

# Q1 2017 results

Investor presentation

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Certain statements in this presentation are based on the beliefs of our management as well as assumptions made by and information currently available to the management. Forward-looking statements (other than statements of historical fact) regarding our future results of operations, financial condition, cash flows, business strategy, plans and future objectives can generally be identified by terminology such as "targets", "believes", "expects", "aims", "intends", "plans", "seeks", "will", "may", "anticipates", "continues" or similar expressions.

A number of different factors may cause the actual performance to deviate significantly from the forward-looking statements in this presentation including but not limited to general economic developments, changes in the competitive environment, developments in the financial markets, extraordinary events such as natural disasters or terrorist attacks, changes in legislation or case law and reinsurance.

We urge you to read our annual report available on [tryg.com](http://tryg.com) for a discussion of some of the factors that could affect our future performance and the industry in which we operate.

Should one or more of these risks or uncertainties materialise or should any underlying assumptions prove to be incorrect, our actual financial condition or results of operations could materially differ from that described herein as anticipated, believed, estimated or expected.

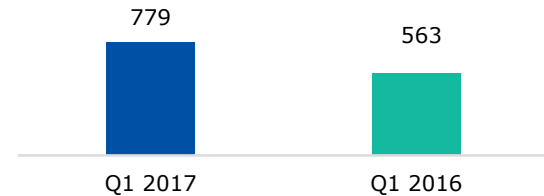
We are not under any duty to update any of the forward-looking statements or to conform such statements to actual results, except as may be required by law.

# Financial highlights Q1 2017

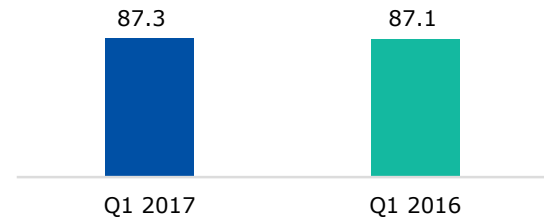
- Slightly improved technical result, strong investment income, pre-tax result improved by more than 35%
- Q1 dividend of DKK 1.60 per share and solvency ratio of 202%

- Pre-tax profit of DKK 779m (DKK 563m) driven by:
  - Slightly higher technical result of DKK 568m (DKK 562m) driven by a low level or large claims and weather claims. Run-off result lower than last year (6.4% vs. 8.6%)
  - Substantially higher investment result of DKK 223m (DKK 17m) driven by a good return on equities and narrowing covered-bond spreads
  - Q1 DPS 1.6 and solvency ratio of 202% (Q1 dividend already deducted)
- Technical result of DKK 568m (DKK 562m)
  - Low level of large claims (1.1%), weather claims (2.3%), run-off gains weighed positively for 6.4% (8.6%) on the combined ratio
  - Underlying claims ratio (Private & Group) at the same level compared to Q1 2016
  - Average price of Motor insurance in Denmark up 1% after a prolonged period of pressure
  - "FY 2017 underlying claims ratio expected to be better than 2016"
- Investment income of DKK 223m (DKK 17m)
  - Positive development in equity markets boosted the free portfolio result
  - Narrowing covered bonds spreads behind strong match portfolio result
  - Asset allocation broadly unchanged
- TryghedsGruppen 8% member bonus in 2017
  - Expected to support customer loyalty in the Danish part of the business

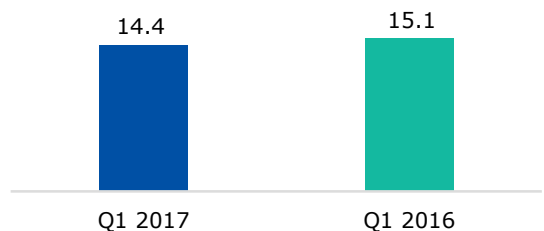
## Pre-tax profit (DKKm)



## Combined ratio



## Expense ratio



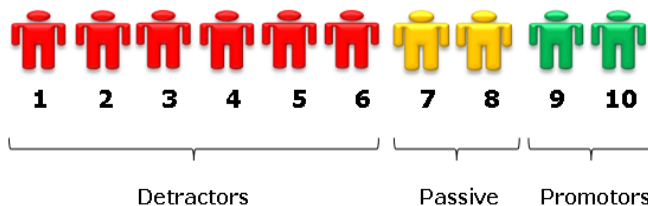
# Customer highlights Q1 2017

- New customer concept introduced in Private Denmark

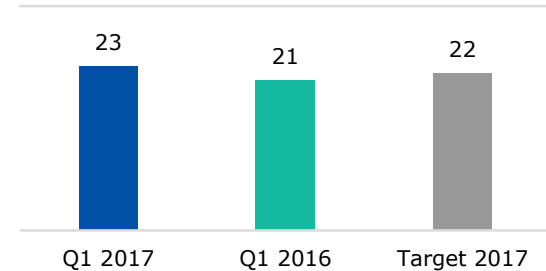
- NPS of 23 and Transactional Net Promoter Score (TNPS) of 57
- New customer concept 'peace of mind' packages in Private Denmark, supportive of Tryg's +3 customer target.
- First fully digitalised travel insurance claim processed in Norway.
- New Smart Plus car policy priced according to driving behaviour launched in Sweden.
- Commercial Denmark launched a new product against loss of profit and expenses resulting from sickness or injury of any employee.
- TryghedsGruppen decided to pay out a member (Tryg's Danish customers) bonus of 8% of the premium paid for 2016. The bonus will be paid out in September.

## What is Net Promoter Score (NPS)?

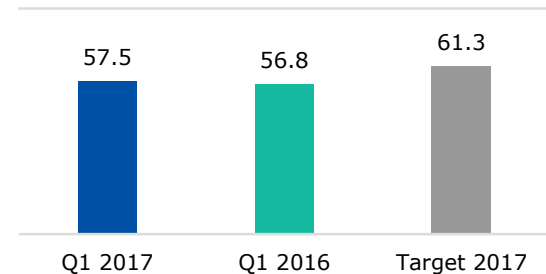
*"On a scale from 1-10, what is the likelihood of you recommending Tryg to family or friends?"*



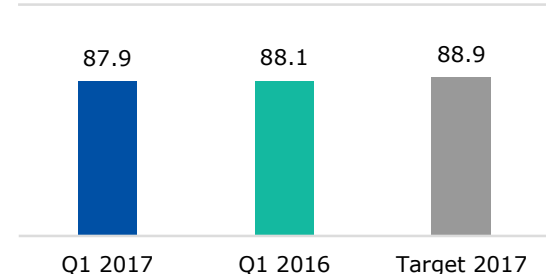
## NPS



## Customers with ≥3 products (%)

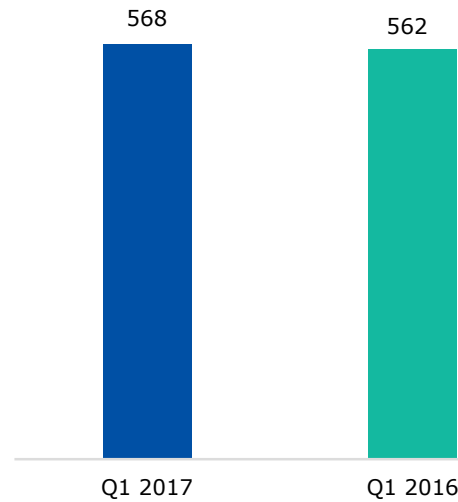


## Retention rate

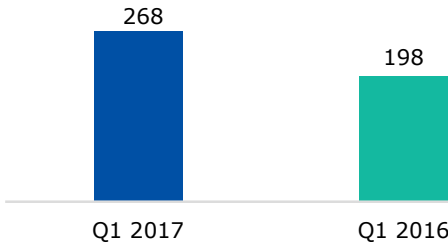


## Slightly improved technical result driven by Private segment

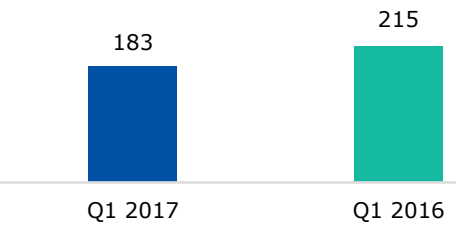
**Group (DKKkm)**



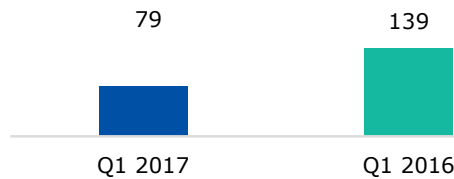
**Private, DK & NO (DKKkm)**



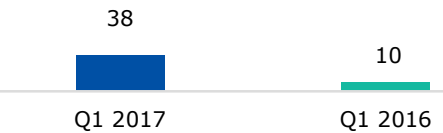
**Commercial, DK & NO (DKKkm)**



**Corporate (DKKkm)**



**Sweden (DKKkm)**







Premiums and portfolio

# Group premiums up 1.6% in Q1



Group premiums were up 1.6% in local currencies, Private lines DK and of Skandia child book key drivers

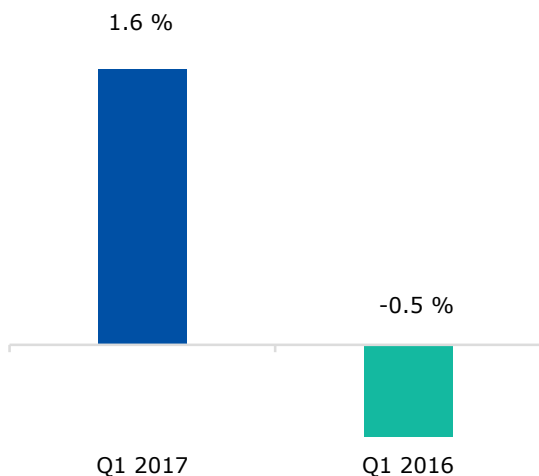
Danish premiums up more than 2% while Norwegian premiums still declining

Private lines increased 0.6% in particular driven by a positive development in Private Denmark (2.8%)

Sweden increased 17.0% primarily driven by the full inclusion of the Skandia child insurance portfolio.

## Gross earned premiums development

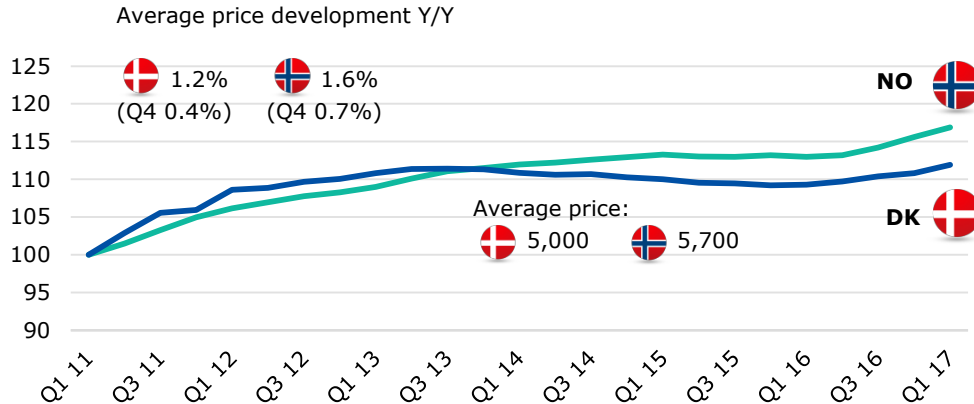
(Local currencies)



DKKm	Q1 2017	Q1 2016	Local currencies Q1 2017	Local currencies Q1 2016
Private	2,206	2,137	0.6%	0.8%
Commercial	965	967	-1.8%	-1.5%
Corporate	970	920	3.5%	-2.1%
Sweden	329	289	17.0%	-1.4%
<b>Group</b>	<b>4,458</b>	<b>4,310</b>	<b>1.6%</b>	<b>-0.5%</b>

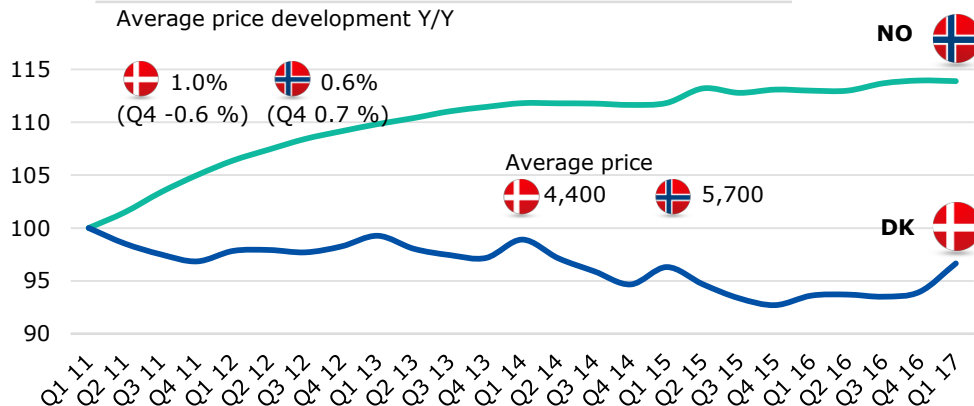
# Private - average prices

## House insurance – average price (index 2011 = 100)



- DK: 1.2% positive development reflects both price increases and conversion
- NO: 1.6% positive development reflects primarily price increases

## Motor insurance – average price (index 2011 = 100)

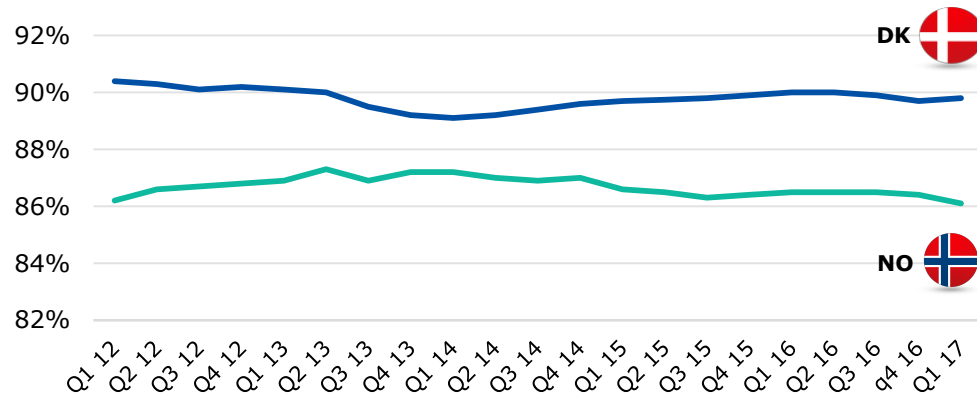


- DK: 1.0% positive development reflects both price increases and conversion
- NO: 0.6% positive development reflects underlying price increases. Avg Motor price in Norway higher reflecting primarily different type of cars



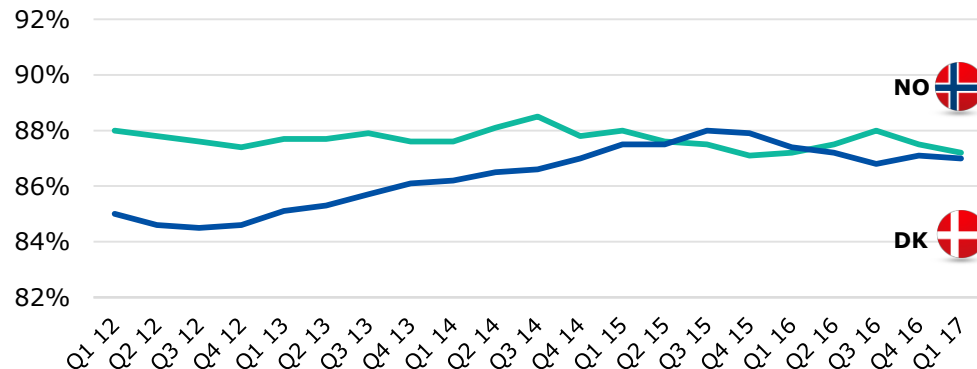
# Customer retention broadly stable

## Private



- DK: customer retention at 89.8% (90.0%) remaining constant at very high levels
- NO: customer retention at 86.1% (86.5%) slightly down driven by price increases

## Commercial



- DK: customer retention at 87.0% (87.4%) slightly down driven by price increases
- NO: customer retention at 87.2% (87.2%) remaining constant

# Claims and expenses



# Underlying claims ratio at same level than Q1 2016



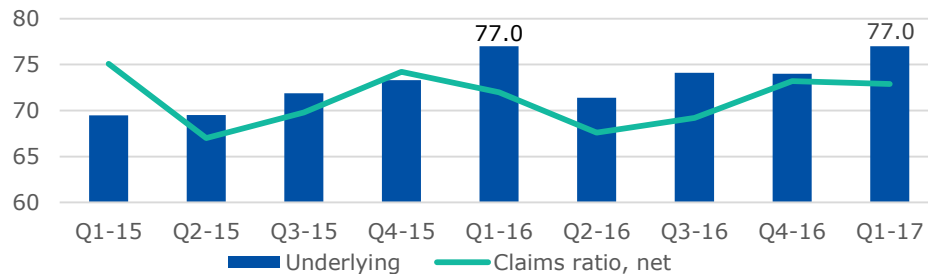
Group underlying Claims ratio at 77.0% in line with Q1 2016

Private underlying Claims ratio at 75.5% also in line with Q1 2016

Corporate & Sweden underlying claims ratio developed favourably

"Expected FY 2017 underlying claims ratio better than FY 2016"

## Group

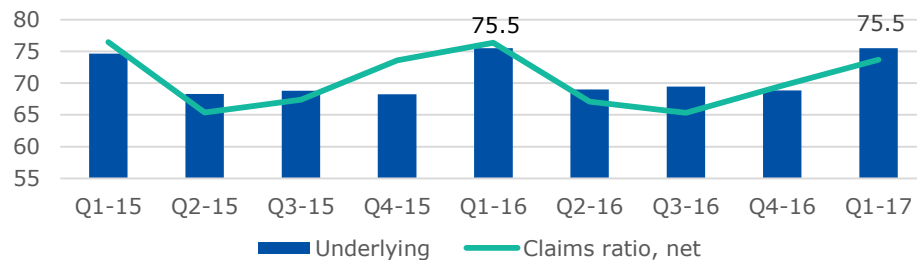


Underlying development is adjusted for run-off, large claims, weather claims and interest.

Q1-16:  $72.0 + 8.6 - 1.0 - 3.3 + 0.7 = 77.0$

Q1-17:  $72.9 + 6.4 - 1.1 - 2.3 + 1.1 = 77.0$

## Private (DK & NO)

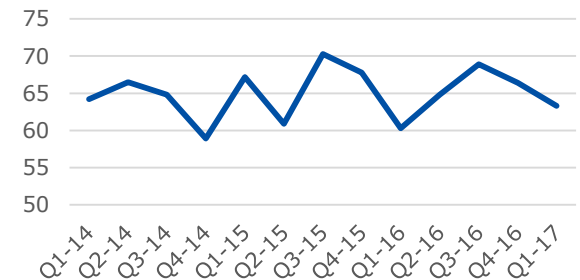


Underlying development is adjusted for large claims, weather claims, run-off and interest.

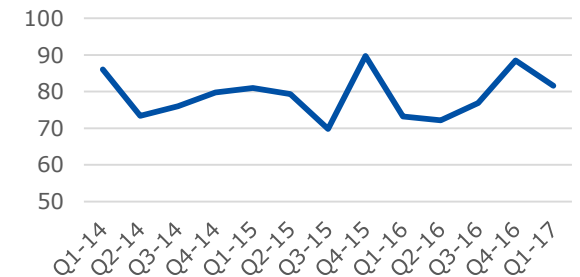
Q1-16:  $76.4 + 3.4 - 0.0 - 4.5 + 0.2 = 75.5$

Q1-17:  $73.7 + 4.5 - 0.0 - 3.0 + 0.3 = 75.5$

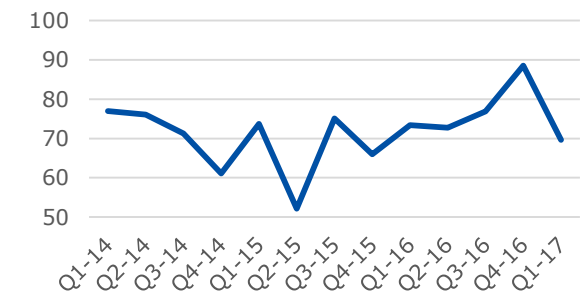
## Claims ratio, net (Commercial DK & NO)



## Claims ratio, net (Corporate)

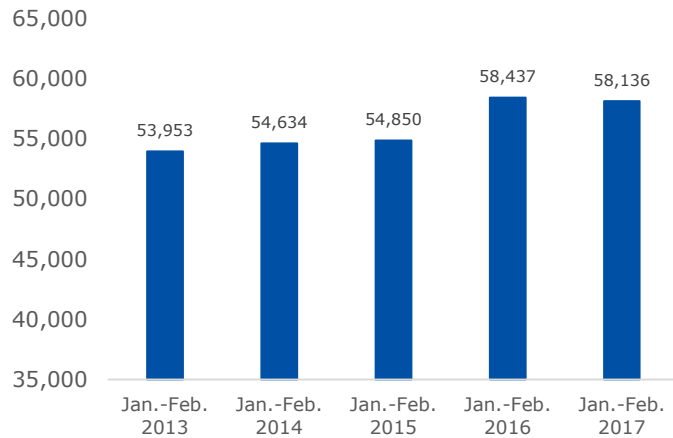


## Claims ratio, net (Sweden)

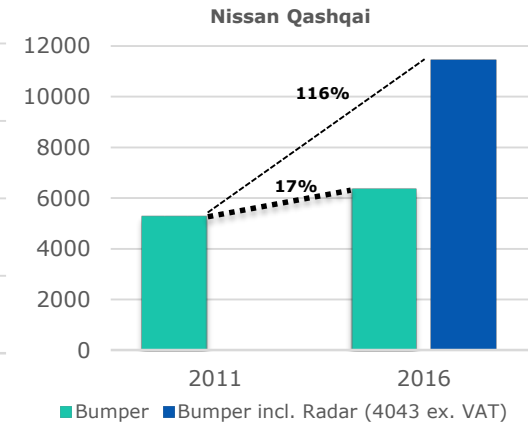
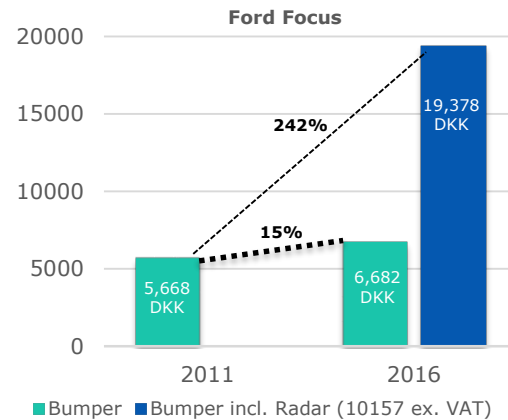


# Motor insurance, not all claims are coming down

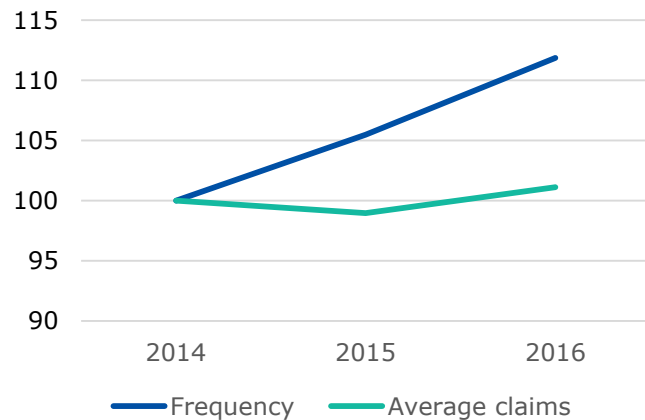
Number of accidents Jan.-Feb.



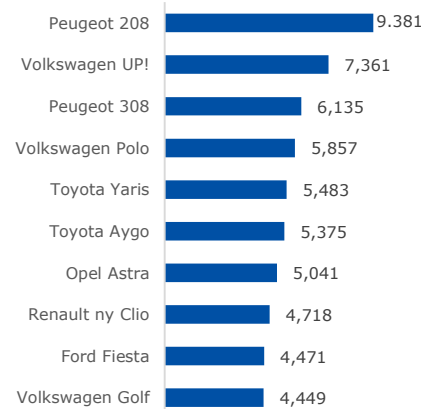
Bumpers, price increases in % from 2011-2016



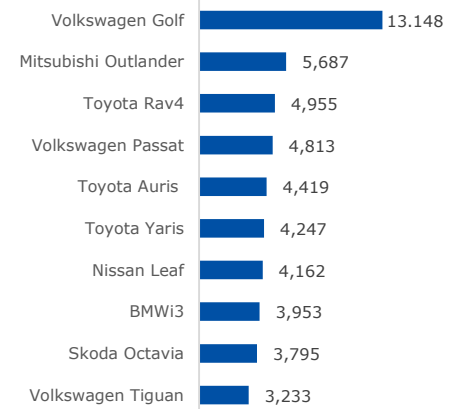
Motor, comprehensive



Top 10 sold cars in DK, Jan.-dec. 2016



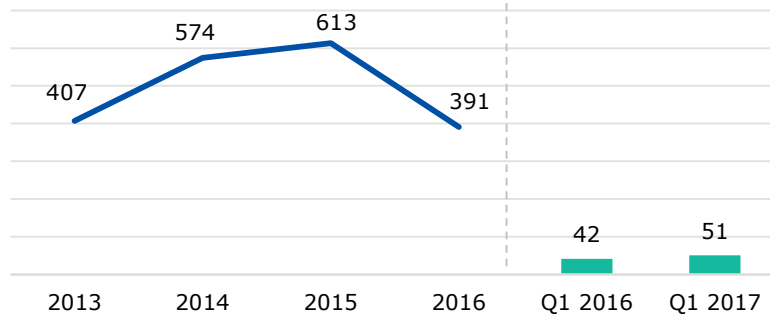
Top 10 sold cars in NO, Jan. - dec. 2016



# Large claims, weather claims and run-off

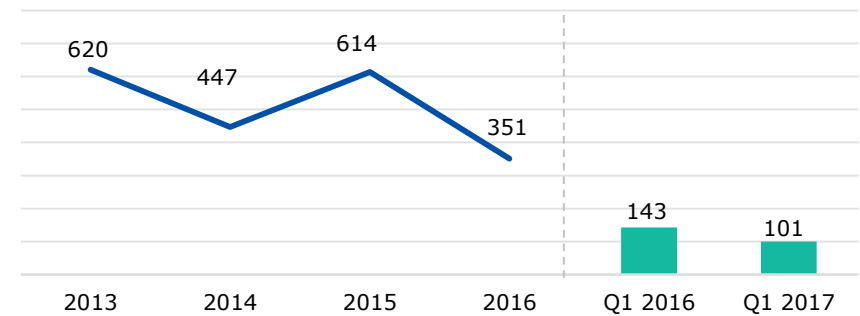
**Large claims, net DKKm**

Expected annual  
level 2017: DKK 550m

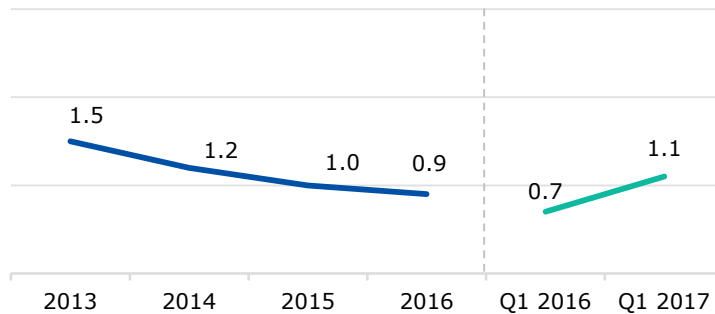


**Weather claims, net DKKm**

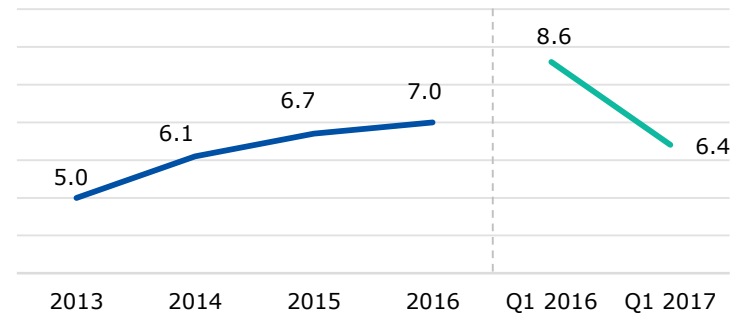
Expected annual  
level 2017: DKK 500m



**Claims reserves discounting rate (%)**



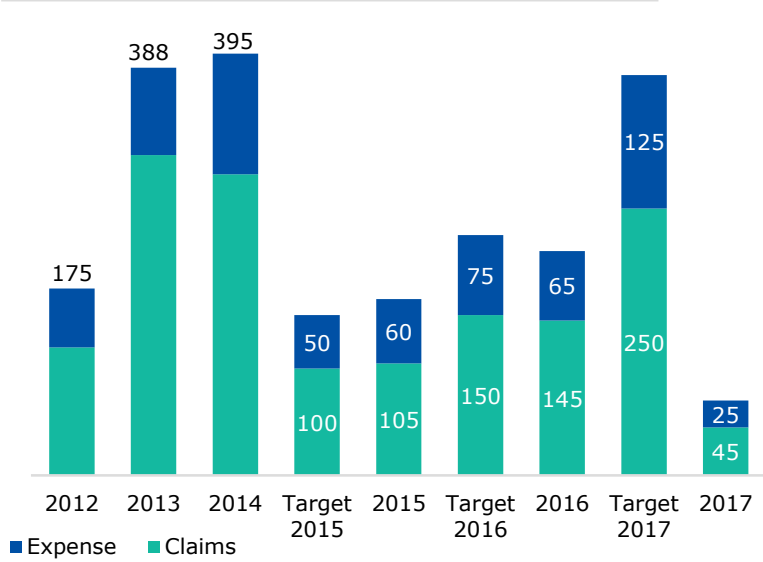
**Run-off net, effect on combined ratio (%)**



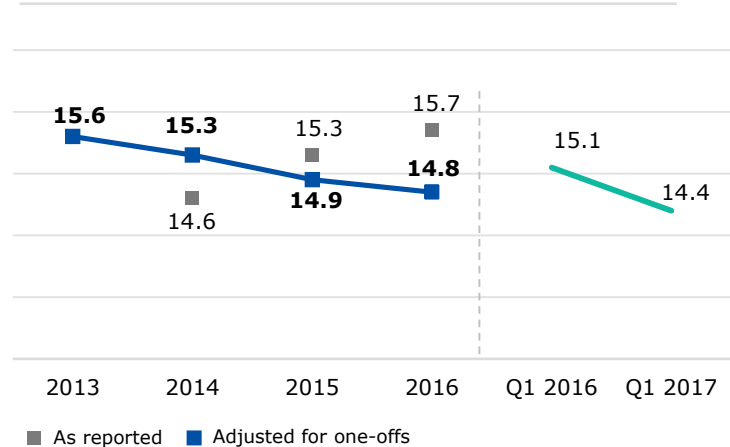


# On track to meet the 2017 expense ratio target

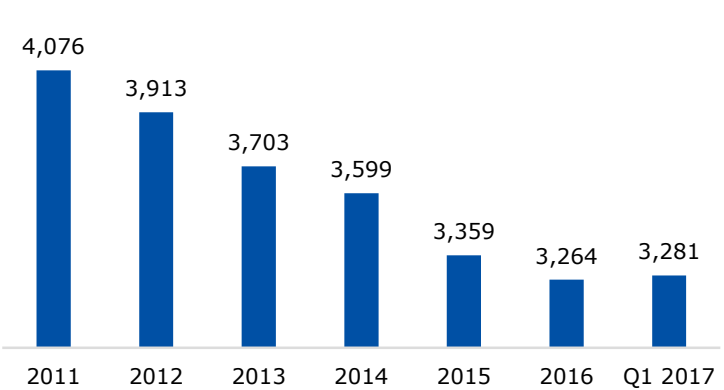
## Efficiency programme up until 2017 (DKKm)



## Expense ratio



## FTE - Development



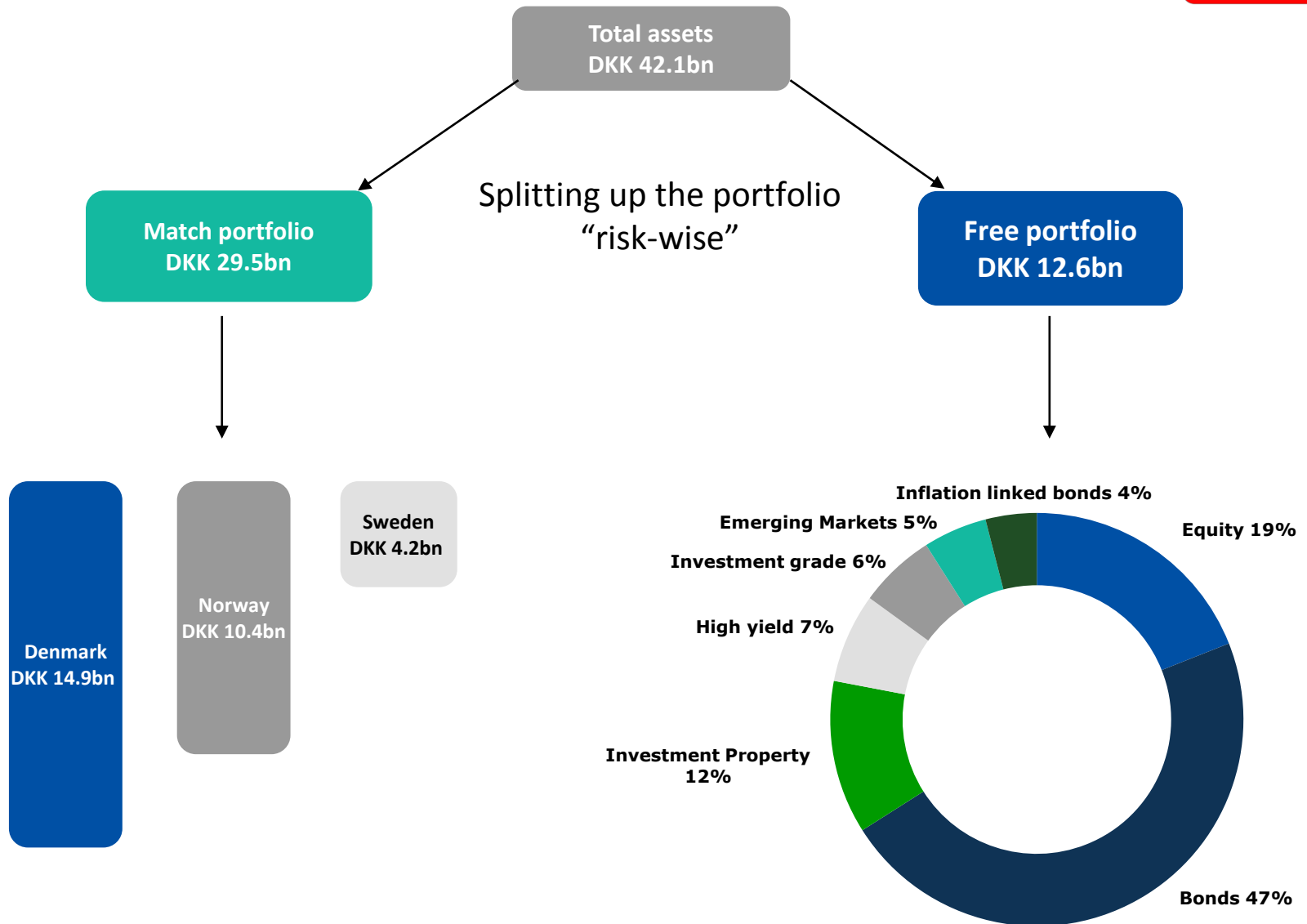
## Nominal costs in business areas



The background of the slide features a blurred image of a pair of black-rimmed glasses resting on a document. The document contains several line charts and tables, suggesting a financial or analytical context. A red horizontal band is superimposed over the middle of the image, containing the title text.

# Investment, capital and targets

# Investment – Asset allocation shows low risk

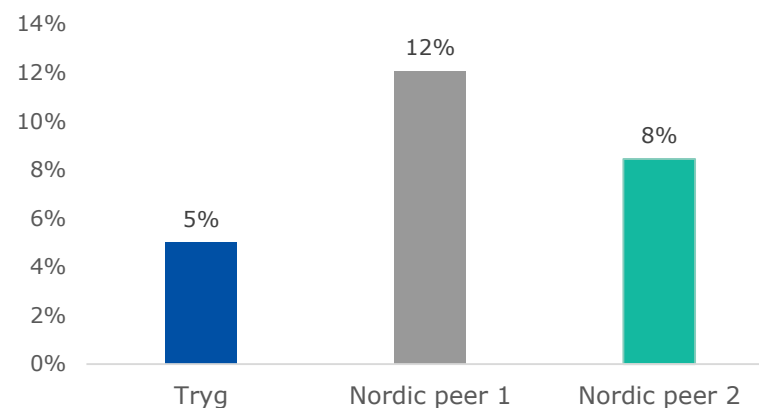


# Investment return – low risk remains key

## Key figures - Investments

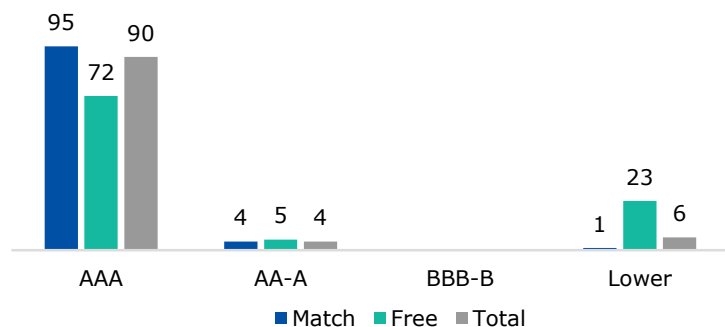
DKKm	Q1 2017	Q1 2016	2016
Free portfolio	212	65	939
Match portfolio	98	2	210
Other financial income and expenses	-87	-50	- 162
Total investment return	223	17	987

## Market risk as % of total investments, YE 2016

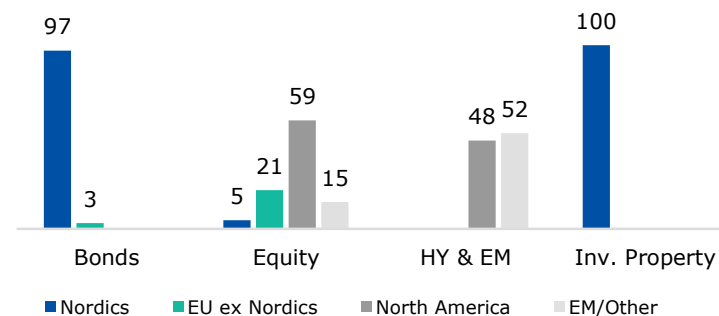


\* Solvency 2, Standard formula comparison

## Fixed income portfolio credit rating (%)

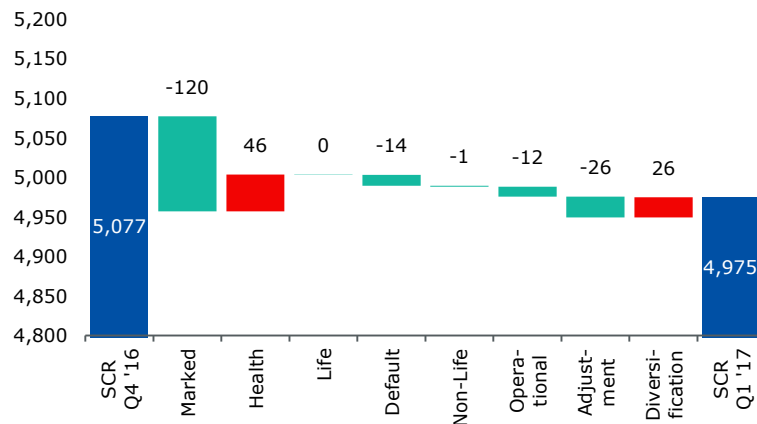


## Different asset classes Geographical exposure (%)

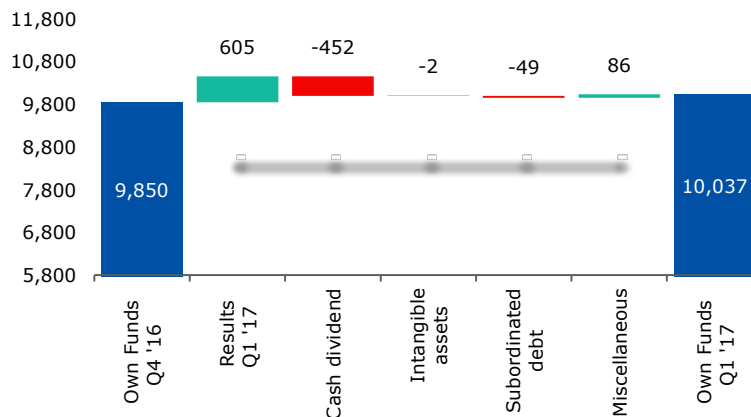


# Solvency position Q1 2017

## Solvency capital requirement walk



## Own funds walk

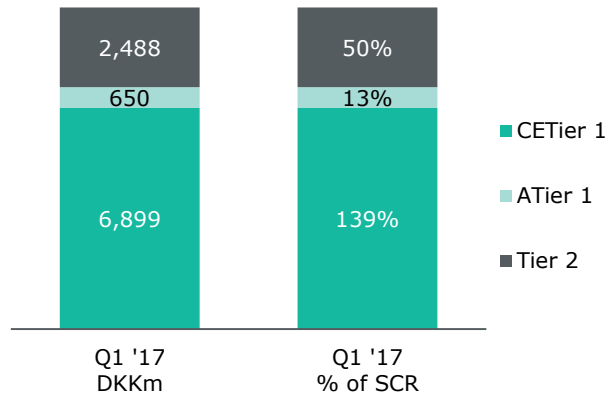


- Solvency ratio based on the Partial Internal Model is 202 (Q4 2016: 194).
  - Own Funds (OF) is primarily impacted by
    - Result Q1 2017 of DKK 605m
    - Dividends of DKK 452m (Q1 2017)
  - SCR impacted by a lower market risk (down DKK 120m) as current properties exposure is still below targeted level following the properties transaction announced in December
- Based on Solvency II Standard Formula the solvency ratio is 162 (Q4 2016: 157).

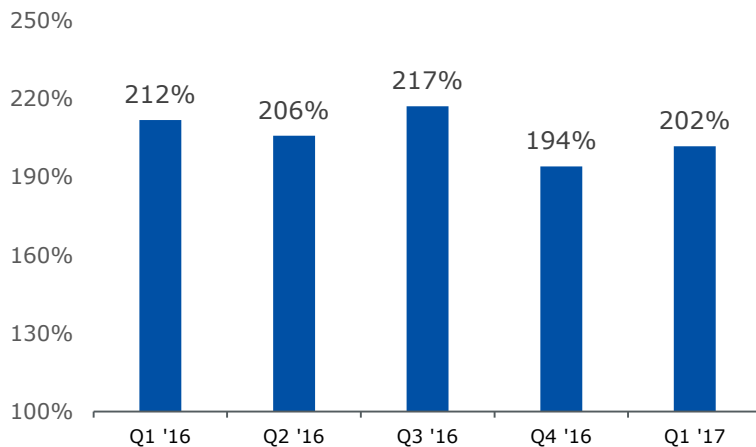


# Capital and solvency ratio development

## Capital Tiers as % of SCR

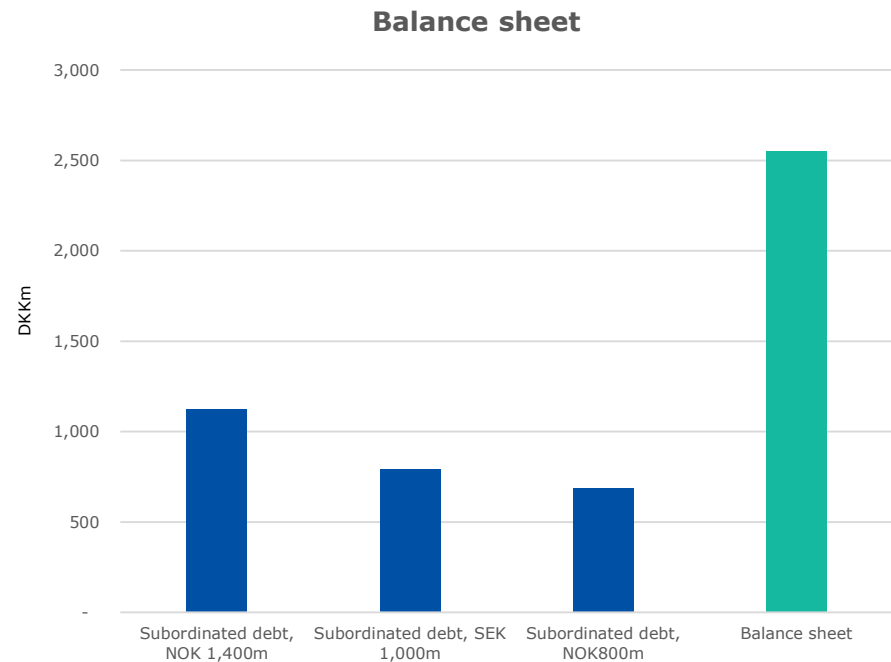
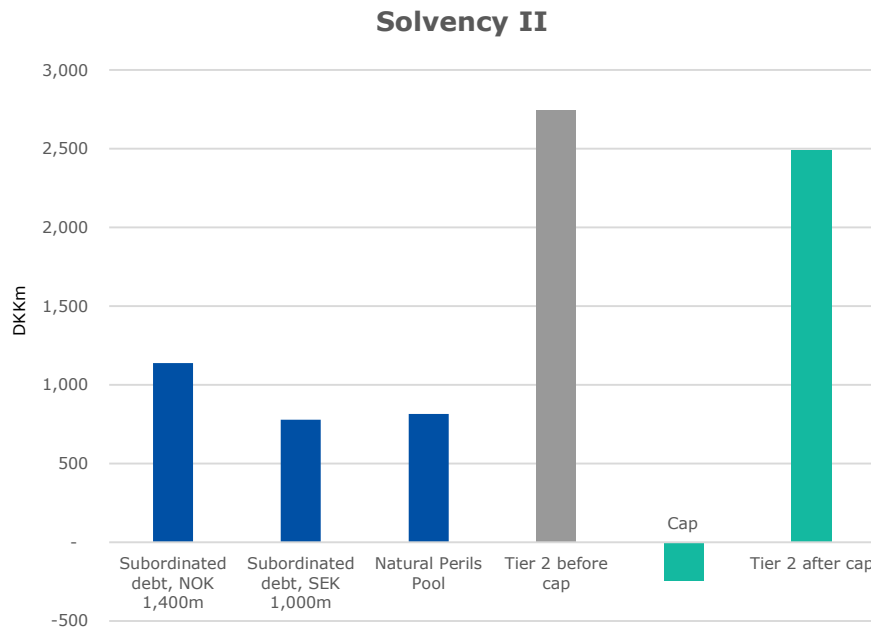


## Solvency ratio development



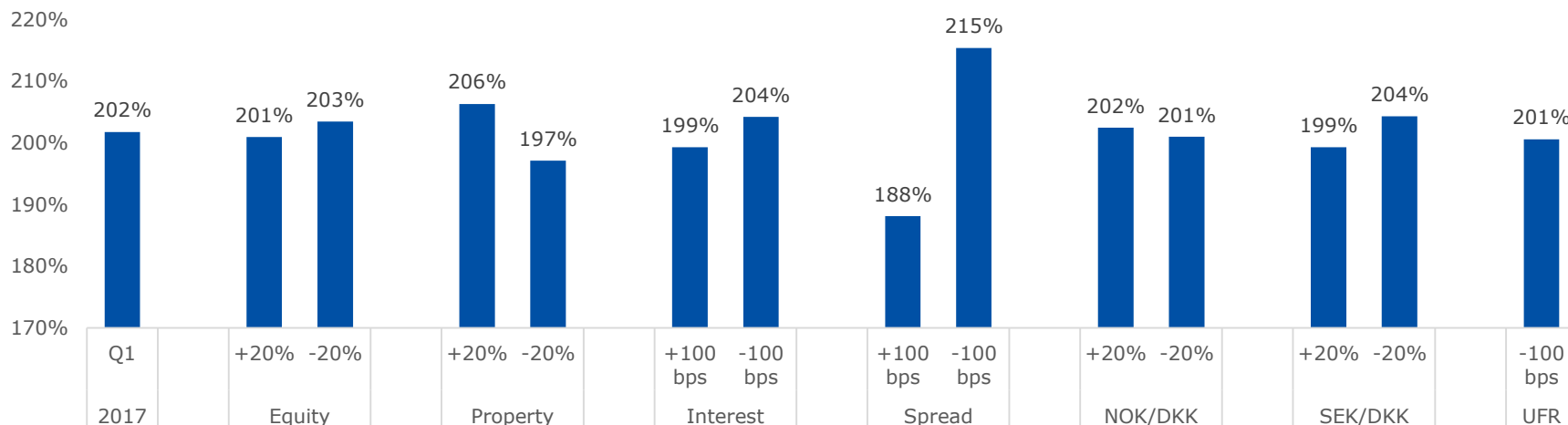
- Tier 2 capacity fully utilised after issue of SEK 1bn subordinated debt in May 2016.
- As per Q1 some DKK 242m of Tier 2 instruments are not included in the Own funds as they exceed the 50% SCR cap.
- As per Q1, Tryg has an additional Atier1 capacity of approximately DKK 1.1bn, this is slightly up from DKK 1.0bn at Q4.  
 Atier1 capacity calculated as 25% of the Core Equity minus existing Tier 1 instruments.  
 Core Equity at Q1 is slightly higher than Q4
- Solvency ratio development mostly a function of net profits (+) and dividends (-), underlying development should remain pretty stable.
- The Danish FSA has explained that a ratio lower than 125 would result in increased surveillance.

# Tier 2 instruments, Solvency II vs balance sheet



- Tryg's Tier 2 instruments under Solvency II are displayed above, Tier 2 instruments can be up to 50% of the SCR, currently Tryg has some DKK 242m of 'excess' Tier instruments. Total Tier 2 instruments are DKK 2,488m after cap (DKK 2,730m before the cap)
- An 'old' subordinated debt tranche of NOK 800m has been 'grandfathered' hence it is included as Tier 1 instrument and not Tier 2.
- Natural perils pool is DKK 815 as per Q1 2017 and is included as Tier 2 instrument.
- All three subordinated debt issuance are shown in the balance sheet

# Solvency ratio sensitivities



- The Solvency II ratio shows the highest sensitivity to spread risk
  - Assumption is for a 100bps widening/narrowing of our entire fixed income book (Danish government bonds, Danish mortgage bonds, Norwegian government bonds, high yield etc.)
- The Solvency II ratio is not highly sensitive to equity markets movements as most of the 'Own funds' hit from a sharp fall in equity markets would be offset by a lower capital requirement (lower market values combined with the effect of a reduced charge due to equity-dampener)
- Interest rate risk is very low as function of our matching strategy

# Targets and outlook

- ✓ Efficiency programme proceeds as planned.
- ✓ Members' bonus of 8% in September 2017.
- ✓ Price increases to offset claims inflation.

- ✓ 2017 topline growth between 0-2%
- ✓ 2017 expected tax rate 22-23%
- ✓ Markets remain very competitive
- ✓ High focus on capital repatriation

## 2017

### Financial targets

ROE after tax	≥ 21%
Combined ratio	≤ 87
Expense ratio	≤ 14

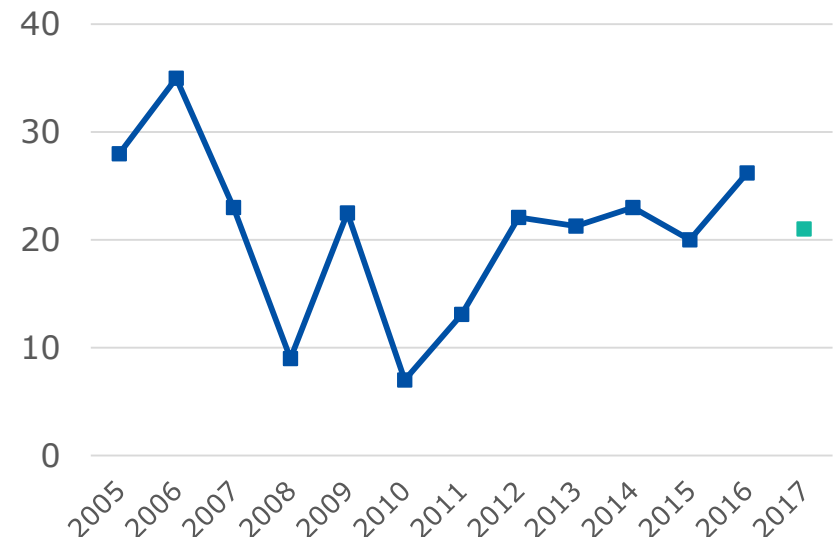
\* Excl. One-off effects

### Customer targets

Net Promoter Score (NPS)	+ 100%
Retention rate	+ 1 pp
Customers ≥ 3 products**	+ 5 pp

\*\* Private (DK & NO)

## ROE after tax (%)



It is important to know your investment case



*"Do you know the only thing that gives me pleasure?*

*It's to see my dividends coming in."*

John D. Rockefeller



# Q1 roadshows & conferences



Date	Place	Participants from Tryg	Arranged by
07/04/2017	Copenhagen	Morten Hübbe, CEO Christian Baltzer, CFO Investor Relations	Handelsbanken
19/04/2017	London	Morten Hübbe, CEO Christian Baltzer, CFO Investor Relations	Carnegie
04/05/2017	Geneva	Peter Brondt, IR Manager	Goldman Sachs
15/05/2017	Montreal	Gianandrea Roberti, IR Officer	BNP Exane
16/05/2017	Toronto	Christian Baltzer, CFO Gianandrea Roberti, IR Officer	BNP Exane
17/05/2017	Chicago	Christian Baltzer, CFO Gianandrea Roberti, IR Officer	KBW
18/05/2017	Boston	Christian Baltzer, CFO Gianandrea Roberti, IR Officer	KBW
19/05/2017	New York	Christian Baltzer, CFO Gianandrea Roberti, IR Officer	KBW
18/05/2017	Paris	Morten Hübbe, CEO Peter Brondt, IR Manager	BNP Exane
01/06/2017	Milan	Gianandrea Roberti, IR Officer	Barclays
17/05/2017	London	Morten Hübbe, CEO Peter Brondt, IR Manager	KBW European Financials Conference
07/06/2017	Madrid	Christian Baltzer, CFO Gianandrea Roberti, IR Officer	Goldman Sachs European Financials Conference
08/06/2017	Stockholm	Johan Kirstein Brammer, Director, Private Denmark Peter Brondt, IR Manager	Handelsbanken Nordic Seminar
19/06/2017	Ballerup	Morten Hübbe, CEO Christian Baltzer, CFO Lars Bonde, COO Investor Relations	Tryg's Analyst Day

A young child with long blonde hair is sitting at a desk, looking intently at a laptop screen. The child's hands are resting on the laptop keyboard. The background is a blurred indoor setting with white cabinetry.

Background material

# Tryg's equity story



**Leading Scandinavian insurer with strong track record**

## Financial targets 2017

- ROE:  $\geq 21\%$
- Combined ratio:  $\leq 87\%$
- Expense ratio:  $\leq 14\%$

## Customer targets 2017

- NPS +100%
- Retention rate +1 pp
- $\geq 3$  products +5 pp

**Customer care worth recommending**

- 90% first contact resolution
- Annual coverage check

**Next level pricing**

- 25% of tariffs better than peers in 2017
- Differentiated product offering

**Leading in efficiency**

- Efficiency programme of DKK 750m
- Claims procurement
- Reducing expense level

**Low risk and high returns**

- Matching assets and liabilities
- Low risk investment portfolio

## Dividend policy

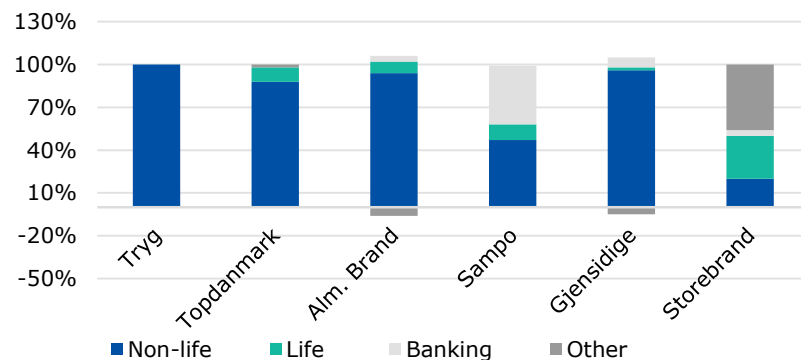
- Aiming for a nominal stable increasing dividend
- Pay-out ratio of 60% to 90% (secondary)
- Extraordinary dividend to further adjust the capital structure

**Long term profitable growth and attractive shareholder value creation**

# Why invest in Tryg?

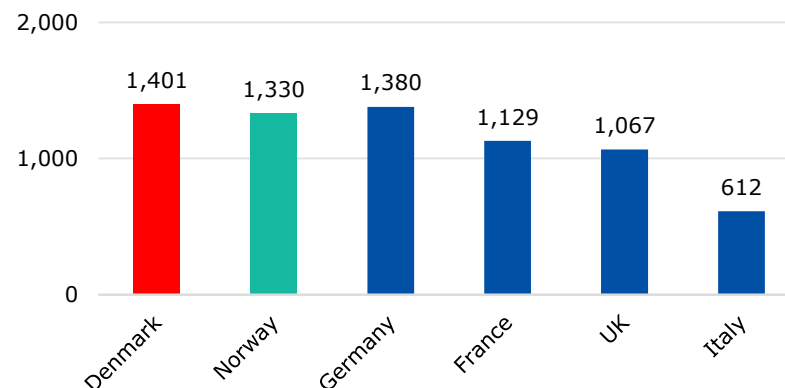


**Pre-tax result by division (YE 2016 data)**

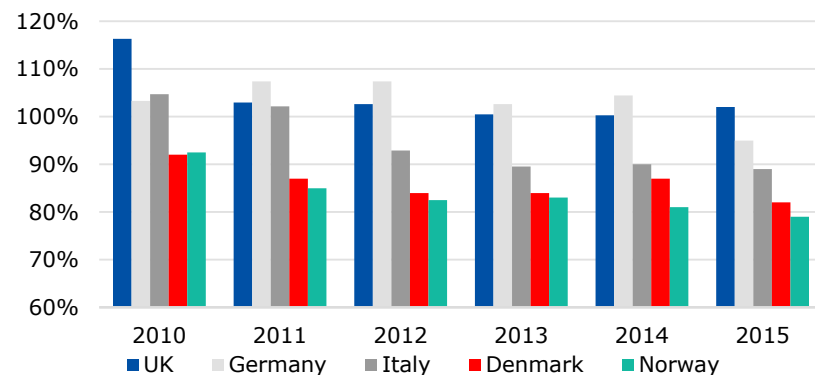


**High insurance penetration in the Nordics**

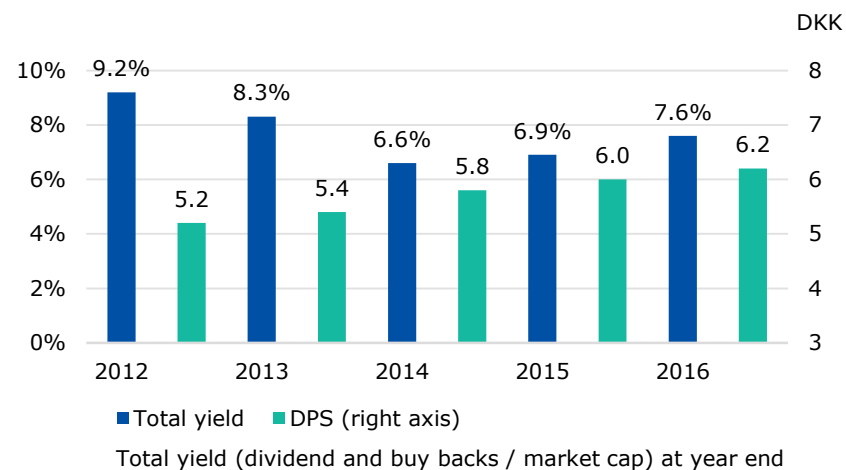
Premiums per capita (USD), 2015



**Motor combined ratios Nordics vs international**



**Tryg is a dividend stock**

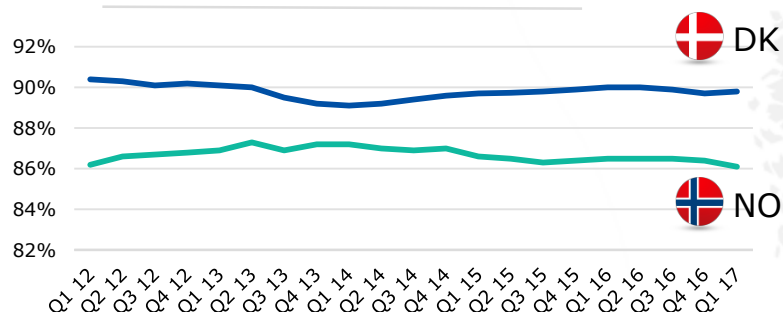


# Tryg – at a glance I



- Tryg goes back to 18th century.
- Very strong brand position especially in Denmark.
- Non-life insurance in Denmark, Norway and Sweden.
- Approx. 80% retail business.

## Retention rate - Private

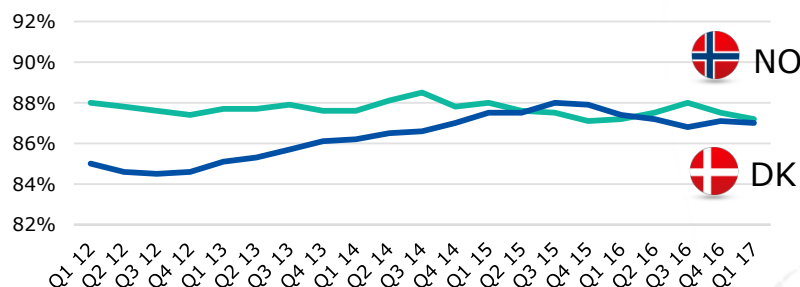


**Norway**  
Market position: #3  
Market share: 13.3%  
CR for Q1 17: 90.8 %

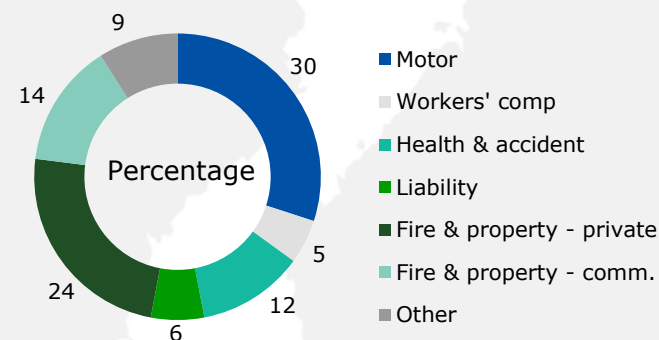
**Sweden**  
Market position: #5  
Market share: 2.8%  
CR for Q1 17: 85.7%

**Denmark**  
Market position: #1  
Market share: 17.9%  
CR for Q1 17: 85.2%

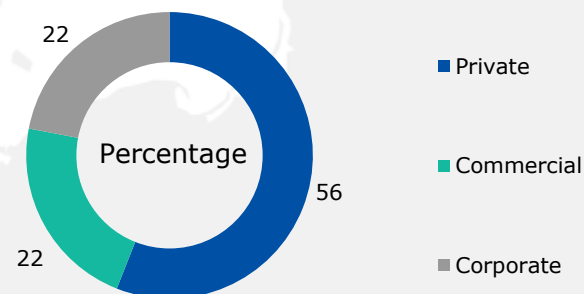
## Retention rate - Commercial



## Gross premium split by products 2016



## Business split 2016

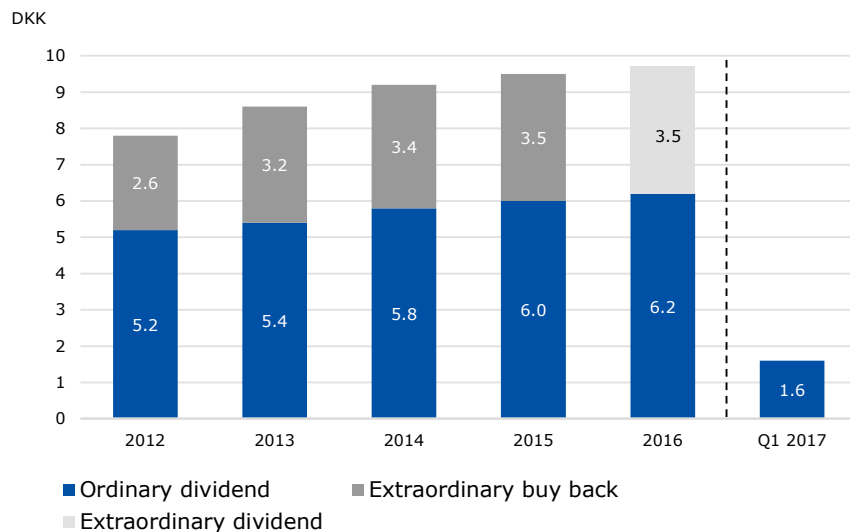




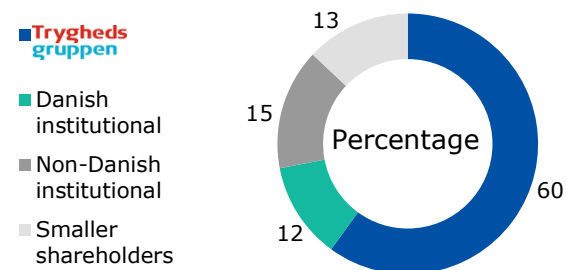
# Tryg – at a glance II



Shareholder remuneration since 2012



Shareholder breakdown 2016

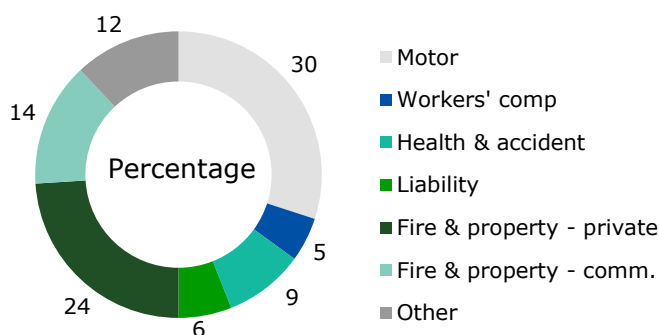


Share price performance since IPO

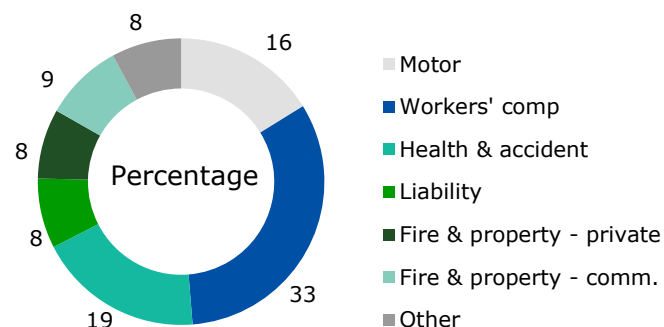


# Premiums and reserves by lines of business

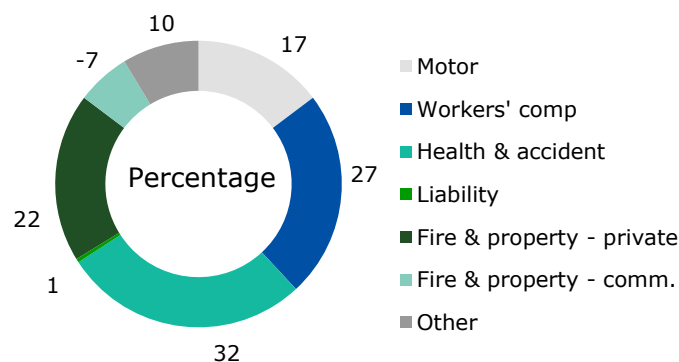
**Gross premium by products 2016**



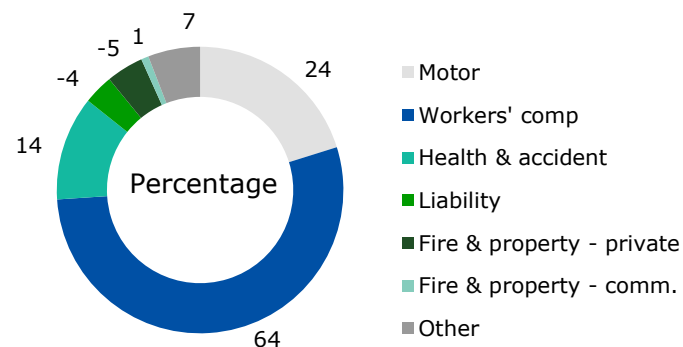
**Gross claims reserve by products 2016**



**Run-off net by products Q1 2017**

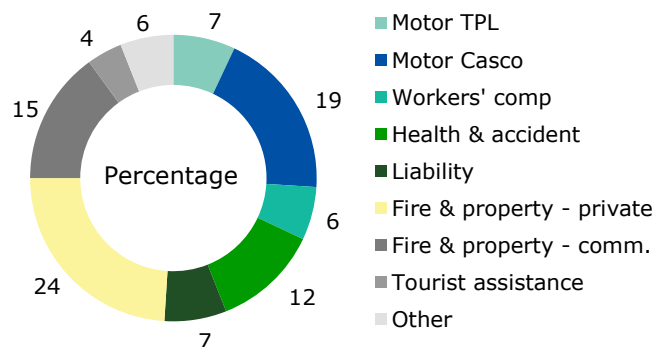


**Run-off net by products Q1 2016**

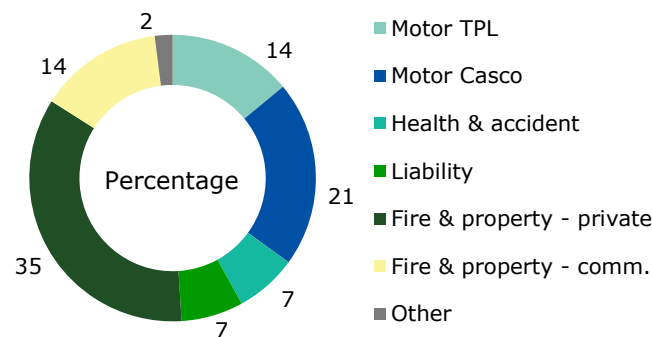


# Gross premium split by geography

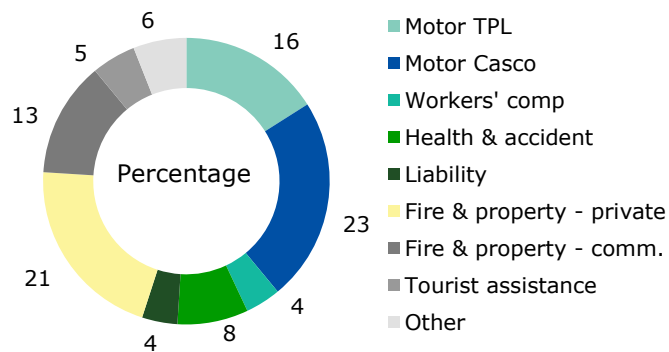
**DK: Gross premium by products 2016**



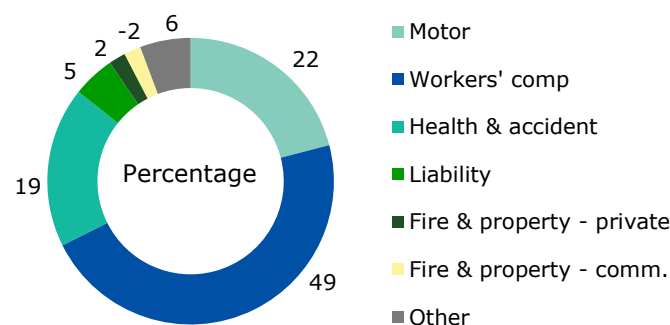
**SE: Gross premium by products 2016**



**NO: Gross premium by products 2016**

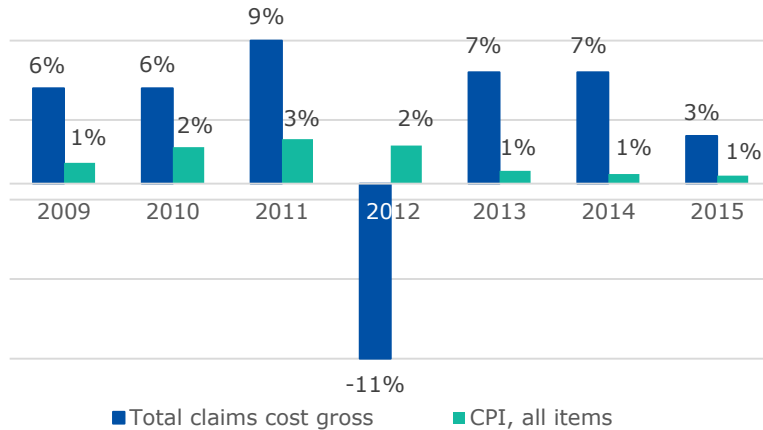


**Run-off net by products 2016**



# Claims inflation differs from core CPI

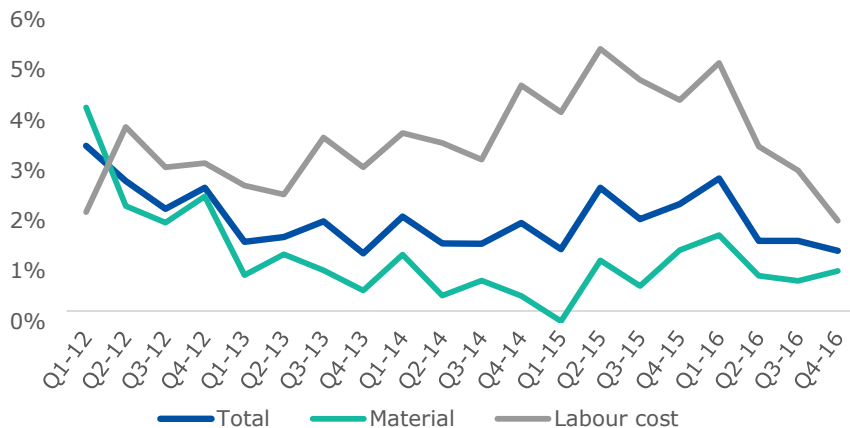
Annual Danish insurance gross claims increase vs CPI



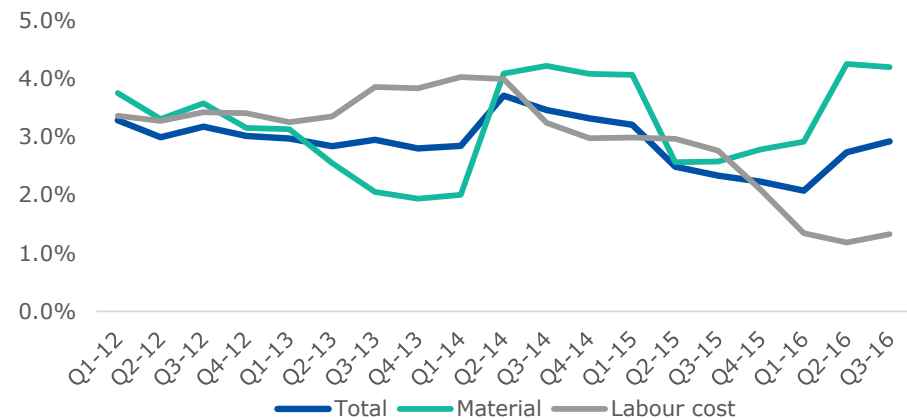
Source: Danish FSA and Danmarks statistik

- Danish non-life insurance gross claims development 2009-2015
- Cloudburst hitting Copenhagen in 2011 explains jump and fall of figures in 2011-2012
- Figures not adjusted for changes in number of insured objects

Construction index cost – YoY % change, Denmark



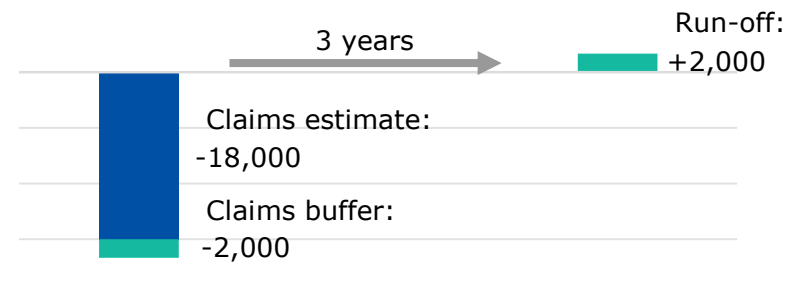
Construction index cost – YoY % change, Norway



# The run-off cycle

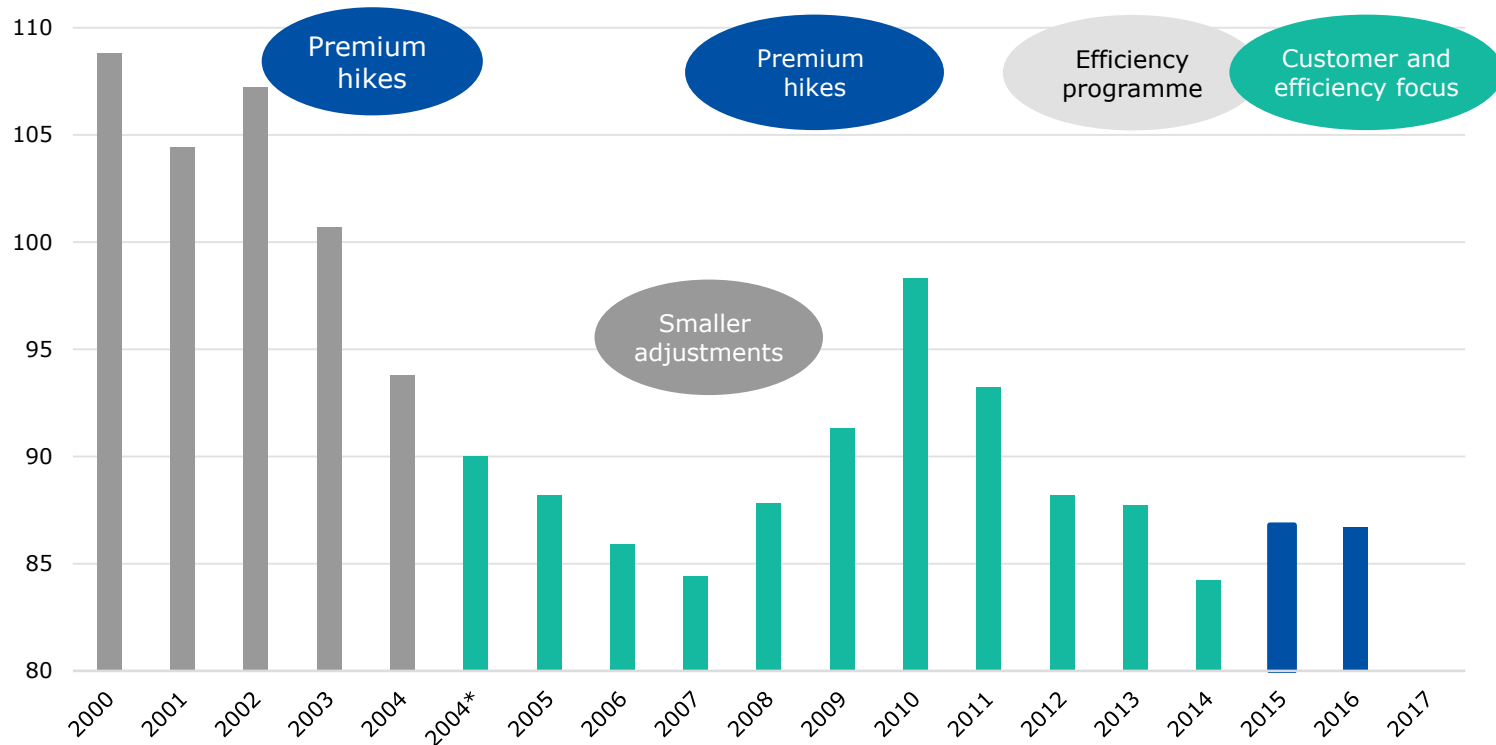


## Run-off development



- Initial assessment of the claims was DKK 18,000 but Tryg reserved for DKK 20,000 adding some conservatism to best estimate.
- At the time of setting up the claims reserves and booking the claims in the P&L the Loss ratio (hence the combined ratio) is worse than what should be if our initial assessment is correct.
- After three years (approx. and using average for Tryg group) the DKK 2,000 added for conservatism comes back in the P&L as a positive run-off gain or reserves releases. All the above assumes that initial assessment was correct and nothing has changed in the three years period.
- Figures in the example above are purely illustrative.

# Combined ratio development



2002-2004 price increases of DKK 2.1bn implemented. Reduced combined ratio from 107 to 94.  
 2011-2012 price increases will improve underlying combined ratio.  
 2012-2015 operational focus with target to cut expenses and claims costs by DKK 1bn in total.  
 2015-2017 New efficiency programme of DKK 750m launched.

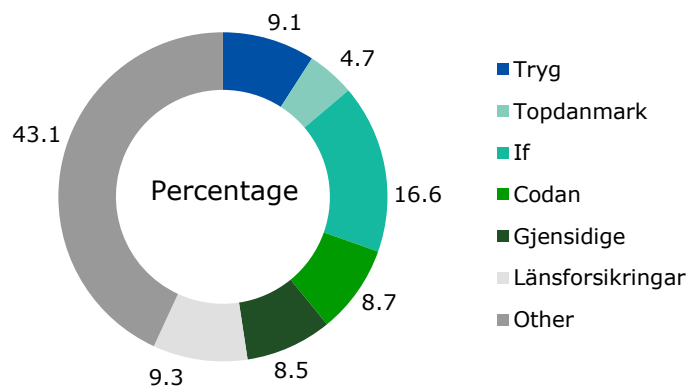
*\*IFRS from 2004. Previous years are Danish GAAP.*

*Data before 2009 is not corrected for the sale of Marine Hull business, and Finland before 2008.*

# Structure of the Nordic insurance market

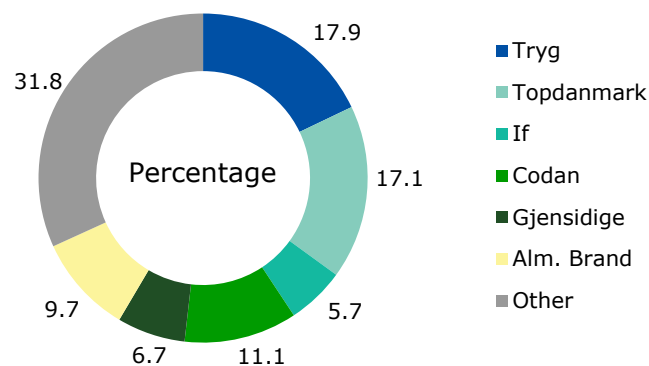
## Nordic

EUR 25.5bn (as at Q4 2015)



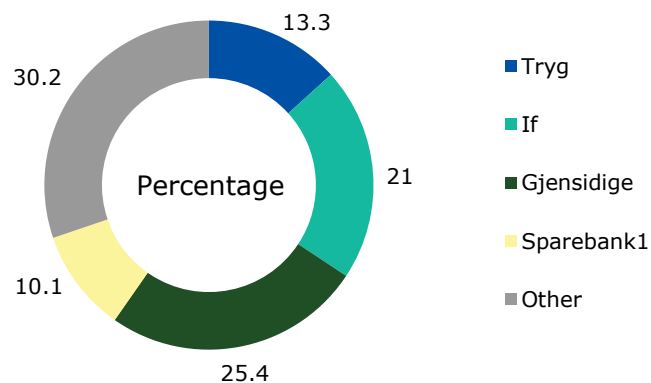
## Denmark

DKK 52.2bn/EUR 7.0bn (as at Q1 2016)



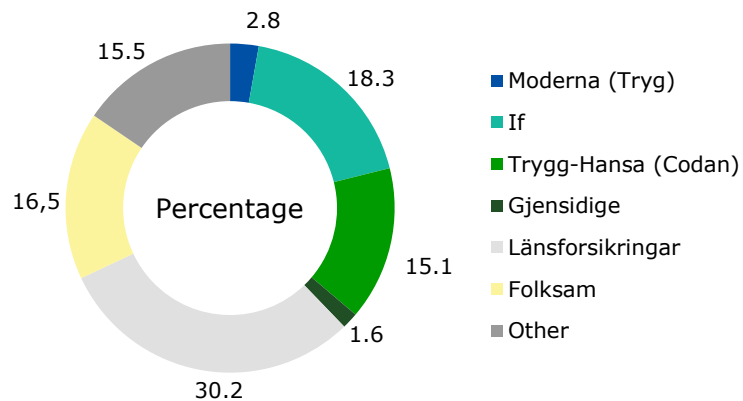
## Norway

NOK 55.6bn/EUR 6.0bn (as at Q4 2016)



## Sweden

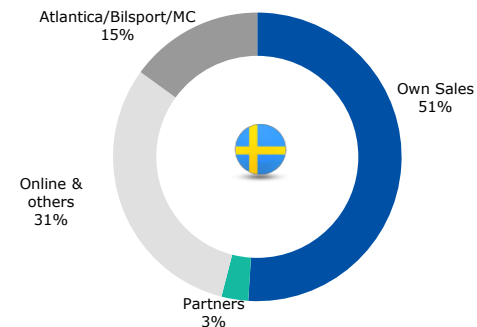
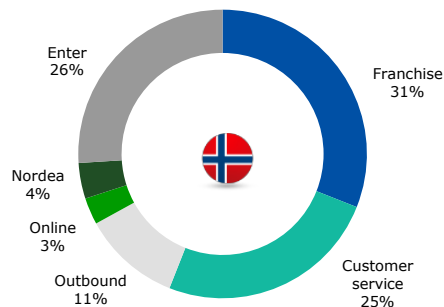
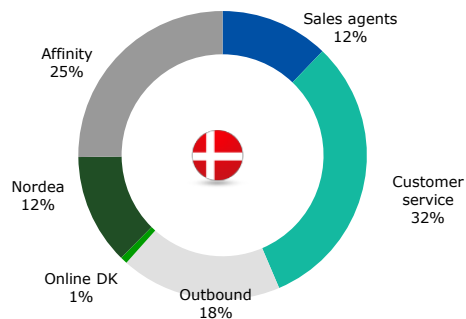
SEK 77.2bn/EUR 8.2bn (as at Q4 2016)



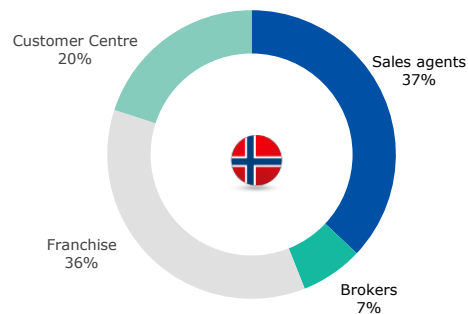
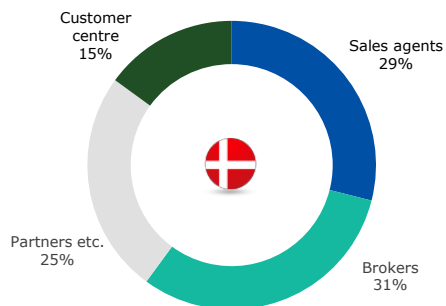


# Distribution of new sales 2016

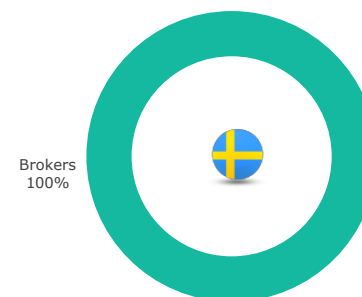
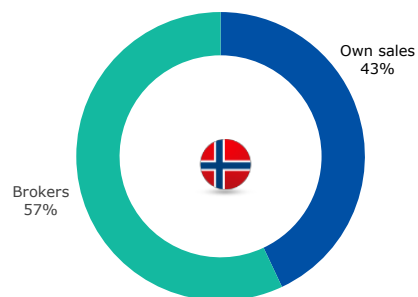
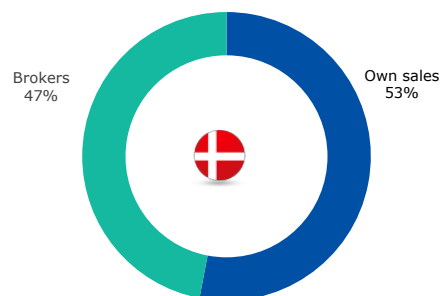
## Private



## Commercial



## Corporate



# Things that you may not know

- Motor insurance prices relatively similar in DK and the UK but cost of the insured good (the car) substantially higher in DK driven by the registration tax for passenger cars (100%-150% of taxable value on new vehicles approx.).
- Motor insurance remains a highly attractive business in Scandinavia unlike many European countries.
- In Oslo, it costs approx. NOK 5,000 per month to hire a dog walker for 5 weekly walks, each walk is minimum 60 minutes.
- In Sweden it is illegal to leave a dog home alone more than six hours, the dog has to be out at least every six hours during the day.
- Pet insurance premiums totalled SEK 3.3bn at the end of September 2015 in Sweden but that includes horses as well.
- Tryg believes that Pet insurance remains an attractive growth segment.
- Child insurance is an important product in Sweden with total market premiums above SEK 2.5bn, the same product is virtually non-existent in Denmark and Norway. We believe this will gradually change and plan to leverage on our Skandia child insurance acquisition.
- In 2014, Tryg bought Securator reinforcing its leading position in the Nordic market for product and extended warranty insurance, a market which is estimated at more than DKK 2bn.



# Things that you may not remember

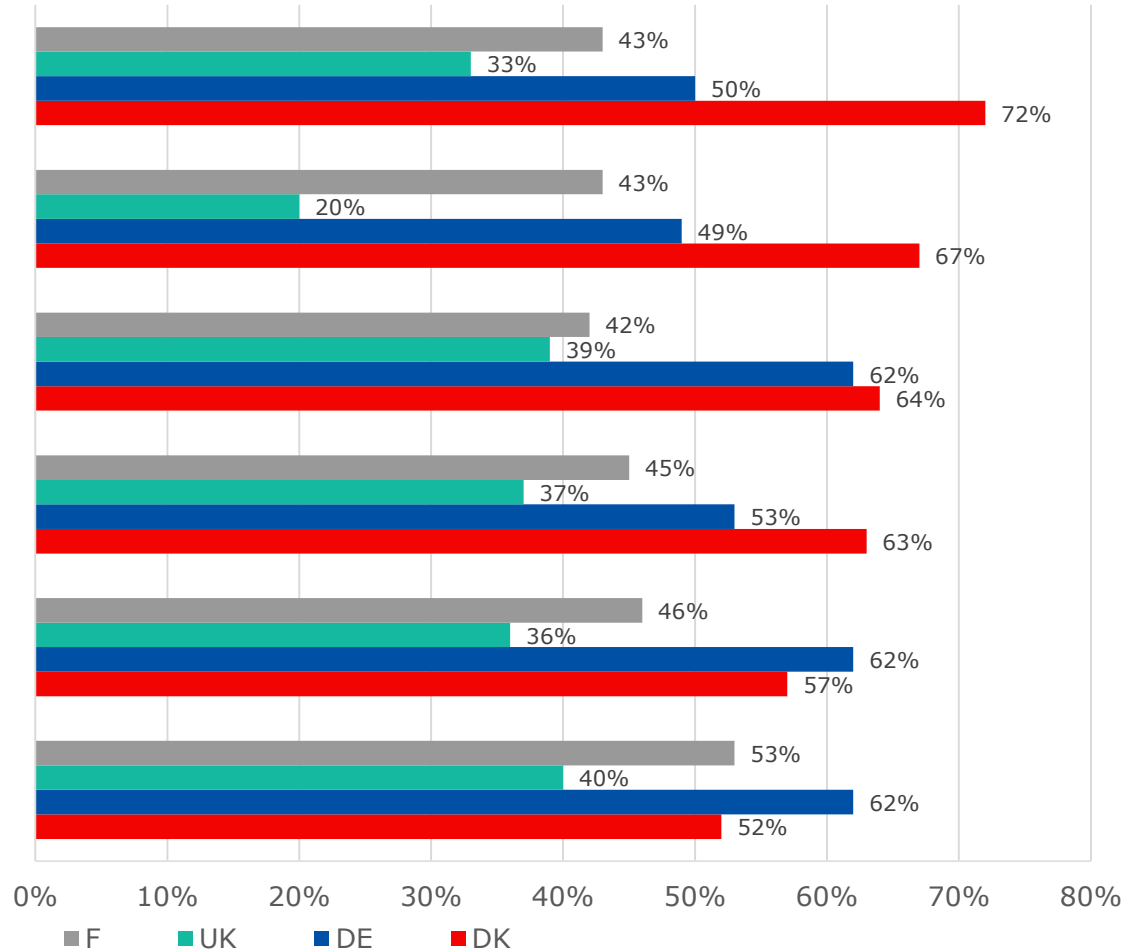
- Our maximum annual net exposure to a single large Property claim is DKK 100m which falls to DKK 75m in case of a second event and DKK 50m in case of a third/fourth event, maximum exposure is DKK 25m thereafter. This is based on our general reinsurance programme.
- Our maximum net exposure for weather claims is DKK 150m per event. The upper limit of the programme is DKK 5.75bn, which is statistically sufficient to cover at least a 250-year event.
- We have bought an additional 'horizontal' reinsurance programme which will cover any weather claims in excess of DKK 300m up to DKK 600m. Weather claims have to be at least DKK 20m to end in the 'horizontal' agreement.
- Local accounting rules driven by Danish FSA means that all assets are marked to market. This is different from Nordic/International peers where many fixed income portfolios are hold to maturity and/or the marked to market hits the NAV and not the P&L. The unrealised gains and losses item does not show up in the P&L of some of our Nordic peers (as most bonds are hold to maturity) or hits the NAV as opposed to the P&L.



# IBM study from 2007, probably little has changed

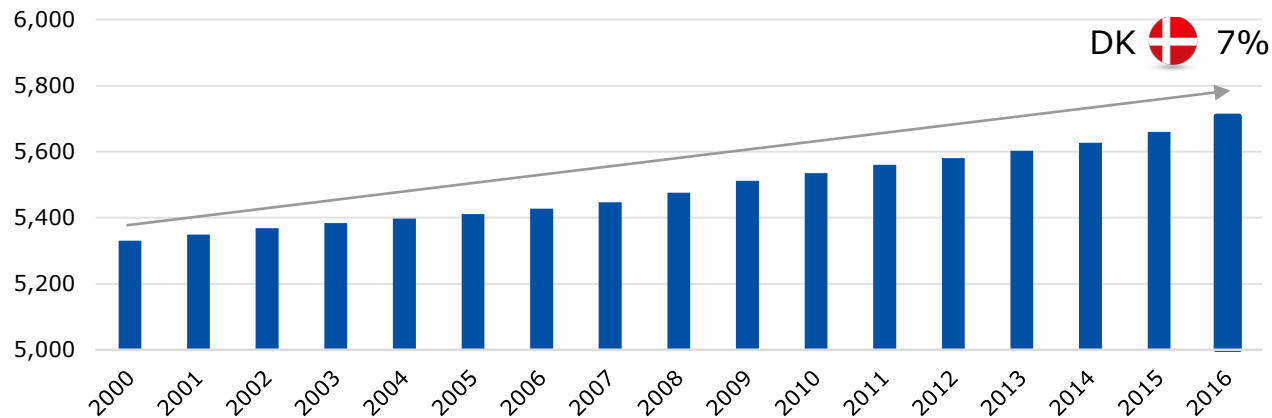
## Danish customers completely and strongly agree

- Overall I am very satisfied with the services of my insurance company
- My insurance agent only sold me insurance coverage that I really needed
- My present insurance coverage offers me enough flexibility
- Claims: my insurance company in uncomplicated and helpful way
- I have full confidence in my personal insurance agent
- My insurance is more cost effective than most other insurances



# Population growth (2000-2016)

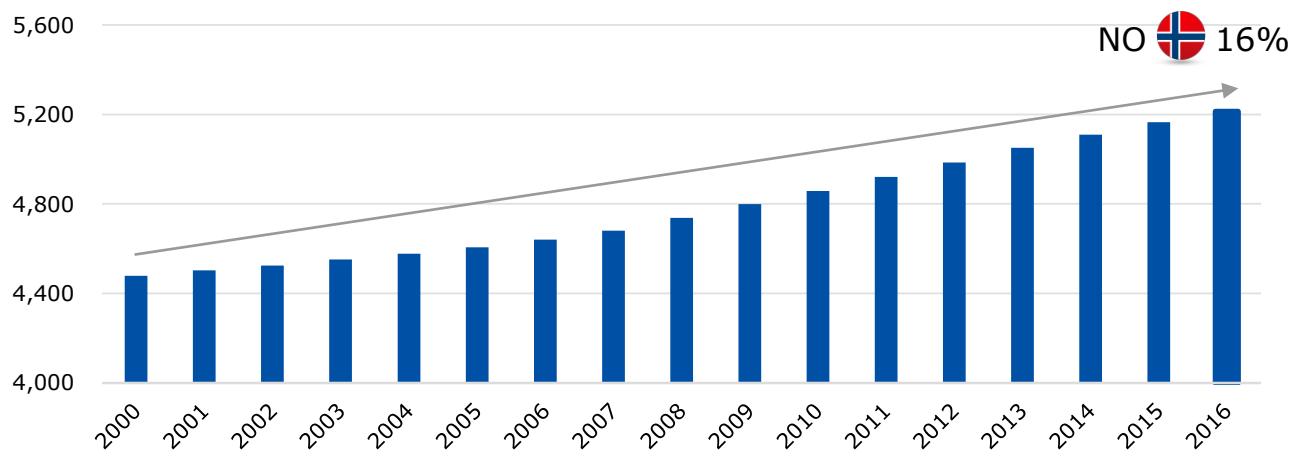
**Population development in Denmark in '1,000**



**Growth 2000-2016:**

0-17 years	1.9%
18+ years	8.5%
Total	7.1%

**Population development in Norway in '1,000**



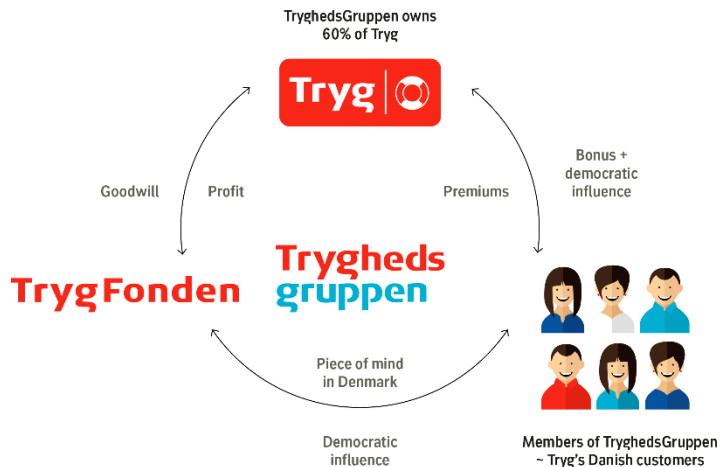
**Growth 2000-2016:**

0-17 years	7.1%
18+ years	19.3%
Total	16.4%

# TryghedsGruppen and its members' bonus



## Denmark's 'biggest' family



TryghedsGruppen's highest govern body is the Board of representatives. The Board composes 70 representatives chosen by and among Tryg's Danish customers. Every year, there is an election in one of the five geographical regions in Denmark.

## Bonus positive effect on retention

*'I expect to be in Tryg next year'*

Have heard about Customer bonus **93%**

Have not heard about Customer Bonus **81%**

Retention rate **increase by 1%** gives approx.  
**DKK 50-150m reduction in expenses on group level**

> DKK 400m  
to Private costumers

> DKK 200m  
commercial customers

> DKK 95m for  
corporate costumers

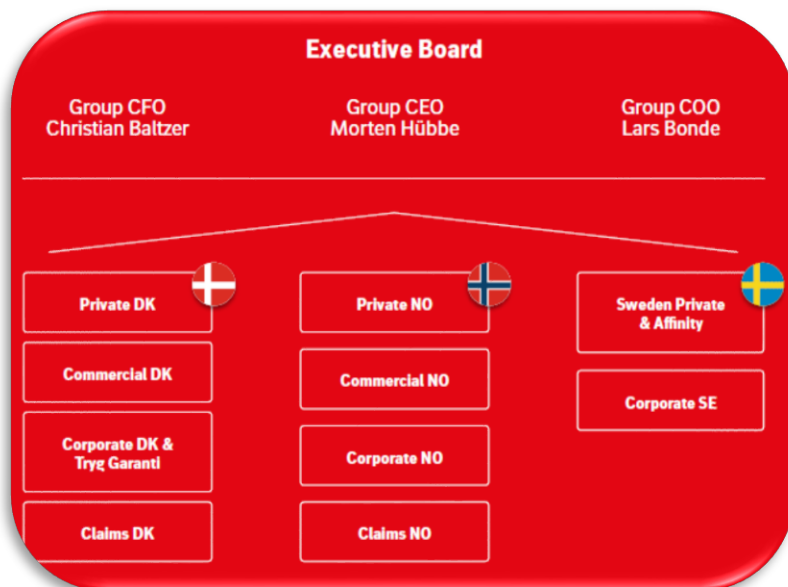
# Every 5th Dane receives a bonus! 8% in 2017



# Organisational and remuneration structure



## Organisation chart



## Remuneration structure

The Executive Board are remunerated according to Tryg's remuneration policy:

- **Base salary**
- **Pension**
  - 25% of the base salary
- **Variable pay**
  - Up to 50% of the base salary including pension
  - The variable pay element is a Matching Shares Programme:

The Executive Board may buy Tryg shares (so-called investment shares) at market price for a predefined amount. Four years after the purchase, Tryg will grant one matching share per investment share free of charge.

Download Tryg's statutory corporate governance report and remuneration policy on [tryg.com](https://tryg.com)



# Corporate Social Responsibility in Tryg

## Focus areas:

- **Peace of mind:** Tryg's overall vision is to create peace of mind for our customers and for society as a whole. We contribute to peace of mind through a number of initiatives focusing on prevention. We believe there lies opportunities within prevention, since proactive prevention initiatives can both create peace of mind in society while also having the possibility to minimise claims. Tryg's initiatives include among others lifebuoys, Night Ravens, and DNA marking.
- **People:** We believe our employees are one of our most important resources and assets, and that they should be treated as such. We focus on the well-being of our employees and their right to a healthy and safe workplace, which welcome diversity and ensure non-discrimination. Tryg has a target to achieve 38% women at management level and in 2016 the number was 36.4%. To motivate more women to apply for management jobs, we have signed an agreement with the Danish Diversity Council.
- **Business ethics:** In Tryg, we work in a responsible way by respecting both human and labour rights, while also focusing on anti-corruption. Tryg has formulated a Code of Conduct for both suppliers and employees and have also laid down an anti-corruption and tax policy.
- **Climate and environment:** Tryg is highly affected by more extreme weather conditions since they can increase the number and frequency of climate-related claims. Therefore, Tryg continuously focuses on finding solutions which can prevent damage from happening in the first place. One such initiative is Hordaklim. Tryg also focus on minimising greenhouse gas emission and the target is to reduce the emissions by 1% a year. In 2016, our estimated reduction was 4.78%.

Tryg's CSR policy, anti-corruption policy, tax policy as well as Code of Conduct can be found online at <http://tryg.com/en/csr/csr-strategy/csr-policy/index.html>



# Key figures 2016 and Consensus 2017-2019



DKKm	Consensus			
	2016	2017	2018	2019
Gross premium income	17,707	17,957	18,253	18,535
<b>Technical result</b>	2,390	2,673	2,698	2,711
Investment income, net	987	267	224	229
<b>Pre-tax profit</b>	3,220	2,865	2,848	2,865
Net income	2,471	2,231	2,215	2,227
Combined ratio	86.7%	85.2%	85.3%	85.5%
Expense ratio	15.7%	14.1%	14.0%	13.9%
<b>Ordinary dividend per share</b>	6.2	6.4	6.6	6.7
<b>Extraordinary dividend per share</b>	3.5	3.0	2.5	1.9

Based on 20 estimates ahead of Q1 2017

# Appendix

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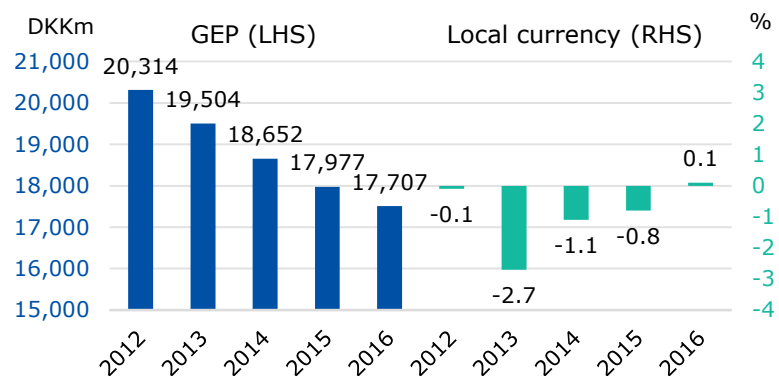
# Key figures Q1 2017



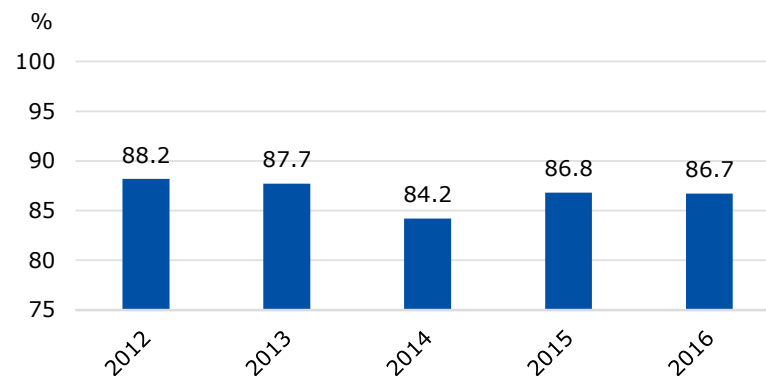
DKKm	Q1 2017	Q1 2016	FY 2016
Gross premium income	4,458	4,310	17,707
<b>Technical result</b>	<b>568</b>	<b>562</b>	<b>2,390</b>
Return on investment after technical interest	223	17	987
<b>Profit/loss before tax</b>	<b>779</b>	<b>563</b>	<b>3,220</b>
Profit/loss	605	445	2,471
Claims ratio, net of reinsurance	72.9	72.0	71.0
Gross expense ratio	14.4	15.1	15.7
Combined ratio	87.3	87.1	86.7



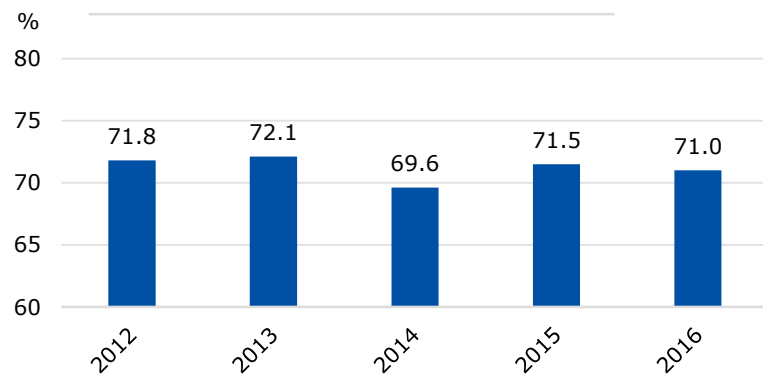
## Gross premiums



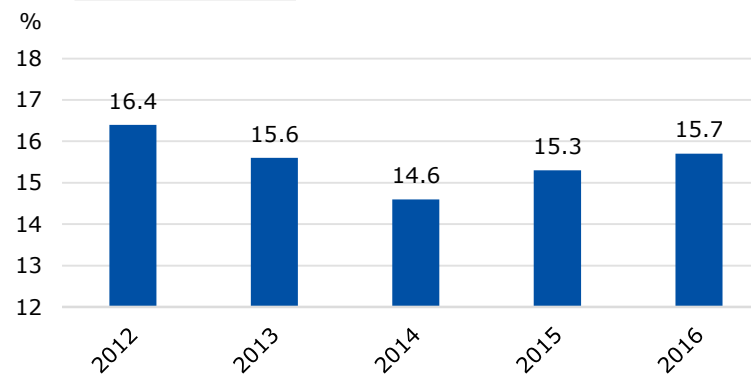
## Combined ratio



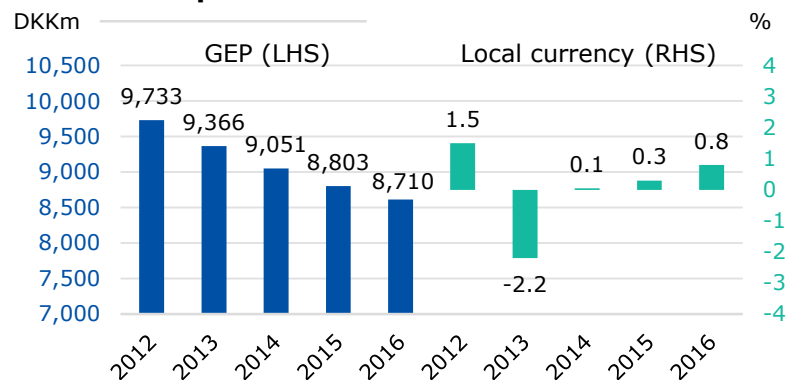
## Claims ratio, net of reinsurance



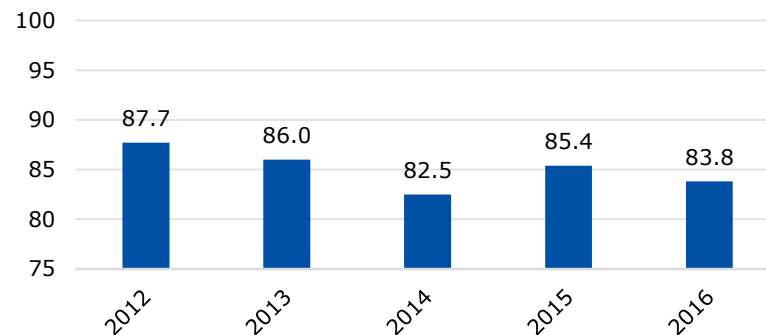
## Expense ratio



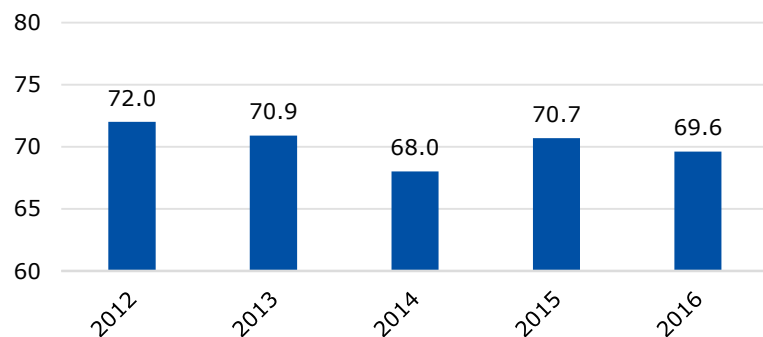
## Gross premiums



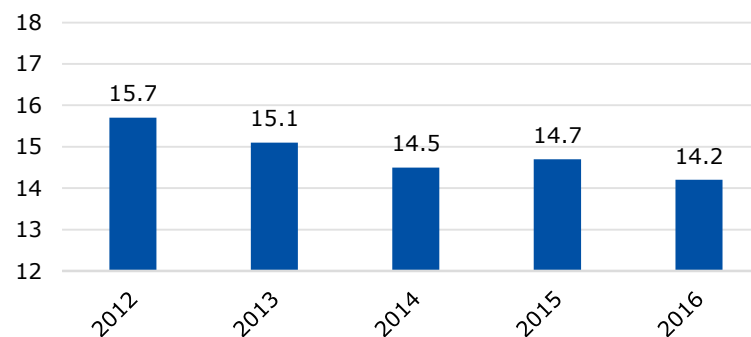
## Combined ratio



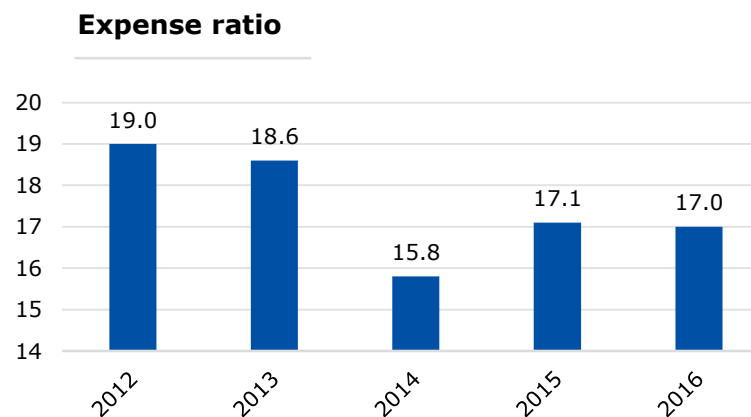
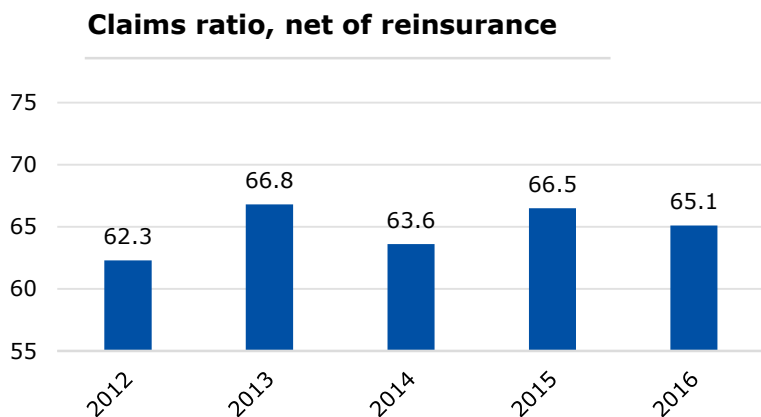
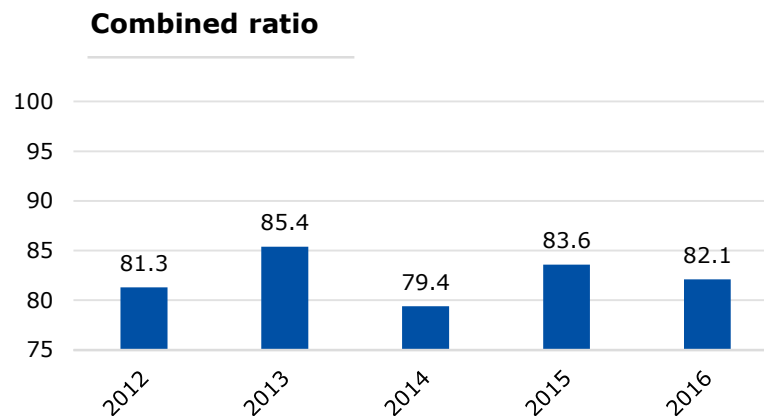
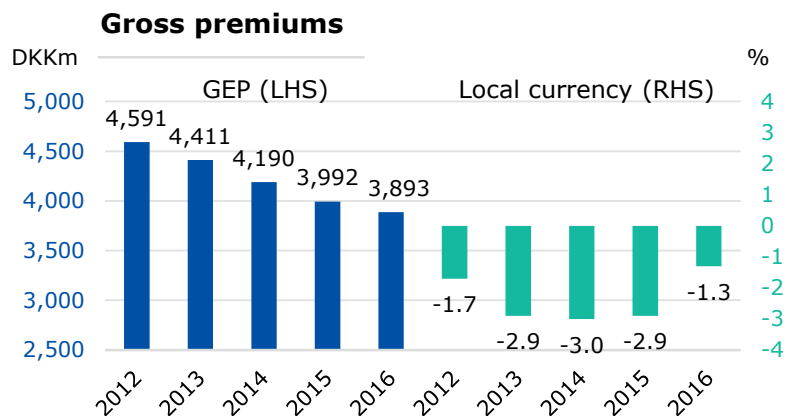
## Claims ratio, net of reinsurance



## Expense ratio

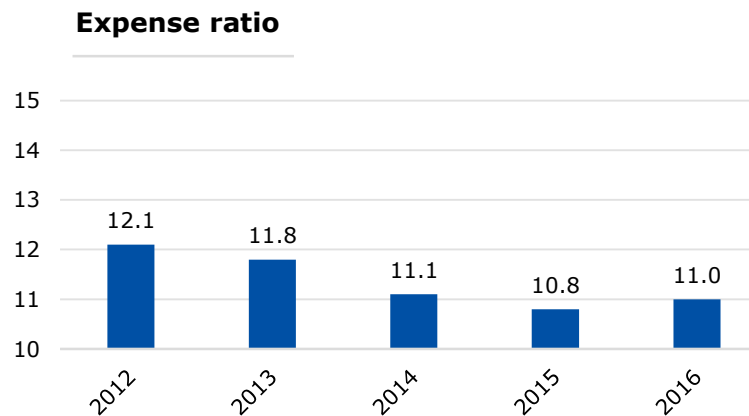
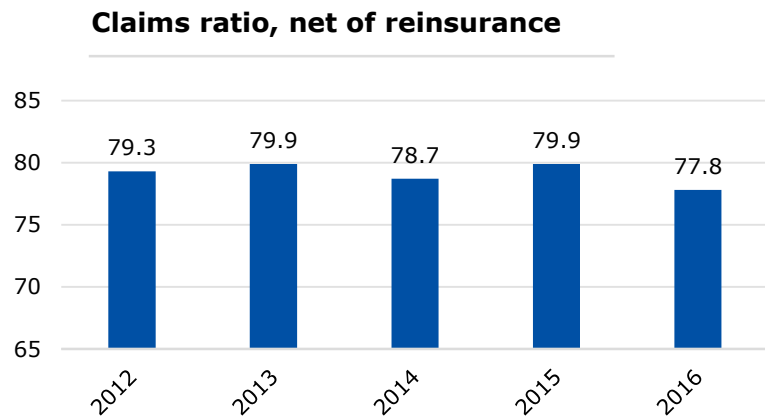
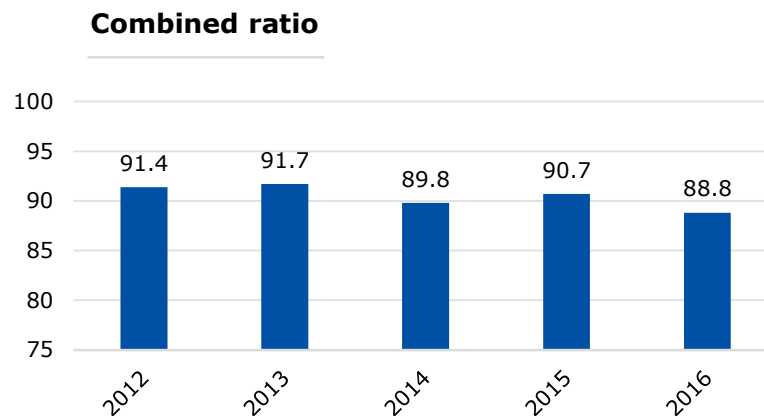
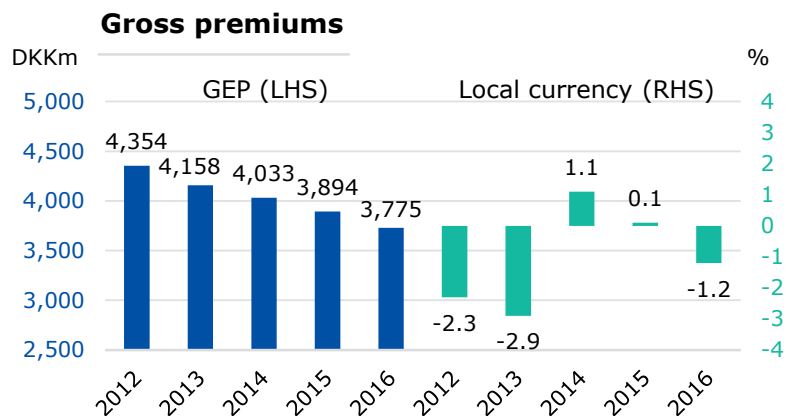


# Commercial\*



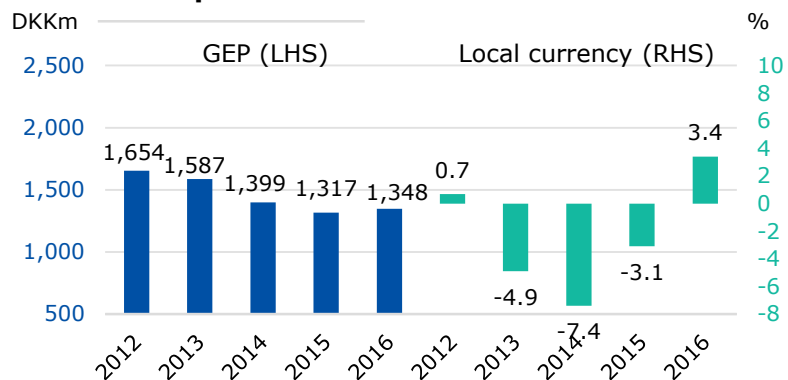
\* Less than 100 employees or less than DKK 100m turnover



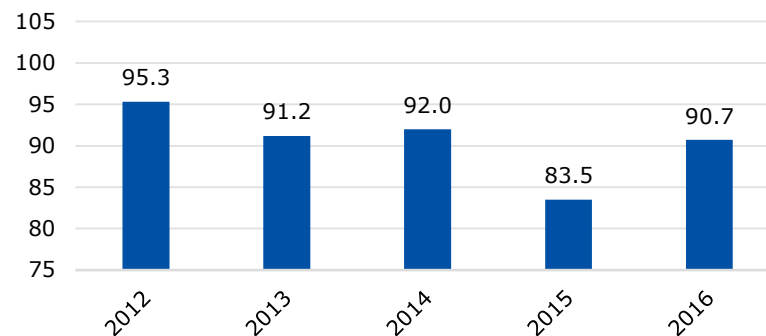


\* More than 100 employees and more than DKK 100m turnover

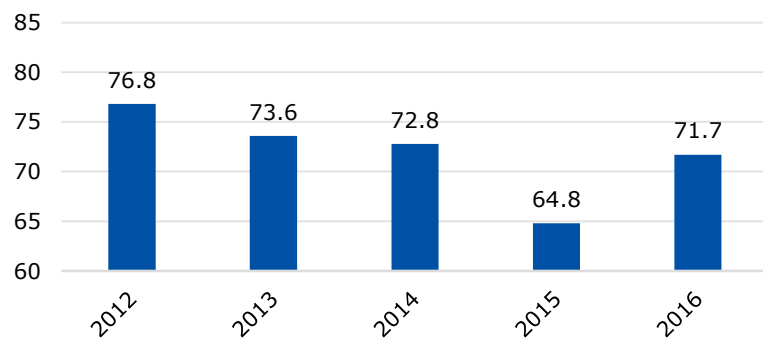
## Gross premiums



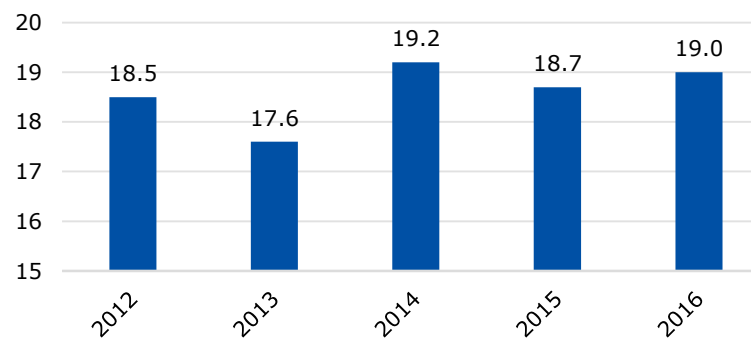
## Combined ratio



## Claims ratio, net of reinsurance



## Expense ratio



# Geographical segments

## Denmark



DKKm	Q1 2017	Q1 2016	FY 2016
Gross premiums earned	2,382	2,334	9,467
Technical result	349	387	1,587
Key ratios:			
Gross claims ratio	68.3	64.3	63.7
Result of ceded business	3.7	5.6	6.0
Gross expense ratio	13.2	13.4	13.4
Combined ratio	85.2	83.3	83.1

## Sweden



DKKm	Q1 2017	Q1 2016	FY 2016
Gross premiums earned	482	429	1,888
Technical result	67	24	40
Key ratios:			
Gross claims ratio	65.6	70.4	76.4
Result of ceded business	3.7	4.2	3.3
Gross expense ratio	16.4	19.6	17.8
Combined ratio	85.7	94.2	97.5

## Norway

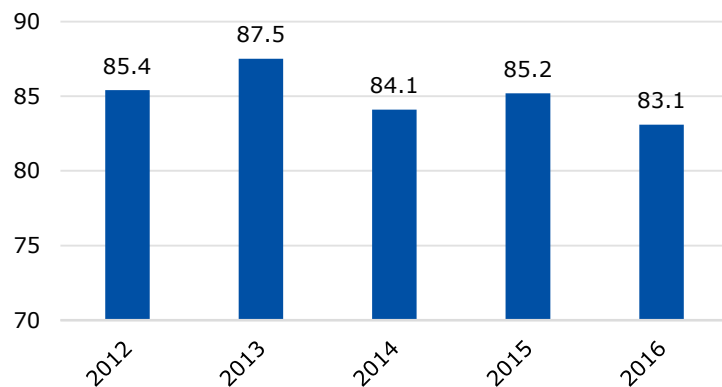


DKKm	Q1 2017	Q1 2016	FY 2016
Gross premiums earned	1,606	1,550	6,371
Technical result	152	151	1,013
Key ratios:			
Gross claims ratio	68.8	68.1	63.9
Result of ceded business	6.4	6.5	5.1
Gross expense ratio	15.6	15.9	15.2
Combined ratio	90.8	90.5	84.2

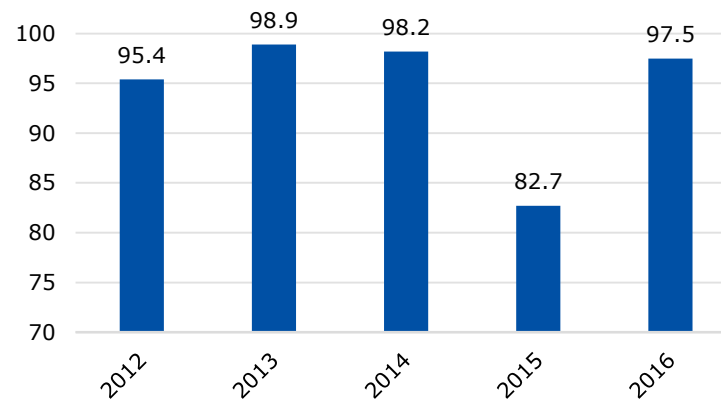
# Geographical Combined Ratio



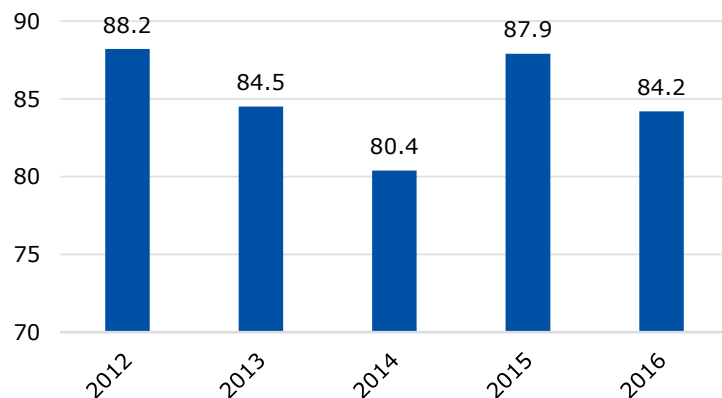
**Denmark**



**Sweden**



**Norway**



# Corporate history

- 1728, Copenhagen experienced what was later to be known as the Copenhagen Fire of 1728. The fire heightened public awareness of the need for insurance
- 1731, The oldest component of Tryg's history was the Danish insurance company Kjøbenhavns Brand was established by Royal Decree as a result of the Copenhagen Fire of 1728
- 1880, The Norwegian insurance company Vesta was established. The name Vesta derives from Roman mythology, Vesta is the goddess of hearth, home and family.
- 1911, The name Tryg emerged (Tryg means peace of mind in Danish)
- 1990, The mutual company Tryg demutualised and the ownership of the new limited company was placed in Tryg I Danmark
- 1994, Tryg acquired the Danish insurance operations of Winterthur
- 1995, Tryg acquired Baltica and continued operations under the name Tryg-Baltica
- 1996, Tryg-Baltica was listed on Copenhagen Stock Exchange. Tryg I Danmark retained a 60% ownership
- 1999, Tryg-Baltica merged with Denmark's second largest banking group, Unidanmark whose general insurance activities were integrated with Tryg. Tryg-Baltica de-listed
- At the end of 1999 the Norwegian insurance company Vesta was acquired from Skandia
- 2000, Tryg, Vesta and Unibank contributed to the formation of Nordea. Tryg I Danmark holds at this point a 6% stake in the Nordic banking group
- 2001, Tryg established a branch in Finland
- 2002, Tryg I Danmark acquired Nordea's non life activities and forms TrygVesta
- **2005, TrygVesta was listed on the OMX Nordic Stock Exchange in Copenhagen on October 14**
- 2006, TrygVesta launched a Swedish branch in June
- 2009, The acquisition of the Swedish insurance company, Moderna, was completed in April
- 2012, Tryg sells its Finnish business to Sampo/If....

# Economic key figures

## Denmark

%	2017	2018
GDP Growth	1.6	1.7
Inflation	1.4	1.9
Unemployment	4.1	3.9
Current account balance in % of GDP	8.1	7.6
Budget balance in % of GDP	-1.2	-0.9
Public debt in % of GDP	37.5	37.7

## Sweden

%	2017	2018
GDP Growth	3.0	2.3
Inflation	1.7	1.6
Unemployment	6.7	6.5
Current account balance in % of GDP	5.5	5.4
Budget balance in % of GDP	0.2	0.0
Public debt in % of GDP	39.3	37.6

## Norway

%	2017	2018
GDP Growth (mainland)	1.8	1.8
Inflation	1.7	1.1
Unemployment	4.4	4.2
Current account balance in % of GDP	7.5	7.2
Budget balance in % of GDP	3.6	3.6
Public debt in % of GDP	0.0	0.0

Source: Economic Outlook, Nordea Markets, March 2017