



 **120years**

TRIGLAV GROUP

INVESTOR PRESENTATION

LJSE INVESTOR DAY

9 DECEMBER 2020

DISCLAIMER

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**2020
HIGHLIGHTS**

**9M 2020
RESULTS**

**FINANCIALS &
INVESTMENTS**

2021 OUTLOOK

2020 HIGHLIGHTS

Our
mission is
to build a
safer
future.



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
- Focus on our sustainability goals and solidarity with the environment
- Stable recurring underwriting profitability, pressure on net investment margin in Life & Pensions due to „low for long“ interest rate 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.**

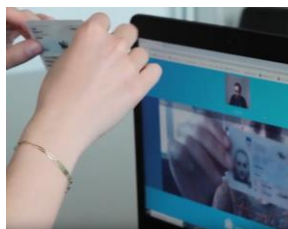
IMPROVED DIGITAL APPEARANCE



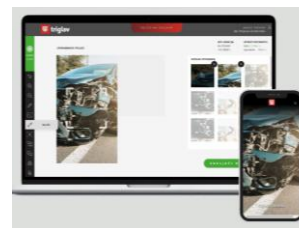
REMOTE AND E-SIGNING



VIDEO IDENTIFICATION



REMOTE ASSESSMENT



MOBILE



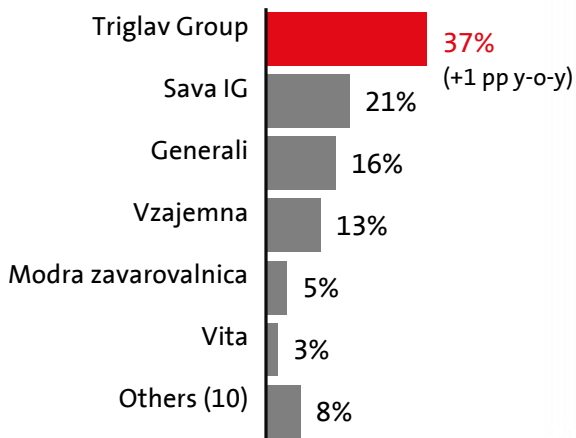
NO MAJOR CHANGES IN TERMS OF BUSINESS, POSITION AND STRATEGY

TRIGLAV GROUP: 39 companies (+1). 5.310 employees (+1% y-o-y). Core businesses are insurance (all lines) and asset management. Balance Sheet (9M 2020): € 4.1Bn.

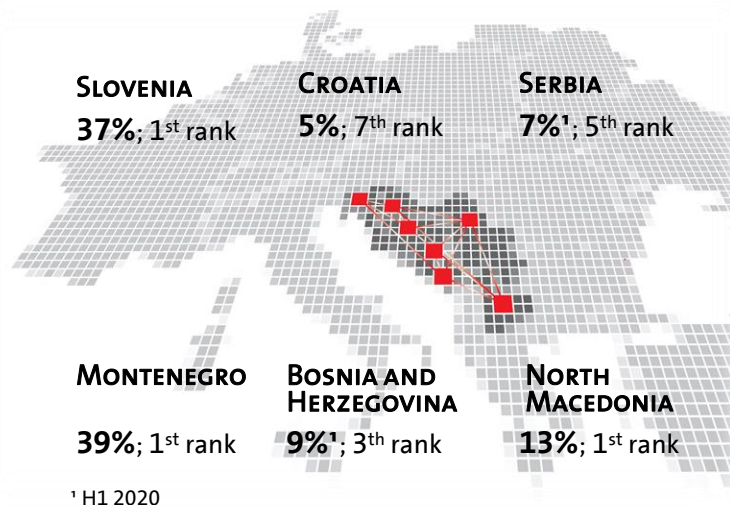
STRATEGY: Unchanged strategic guidelines (*Long-term stable and profitable operations and greater value of Triglav Group / Client focus and development of related services / Developing even more cooperative and agile organisation and culture*)

MARKET POSITION: Market leader in Adria region and Slovenia, internationally present through reinsurance.

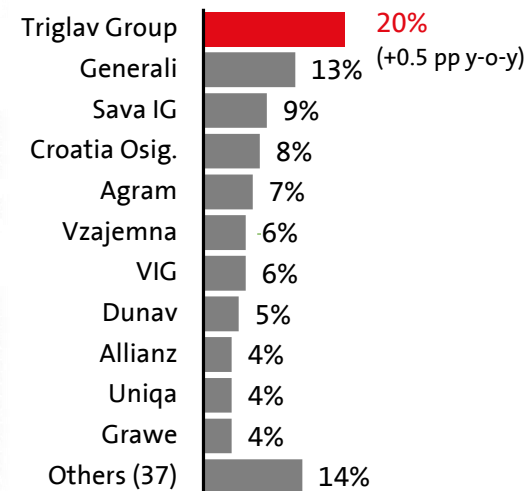
SLOVENIA (% market share; 9M 2020)



POSITIONS ON MARKETS (% market share; 9M 2020)

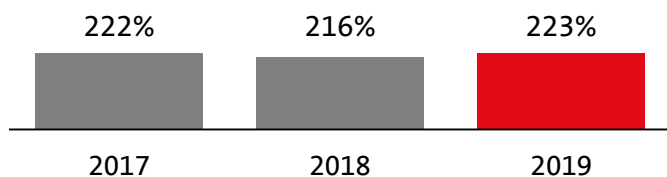


ADRIA REGION (% market share; 2019)



DISCIPLINED CAPITAL MANAGEMENT

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).

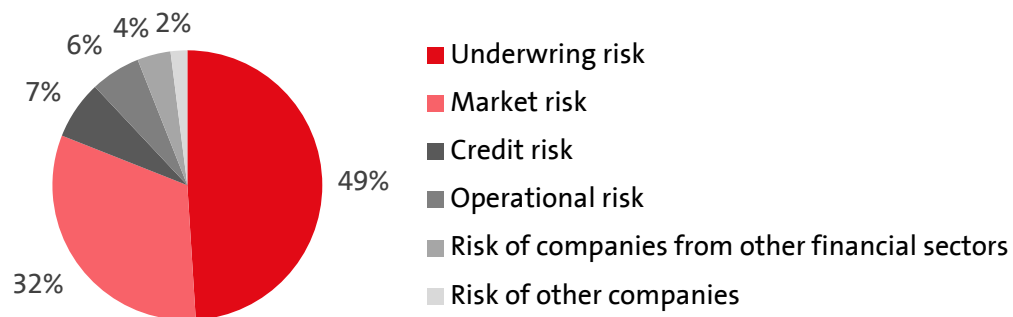
COMMENT ON CAPITAL ADEQUACY AS AT 30 SEPT 2020:

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 | |

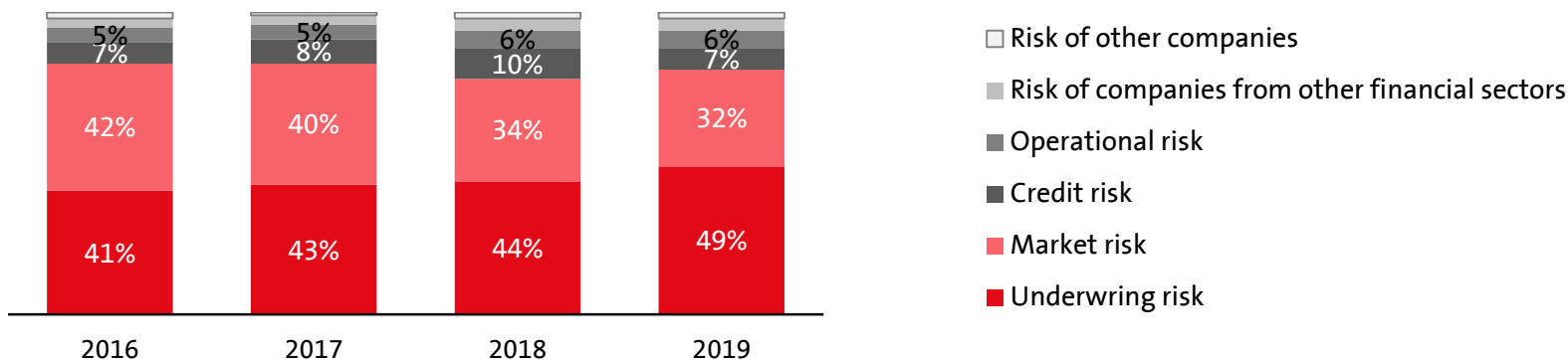
DISCIPLINED CAPITAL MANAGEMENT

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



AS AT 30 SEPT 2020: Triglav Group regularly monitors current and potential risks and reliably manages them. Capital adequacy is assessed as strong. **Risk profile does not significantly deviate compared to 31 Dec 2019**, with due regard to changes in financial markets and portfolio growth over the period.

CONSISTENTLY DECREASING EXPOSURE TO MARKET RISK AND PRUDENTLY INCREASING UNDERWRITING RISKS



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

Group has adequate reinsurance protection

Report available on www.triglav.eu.

2020

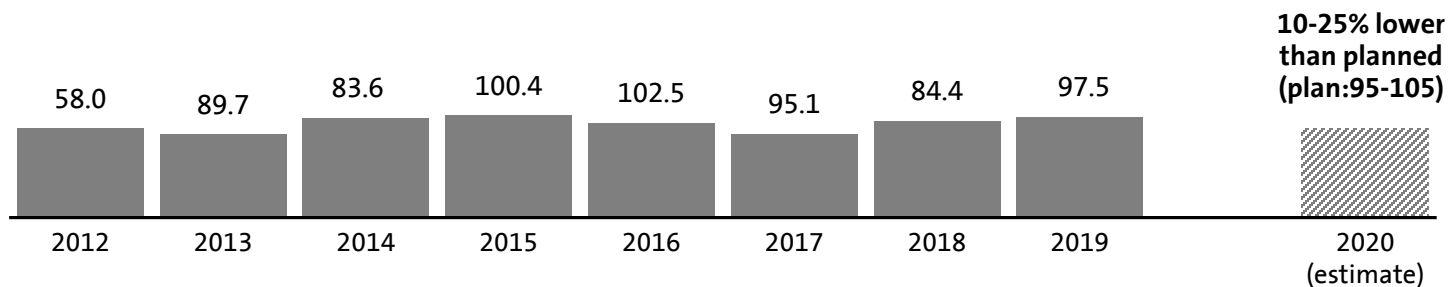
2015

2008

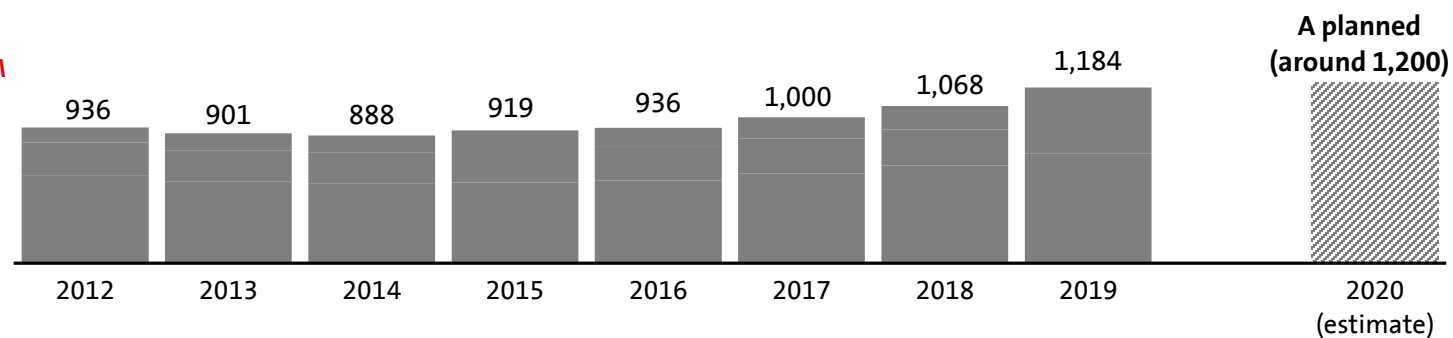
| Credit rating agency | Rating | Outlook | Date |
|----------------------|--------|----------|---------------|
| A.M. Best | A | stable | 16-Oct-2020 |
| S&P Global Ratings | A | stable | 11-Sept-2020* |
| A.M. Best | A | stable | 19-Nov-2019 |
| S&P Global Ratings | A | stable | 31-Jul-2019 |
| A.M. Best | A | stable | 30-Nov-2018 |
| S&P Global Ratings | A | stable | 7-Sep-2018 |
| A.M. Best | A | stable | 30-Oct-2017 |
| S&P Global Ratings | A | stable | 8-Sep-2017 |
| A.M. Best | A | stable | 28-Oct-2016 |
| S&P Global Ratings | A | stable | 1-Jul-2016 |
| A.M. Best | A- | positive | 16-Oct-2015 |
| S&P Global Ratings | A- | positive | 29-Aug-2015 |
| A.M. Best | A- | positive | 3-Oct-2014 |
| S&P Global Ratings | A- | stable | 26-Sep-2014 |
| S&P Global Ratings | A- | stable | 7-Jul-2014 |
| A.M. Best | A- | stable | 17-Oct-2013 |
| S&P Global Ratings | A- | stable | 4-Jul-2013 |
| A.M. Best | A- | stable | 21-Mar-2013 |
| S&P Global Ratings | BBB+ | positive | 14-Feb-2013 |
| S&P Global Ratings | A- | negative | 8-Aug-2012 |
| S&P Global Ratings | A | negative | 21-Nov-2011 |
| S&P Global Ratings | A | stable | 25-Nov-2010 |
| S&P Global Ratings | A | stable | 25-Aug-2009 |
| S&P Global Ratings | A | stable | 25-Sep-2008 |

PROFITABLE AND SAFE OPERATIONS (COMMENT ON 2020 PERFORMANCE)

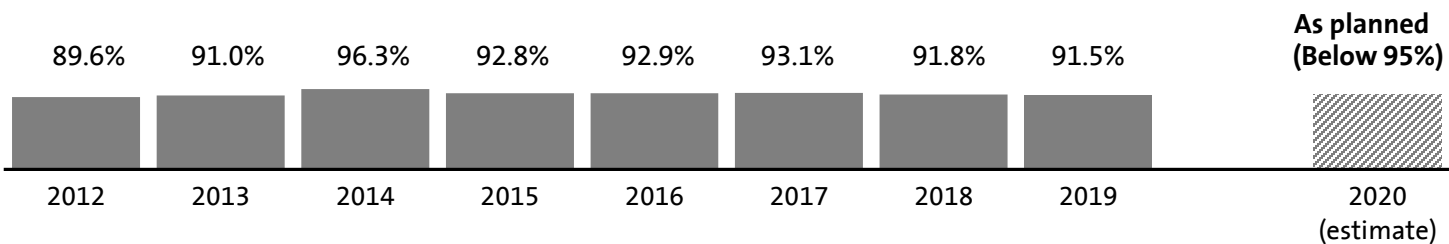
PROFIT BEFORE TAX (IN €M)



GROSS WRITTEN PREMIUM (IN €M)

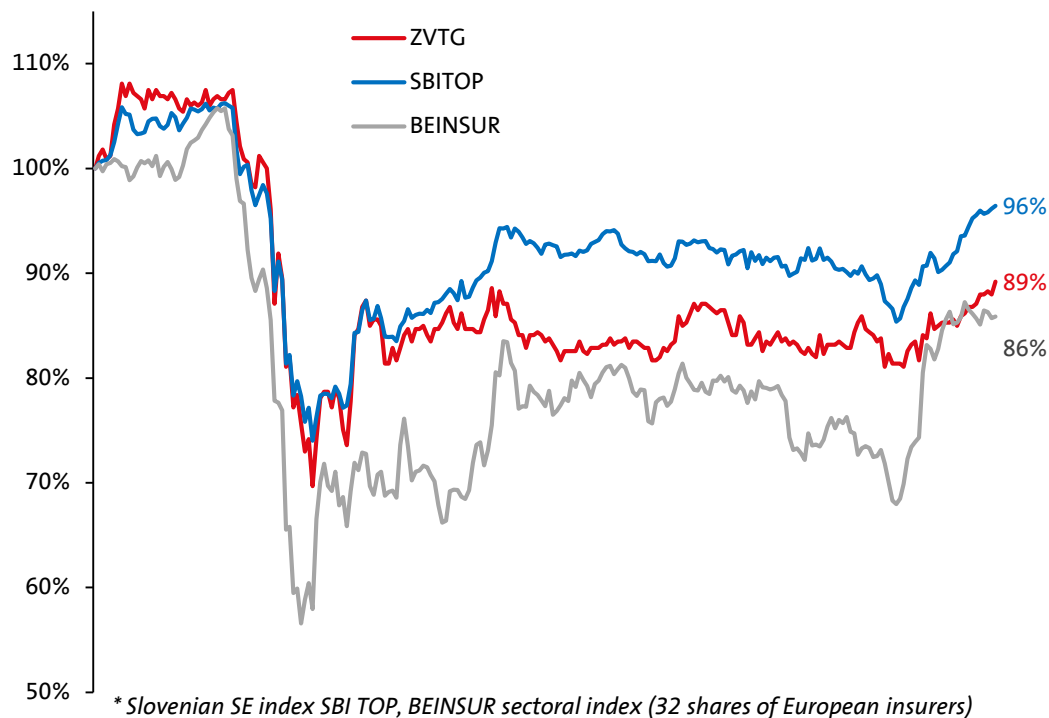


COMBINED RATIO NL

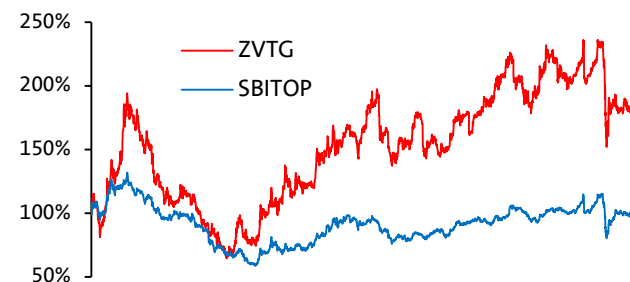


SHARE PRICE PERFORMANCE

IN 2020 ZVTG UNDER INFLUENCE OF GLOBAL STOCK MARKET CRASH



ZVTG PRICE SINCE 2009



| Items (in €) | 30 Sept 2020 |
|------------------------------|--------------|
| Closing price | 27.30 |
| Book value per share* | 36.99 |
| Net earnings per share* | 2.23 |
| Market capitalisation | 620,669,540 |
| Average daily trading volume | 140,034 |
| % of free floating stock | 30.8% |
| Market maker | Intercapital |

* Consolidated data

Traded on Ljubljana SE

ISIN code SI0021111651

Ticker ZVTG

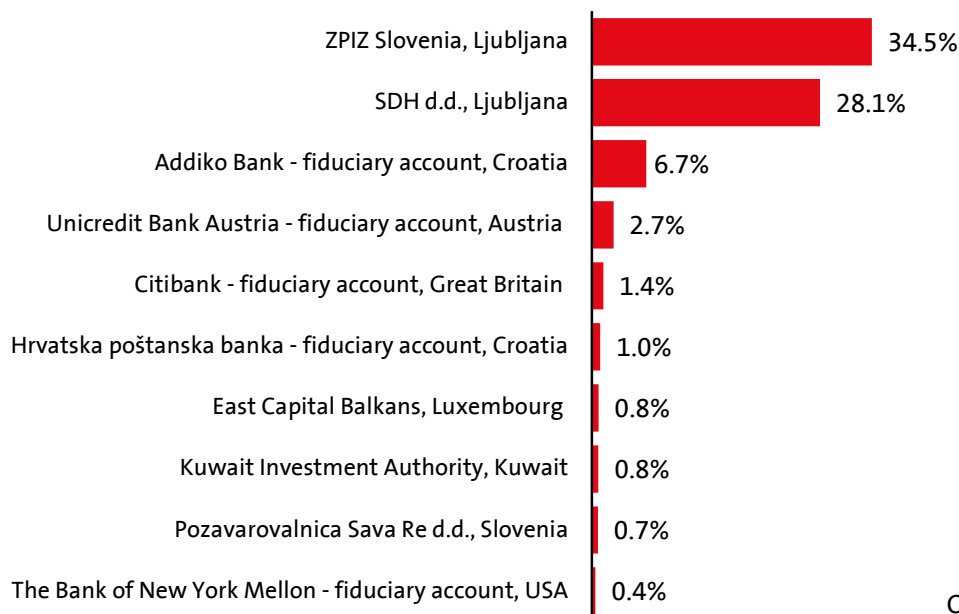
Bloomberg ZVTG SV

Reuters ZVTG.LJ

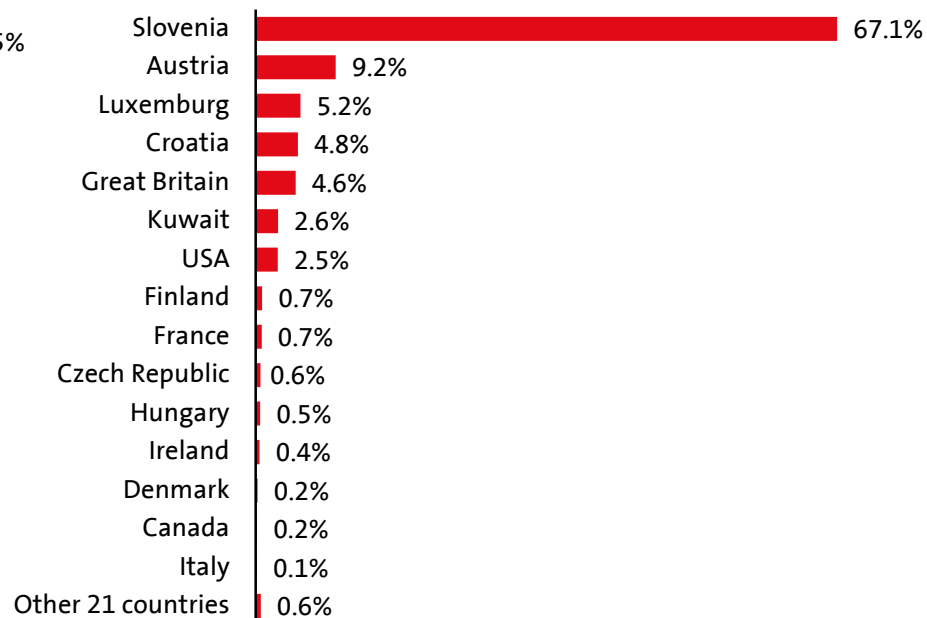
INTERNATIONAL SHAREHOLDERS WITH 17% STAKE

NO MAJOR CHANGES IN SHAREHOLDER STRUCTURE.

STRUCTURE OF TOP 10 (AS AT 30 SEPT 2020)



30.8% SHARES ARE FREE FLOATING (AS AT 30 SEPT 2020):



ACTIVE INVESTOR RELATIONS POLICY Transparent operations, open contact with investors. Contact: investor.relations@triglav.si.

2020 AGM DECISIONS REGARDING DIVIDENDS AND SB

General Meeting of Shareholders

This year's AGM, held on 2 June 2020, adopted resolution to keep 2019 **accumulated profit undistributed** and thus allocated for future dividend payment or for other purposes in accordance with AGM's resolution. Decision is in line with Insurance Supervision Agency's calls and recommendations regarding payment of dividends by insurance companies in Slovenia due to COVID-19 pandemic. **TRIGLAV IS NOT CHANGING ITS DIVIDEND POLICY.**

Supervisory Board

REGULAR CG: Reappointment of Mr Stebernak as member of SB. Appointment of existent member of SB Mr Andoljšek as Chairman of SB.

Management Board

In 2020 no changes in management team.



9M 2020 RESULTS

FINANCIALS & INVESTMENTS

Our mission is
to build a
safer future.

9M 2020 KEY FINANCIALS

GROSS WRITTEN PREMIUM

€ 960.9M

GWP up 6% y-o-y

Slovenia: +5%

Other markets: +6%

Non-life: +6%

Life & Pensions: +2%

Health: +14%

PROFIT BEFORE TAX

€ 62.4M

Decreased by 13% y-o-y

Result positively influenced by underwriting discipline, increased business volume and prudent cost management and additionally affected by the situation in financial markets, major CAT events and increase in insurance technical provisions due to current business conditions.

- € 60.4M PBT from underwriting (+10% y-o-y)
- € -0.2M PBT from investment activities (in 9M 2019: € 14.9M)
- € 2.3M PBT from non-insurance (-8% y-o-y)

COMBINED RATIO NON-LIFE

91.4%

91.3% in 9M 2019

Favourable, below 95%

9M 2020 PERFORMANCE AT A GLANCE

In € million

| | 9M 2020 | 9M 2019 | Index |
|---|---------|---------|-------|
| Gross written premium | 960.9 | 905.5 | 106 |
| Net premium income | 791.1 | 751.4 | 105 |
| Gross claims paid | 505.0 | 505.5 | 100 |
| Net claims incurred | 510.6 | 488.4 | 105 |
| Insurance business gross operating costs | 199.3 | 200.1 | 100 |
| Profit before tax | 62.4 | 72.0 | 87 |
| Net profit | 50.8 | 59.1 | 86 |
| Gross insurance technical provisions | 3,040.9 | 2,878.9 | 106 |
| Total equity | 843.5 | 792.0 | 107 |
| Number of employees | 5,310 | 5,281 | 101 |
| Expense ratio non-life | 27.1% | 28.1% | |
| Net claims ratio non-life | 64.3% | 63.2% | |
| Combined ratio non-life | 91.4% | 91.3% | |

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

Costs well managed.

Volume of gross claims paid comparable to 9M 2019. Adequate insurance technical provisions were formed:

- For incurred but not paid claims,
- For anticipated bonus payments due to lower claims experience in some business segments and for expected future claims due to this year's decreased economic activity and
- In Life & Pension due to further reduction in general level of interest rates.

PBT down by 13% y-o-y primarily due to lower profits from investments, partly also due to major CAT events¹ and increased provisions.

Equity up by 7% y-o-y primarily due to higher retained earnings.

Favourable CoR at 91.4%

¹ 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 | 9M 2020 | | | | 9M 2019 | | | |
|------------------------------------|----------|-------------|--------|-------|----------|-------------|--------|-------|
| | Non-life | Life & Pen. | Health | Total | Non-life | Life & Pen. | Health | Total |
| PBT from: | | | | | | | | |
| Underwriting activities | 40.6 | 12.6 | 7.2 | 60.4 | 39.1 | 9.9 | 5.7 | 54.7 |
| Investment activities ¹ | 12.2 | -13.0 | 0.5 | -0.2 | 17.8 | -3.5 | 0.5 | 14.9 |
| Insurance | 52.9 | -0.4 | 7.7 | 60.2 | 56.9 | 6.4 | 6.3 | 69.6 |
| Non-insurance ² | | | | 2.3 | | | | 2.4 |
| Total PBT | | | | 62.4 | | | | 72.0 |

In € million

| NON-CONSOLIDATED | 9M 2020 | | | | 9M 2019 | | | |
|------------------------------------|----------|-------------|--------|-------|----------|-------------|--------|-------|
| | Non-life | Life & Pen. | Health | Total | Non-life | Life & Pen. | Health | Total |
| PBT from: | | | | | | | | |
| Underwriting activities | 41.0 | 10.7 | 6.2 | 58.0 | 39.2 | 8.2 | 4.6 | 52.0 |
| Investment activities ¹ | 12.2 | -12.9 | 0.3 | -0.4 | 18.1 | -3.4 | 0.4 | 15.1 |
| Insurance | 53.2 | -2.2 | 6.6 | 57.6 | 57.4 | 4.8 | 5.0 | 67.2 |
| Non-insurance ² | | | | 4.8 | | | | 4.9 |
| Total PBT | | | | 62.4 | | | | 72.0 |

9M 2020 CONSOLIDATED PBT: Underwriting results up by 10% y-o-y, investment results negative due to creation of additional provisions in life and pensions and continued deterioration of regular investment income.

PBT by segments:

From non-life business down by 7% y-o-y. Under influence of premium growth and lower gains on sale of financial assets and lower interest income.

From life & pensions business negative mainly due to creation of additional provisions.

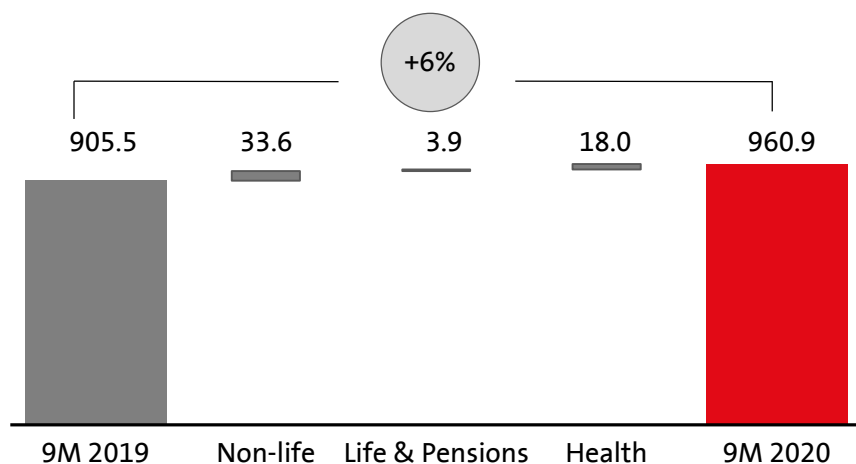
From health insurance business increase by 23% y-o-y due to higher growth in net premium income and lower operating expenses.

¹ *Life investment result net of guarantees and additionally formed mathematical reserves and other investment-related provisions.*

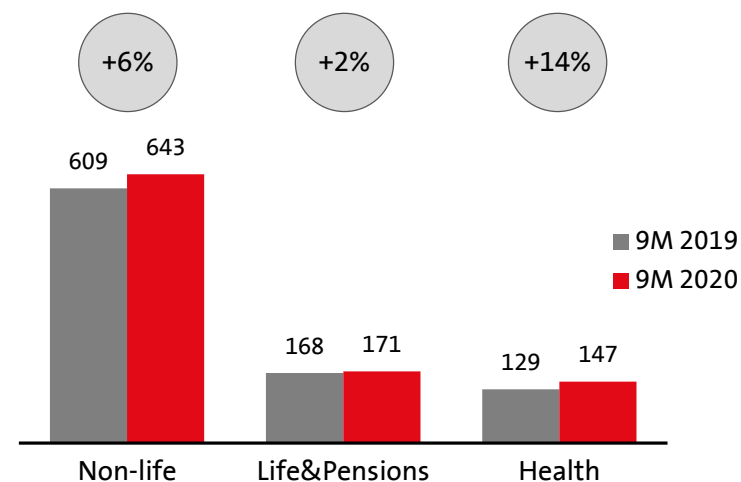
² *PBT from non-insurance consists mainly from results of performance of Triglav AM company, Triglav real estate management company and holding company TINT.*

GWP GROWTH OF 6% Y-O-Y

GWP DEVELOPMENT FROM 9M 2019 TO 9M 2020 (in €M)



GWP GROWTH BY SEGMENTS
(GWP in €M; GWP growth y-o-y in %)



9M 2020 PERFORMANCE BY INSURANCE SEGMENTS:

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

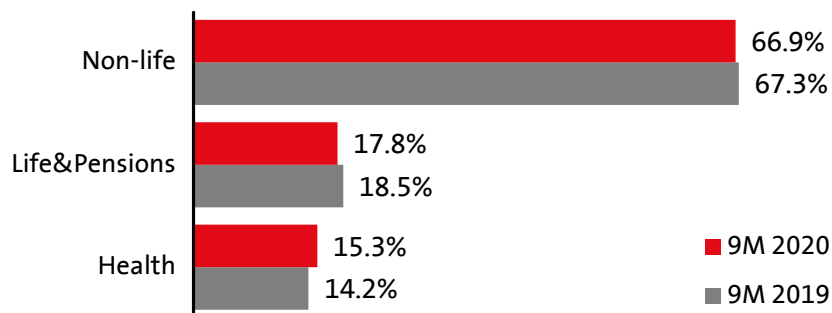
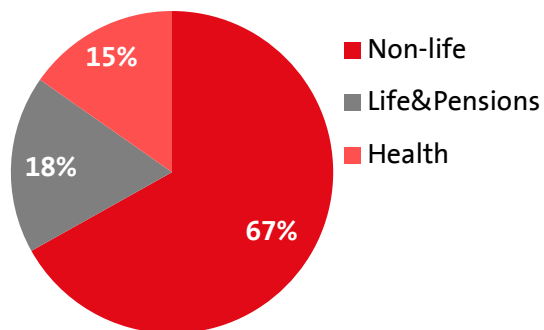
Life & Pensions: Higher single premium sales, increased sales through bank channels.

Health: Growth of supplemental health insurance 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

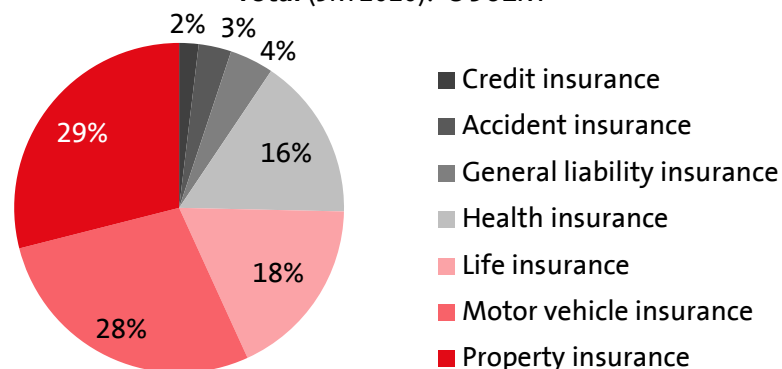
GWP BY MAIN INSURANCE SEGMENTS

Total (9M 2020): € 961M



WELL BALANCED STRUCTURE OF GWP

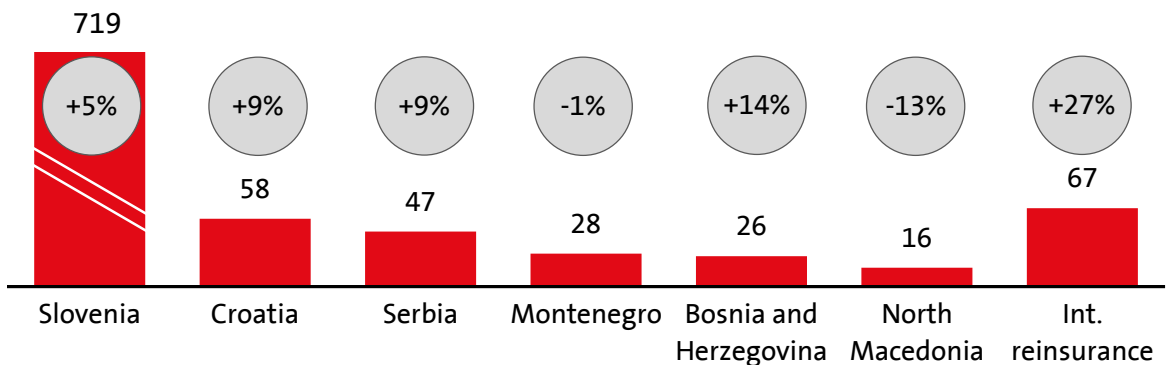
Total (9M 2020): € 961M



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** to be more flexible and understandable.

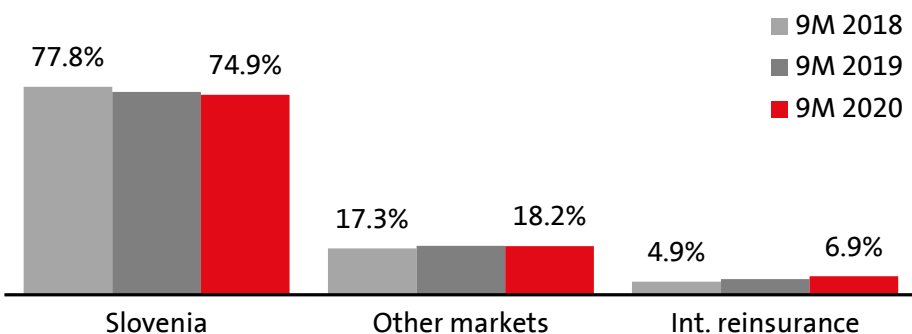
GWP DIVERSIFICATION BY MARKETS

9M 2020 GWP BY MARKETS (GWP in €M; GWP growth y-o-y in %)

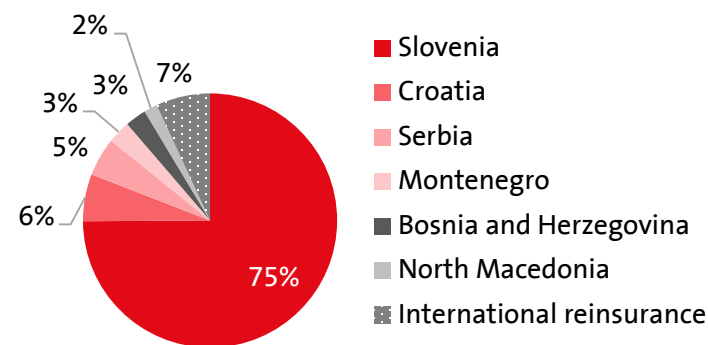


The average premium growth:
Slovene market +5%
Markets outside Slovenia +6%

GWP SHARE FROM OUTSIDE SLOVENIA CONSISTENTLY INCREASING (% GWP)

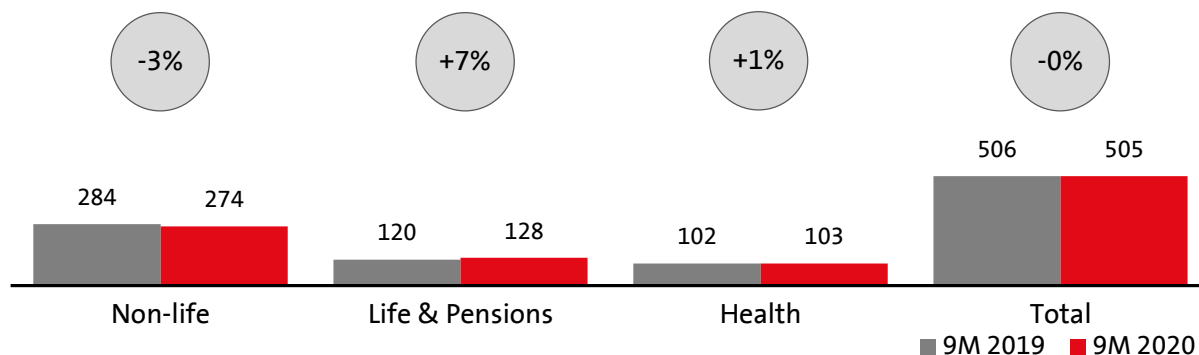


STRUCTURE OF GWP BY MARKETS (9M 2020; % GWP)



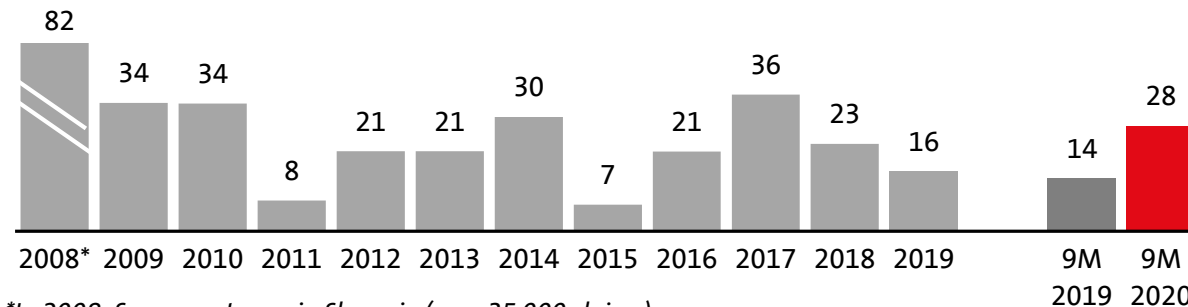
CLAIMS EXPERIENCE

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



Volume of gross claims paid influenced by fewer claims incurred and reported (e.g. in motor vehicle insurance), in health insurance by 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**.

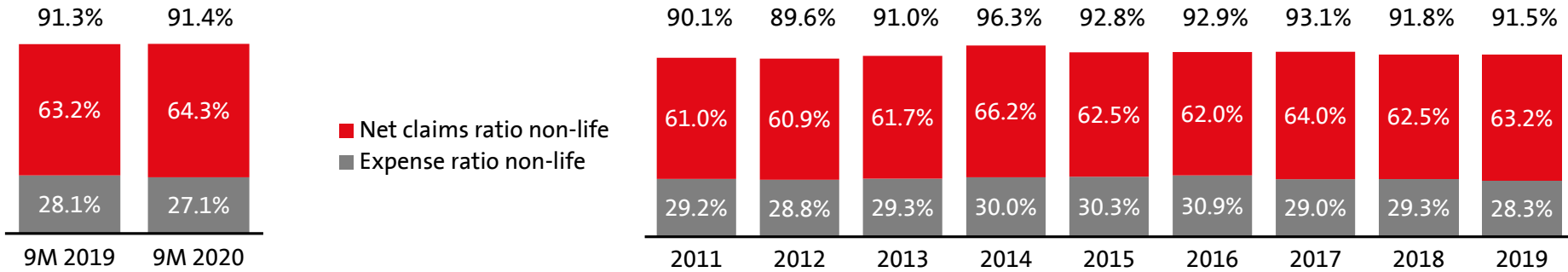
9M 2020 major CAT events (estimated value):

- Earthquake in Zagreb (EUR 5.2M),
- Hail storms in Slovenia, Croatia and North Macedonia (EUR 22.8M).

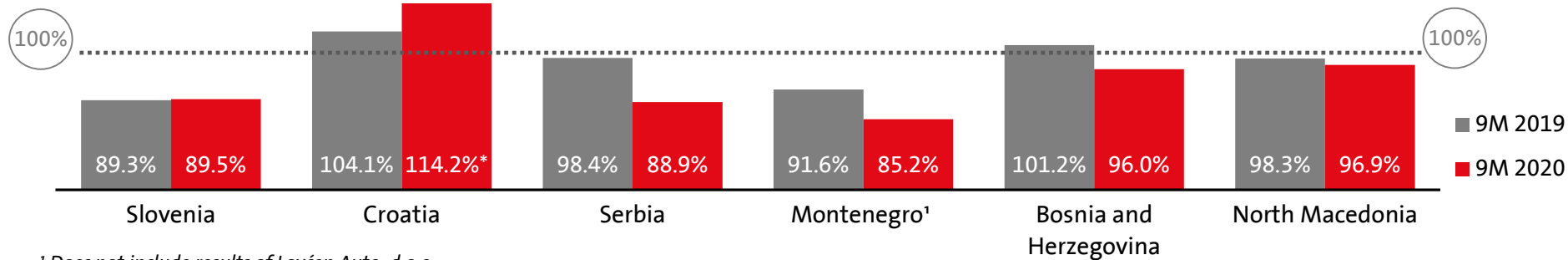
CONTINUED UNDERWRITING DISCIPLINE

TRIGLAV GROUP COMBINED RATIO NL

STRATEGY: Average target combined ratio NL at around 95%



TRIGLAV GROUP COMBINED RATIO NL BY MARKETS

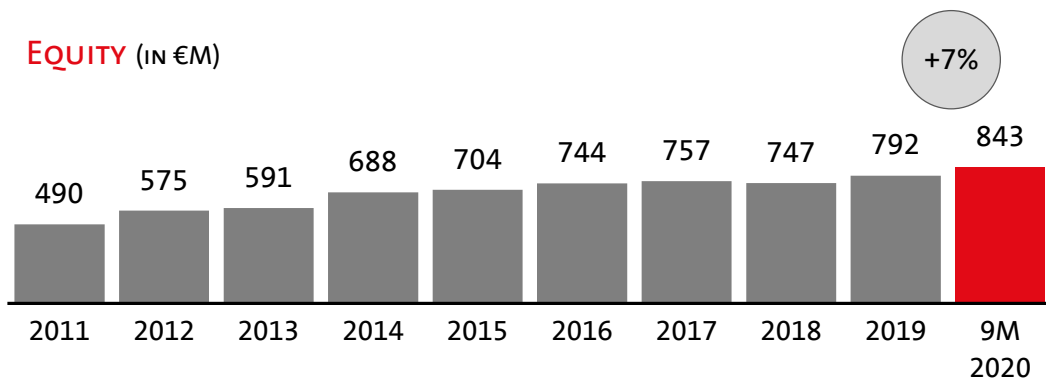


¹ Does not include results of Lovćen Auto, d.o.o.

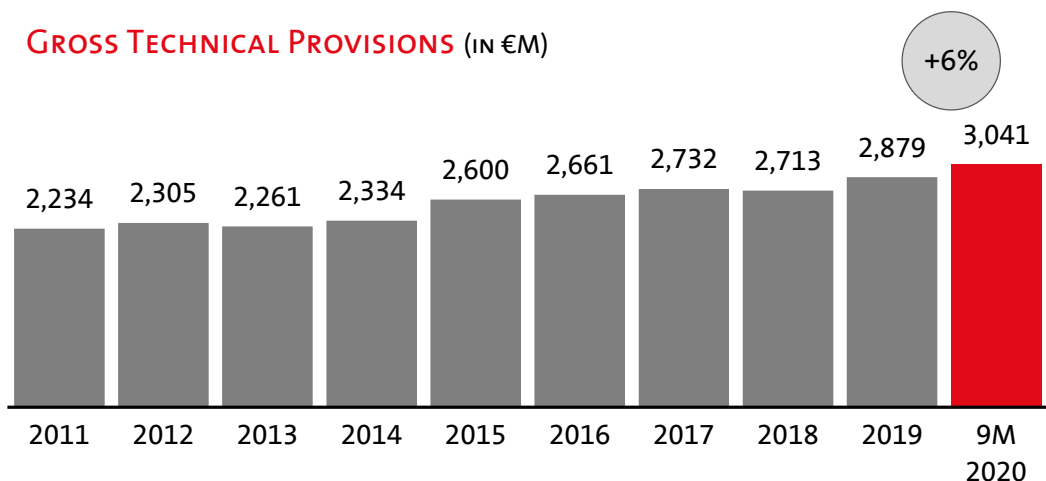
* High growth, in addition to earthquake, mainly result of increased claims provisions due to Court decision, obligatory for the whole market, which changes criteria and amounts for determining monetary compensation for non-pecuniary damages.

FINANCIAL STRENGTH, PRUDENT MANAGEMENT OF PROVISIONS

EQUITY (IN €M)



GROSS TECHNICAL PROVISIONS (IN €M)



Equity up primarily due to higher retained earnings.

Gross insurance technical provisions, which are basis for balanced operations and long-term safety of clients, were up by 6% compared to end of 2019. Provisions by type:

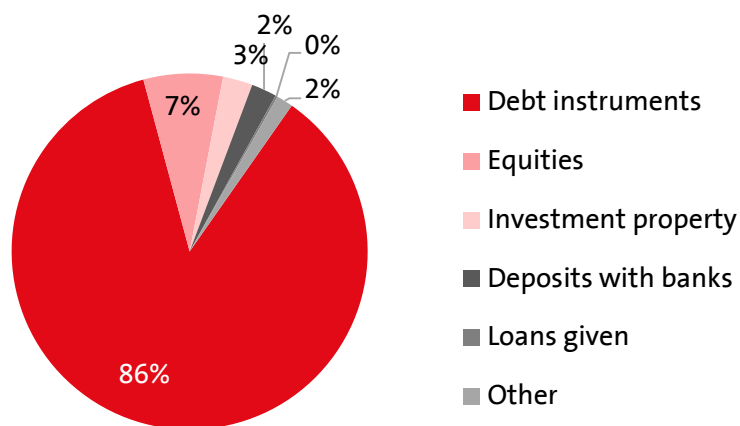
- **Mathematical provisions** (provisions for guarantee fund backing life insurance and for unit-linked life insurance contracts) up by 2% to € 1,921M,
- **Gross claims provisions** (provisions for covering claims incurred but not yet settled) up by 6% to € 655M,
- **Gross unearned premium** up by 20% to €397M, its movement corresponds to movement and duration of GWP and nature of underwritten risks.
- **Provisions for bonuses and discounts** up by 22% to € 24M (additional provisions due to pandemic),
- **Other provisions** grew by 97% to € 43M (increase of additional other insurance technical provisions created due to pandemic).

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 ALLOCATION¹ SIMILARLY CONSERVATIVE AS AT 2019 YE

TOTAL (9M 2020): € 2,939M

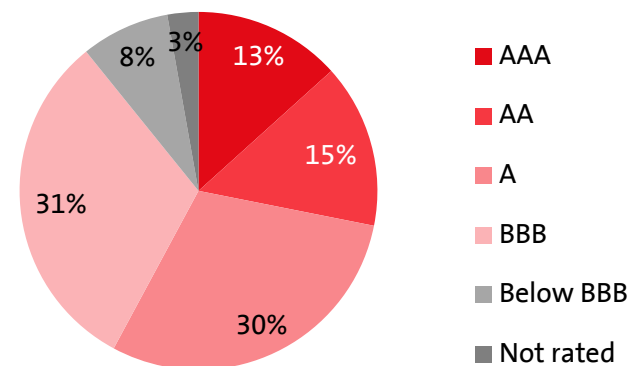


¹ Unit-linked insurance contract investments excluded

DEBT INSTRUMENTS BY RATING

TOTAL (9M 2020): € 2,527M

89.2% with investment grade credit rating of at least “**BBB**” (vs. 87.5% as at 31 Dec 2019)



TRIGLAV GROUP ASSET ALLOCATION

| 30 Sept 2020 | NON-LIFE & HEALTH ¹ | | LIFE & PENSIONS ¹ | | TOTAL | |
|---|--------------------------------|------|------------------------------|------|---------|------|
| | In €M | In % | In €M | In % | In €M | In % |
| Investment property | 78.6 | 6% | 1.8 | 0% | 80.4 | 3% |
| Investments in associates² | 26.6 | 2% | 0.5 | 0% | 27.1 | 1% |
| Shares and other floating rate securities | 126.6 | 10% | 86.4 | 5% | 213.0 | 7% |
| Debt and other fixed return securities | 1,035.4 | 78% | 1,491.4 | 93% | 2,526.8 | 86% |
| Loans given | 2.1 | 0% | 3.5 | 0% | 5.6 | 0% |
| Bank deposits | 46.5 | 3% | 21.5 | 1% | 68.0 | 2% |
| Other financial investments | 6.0 | 0% | 0.4 | 0% | 6.4 | 0% |
| Derivative financial instruments | 10.9 | 1% | 0.0 | 0% | 10.9 | 0% |
| Investments | 1,332.7 | 100% | 1,605.6 | 100% | 2,938.4 | 100% |
| Financial investments of reinsurance companies in reinsurance contracts with cedents | 0.2 | | 0.0 | | 0.2 | |
| Unit-linked insurance contract investments | 0.0 | | 474.1 | | 474.1 | |
| Group financial investments | 1,333.0 | | 2,079.7 | | 3,412.7 | |

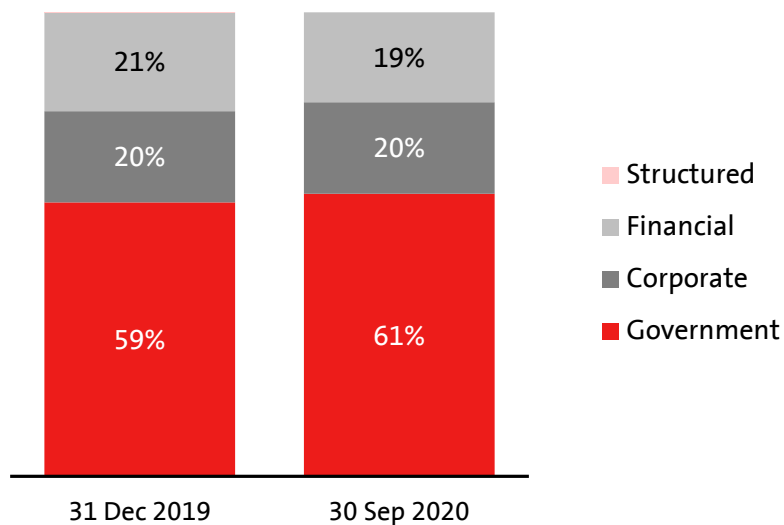
¹ Includes investments of own funds of the Group

² Investment in associates are mainly additional real estate exposure

BOND PORTFOLIOS

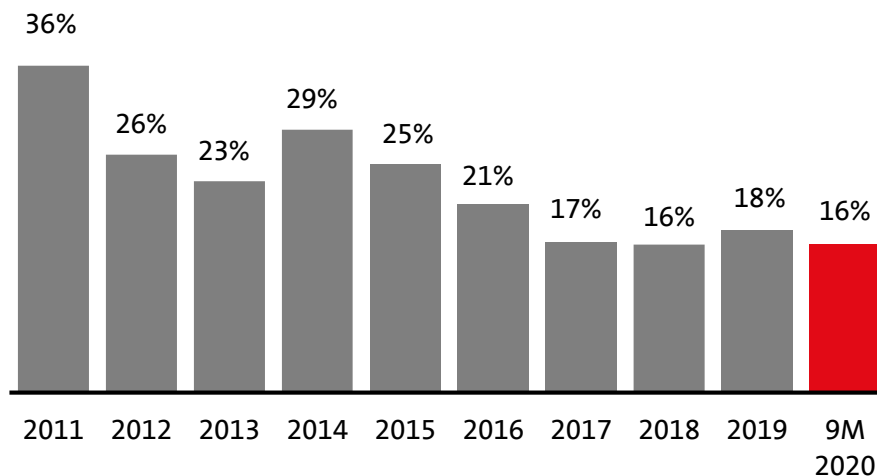
BOND PORTFOLIO STRUCTURE BY TYPE OF ISSUERS

TOTAL (9M 2020): € 2,527M



EXPOSURE TO SLOVENIAN BONDS IN TOTAL BONDS

TOTAL (9M 2020): € 414M



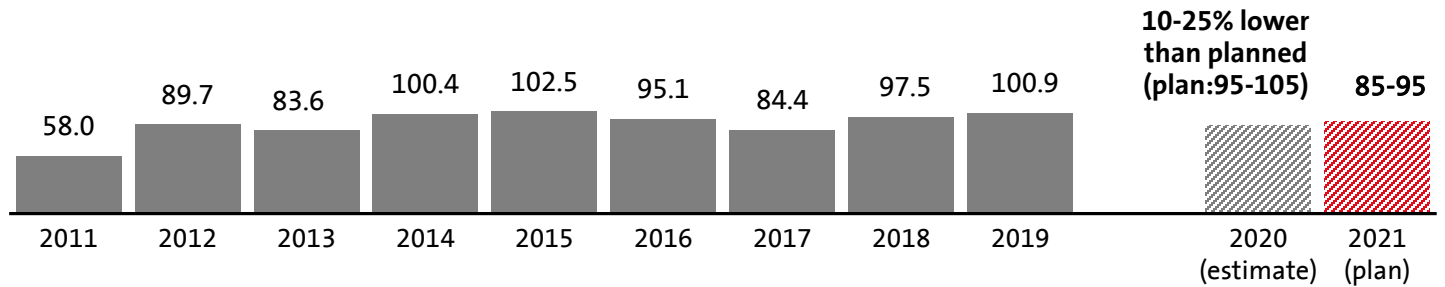
2021 OUTLOOK



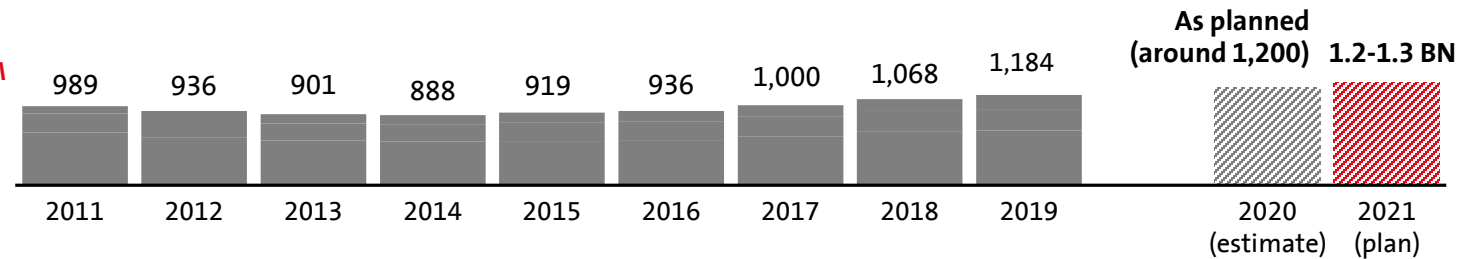
Our
mission is
to build a
safer
future.

FOCUS ON LONG TERM PROFITABILITY AND SAFETY OF OPERATIONS

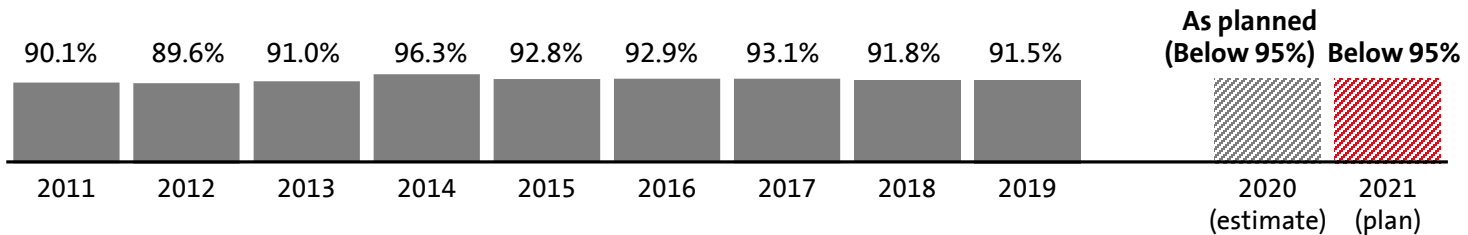
PROFIT BEFORE TAX
(IN €M)



GROSS WRITTEN PREMIUM
(IN €M)



COMBINED RATIO NL



KEY TAKEAWAYS

Triglav has effectively adapted to COVID-19 pandemic situation (client service continuity).

9M 2020 results are solid (despite increased Life & Pensions reserves). We assess that 2020 GWP and CoR will be as planned and PBT lower than planned at the end of 2019.

In 2020 „A“ credit ratings with stable outlook were re-affirmed by both credit rating agencies.

2019 accumulated profit remained undistributed due to regulator's calls and recommendations. Dividend policy is not changed.

2021 plan: Continuation of profitable performance with increased business volume and underwriting profitability.

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