



# Financial Statements For 2020

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Review for Analysts, April 2020



# Limitation of Liability

This presentation includes partial information only with respect to the Company's results for the period January-December 2020, and was prepared for summary and convenience purposes only. This presentation cannot serve as a substitute for a review of the Company's public reports (including in the Company's financial statements), which contain the complete information regarding the Company, before reaching any decision regarding an investment in the Company's securities. This presentation does not constitute an offer for the acquisition of the Company's securities, nor a request for any such offers, and is intended for the delivery of information only, as part of the provision of explanations regarding the Company.

**This presentation is an unofficial translation from the Hebrew language and is intended for convenience purposes only. The binding version of the presentation is in the Hebrew language only.**

# About us



Clal Insurance is a leading insurance and long-term savings groups in Israel



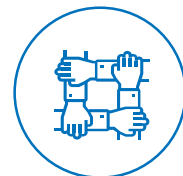
Assets under management: NIS 237 billion (As of the end of December 2020), an increase of 8% compared with the end of December 2019. As of the end of April 2020, the amount of assets increased to app. NIS 244 billion



Total premiums, contributions and receipts with respect to investment contracts in January- December 2020: approximately NIS 19.6 billion. An increase of 2% compared with the corresponding period last year despite the COVID-19 crisis



Employs approximately 4,200 employees , over the past year, there has been a decrease of 330 employees in the workforce, which is in addition to a decrease of 85 employees the year before (a decrease of 9% in the last two years)



Operates together with approximately 2,000 insurance agents



Clal Insurance Company rating: iIAA+\Negative from Standard & Poor's Maalot Aa1.il with negative outlook from Midroog



Platinum+ rating of Maala in the field of corporate responsibility



Leading in investment returns over time

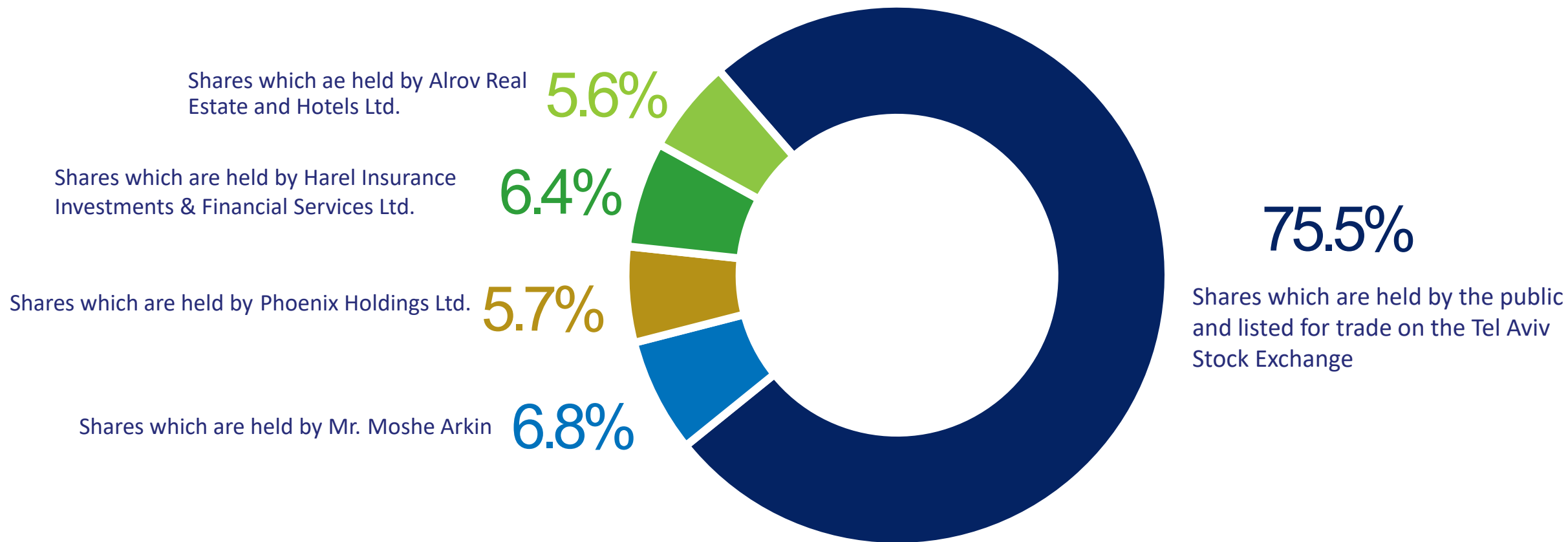


The Company has unique activity in the field of mortgages and credit insurance

# Principal milestones



# Shareholders



# Comprehensive Income After Tax Attributable to Shareholders\* (NIS Millions)

Return on Equity\*\*

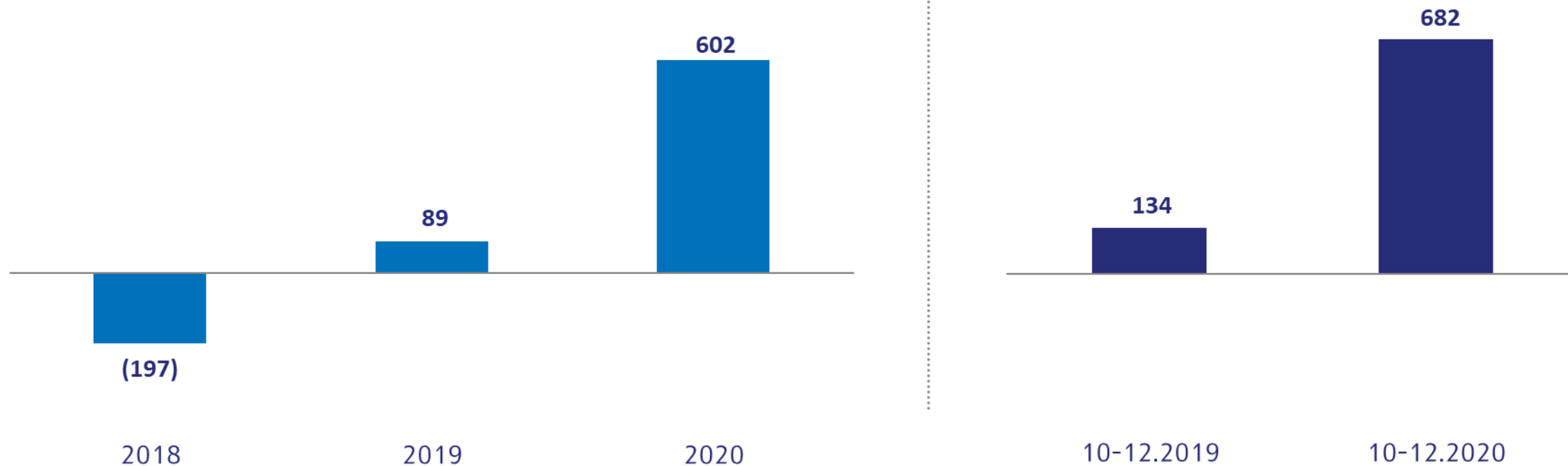
(3.8%)

1.8%

10.6%

10.9%

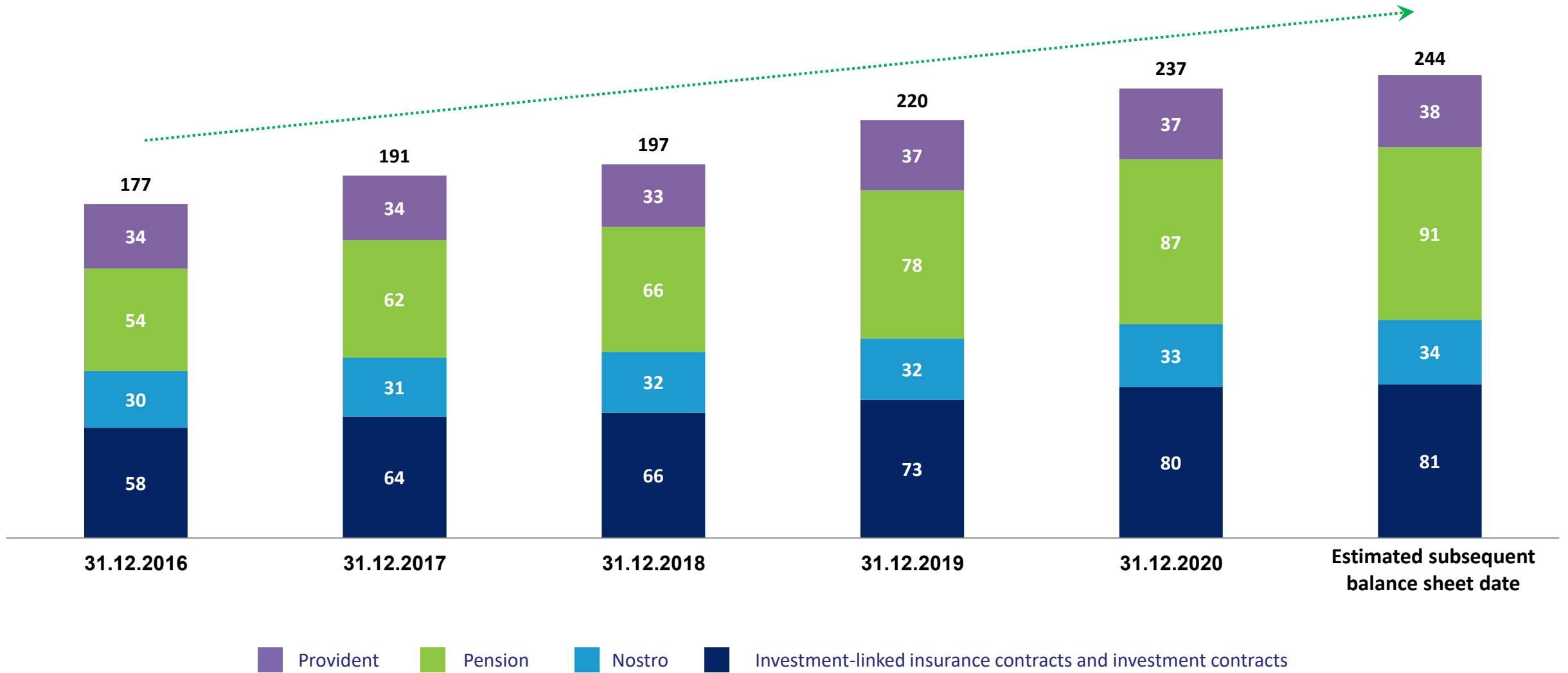
48.6%



\* In the years 2018-2019 and in the corresponding periods last year, the comprehensive income was restated due to retrospective application of the Capital Markets, Insurance and Savings Authority's circular regarding the "review provision with respect to the liability adequacy".

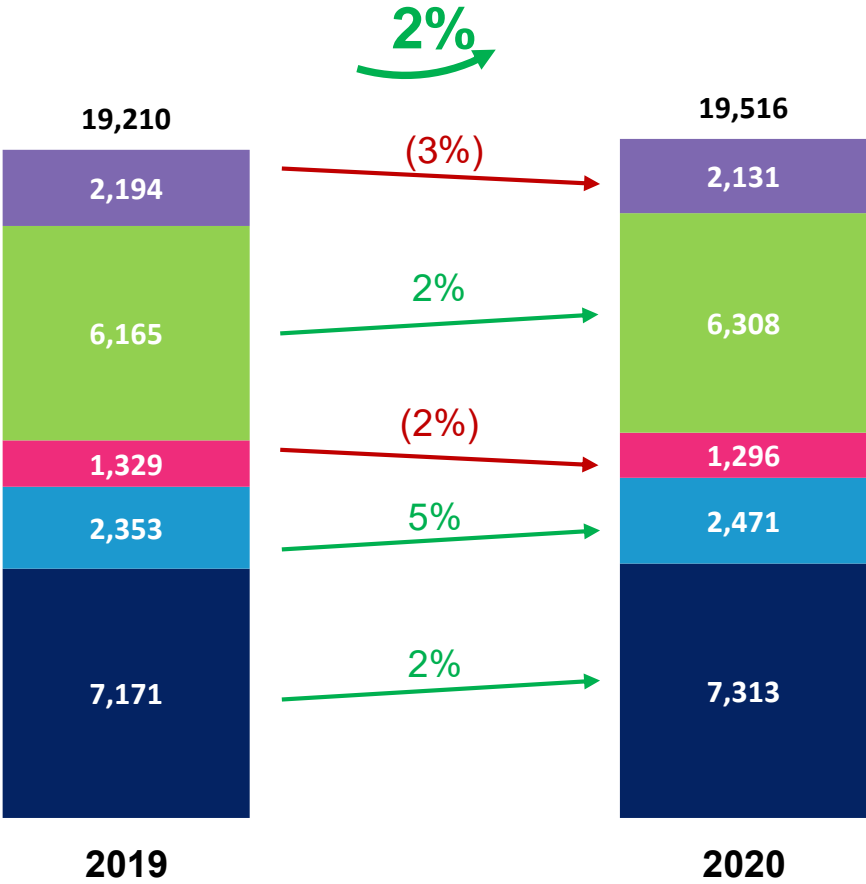
\*\* Return on Equity In annual terms - return on equity is calculated on the basis of profit for the period attributable to the Company's shareholders, divided by equity at the beginning of the period attributable to the Company's shareholders. The profit used for the calculation of the quarterly return on equity is calculated by multiplying by four the quarterly profit.

# Managed Assets (NIS Billions)



# Gross Premiums Earned, Contributions and Receipts with respect to investment contracts (NIS Millions)

■ Provident 
 ■ Pension 
 ■ Health insurance 
 ■ Non-life insurance 
 ■ Life insurance



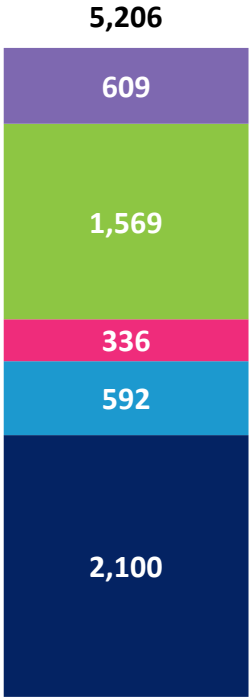
- The decrease in insurance premium in the health insurance line of business stems from termination of engagement in collective long-term care insurance with Kupat Holim Leumit; premiums earned from this engagement in the corresponding period last year amounted to app. NIS 33 million. After deducting the premiums received last year from Kupat Holim Leumit, the health insurance premiums were similar to 2019.



# Gross Premiums Earned, Contributions and Receipts with respect to investment contracts (2020, NIS Millions)

■ Provident 
 ■ Pension 
 ■ Health insurance 
 ■ Non-life insurance 
 ■ Life insurance

January-March



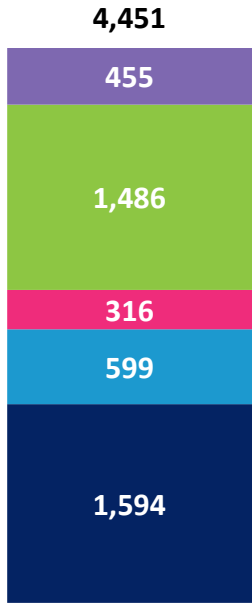
1-3.2020

15%



April-June

(Coronavirus lockdown quarter)

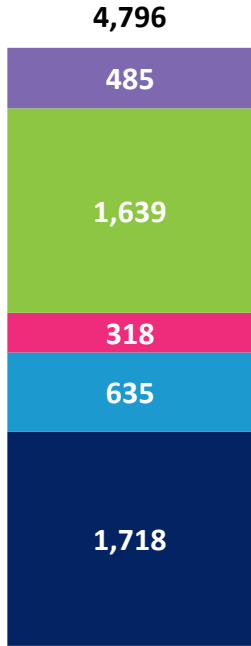


4-6.2020

8%



July-September

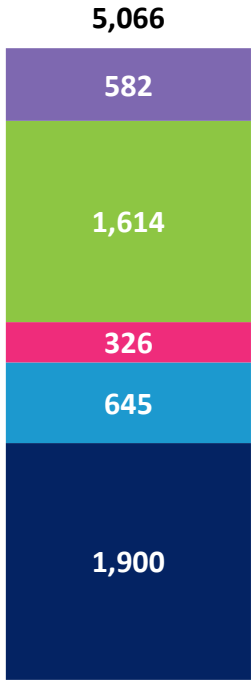


7-9.2020

6%



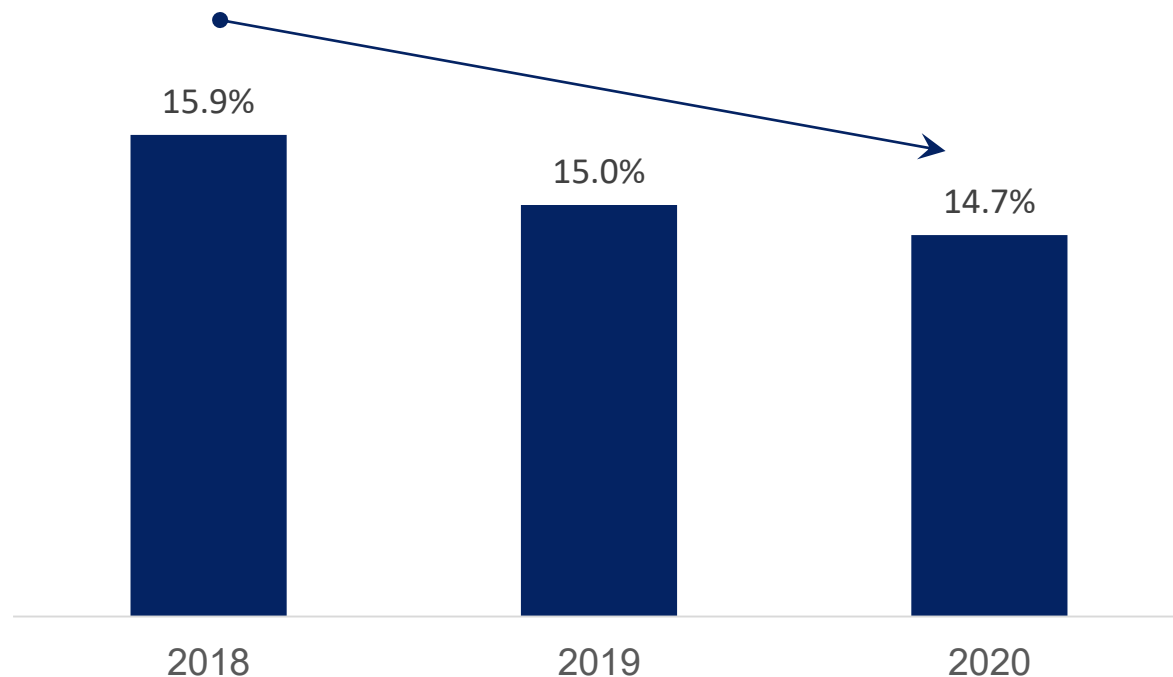
January-December



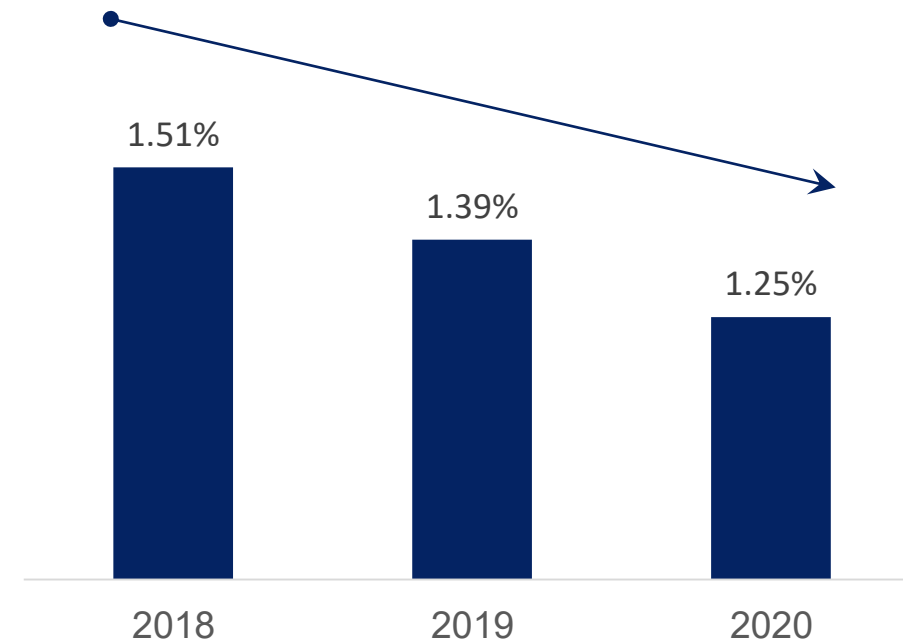
10-12.2020

# Rate of total general and administrative expenses, marketing expenses and commissions

Rate of total expenses and commissions in relation to premiums, contributions and proceeds in respect of investment contracts

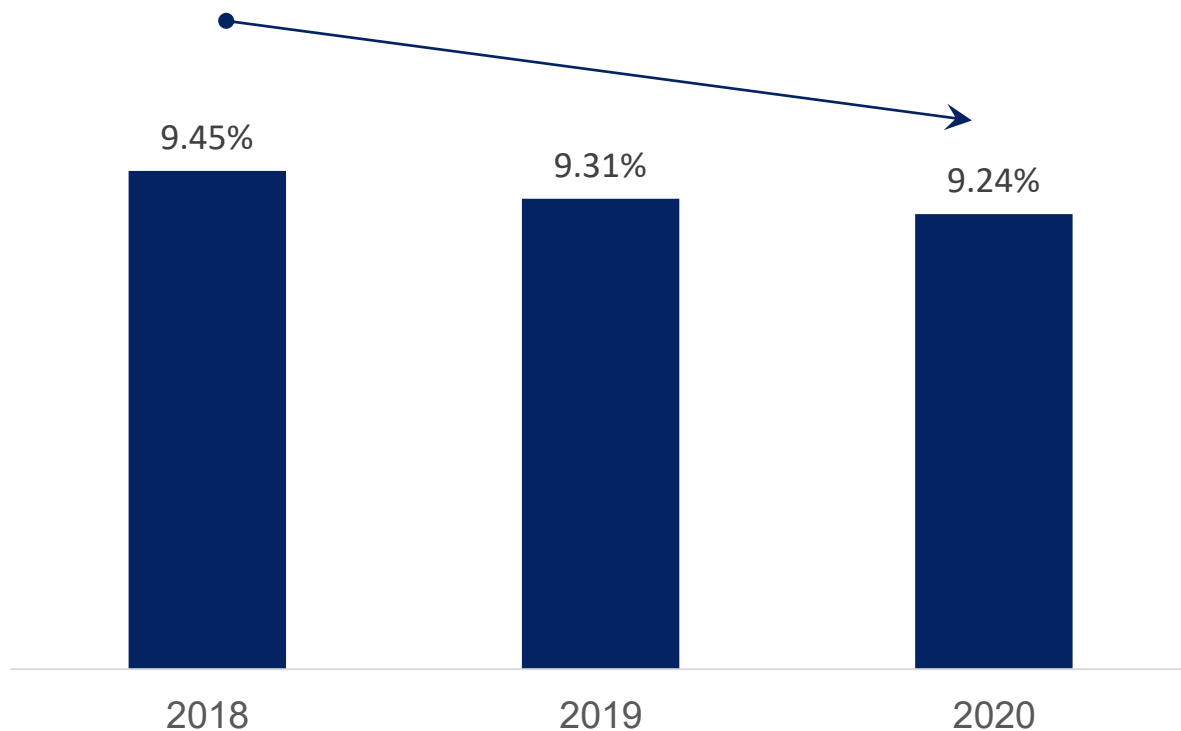


Rate of total expenses and commissions in relation to average managed assets

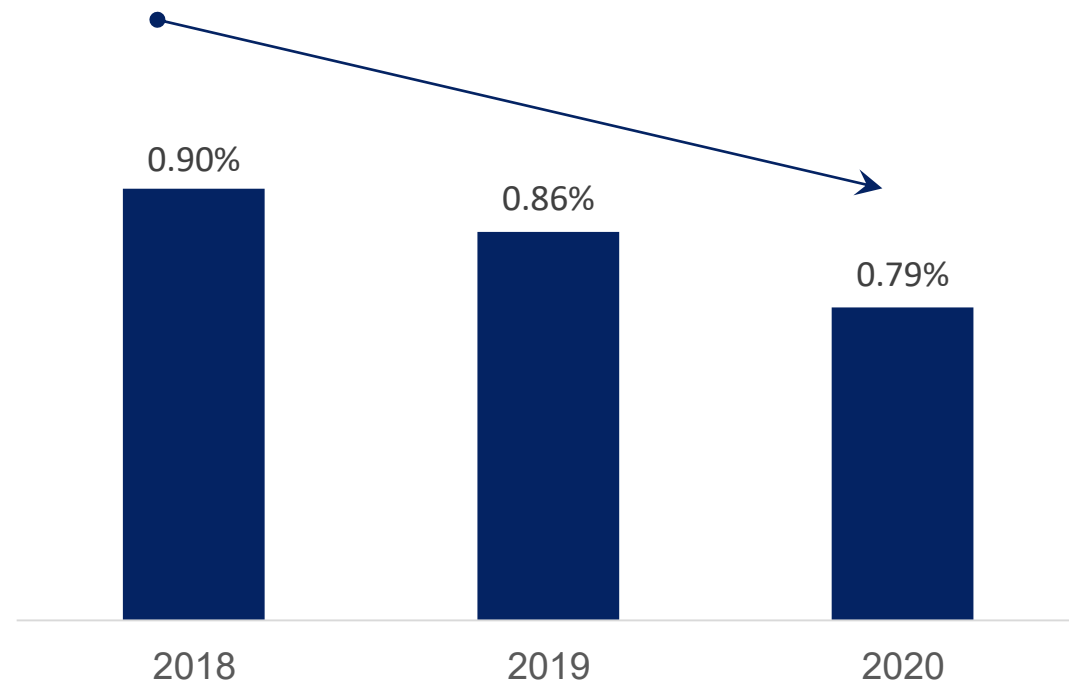


# Rate of general and administrative expenses\*

Rate of G&A expenses in relation to premiums, contributions and proceeds in respect of investment contracts

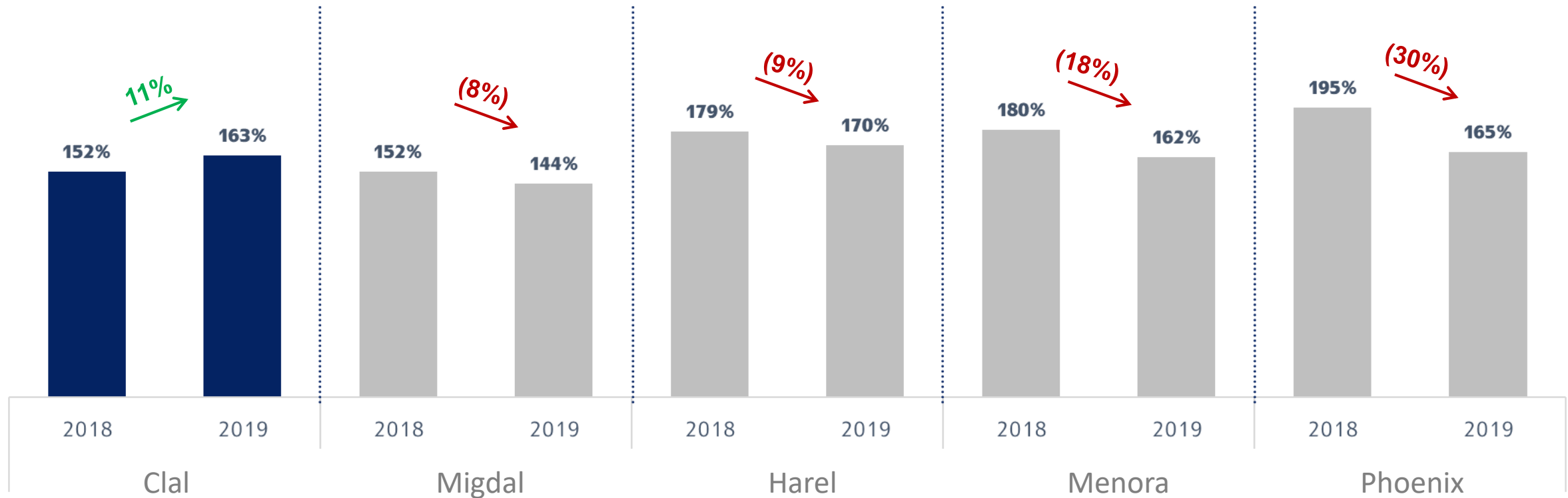


Rate of G&A expenses in relation to average managed assets



# Results of calculation of the Economic Solvency Ratio as of December 31 2019

Economic Solvency Ratio subject to the distribution provisions



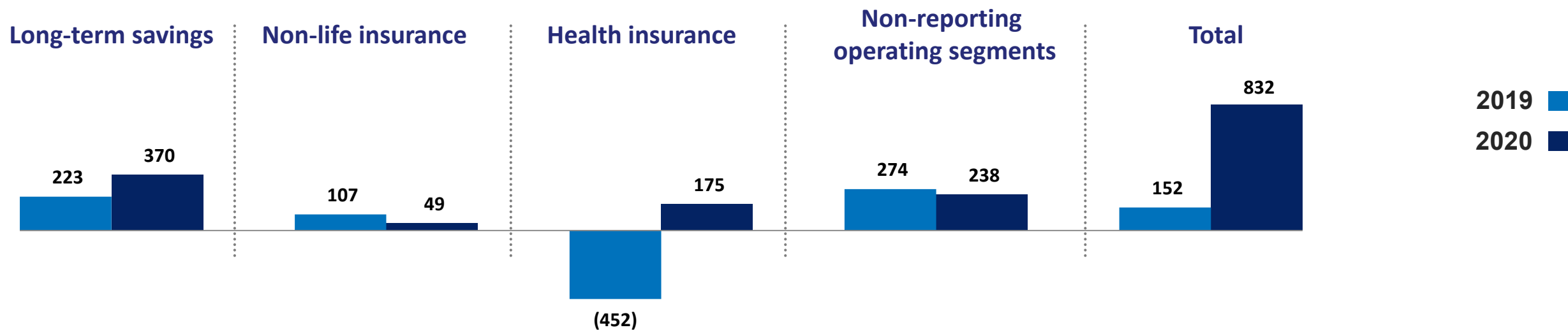
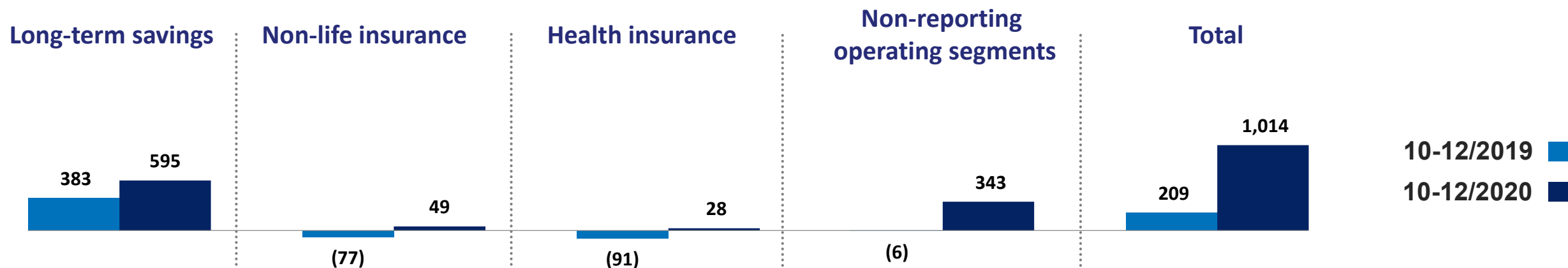
# Improved Sensitivity to Interest Rate Changes

NIS Millions	Change in Interest Rate*	
	+1%	-1%
<b>Comprehensive income (equity)</b>		
31.12.2020	460	(119)
31.12.2019 restated **	566	(327)
31.12.2019 - original	638	(661)
31.12.2018 – original	58	(899)

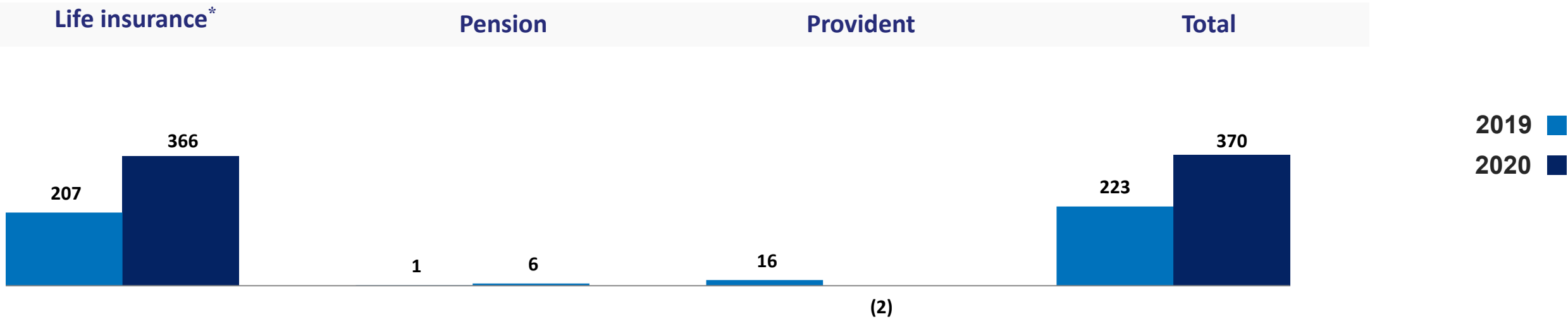
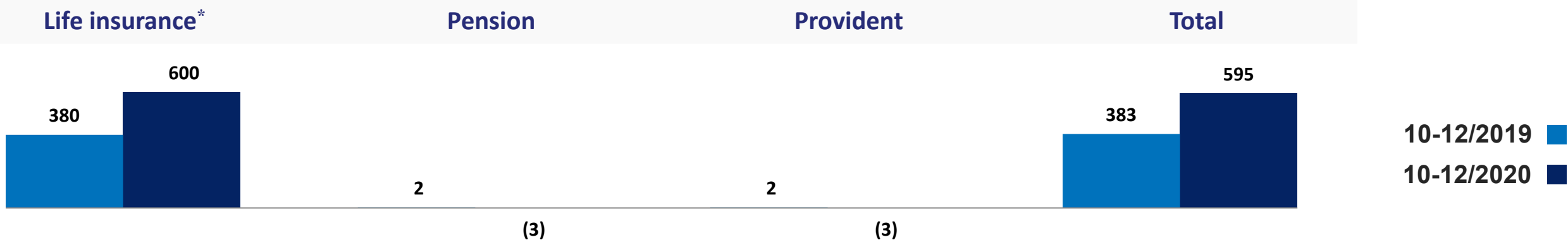
\* The sensitivity analysis to interest changes reflects the impact of corresponding movement throughout the entire yield curve

\*\* Restated following due to the retrospective application of the Capital Markets, Insurance and Savings Authority's circular regarding the "review provision with respect to the liability adequacy".

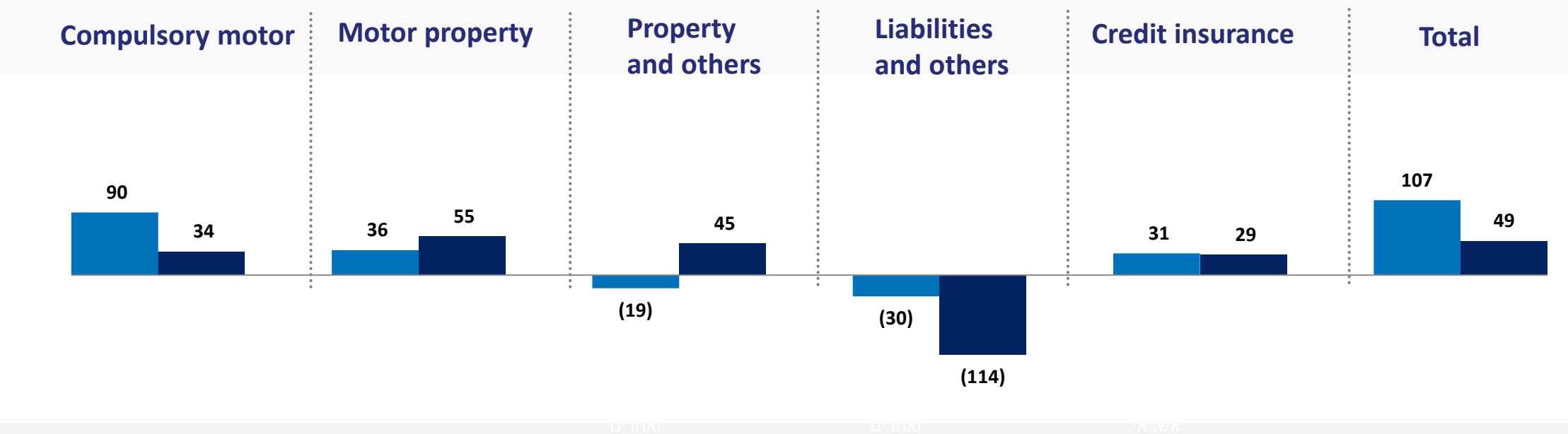
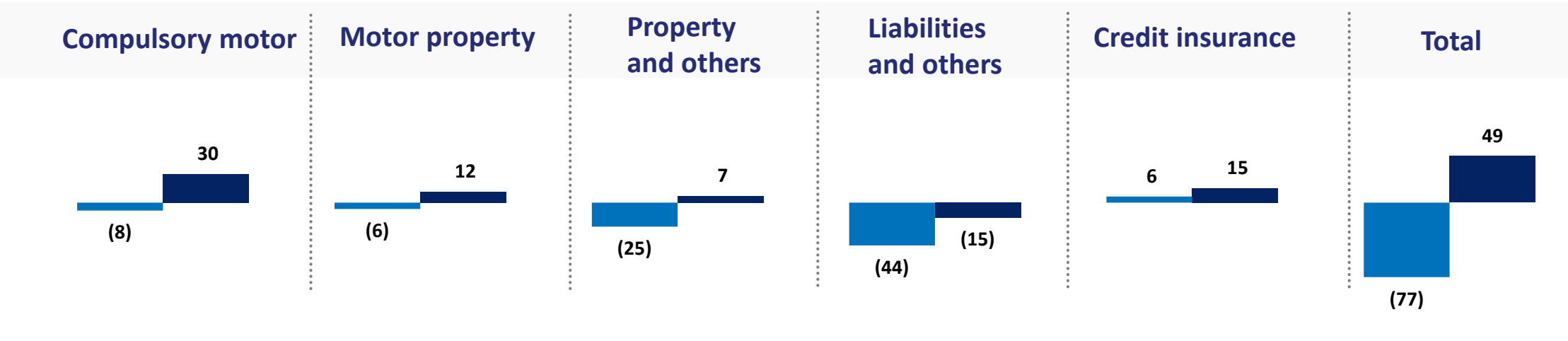
# Comprehensive Income Before Tax by Segments (NIS Millions)



# Long Term Savings | Comprehensive Income Before Tax (NIS Millions)



# Non-Life Insurance | Comprehensive Income Before Tax (NIS Millions)







# Leading in investments returns

TheMarker

## פברואר בפנסיה: כלל מובילה, אלטשולר שחם והלמן אלדדובי בתחתית

ממוצע התשואות במסלול עד 50 בפנסיה היה 1.16% בפברואר • בניתוח של ממוצע חמש השנים האחרונות אלטשולר עדיין מוביל בפער גרול מעל המתחרים – וחברת הביטוח מגרל בתחתית, למרות השיפור בשנת האחרונה • אלטשולר שחם לא סיים בראש הטבלה באף לא אחת מהשנים

16.3

TheMarker

## כלל ממשיכה לככב בטבלת התשואות. איך היא עושה את זה?

לפי הערכות ראשוניות, קרן ההשתלמות של כלל הניכה בפברואר תשואה של 1.3% – כששאר הגופים הניכו תשואות מתונות יחסית של 0.8% בממוצע • התשואות הושפעו מודתגברות החשש לעלייה באינפלציה – שהביאה לקפיצה בתשואות האג"ח הממשלתיות • כלל: הגדלנו חשיפה למגזרי התעופה, מלונאות, בני קולנוע ובנקים – שהניבו תשואה זו בספרות

7.3

Bizportal

## פברואר שמח לקרנות ההשתלמות: כלל מובילה ומאיימת על התדמית של אלטשולר שחם

כלל ממשיכה לשמור על המקום הראשון חודש רביעי ברציפות; אלטשולר שחם כבר לא בודדה בצמרת; ילין לפידות בתחתית הטבלה; במסלול המנייתי - אנליסט מובילה בטווח הבינוני

(4)

לימור זילבר | 06:37 16/03/2021

16.3

כלכליסט

## ענף ההשתלמות על הגל החיובי של 2021 גם בפברואר

קרנות ההשתלמות הגדולות הציגו תשואה ממוצעת של 0.8% ואילו הקרנות הקטנות 0.7% בלבד בחודש שעבר. הקרן של כלל ביטוח, שהובילה בינואר, עדיין בראש עם תשואה של 1.27% בפברואר ו-2.75% מתחילת השנה

16.3

כלכליסט

## ביידן והחיסונים העלו את כלל לראש טבלת התשואות

קרן ההשתלמות של כלל ביטוח במסלול הכללי הובילה את טבלת התשואות בינואר עם 1.46%. אחריה: אקסלנס עם 1.22% ואנליסט עם 1.18%. סוגרת את הטבלה ילין לפידות עם 0.82%

16.2

כלכליסט

## הראלי בנובמבר הביא לתשואה של 4.5% בהשתלמות

חברת הביטוח כלל ביטוח הובילה את טבלת ההשתלמות של חודש נובמבר עם תשואה של 5.29%. אלטשולר שחם סוגר אותה מלמטה עם תשואה של 3.37%, אבל מוביל בתשואה לשלוש שנים

16.1

2



# Leading in service – first place in agents' service surveys

## Non-life Insurance & Finance

פעם שלישית גלידה

**שנה שלישית ברציפות במקום הראשון  
בסקר שביעות רצון הסוכנים בביטוח אלמנטר**

כלל ביטוח ופיננסים גאה להוביל בפעם השלישית ברציפות את חוויית השירות בקרב סוכני הביטוח בישראל. נמשיך להעניק לכם את השירות האיכותי והמקצועי ביותר, למען הצלחתנו המשותפת

לו רק הייתה אולימפיאדה  
בביטוח...

**כלל ביטוח ופיננסים  
אלופים שלוש פעמים!**

תודה לסוכני כלל ביטוח ופיננסים שבחרו בנו במקום הראשון בביטוח כללי ובפיננסים. ובמקום הראשון בתחום הפנסיוני מבין חברות הביטוח הגדולות! אנו גאים להוביל בכל תחומי הביטוח שנבחנו בסקר. יחד נמשיך ונפתח את המוצרים והשירותים הטובים ביותר בענף.

**שנה שנייה  
ברציפות!**

תודה לסוכני כלל ביטוח ופיננסים שבחרו בנו במקום הראשון בסקר שביעות רצון בתחום הפיננסים, מבין חברות הביטוח ותתי ההשקעות! אנו גאים להוביל ולהיות במקום הראשון בכל תחומי השירות שנבחנו בסקר. נמשיך ונעניק לכם את המוצרים והשירותים הטובים ביותר בענף.

# First Place

The company received the highest scores in leading categories, including: fairness, transparency, rates, employee availability, flexibility, ease of work on the company portal, warm and personal contact with the professional staff and satisfaction with the company's performance during the Coronavirus period



# Leading in Service - Solidarity Index During the Coronavirus period

Company	Comprehensive Index – Automobile Insurance
Harel	6.25
Clal	6
Shomera	5.5
Libra	5.25
Shlomo	5.25
AIG	5
Bituach Yashir	5
Hachshara	5
Wesure	5
Phoenix	4.75
Ayalon	4
Menorah	4
Shirbit	4
Bituach Haklai	3.75
Migdal	3.25

Company	Comprehensive Index – Business Insurance -
Migdal	8.1
Clal	7.9
Hachshara	7.9
Harel	7.8
Shlomo	7.2
Phoenix	7.0
Ayalon	6.8
Bituach Haklai	6.5
Shomera	5.7
Menorah	5.3
Shirbit	3.7



## Leading in Innovation – Adif's Winners

### Smart Personal Risk, Clal's Button App

#### Smart Personal Risk

The first and most innovative model of its kind in Israel that triggers a revolution in the field of life insurance. Life insurance in case of death, customized, which allows the insured to determine the age at which the increase in the premium will be stopped, so that the cost of insurance will not surprise them in the future

#### Clal's Button App

A groundbreaking app that centralizes all urgent services required by the policy holders. This is a very significant digital service that crosses categories in the insurance industry, and it is clear from the download and re-use of data that the button meets a real need of the company's policyholders.







# Leading In Innovation - Winning The "People And Computers" Competition

## Clal IT



### Winning the "People and Computers" Outstanding Computing Competition for 2020

- Smart application for managing claims using artificial intelligence in the field of Big Data (Predictive Analytics), in the category of Data Analysis, Analytics, BI, Big Data and AI
- VMware Horizon's advanced VDI solution for remote connectivity infrastructure, in the field of business continuity

# Corporate Responsibility – Pitchon Lev

**כלכל ביטוח ופיננסים**  
**נותנים מכל הלב**

**24.3.2021**

**יום ההתרמה הארצי לפתחון לב**



## Whole Hearted Giving

A successful company is measured by many criteria, including its ability to look at the environmental circles in which it exists and act on their behalf.

In preparation for Passover, the company held a special fundraising event for the Pitchon Lev Association, to collect food baskets for underprivileged populations. The fundraising event took place at Clal's customer service center and as part, the company's employees responded voluntarily to the donors' calls.

At the end of this exciting evening, 68,899 meals worth an equivalent donation of NIS 6.2 million were donated

# Statements of the CEO and Chairman



**Yoram Naveh,**  
**CEO**  
**Clal Enterprises**  
**Holdings**



In 2020 Clal Insurance and Finance reported an increase in value for all its stakeholders and today reports its best results of the last decade, successfully implementing the strategic plan outlined in late 2019, tailored during 2020 and featuring growth and efficiency targets of leaders in industry, while significantly improving underwriting profit.

Despite the Coronavirus crisis, which adversely affected the financial markets, the economy and accordingly the company's results for the first quarter, the company managed to conduct itself responsibly and professionally, while taking advantage of investment opportunities, so that by the end of 2020, variable management fees totaled NIS 305 million. The volume of the company's managed assets reached a new peak at the end of 2020 and totaled NIS 237 billion, an increase of 8% compared to the end of 2019, and after the reporting period, increased to NIS 244 billion.

The company's solvency ratio, given the distributions provisions, is 163% and reflects its financial strength, allowing it pronounced flexibility in running its business. The return on equity in 2020 was 10.6% and in the fourth quarter of 2020 was 48.6% (on an annualized basis). It should be noted that the company is considering an update of its capital target, said in accordance with business and regulatory developments that have occurred in the recent period.

Clal Insurance and Finance reports improvement in all its operational parameters, leads in customer service according to the Ministry of Finance indices, leads in the rankings of the Chamber of Insurance Agents in the elementary insurance sectors, long-term savings and finance, as well as in the Solidarity Index, which measures the company's contribution to the public during the crisis. All the while, continuously leading in returns to its policyholders in all product venues. All said, have prepared the company for an excellent starting point for 2021, for continued implementation of its strategic plan for accelerated growth alongside efficiency and improved productivity.

In the corporate responsibility field, this year we won the highest rating - Ma'aleh's "Platinum +" rating, and after the reporting date, in February 2021 we published the company's first corporate responsibility report, which reports on all social, environmental, ethical and value considerations, in which we engage in our day-to-day business activities. Alongside, just a few days ago, employees of the company volunteered at Clal's service centers, in a dedicated fundraising transmission of the Pithon Lev organization for Passover, wherein donations were collected for food baskets for those who could not afford them, in the amount of NIS 6.2 million.

This is another opportunity to thank the executives of the company and its employees, as well as the insurance agents, for their full partnership in the success of the company, in such a challenging year, and for the turnaround that the company presents in all material parameters.



Clal Insurance and Finance reports impressive results for 2020. I express my thanks, on behalf of the company's board of directors, to the company's management and employees for the efforts and contribution to these results, in such a challenging year.

The Board of Directors of Clal Holdings will continue to work to further improve the trend, with the aim of bringing the company back to leadership in the industry, while adhering to proper corporate governance rules, good deeds and bringing value to clients, agents and the shareholding public.



**Haim Samet,**  
**Chairman**  
**Clal Enterprises**  
**Holdings**



Thank You

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