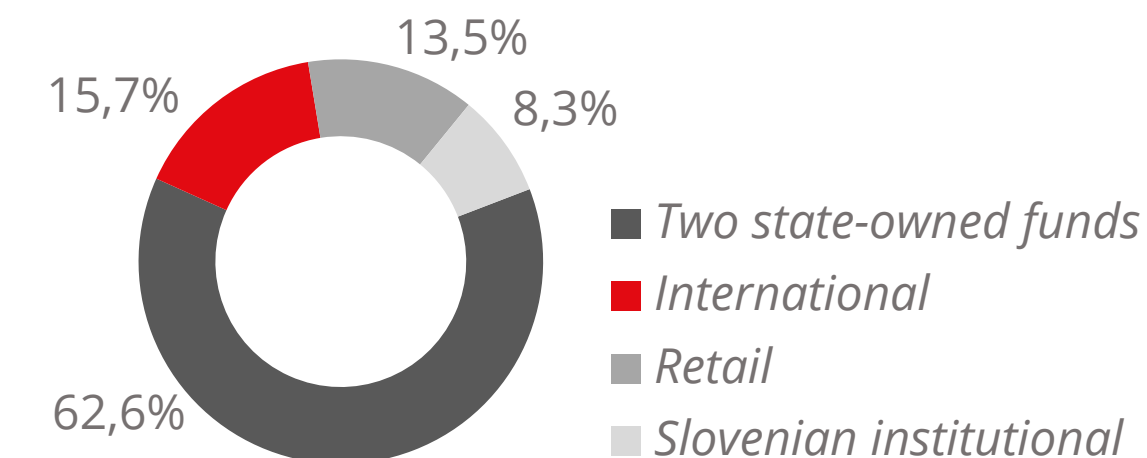
### Asset management

- Own insurance portfolio (€ 2.2Bn)
- AUM Triglav Skladi (€1.7Bn)
- AUM Triglav (€ 122M)

Total AUM: € 4.9Bn (UL incl.)

## Triglav's Share

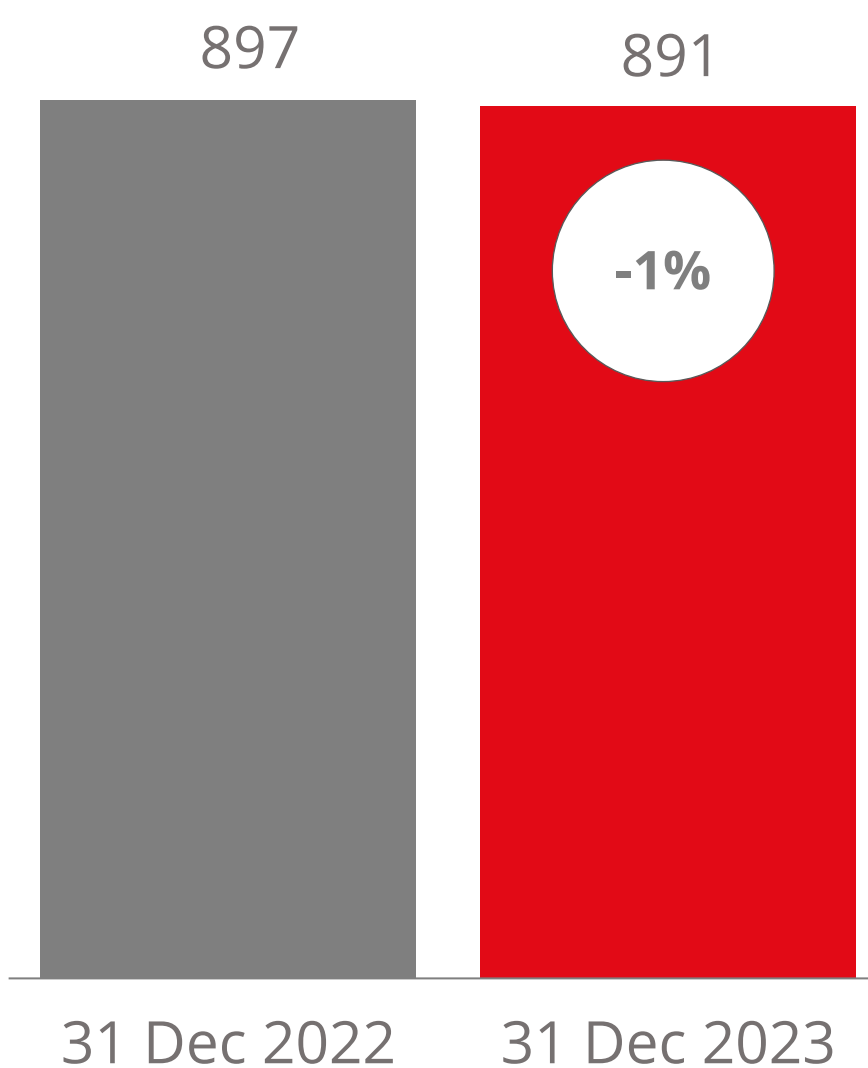
- High dividend yield
- On Ljubljana SE since 2008
- Market maker: InterCapital
- In LJSE TOP 4 by liquidity and size (market cap € 800M).
- Shareholder structure (2023):





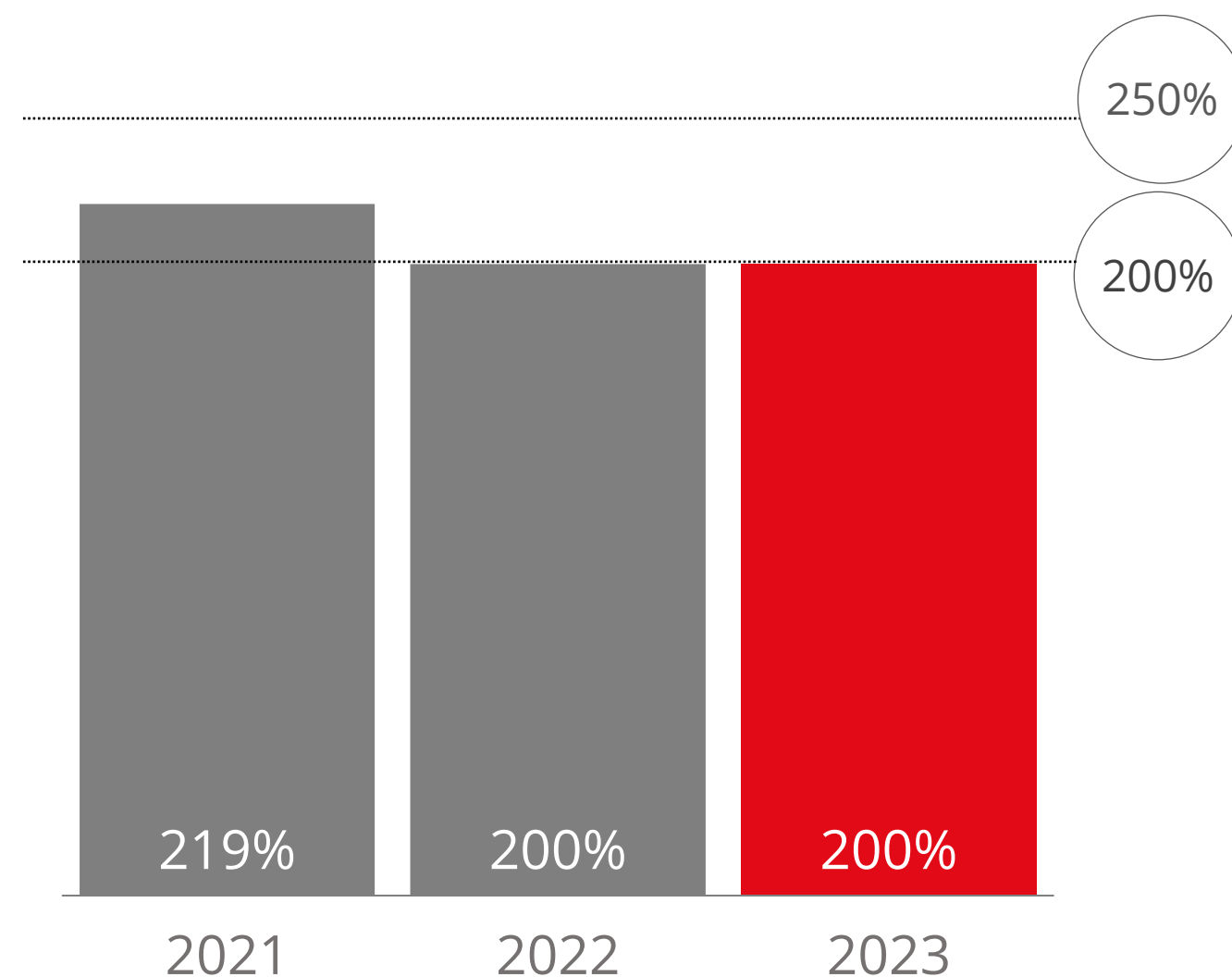
# Robust Financial Stability and Strong Capital Base

## Equity (in €M)



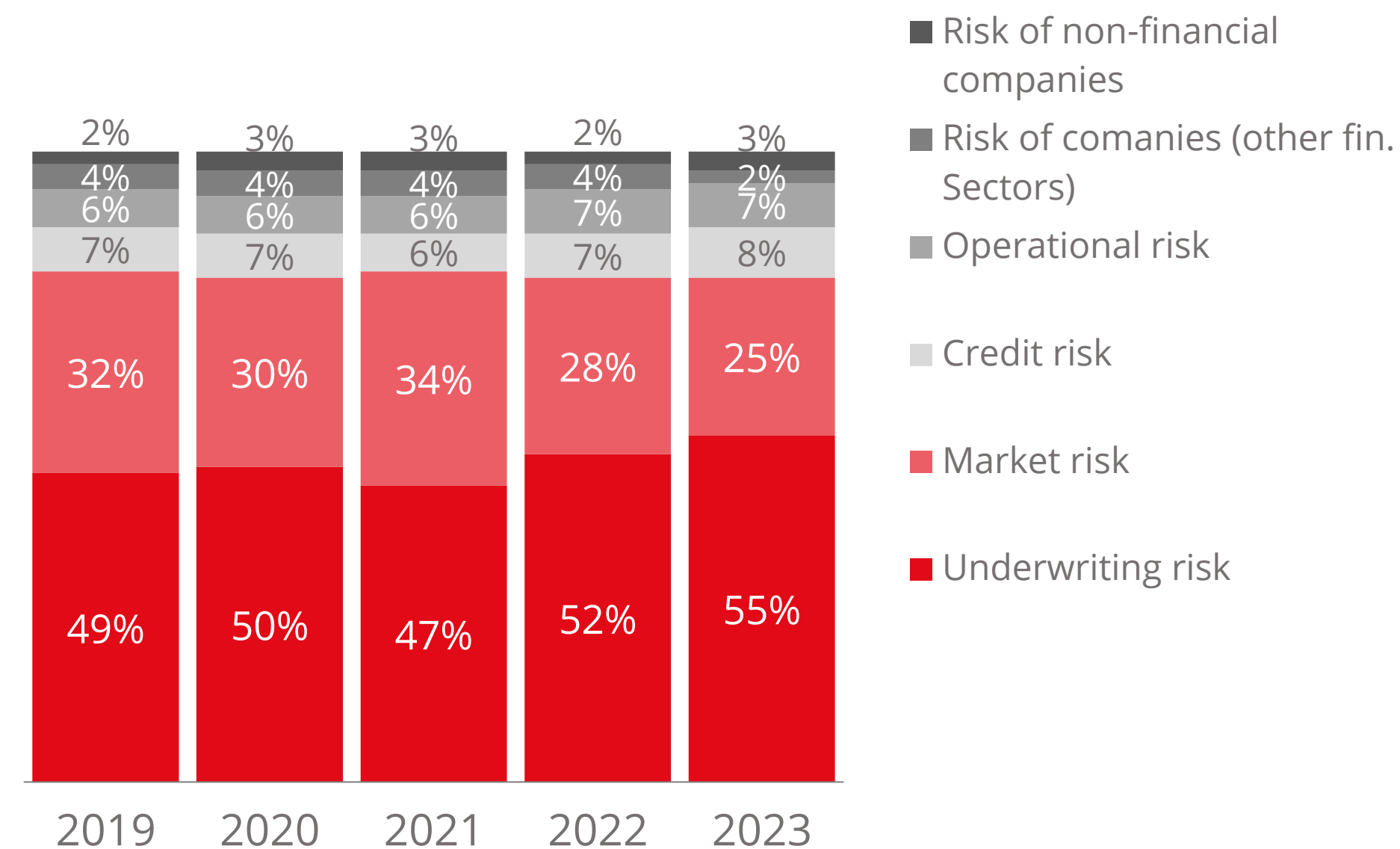
Decrease in equity mainly result of dividend payment in 2023

## Solvency Ratio



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

## Risk Profile



No major changes compared to 2022YE. Further increase of underwriting risk (*higher volume of business and claims, also CAT*), decrease of market risk.



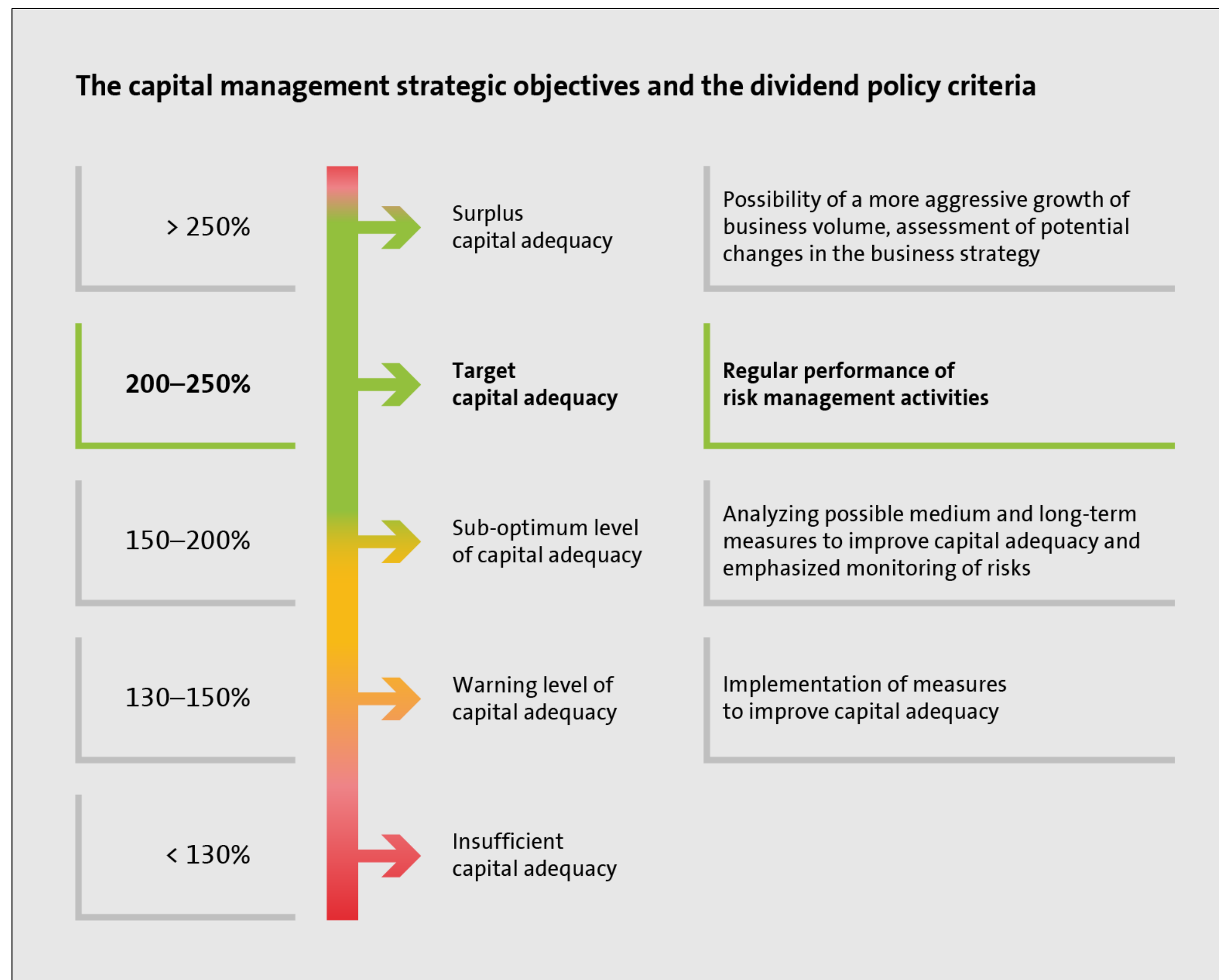
# Capital Management

Triglav is **consistent with its risk appetite if long-term capital adequacy is between 200% and 250% in the long term** (based on S&P credit rating A, individual values within range are not targeted).

Capital management is **centralized at group level** (concentration of capital in parent company).

**Ensuring efficient use of available capital**, which provides:

- Safety and profitability of operations at the Group level
- High level of trust of all stakeholders
- Compliance with regulatory requirements in field of capital adequacy
- Achieving adequate capital adequacy in ORSA process
- Maintaining credit ratings grades of at least A





# Attractive & Sustainable Dividend Policy

## Dividend Policy:

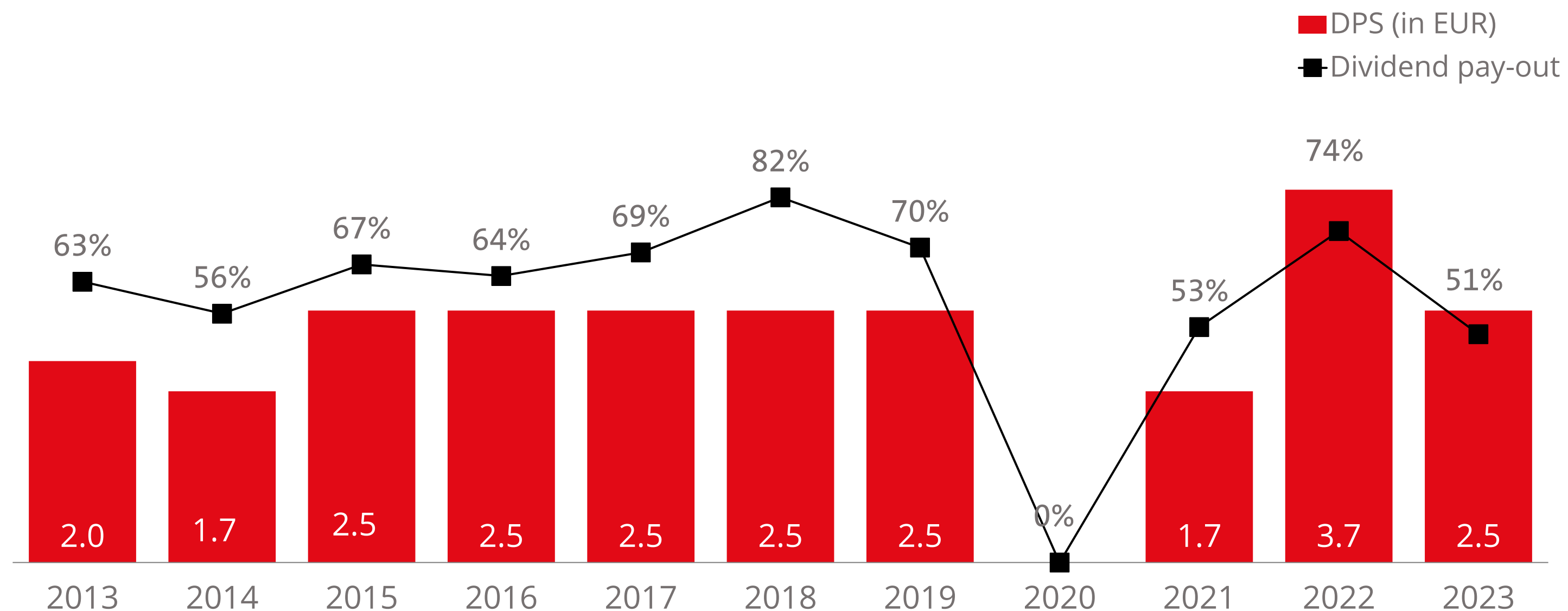
**Minimum dividend pay-out is set to 50% of consolidated net profit for previous year.** Triglav will strive not to reduce its dividend payment below level of previous year.

Dividend policy is **subordinated to achieving medium-term sustainable target capital adequacy** of Triglav Group.

**Three objectives** are followed in balanced manner: to ensure prudent capital management of Triglav Group and its financial stability, to reinvest net profit in implementation of strategy of growth and development of Triglav Group and to pay out attractive dividends to shareholders.

**2024 AGM on 4 June 2024**

**Gross DPS (in €) and Dividend Payout Ratio (% consolidated net earnings)**

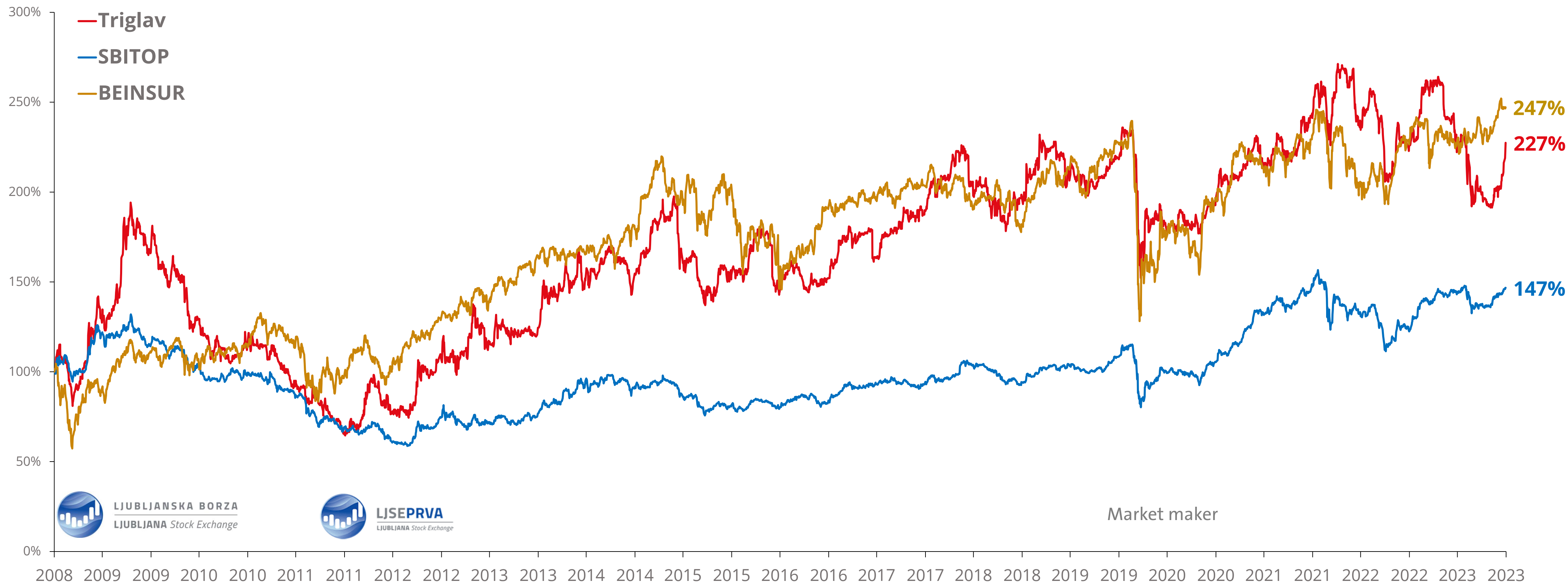


**In 2020:** Regulator's call upon insurance companies in Slovenia to suspend payout of dividends. **In 2021:** Triglav met regulator's requirements for dividend payment related to uncertainties in markets due to pandemic. **In 2022:** Several aspects and circumstances of recent years also taken into account.





# Triglav Share on Ljubljana SE<sup>1</sup>



<sup>1</sup> 2029 is first full year of trading on the Ljubljana Stock Exchange. SBITOP – index of Ljubljana Stock Exchange. BEINSUR – index of EU insurer's shares



# High "A" Credit Ratings/Stable

**S&P Global**  
Ratings



Triglav Group's standalone credit profile (S&P\*):

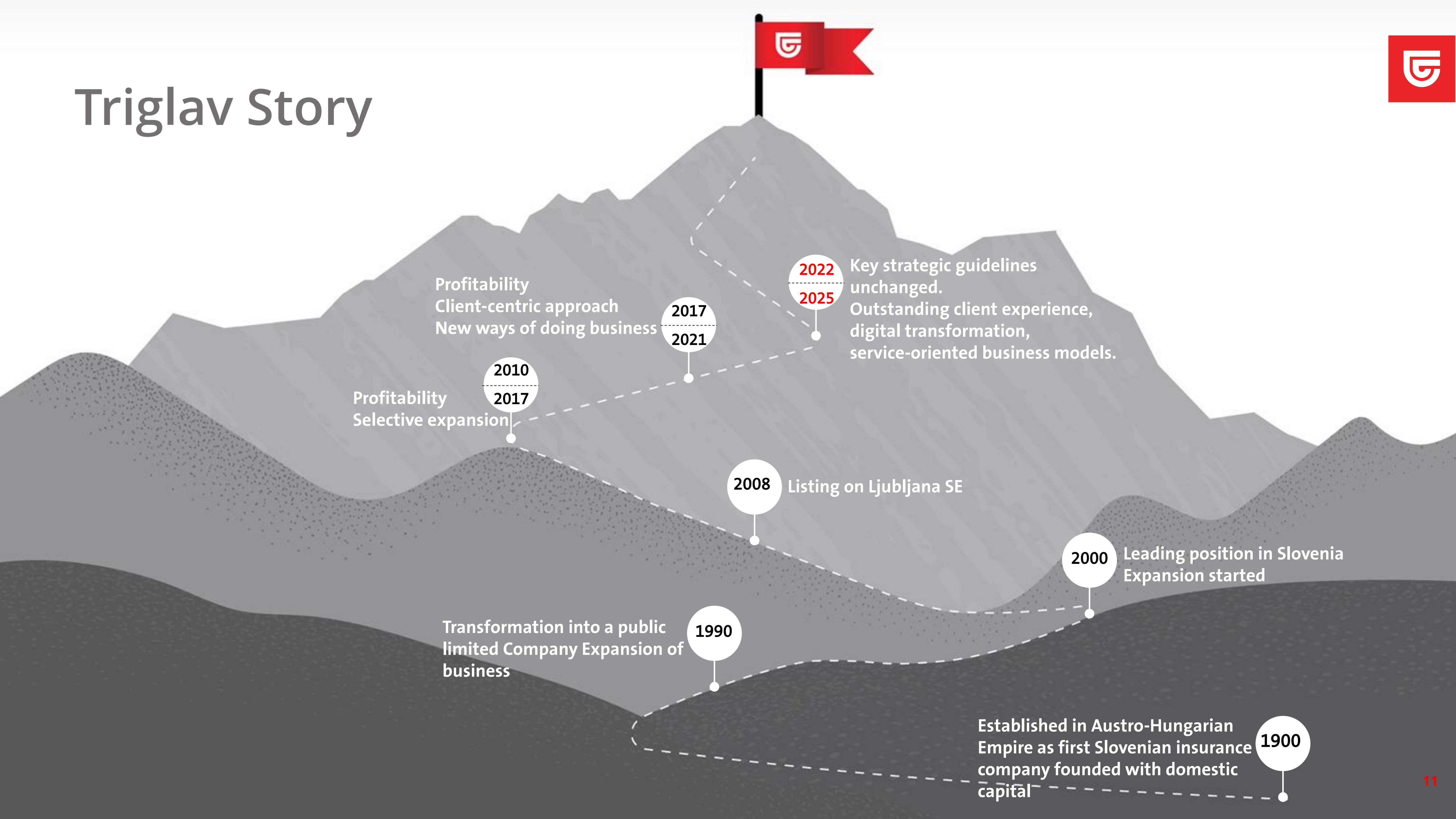
**Business risk profile – strong**

**Financial risk profile – very strong**

**Stable and solid reinsurance protection**

Year	Credit rating	Medium-term outlook	Rating Agency
2023	A	Stable	AM Best S&P Global Ratings*
2022	A	Stable	AM Best S&P Global Ratings
2021	A	Stable	AM Best S&P Global Ratings
2020	A	Stable	AM Best S&P Global Ratings
2019	A	Stable	AM Best S&P Global Ratings
2018	A	Stable	AM Best S&P Global Ratings
2017	A	Stable	AM Best S&P Global Ratings
2016	A	Stable	AM Best S&P Global Ratings
2015	A-	Positive	AM Best S&P Global Ratings
2014	A-	Positive	AM Best
	A-	Stable	S&P Global Ratings
2013	A-	Stable	S&P Global Ratings
	A-	Stable	AM Best
2012	BBB+	Positive	S&P Global Ratings
	A-	Negative	S&P Global
2011	A	Negative	S&P Global
2010	A	Stable	S&P Global
2009	A	Stable	S&P Global
2008	A	Stable	S&P Global

# Triglav Story



Profitability  
Selective expansion

2010  
2017

Profitability  
Client-centric approach  
New ways of doing business

2017  
2021

2008 Listing on Ljubljana SE

2000 Leading position in Slovenia  
Expansion started

Transformation into a public  
limited Company Expansion of  
business

1990

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

1900

2022  
2025

Key strategic guidelines  
unchanged.  
Outstanding client experience,  
digital transformation,  
service-oriented business models.



# Triglav Group Strategy for 2022-2025



## Mission

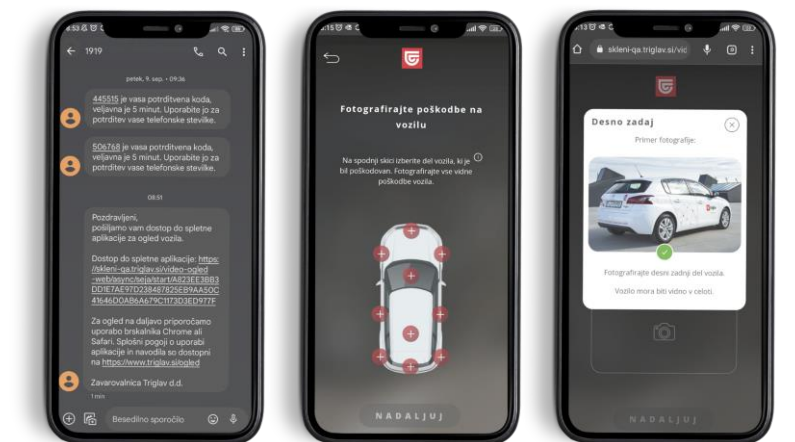
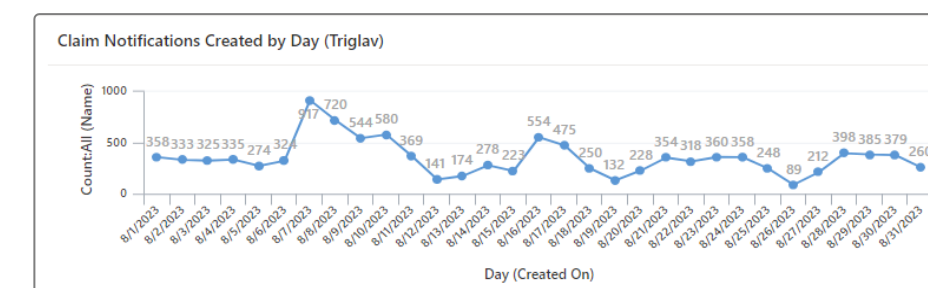
**We build a safer future.** We are client-centric. We support development of our partners. We provide development-oriented environment for our employees. We are stable, safe and profitable investment for our investors.



*Insurance products with focus on their flexibility and accessibility*

*„Customer engagement“ platform*

*Digitalisation of assistance, sales and claims procedures*





# Leading Market Position in Adria Region

## SLOVENIA

**39.5%** (+0.6 pp y-o-y)

Market Share

**1<sup>st</sup> rank**

## CROATIA

**5.2%** (-0.3 pp y-o-y)

Market Share

**8<sup>th</sup> rank**

## MONTENEGRO

**35.0%** (-2.8 pp y-o-y)

Market Share

**1<sup>st</sup> rank**

**ADRIA REGION (2022)**  
**21.7%** Market Share (+0.1 pp y-o-y)  
**1<sup>st</sup> rank**

## BOSNIA & HERZEGOVINA

**9.3%** (-0.1 pp y-o-y)

Market Share

**4<sup>th</sup> rank**

## SERBIA

**7.5%** (9M 2023; +0.2 pp)

Market Share

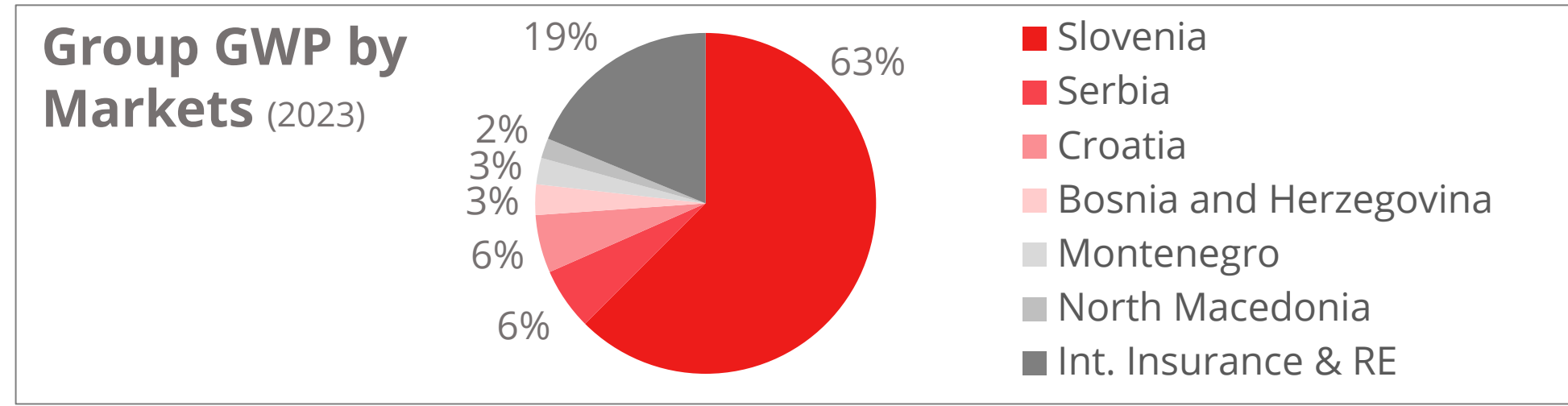
**5<sup>th</sup> rank**

## NORTH MACEDONIA

**13.4%** (-1.3 pp y-o-y)

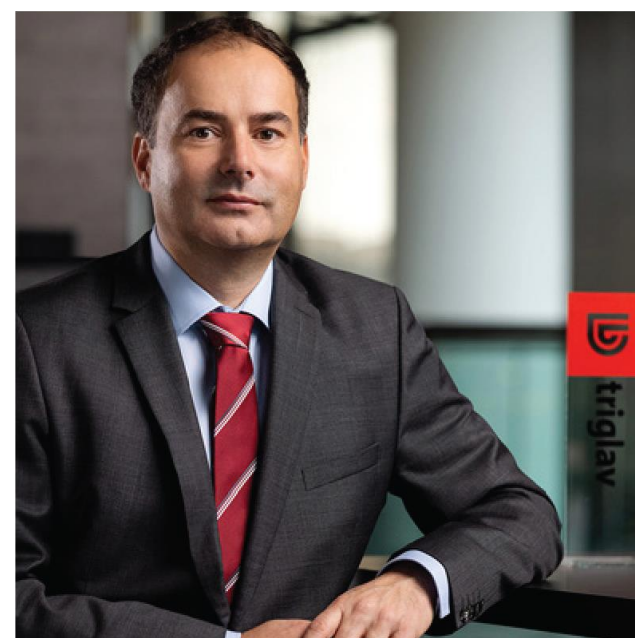
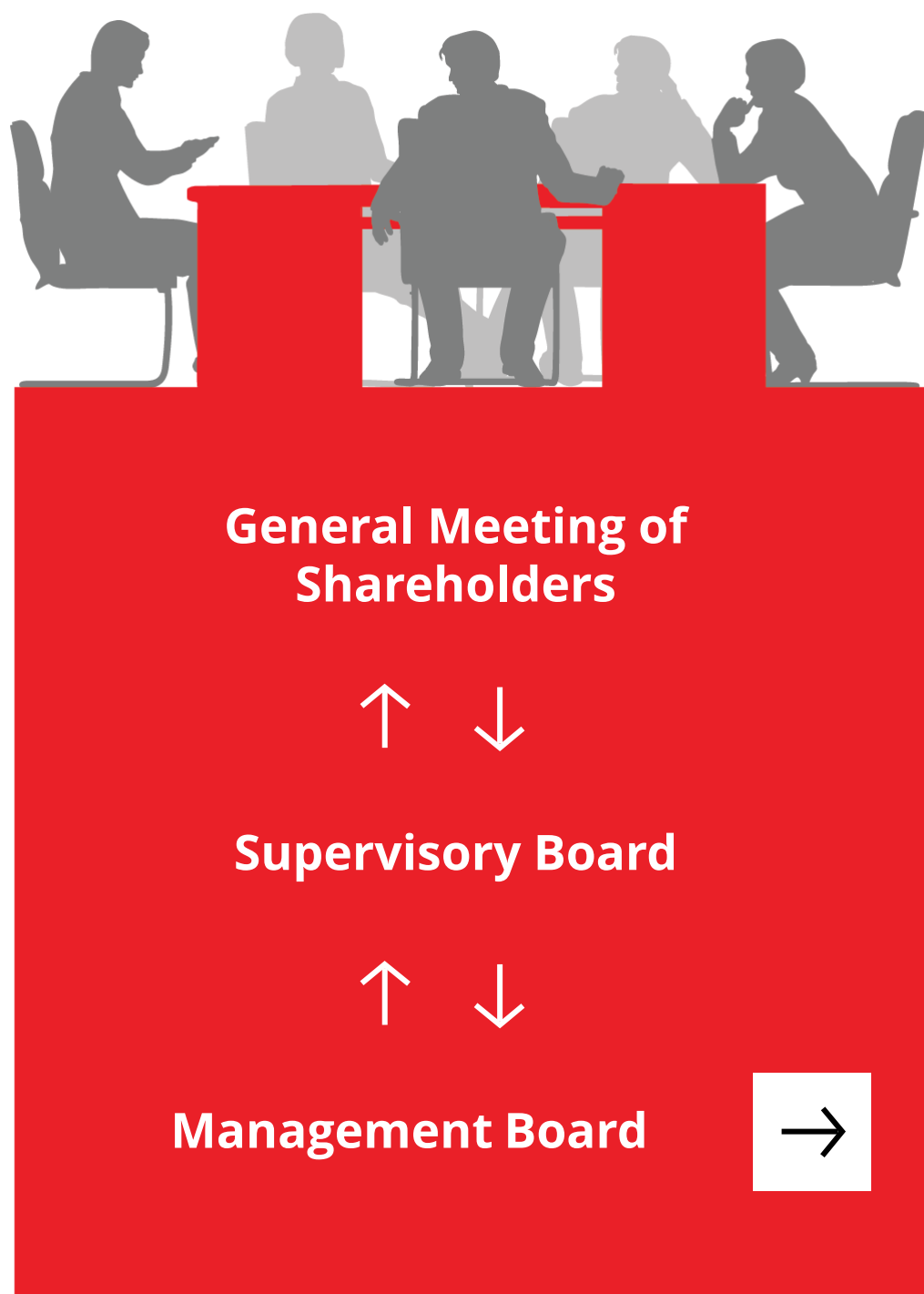
Market Share

**3<sup>rd</sup> rank**





# Two Tier Governance System



**Andrej Slapar**  
President

CEO



**Uroš Ivanc**  
Member

CFO



**Tadej Čoroli**  
Member

Non-life, Sales,  
Marketing



**Marica Makoter**  
Member and  
Employee Representative

HRM, Fraud prevention,  
Strategic sourcing,  
Project Management



**Blaž Jakič**  
Member

Life, IT, Risk, Digital  
Platform &  
Business  
Intelligence

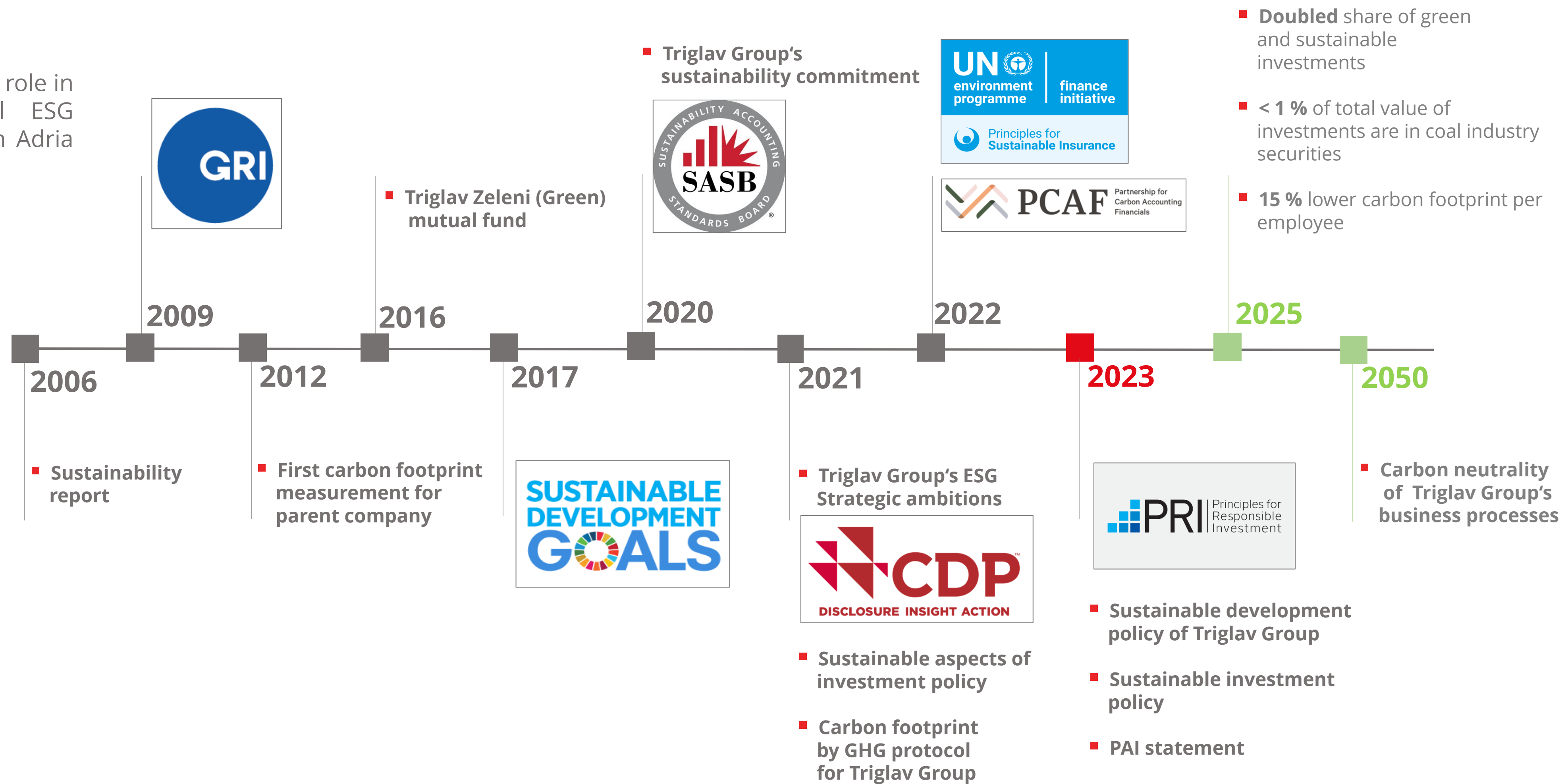
<b>The first start/end of term of office:</b>	<b>2013 – 2029</b>	<b>2014 – 2029</b>	<b>2014 – 2029</b>	<b>2011 – 2026</b>	<b>2023 – 2028</b>
Employed at the Triglav Group since:	1997	2001	2001	2001	2010



# Sustainability – our E, S & G

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

More information on website  
<https://www.triglav.eu/>



# Appendix

2023 Results  
2024 Outlook







# 2023 Key Messages

- **Strong growth in business volume.** Business results influenced by **negative one-offs** (*NAT CAT; price regulation of supplemental health insurance in Slovenia*). **EBT in-line with revised profit guidance.**
- **Robust financial stability and capitalisation at appropriate levels**
- **In 2023 dividend paid in line with dividend policy**
- **CG:** In 2023 re-election of three MB members and appointment of new SB members
- **ESG:** Focus on delivering of sustainability ambitions. ESG framework upgraded.
- **2024 Outlook: Normalization of Triglav Group's operations in line with strategic guidelines**



# 2023 Key Financials and KPIs

## TOTAL BUSINESS VOLUME

€1,780.2M



Up by 12% y-o-y

## EARNINGS BEFORE TAX

€21.1M



€-10.0M in 2022

## COMBINED RATIO NON-LIFE & HEALTH

101.6%



99.7% in 2022

## NEW BUSINESS MARGIN LIFE & PENSIONS

14.6%



11.4% in 2022

<b>GWP</b>	+12%	€1,653.7M
<b>OTHER INCOME</b>	+10%	€126.5M
<b>Total</b>	+12%	€1,780.2M

**In line with profit guidance revised due to one-offs (-80% of planned)**

Insurance operating result: €-9.4M (NAT CAT. Loss in Health. Solid profitability in Life&Pensions)

Net investment result: €22.0M

Non-insurance result: €8.4M

▪ **Expense ratio NL&H: 25.3%** (+0.2 pp y-o-y)

▪ **Claims ratio NL&H: 76.3%** (+1.7 pp y-o-y)

▪ Life & Pensions CSM +€51.5M in 2023



# 2023 Performance at a Glance

P&L Highlights	(in €M)		
	2023	2022*	Index
<b>Total business volume</b> (1+2)	<b>1,780.2</b>	<b>1,594.3</b>	<b>112</b>
Gross written premium (1)	1,653.7	1,479.6	112
Other income (2)	126.5	114.8	110
<b>Total revenue</b>	<b>1,425.2</b>	<b>1,279.3</b>	<b>111</b>
<b>Insurance operating result</b> (a)	<b>-9.4</b>	<b>-12.6</b>	
Insurance revenue	1,351.2	1,206.6	112
Claims incurred	1,021.2	767.7	133
Acquisition & admin.costs incl. non-attributable costs	363.0	325.1	112
Net reinsurance service result	31.6	-104.5	
Net other insurance revenue and expenses	-7.9	-21.9	
<b>Net Investment result</b> (b)	<b>22.0</b>	<b>-14.3</b>	
Investment result	83.6	-88.6	
Financial result from insurance contracts	-69.7	82.2	
Change in provisions for not achieving guaranteed yield	8.1	-9.8	
Gains/losses & impairments of investments in associates	0.0	1.8	
<b>Result from non-insurance operations</b> (c)	<b>8.4</b>	<b>16.9</b>	<b>50</b>
<b>Earnings before tax</b> (a+b+c)	<b>21.1</b>	<b>-10.0</b>	
<b>Net earnings</b>	<b>16.3</b>	<b>-7.0</b>	
Other comprehensive income	34.7	-50.9	

Financial position indicators	(in €M)		
	2023	2022*	Index
Balance sheet total	4,099.0	3,802.3	108
Equity	891.1	897.0	99
Contractual service margin (CSM)	238.4	186.4	128
Asset under management (AUM)	4,851.4	4,379.8	111
Number of employees	5,318	5,306	100

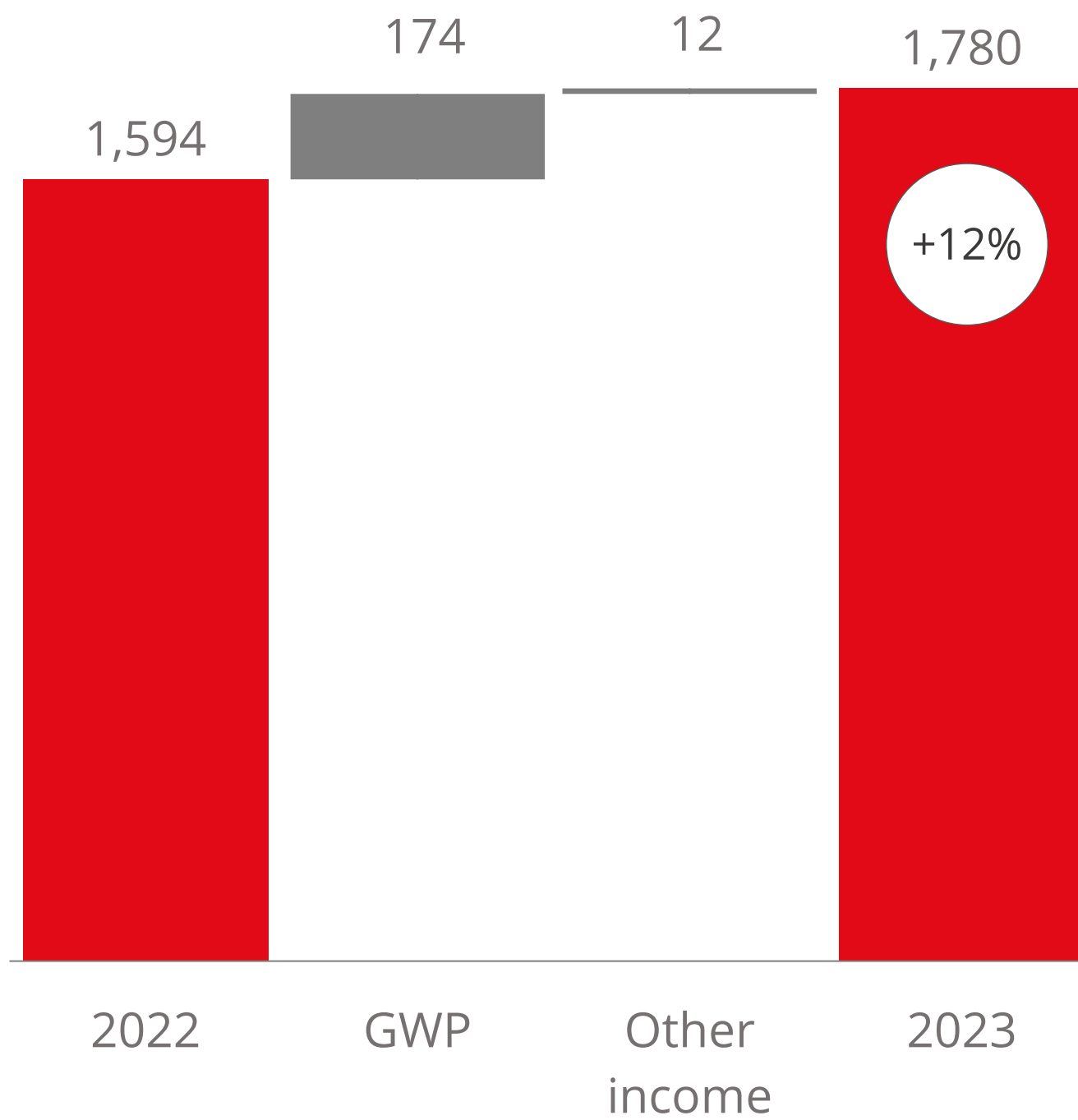
Key performance indicators	2023	2022*
	<b>Combined ratio NL &amp; Health</b>	<b>101.6%</b>
Claims ratio NL & Health	76.3%	74.6%
Expense ratio NL & Health	25.3%	25.1%
<b>Return on equity</b>	<b>1.8%</b>	<b>-0.7%</b>
<b>Return on financial investments</b>	<b>1.8%</b>	<b>-0.4%</b>
NL: Combined ratio	99.4%	99.6%
Life & Pensions: New business margin	14.6%	11.4%
Health: Combined ratio	112.9%	100.1%

\*Under IFRS 17 and IFRS 9, 2022 results are significantly lower than under previously applicable IFRS 4 and IAS 39 mainly due to differences in measurement of insurance technical provisions and recognition of effects of revaluation of financial investments. 2022 results in accordance with IFRS 17 are negatively affected by prudential additional reserving due to sharp rise in inflation, whereas – unlike under IFRS 4 – result was not positively affected by effects of release of provisions from past periods.

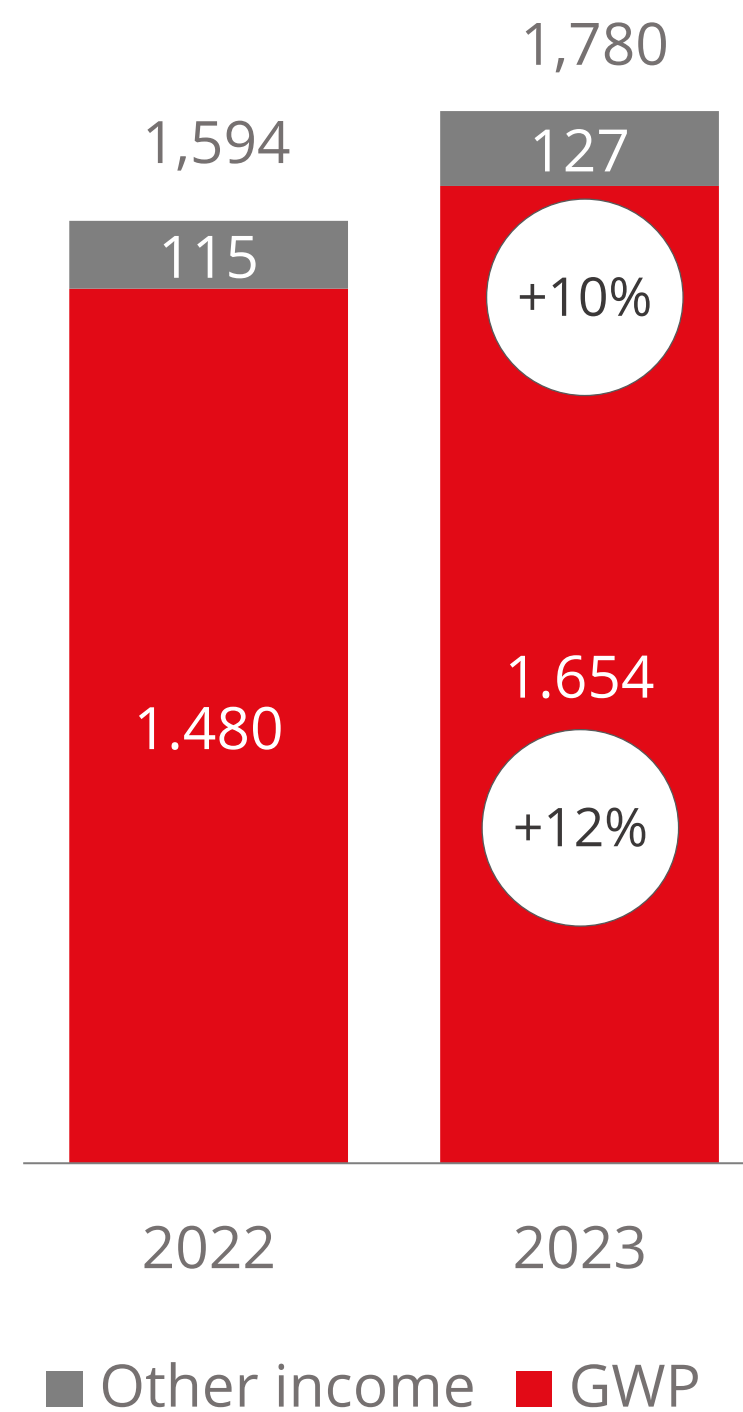


# Growth in Total Business Volume

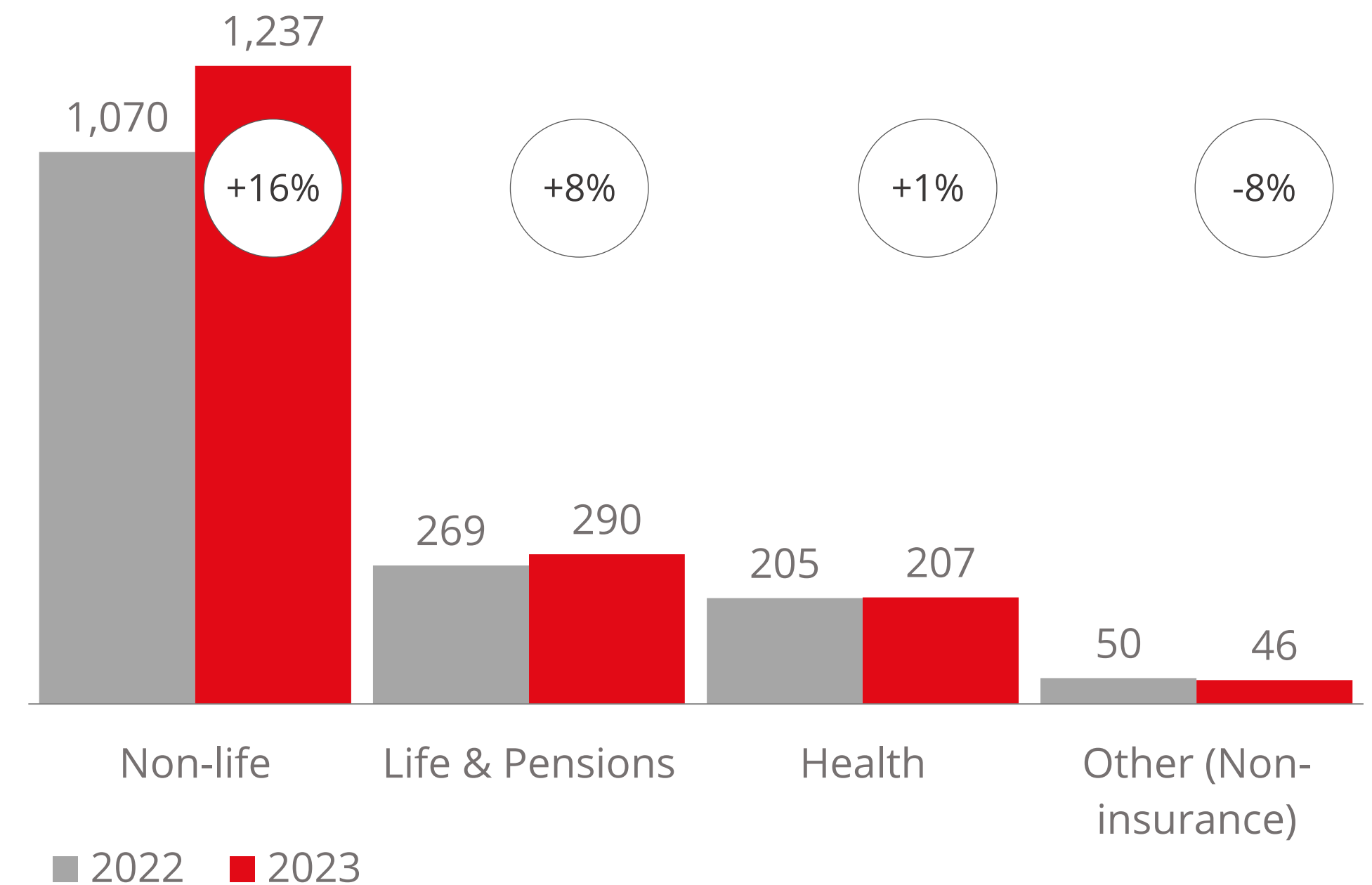
**TBV Y-o-Y Development** (in €M)



**TBV Structure** (in €M)



**TBV by Business Segments** (in €M)

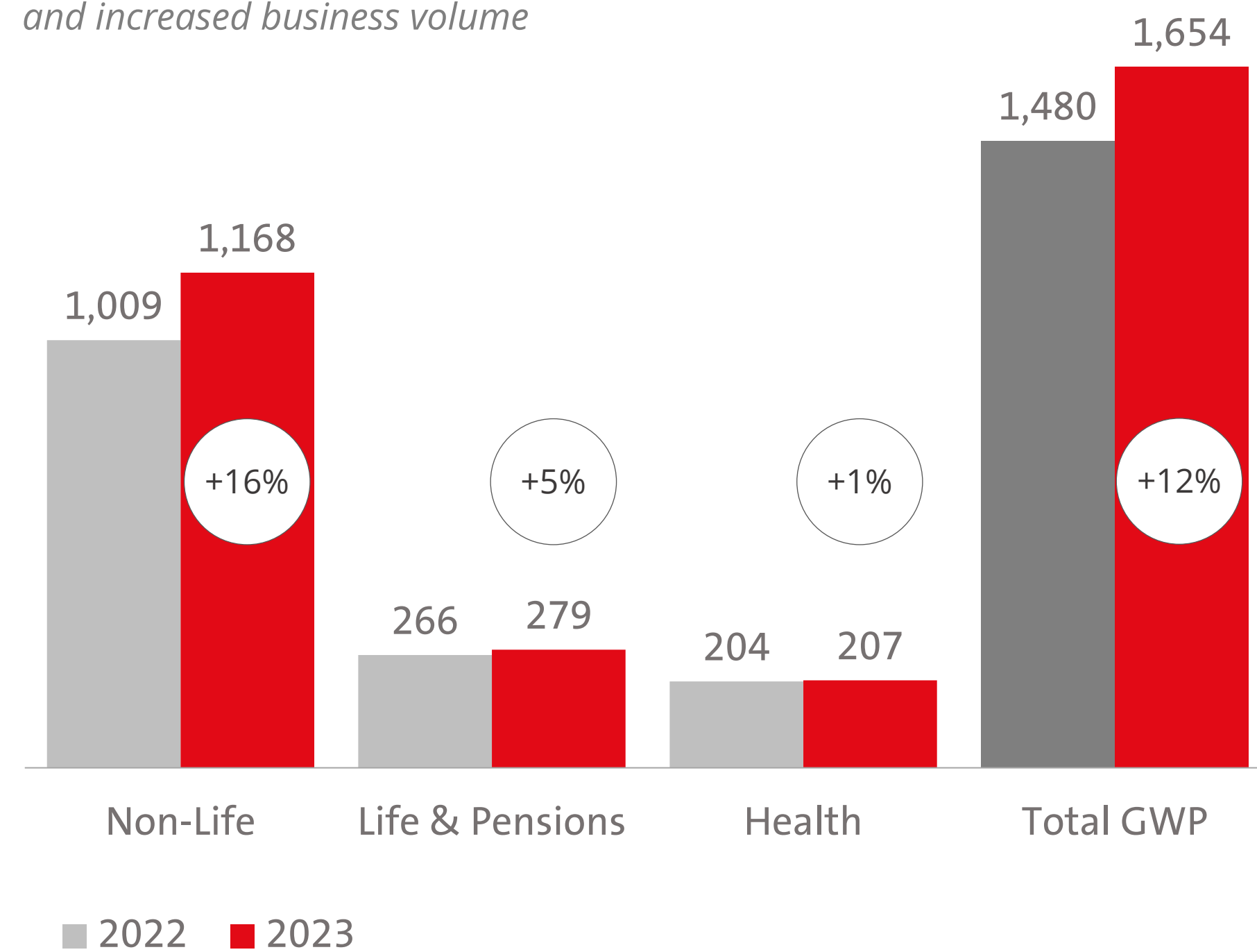




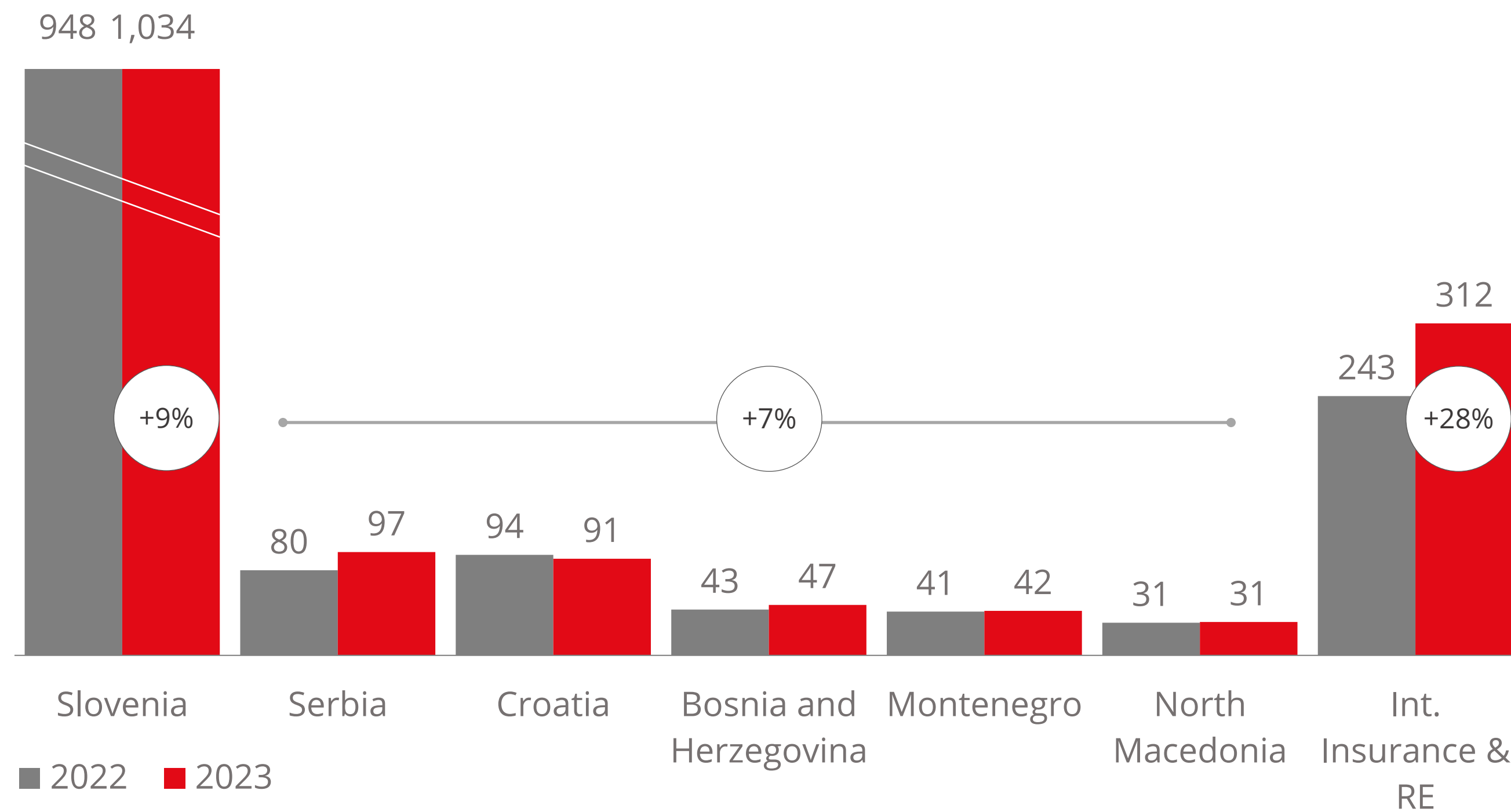
# GWP by Segments and Markets

## GWP by Segments (in €M)

Strong GWP growth in Non-Life due to price increases and increased business volume



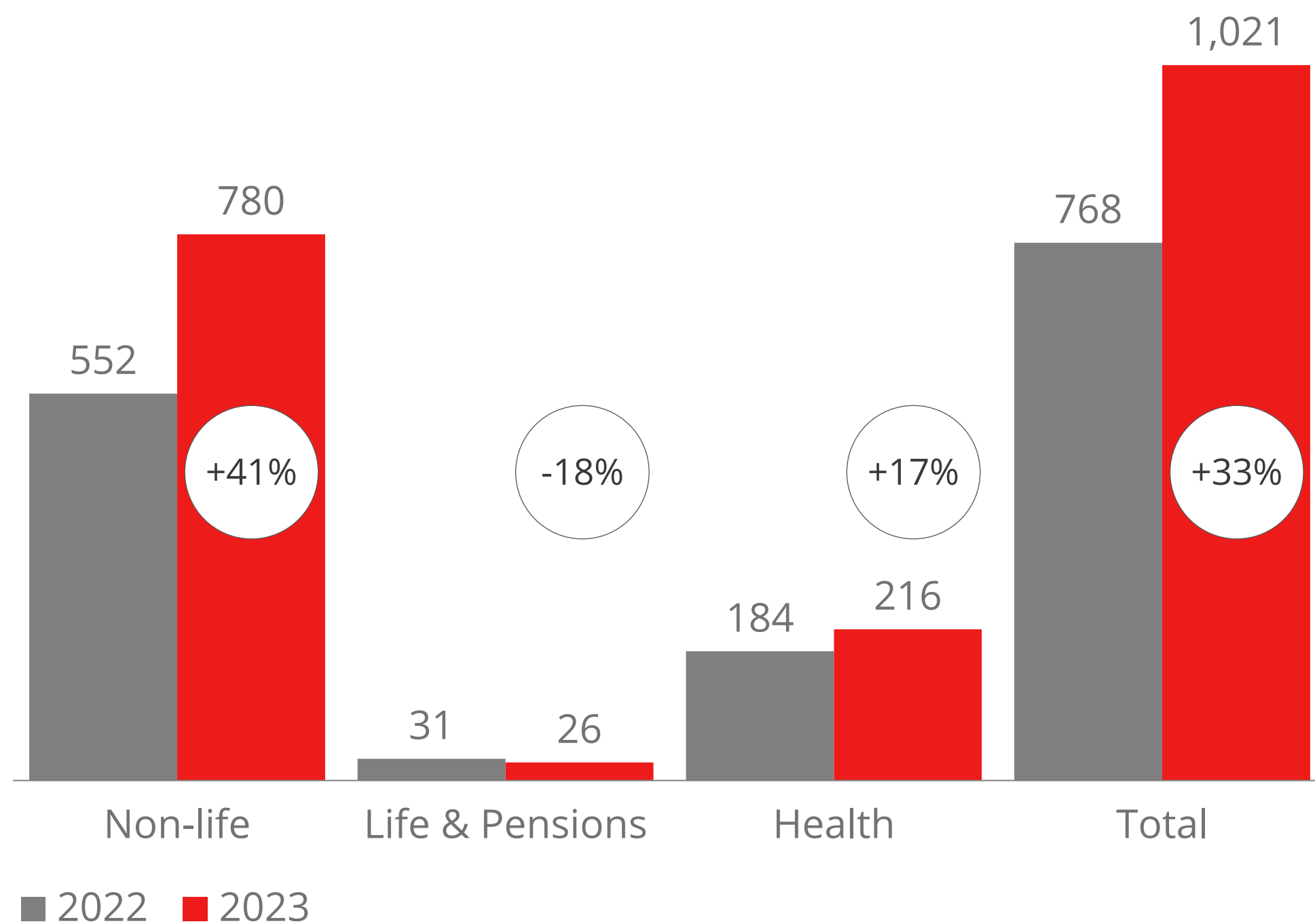
## GWP by Markets (in €M)



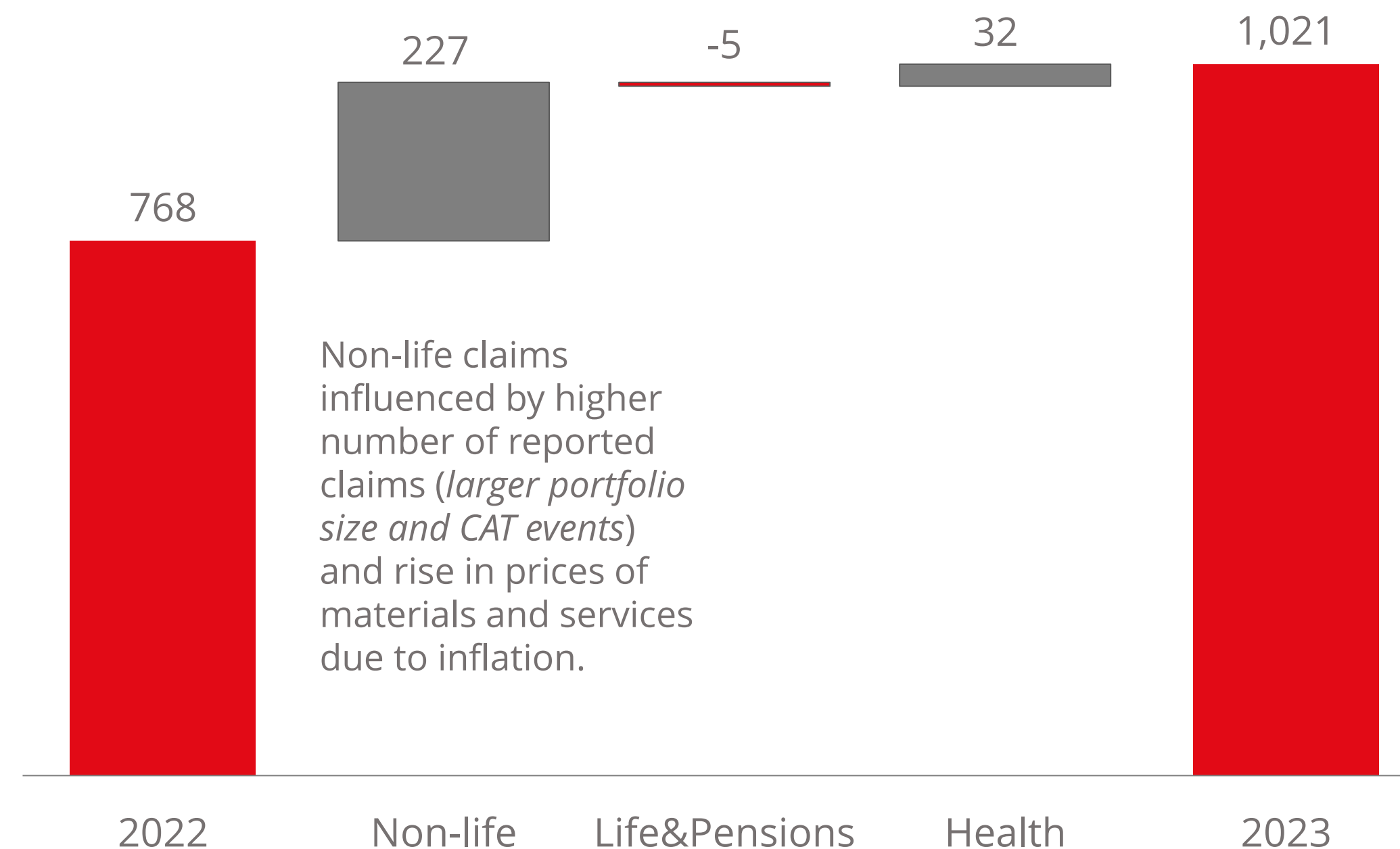


# Claims Incurred

Claims Incurred by Segments (in €M)



Claims Incurred Y-o-Y Development (in €M)

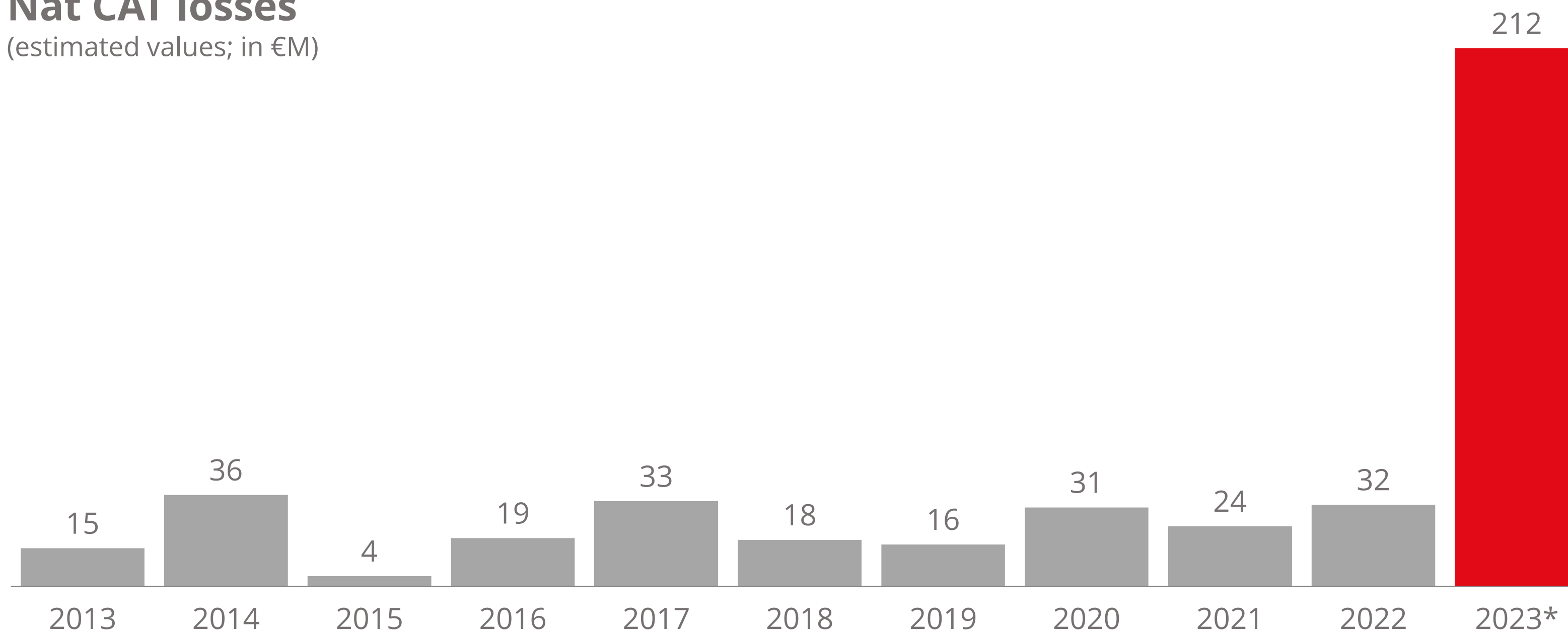




# Major Nat CAT Loss Events

## Nat CAT losses

(estimated values; in €M)



Extreme weather events in Slovenia and region, particularly storms, hailstorms and floods in July and August, resulted in **historically high claims** for Triglav Group and insurance industry in Slovenia.

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

*\*Gross losses of crops and active reinsurance included.*



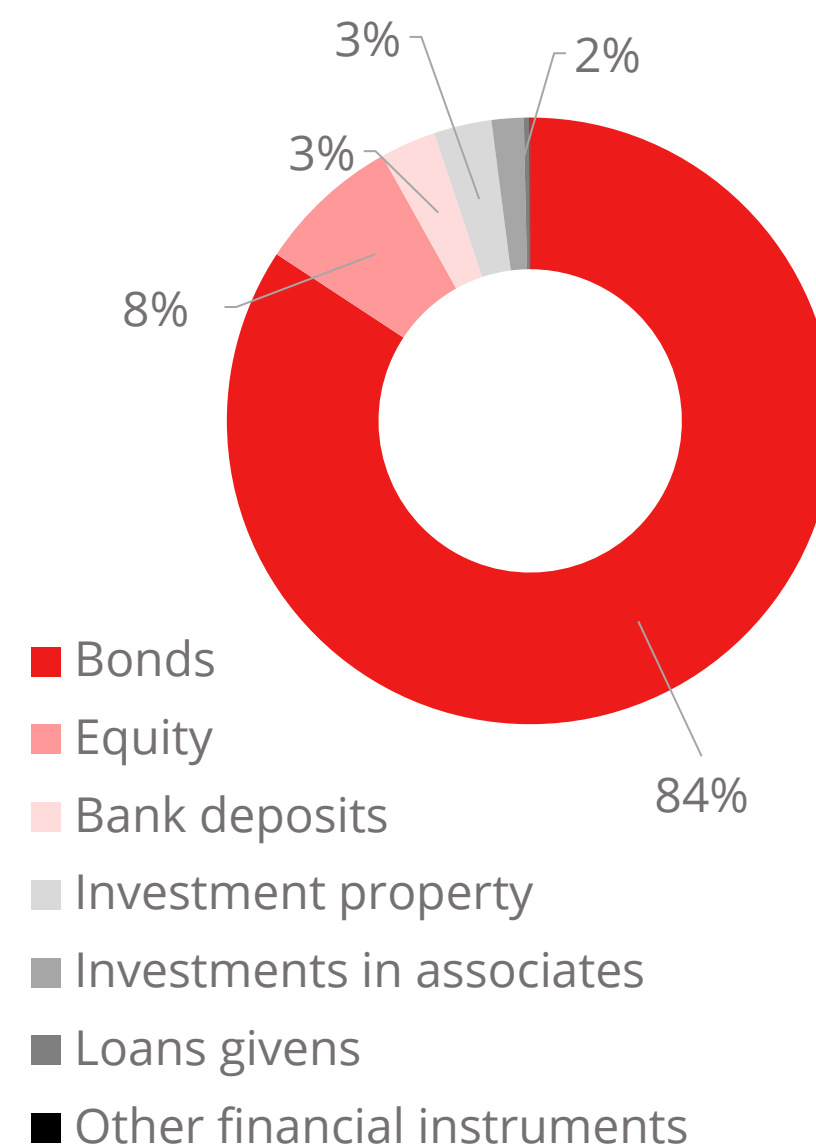
# Financial Investments

## Portfolio structure (in €M; Insurance portfolios, Unit-linked portfolios and Assets from financial contracts)

Instruments (in €M)	2023	2022	Index
Investment property	68.0	68.3	99
Investments in associates	37.7	37.8	100
Shares and other variable-income securities	168.7	199.8	84
Debt and other fixed-income securities	1,860.0	1,801.7	103
Loans given	6.6	5.8	113
Bank deposits	65.8	79.5	83
Other financial instruments	0.9	0.9	93
<b>Total (1)</b>	<b>2,207.6</b>	<b>2,193.8</b>	<b>101</b>
Unit-linked life insurance contract investments (2)	540.9	469.5	115
Financial investments from financial contracts (3)	650.0	589.0	110
<b>Total (1+2+3)</b>	<b>3,398.5</b>	<b>3,252.4</b>	<b>104</b>

### Asset Allocation

(2023; unit-linked products and financial contracts excluded)



## Return on financial investments of insurance portfolios

(in €M)	2023	2022
Interest income <sup>1</sup>	35.1	26.7
Dividend income	2.7	4.7
Net gains/losses on fin. assets at FVTPL	9.4	-11.9
Net gains/losses on fin. assets at AC	0.0	0.0
Net gains/losses on fin. assets at FVOCI	-9.3	-23.9
Net impairment/reversal of impairment of fin. assets	2.3	-7.5
Other investment income/expenses	-2.7	0.4
<b>Total return on fin.investments<sup>2</sup> (a)</b>	<b>37.5</b>	<b>-11.6</b>
Gains/losses and impairments of investments in associates (b)	0.0	1.8
<b>Total (a+b)</b>	<b>37.4</b>	<b>-9.7</b>
<b>Return on investment<sup>2</sup></b>	<b>1.8%</b>	<b>-0.4%</b>

<sup>1</sup>Calculated using effective interest method

<sup>2</sup>Unit-linked life insurance assets excluded

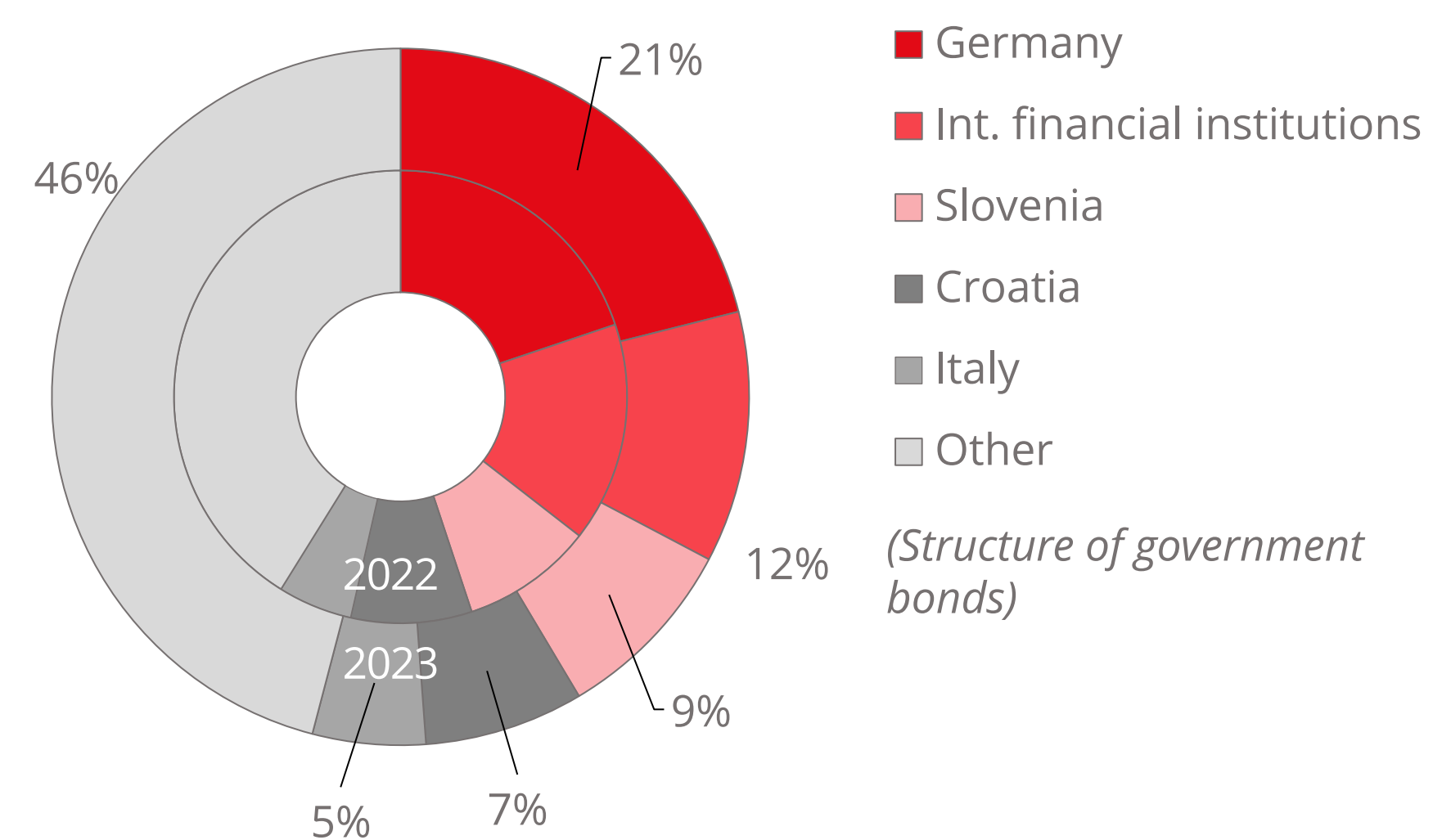
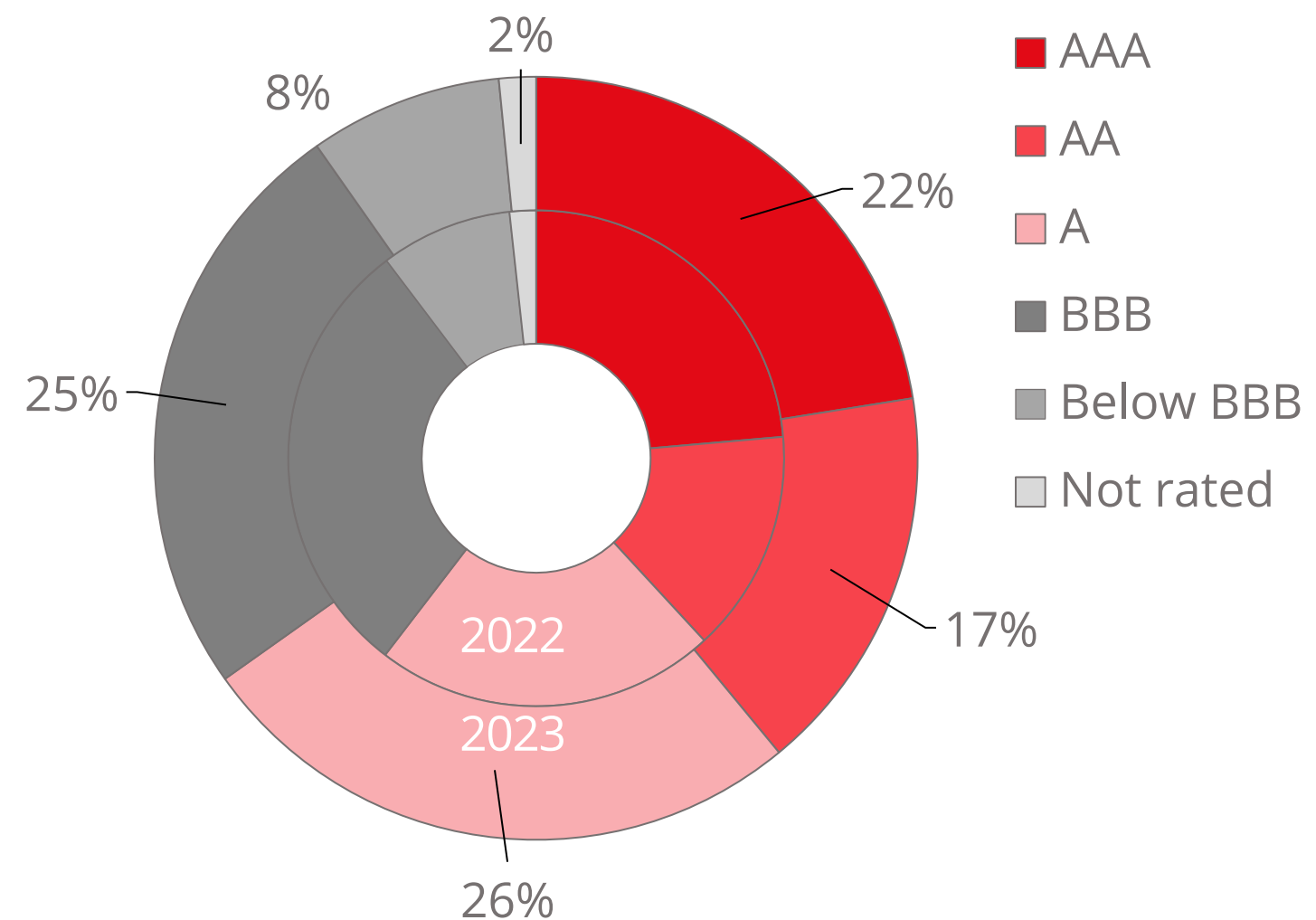
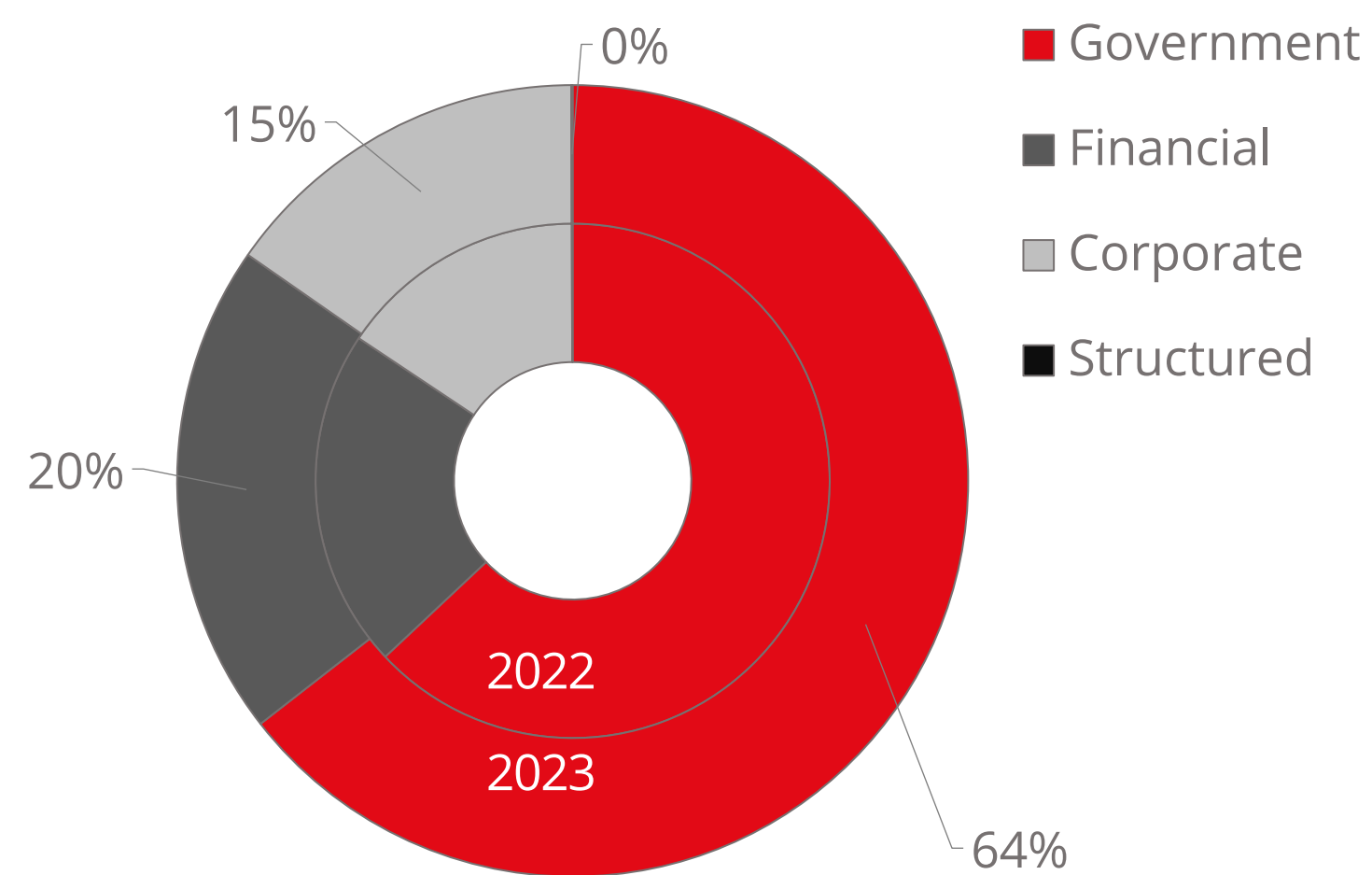




# High Quality Investment Portfolio

## Debt instruments

(Assets from united-linked products and financial contracts excluded)

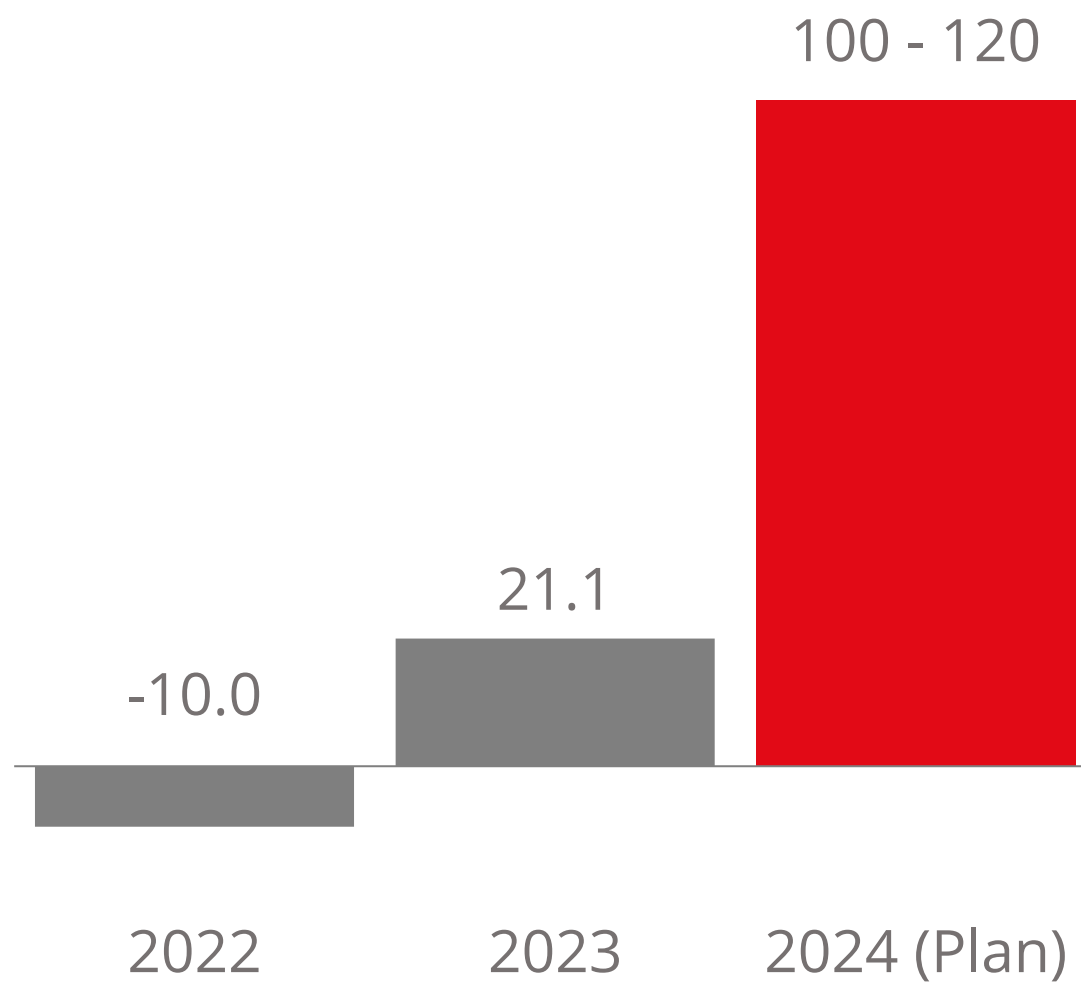




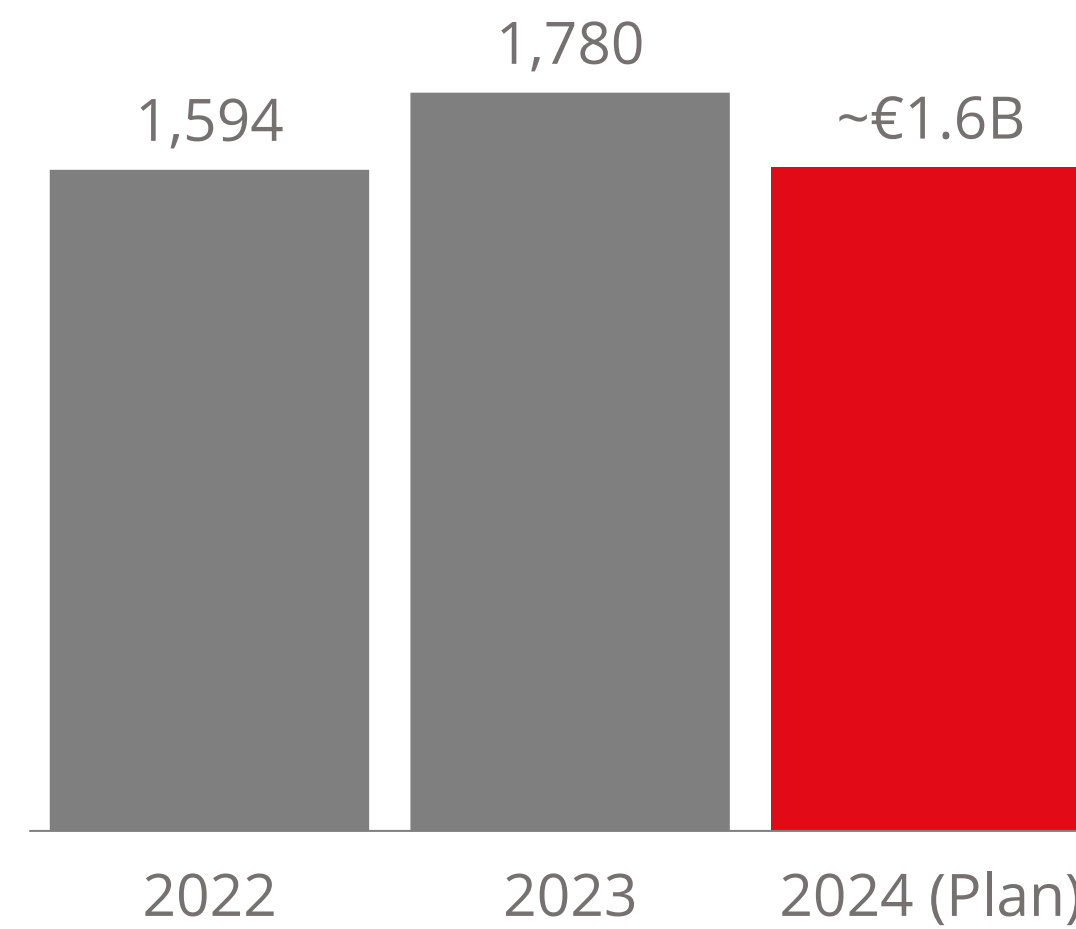
# 2024 Outlook

In 2024, normalization of Triglav Group's operations in line with strategic guidelines. Continued focus on growth, development activities and improved client-centric approach.

**Earnings Before Tax** (in €M)

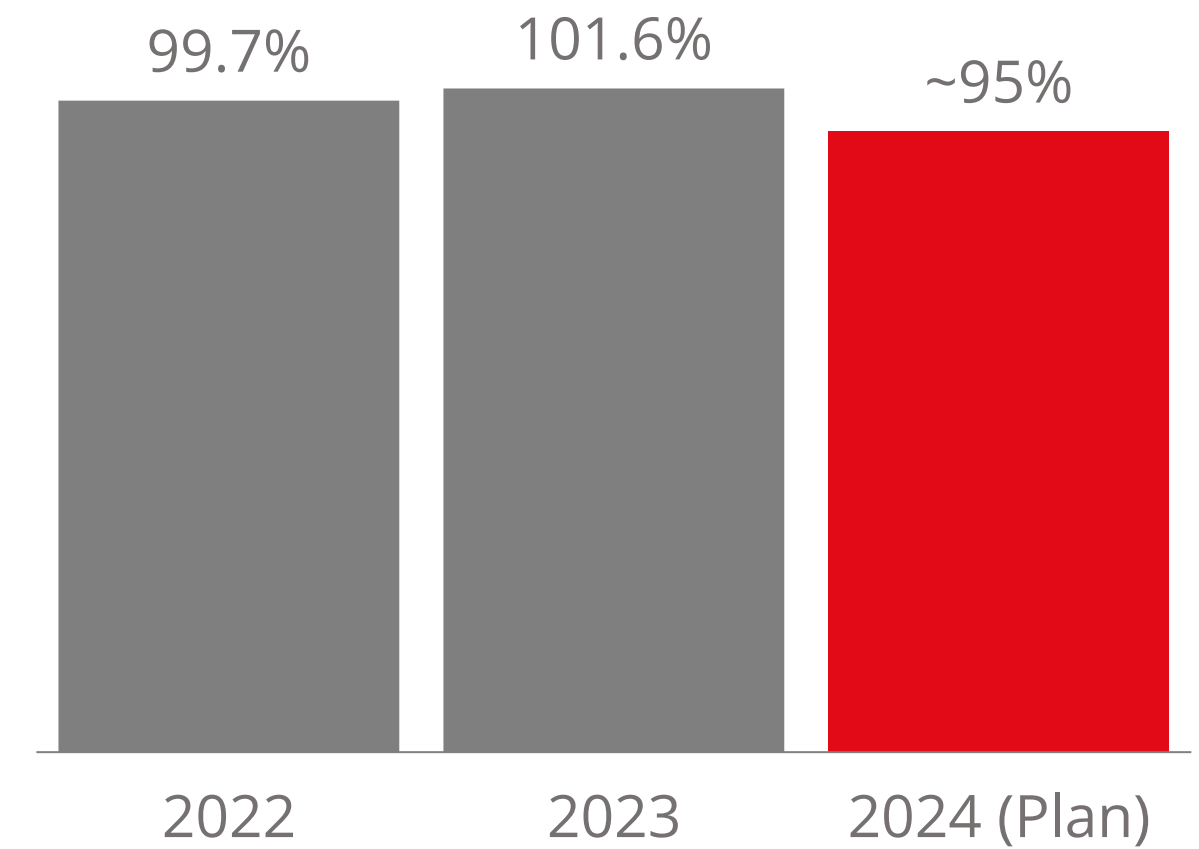


**Total Business Volume** (in €M)



In 2024 impact of discontinuation of supplemental health insurance included

**Combined Ratio NL & Health** (in %)



Group expects macroeconomic situation to improve in 2024. Its performance will depend on financial market trend, impact of termination of supplemental health insurance, reinsurance coverage and market potential of its markets.



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



# 2024 Financial Calendar

Planned date <sup>1</sup>	Time <sup>1</sup>	Type of announcement
Wednesday, 6 March 2024	8:30	<b>Preliminary key figures 2023</b>
Friday, 29 March 2024	8:30	<b>Audited annual report for 2023</b>
Friday, 26 April 2024		<b>Convocation Notice of General Meeting of Shareholders on distribution of profit</b>
Wednesday, 22 May 2024	8:30	<b>January – March 2024 Results</b>
Tuesday, 4 June 2024		<b>General Meeting of Shareholders and notice of its resolutions</b>
Thursday, 22 August 2024	8:30	<b>January – June 2024 Interim Report</b>
Wednesday, 20 November 2024	8:30	<b>January – September 2024 Results</b>

<sup>1</sup> Central European Time. Dates and times are provisional and are subject to change.