

12. Sustainable development at the Triglav Group

- Organisational vitality in the Triglav Group remains high.
- As much as 42% more hours or 28% more assets were spent on employee training and competency development
- The number of employee accidents remains low; in 2019, their number increased in the Group, but decreased in Zavarovalnica Triglav.
- The promotion of traffic safety was combined into the single platform vozimse.si and the activities of preventive action were strengthened.
- By accelerating the development and use of new technologies, the Company's services were simplified and made more accessible to clients. The scope of e-business was expanded and claim settlement processes were streamlined.
- Zavarovalnica Triglav's electricity consumption was reduced by 3% and its carbon footprint by 6%.
- The set goals and activities for 2019 were fully achieved.




12.1 Implementation of strategic guidelines and sustainable development goals of the Triglav Group and Zavarovalnica Triglav

The Triglav Group's reputation is understood as building quality relationships with key stakeholders, while business performance reflects the positive trends of the key indicators of the Group's sustainable development. The Group pursues strategic guidelines to 2022 using the indicators that show progress in the sustainable aspects of its operations.

The annual goals and activities were defined based on key long-term aspects of the Group's impact and were fully achieved.

The Group participates in the long-term sustainable development of the insurance and financial industries, particularly by pursuing responsible and comprehensive management of financial and non-financial risks and the management of its shareholders' and clients' assets, as promoted by the respective United Nations and Global Reporting Initiative guidelines. The range of material topics and disclosures under the GRI GS standard and the implementation of the United Nations Sustainable Development Goals (SDG) are presented in the two tables below.

Material topics of sustainable development of the Triglav Group and Zavarovalnica Triglav:²⁶

Economic aspects 	<ul style="list-style-type: none"> ■ Economic performance ■ Market presence ■ Indirect economic impacts ■ Procurement practices 	<ul style="list-style-type: none"> ■ Protection of competition ■ Anti-corruption behaviour 	
Social aspects 	<ul style="list-style-type: none"> ■ Employment ■ Relationships between the employees and the management ■ Occupational health and safety ■ Education and training ■ Diversity and equal opportunity ■ Labour practices grievance mechanisms 	<ul style="list-style-type: none"> ■ Local communities ■ Non-discrimination ■ Grievance mechanisms on human rights policies or procedures ■ Supplier social assessment 	<ul style="list-style-type: none"> ■ Marketing and labelling ■ Product and service portfolio ■ User privacy ■ Socioeconomic compliance area
Environmental aspects 	<ul style="list-style-type: none"> ■ Energy 	<ul style="list-style-type: none"> ■ Wastewater and waste 	<ul style="list-style-type: none"> ■ Supplier environmental assessment

²⁶GRI GS 102-47

Achievement of United Nations Sustainable Development Goals (SDGs)



1 NO POVERTY

- An extensive sales network, also accessible in less populated areas.
- Free mobile applications for claim reporting and ordering assistance services.
- Points of sale equipped with aids for partially sighted and hard of hearing, most points of sale also provide independent access to people with different types of disabilities.
- A multi-channel approach and digital sales-communication and distribution channels.
- Alternative sales channels such as the sale of insurance products via banks and leasing companies.

See sections 11.1 and 12.5. for more information.



2 ZERO HUNGER

- A free Triglav Vreme mobile application for weather alerts.
- A stimulative premium policy for young farmers, which contributes to the promotion of young farmers setting up an agricultural holding, the preservation of settlement and larger land cultivation in the countryside.
- Agricultural insurance products with municipal and state premium co-financing which are available to a broad range of farmers.
- Cattle insurance products were adapted to local specifics and small and medium-sized livestock farms in order to maintain agricultural production in less favoured areas.



3 GOOD HEALTH AND WELL-BEING

- Intensive work in the area of traffic prevention (the Triglav Group's special purpose investments in prevention). See Section 12.6 for more information.
- Micro-health insurance that simplifies access to medical advice.
- A comprehensive range of health and life insurance services and products.



8 DECENT WORK AND ECONOMIC GROWTH

- A wide range of insurance products for micro, small and medium-sized enterprises.
- Development partnerships with the start-up environment and entrepreneurs.
- Efforts to reward employees equally for equal work, regardless of gender, and to provide a safe and healthy work environment (see Section 12.4.4 for more information).
- A programme for raising employees' awareness about a healthy lifestyle and the provision of preventive health checks are in place.
- The holder of the Family-Friendly Enterprise Certificate.

See Section 12.4.4 for more information.



9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

- Increasing the level of insurance coverage in the emerging insurance markets in the Adria region.
- A wide range of insurance products for micro, small and medium-sized enterprises.
- Partnerships with local suppliers in the Adria region.



13 CLIMATE ACTION

- Responsive and streamlined mass claim management using mobile units in the field at the time of natural disasters.
- A free Triglav Vreme mobile application for weather alerts.
- Provision of non-life and natural disaster liability insurance products.
- A stimulative premium policy for less intensive animal production, which is more environmentally friendly.



15 LIFE ON LAND

- Reducing the pollution of mountains and raising awareness of responsible hiking in the hills/ mountains and waste management in the mountains in the context of the Let's Clean the Mountains and Hills project.
- Promotion of mountain pasture by providing insurance of livestock during grazing on mountain pastures, which helps to preserve mountain ecosystems.



16 PEACE, JUSTICE AND STRONG INSTITUTIONS

- Consistent implementation of the Anti-Corruption Policy and the Triglav Group Code in order to implement the principles of fair and ethical conduct, prevent corrupt practices, manage conflicts of interest and insurance fraud, prevent money laundering and terrorist financing, and ensure consumer protection and competition.

Commitments to external initiatives²⁷ and membership of associations²⁸

The Triglav Group members and their employees voluntarily participate in various initiatives and associations that promote business practices that are ethically, environmentally, socially and economically sustainable. The Company implements professional business practice standards in the context of the Insurance Code of the Slovenian Insurance Association, as well as by taking into account the recommendations of the Slovene Consumers' Association for improving financial literacy. The Company is active in the European Institute of Compliance and Ethics (EICE) and the Corporate Ethics and Transparency Committee of the American Chamber of Commerce. The Company is a signatory to the Declaration on Fair Business and participates in the development of anti-corruption culture in partnership with Transparency International Slovenia. In 2019, it began to implement the National Action Plan of the Republic of Slovenia for Respect for Human Rights in the Economy.

The Company is an active member of the Slovenian Insurance Association, the Chamber of Commerce and Industry of Slovenia, the Board of Issuers of Ljubljana Stock Exchange, the Slovenian Directors' Association, the Managers' Association of Slovenia, the Association of Employers of Slovenia, the European Institute of Compliance and Ethics, the American Chamber of Commerce, the Slovenian Association of Actuaries and the Institute of Internal Auditors – IIA Slovenia. Furthermore, representatives of the Company are members of many international industry and professional associations for finance, actuaries and compliance. The Group companies are members of industry and professional associations in individual countries where the Group operates.

Zavarovalnica Triglav recieved special thanks for promoting the family-friendly company culture.



Awards and prizes in 2019

- **Superbrands Slovenija 2018:** Superbrands 2018 award for Zavarovalnica Triglav and its ranking among the 15 most excellent brands in Slovenia.
- **Top Employers 2018:** Awards for Zavarovalnica Triglav in the categories “top 10 employers” and “most reputable employer in the industry”.
- **Trusted Brand 2019:** For the thirteenth consecutive year, Zavarovalnica Triglav was awarded the most trusted brand in the “insurance companies” category.
- **Marketing excellence 2019:** The Grand Award for Marketing Excellence and the award in the “large B2C companies” category for Zavarovalnica Triglav.
- **Gold Quill:** Gold Quill Award of Excellence for the Together for Road Safety project in the “corporate social responsibility” category and Gold Quill Award of Merit for the Annual Report of the Triglav Group for 2017 in the “writing” category for Zavarovalnica Triglav.
- **Content Marketing Awards:** Campaign of the year in the “B2C branded content” category for Zavarovalnica Triglav’s »Let’s Ask Life for Those We Love« life insurance campaign. Also shortlisted were the story about grieving in the “best feature article – digital” category and the cover of Obzornik International (September 2018) in the “best cover” category.
- **Special thanks for promoting the family-friendly company culture:** Special thanks of the Equilib Institute to Zavarovalnica Triglav for **promoting a family-friendly work environment.**
- **ARC Awards:** Gold Award in the “interactive annual report” category for the Annual Report of the Triglav Group for 2018 and Award of Honours in the “design/graphics” category.
- **IADA Awards:** Silver Award in the “PDF” category for the Annual Report of the Triglav Group for 2018 and Bronze Award in the “overall” category.
- **German Design Awards:** German Design Award in the “excellent architecture” category for the Triglav Lab digital centre.
- **WEBSI 2019:** Triglav Skladi ranked 2nd among all outstanding digital achievements in 2018 in the “financial sector” category with the new communication platform “Zaslužite si več” (Earn More).

²⁷ GRI GS 102-12 | ²⁸ GRI GS 102-13

12.2 Key stakeholders²⁹

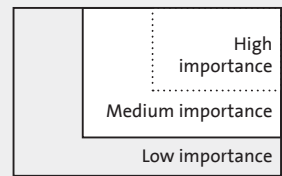
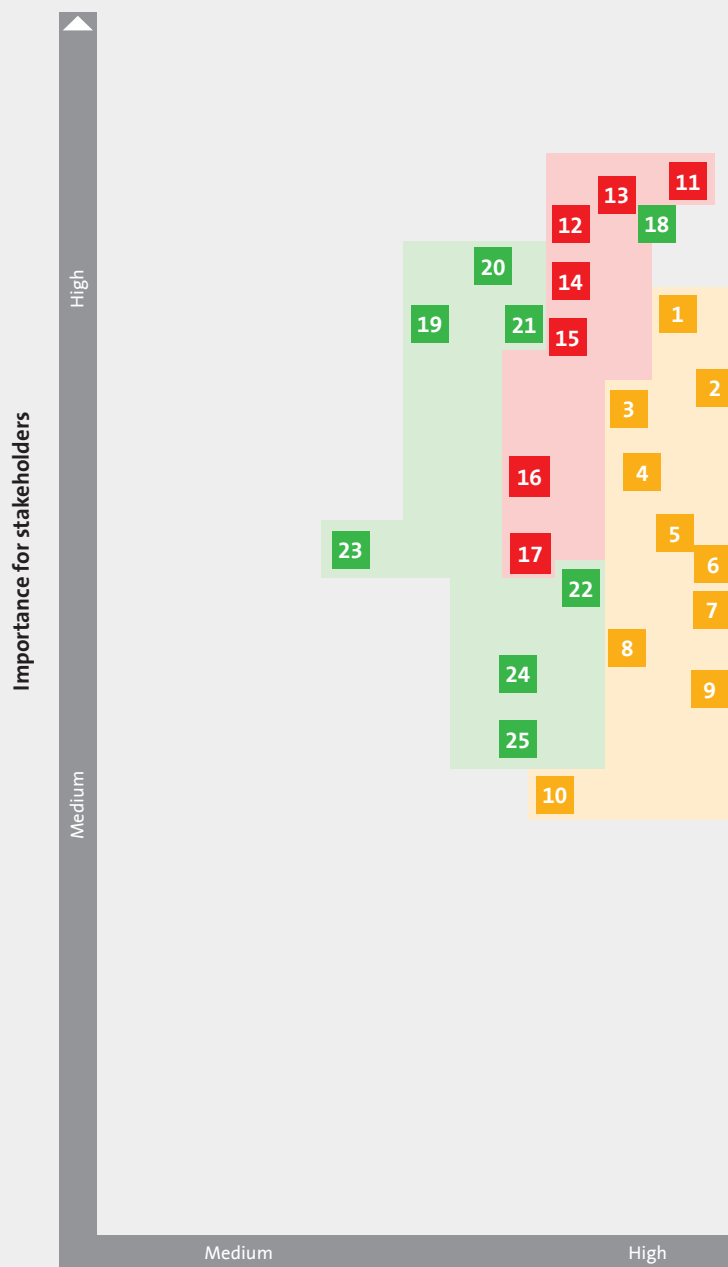
Mutual trust and understanding are strengthened by proactively engaging individual stakeholder groups. The Company monitors the needs and interests of its stakeholders through a mix of mutual relationships at the strategic and operational levels.



²⁹ GRI GS 102- 40, 102-42, 102-43, 102-44

A stakeholder analysis and a materiality analysis of stakeholder content were conducted for the second time in 2019, and for the first time in 2017. In order to identify employees' interests, a survey in the form of two focus groups was conducted, as well as in-depth interviews with clients. The interests of investors or shareholders were monitored through personal contact and questions at investor conferences and the General Meeting of Shareholders. As part of the analysis, stakeholders were asked to prioritise their interests or influences that individual factors have on their decisions, and based on that, a matrix of interests was prepared. Individual topics were divided into three strategic sets: long-term business stability, client focus, and a culture of openness and corporate social responsibility.

Importance of content for stakeholders and the Triglav Group



Long-term stable operations

1. In-depth information on the operations and financial position of the Triglav Group
2. A clear strategy of the Triglav Group
3. Implemented growth and development activities
4. Content of the dividend policy and its implementation
5. Situation on markets and outlook
6. Achieved capital adequacy of the Triglav Group
7. Comprehensive management of all risks
8. Corporate governance and sustainable operations
9. Achievement of target credit rating
10. Efficient organisation and internal processes of the Triglav Group

Client-centric approach

11. Understanding the needs of clients
12. Clear terms and conditions
13. Client-tailored insurance products – throughout the entire lifecycle
14. Rapid claim settlement
15. Above-average quality of services and products
16. New digital ways of doing business
17. Innovative client approaches

Culture of openness and social responsibility

18. Engaged and highly skilled employees
19. Raising awareness of users about risky behaviour
20. Disaster relief
21. Financial literacy
22. Preventive action to increase traffic safety
23. Environmentally friendly behaviour and operations
24. Fair business practices
25. Strong partnerships in the local, economic and social environments

Highlighted topics and methods of stakeholder engagement

Stakeholders	Material topics/interest	Engagement method
Clients/policyholders	<ul style="list-style-type: none"> ▪ Understanding the needs of clients ▪ Rapid claim settlement ▪ Innovative financial/insurance products and services ▪ Client-tailored insurance products – throughout the entire lifecycle ▪ Profitability in economic stability of the insurance company ▪ Clear terms and conditions ▪ Quality insurance and financial products and services ▪ Quality of a broad range of assistance services ▪ Socially and environmentally responsible operations of the company ▪ Financial literacy ▪ New digital ways of doing business and an easy-to-use online presentation of products/services ▪ Raising awareness of users about risky behaviour 	<ul style="list-style-type: none"> ▪ Personal contact with insurance experts, asset managers ▪ Detection of complaints and praise and responding thereto ▪ Email ▪ Telephone conversations ▪ Opinion polls and surveys ▪ Websites, blogs and e-newsletters ▪ Social networks ▪ Mobile applications ▪ Marketing communication
Employees	<ul style="list-style-type: none"> ▪ Internal culture of cooperation ▪ Rewarding of performance ▪ Personal and professional development ▪ Career advancement system ▪ Information about important milestones and changes in the Company ▪ Business strategy ▪ Work-life balance ▪ Education and additional training ▪ Safety and health at work ▪ Employee loyalty 	<ul style="list-style-type: none"> ▪ Management participation (the works council, trade unions, employee representatives in the supervisory boards) ▪ Career development and training system ▪ Measurement of organisational vitality ▪ Opinion polls and surveys ▪ Triglav.smo programme ▪ In-house print and online media ▪ In-house events, professional training, sports and recreational events ▪ Personal contact ▪ Email ▪ Telephone conversations
Shareholders/investors	<ul style="list-style-type: none"> ▪ Clear business strategy ▪ In-depth information on the operations, financial position and plans of the Group ▪ Financial efficiency, capital adequacy ▪ Implemented growth and development activities ▪ Dividend policy and return ▪ Situation on markets and outlook ▪ Comprehensive management of all risks ▪ Corporate governance and sustainable operations ▪ Achievement of target credit rating ▪ Efficient organisation and internal processes within the Group 	<ul style="list-style-type: none"> ▪ General Meetings of Shareholders ▪ Sessions of the Supervisory Board and its committees ▪ Public announcements on the Ljubljana Stock Exchange SEOnet online portal ▪ Corporate website ▪ Presentation for Investors ▪ Investor conferences, individual meetings, conference calls ▪ Email ▪ Opinion polls and surveys
State and supervisory bodies	<ul style="list-style-type: none"> ▪ Ensuring capital adequacy ▪ Safety of policyholders and/or users of insurance services ▪ Efficient risk management system ▪ Compliance of operations and insurance and financial services and products ▪ Complying with all obligations of a public company ▪ Responsible and sustainable operations 	<ul style="list-style-type: none"> ▪ Regulatory reporting (to the Insurance Supervision Agency, the Securities Market Agency) ▪ Regular reviews by inspection and supervisory bodies ▪ Audits by certified auditors
Suppliers	<ul style="list-style-type: none"> ▪ Long-term cooperation ▪ Reliable and timely payments ▪ Upgrading the existing cooperation ▪ Delivery times, prices of services and goods ▪ Delivery of environmentally friendly material ▪ Paperless operations 	<ul style="list-style-type: none"> ▪ Public tenders and competitions ▪ Working meetings ▪ E-mail and electronic operations ▪ Telephone conversations
Local and broader communities	<ul style="list-style-type: none"> ▪ Traffic safety ▪ Fire safety ▪ Health protection and care ▪ Co-development of projects in the areas of culture, sport, prevention, health, art, charity ▪ Infrastructure investments ▪ Access to insurance services for people with various disabilities ▪ Insurance and financial literacy ▪ Fair business practices ▪ Disaster relief 	<ul style="list-style-type: none"> ▪ Partnerships with non-profit organisations and educational institutions and execution of joint projects ▪ Joint projects with local communities, particularly in traffic safety ▪ Funds allocation system for sponsorships and donations ▪ Cooperation with local decision-makers ▪ Email ▪ Telephone conversations
Media	<ul style="list-style-type: none"> ▪ Transparent information about the operations, events and changes in the Triglav Group ▪ Information about insurance and financial products and services ▪ Cooperation with local and broader community ▪ Development and general insurance topics ▪ Professional insurance and financial topics 	<ul style="list-style-type: none"> ▪ Press releases and statements ▪ Meetings with media representatives ▪ Answers and explanations ▪ Email ▪ Telephone conversations ▪ Websites

12.3 Economic aspects³⁰

Economic performance is the basic condition for sustainable long-term operations of the Triglav Group. It is defined by strategic objectives at all levels. The condition for its achievement is effective management of risks, which are fully understood and include non-financial risks.

Reporting on economic performance is included in several sections of the Annual Report, as seen in the footnotes and GRI Content Index.

The Triglav Group's economic value distributed amounted to EUR 46.8 million in 2019 (compared to EUR 38.3 million in 2018). Its structure by value and share is presented in [→ Section 2. in the table Other economic, social and environmental impacts of the Triglav Group's operations].

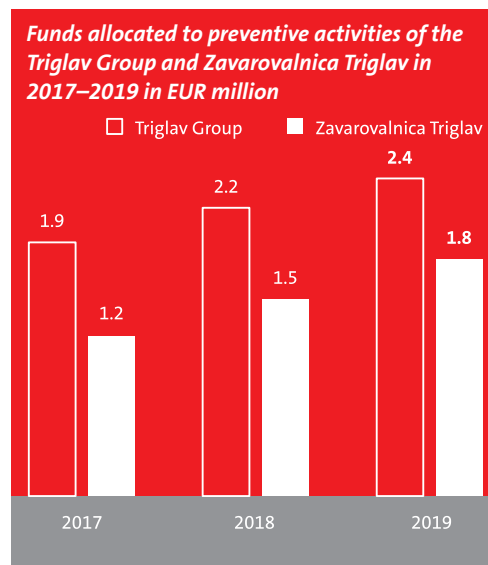
The Group holds the leading position among insurance/financial groups in the Adria region. Its **market position** in individual markets is presented in the [→ sections 2.6.2 Insurance] and [→ 7.4 Triglav Group's operations in the Adria Region].

Indirect economic impacts of the Group primarily include investments in prevention, sponsorships and donations, as well as investments in infrastructure at national and local levels. Their content is defined based on:

- the results of participation in investments in prevention, sponsorships and donor partnerships;
- the needs identified in local environments by the Group's subsidiaries and business units;
- direct contact with local communities;
- performance analyses, especially risks and claims experience, published data of specialised organisations and institutions;
- market research and public opinion polls.

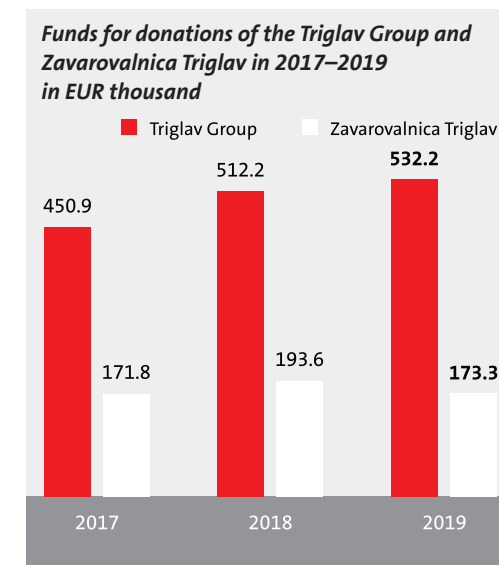
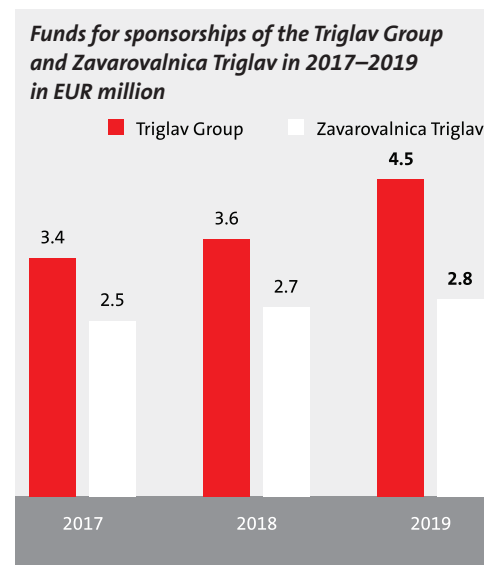
Investments in prevention³¹

Investing in prevention programmes enables the insurance industry to have an important economic and social impact by reducing risks; these programmes are also prescribed by law. Investments in prevention are described in detail [→ Section 12.4 Social aspects]. These investments increased in 2019.



Sponsorships and donations³²

Funds for sponsorships increased, whereas the amount of donations remained at approximately the same level as in 2018. Donations for the Triglav Group are mostly made for medical purposes.



³⁰ GRI GS 103-1, 103-2, 103-3 | ³¹ GRI GS 201-1 | ³² GRI GS 201-1

Infrastructure investments

As part of the **Children of Triglav** campaign, playgrounds on Kum above Trbovlje and in the Municipality of Tržič were renovated in 2019. New playgrounds were built in the Kobilje Sports and Recreation Centre, in front of the Ljubljana Climbing Centre and in front of the SOS Telephone Safe House. During the eight years from the beginning of the Children of Triglav campaign, over 20 new playgrounds were built and 25 existing playgrounds were renovated for families with children, adolescents and others, providing them with quality leisure time.

In North Macedonia we have renovated playground at Strašo Pinđur Elementary School in Kavadarci. In the municipalities of Čukarica and Pančevo, Serbia we have constructed basketball courts.

Renovated playground on Kum above Trbovlje.
↓



Procurement practices³³

The procurement process focused on the implementation of an **upgraded standardised software for procurement** at the Company in 2019, which replaced the existing software. With improved traceability at all stages of the procurement process and a faster procedure, communication with suppliers was more effective. At the same time, the Company improved cost control, reduced risks and increased connectivity with internal rules, agreements, quality standards and legislation. The tool also allows for greater unification of the procurement process for different types of procurement and a higher level of automation. In accordance with adopted procurement policies, long-term agreements concluded more than three years ago over a certain annual value were renewed.

The **supplier selection criteria** take into account pricing, quality and quantity factors as well as the requirements of individual areas. In addition to analysing competing suppliers, good experiences with suppliers are taken into account. The Company also checks whether suppliers are tax debtors, have been found to have committed serious violations of labour, criminal or commercial law, or whether proceedings have been brought against them by the Commission for the Prevention of Corruption. The remaining criteria depend on the type of procurement (credit rating, production capacity, delivery time, payment terms, warranty, references and reputation in the profession, etc.). Over 130 procurement procedures were carried out in 2019.

The existing suppliers were invited to fill out the forms Supplier Compliance Assessment and **Sustainable Business Operations**, which were completed by more than 140 newly registered suppliers. The forms included, among other things, a

³³ GRI GS 102-9, 103-1, 103-2, 103-3, 414-1

supplier's confirmation that they provide a healthy and safe work environment to their employees and those employed in other forms of work, adhere to human rights legislation and international human rights regulations, and comply with all environmental law requirements in countries where they do business. In selection procedures, where appropriate, the aim was to procure environmentally friendly materials and services.

Locally-oriented procurement³⁴

The Group members procure the majority of materials and services on their local markets. With regard to some similar purchases of materials, raw materials and services, however, procurement for companies in Slovenia was centralised and, when appropriate, at the Group level. As a result, more favourable terms and conditions were achieved with suppliers than an individual company would have achieved. **The minimum standards for the procurement process for the Triglav Group members** were revised in 2019.

The Company also strives to carry out most of its procurement on the Slovene market, which is regarded as the local market. The broader market trends in key procurement groups are regularly monitored (IT, property management, general procurement, intellectual services, marketing, labour and general affairs). Searching for suppliers on foreign markets is not part of a general practice unless it is economically viable.

Protection of competition

The Group follows the rules of consumer protection and competition on the market and good business practices in its operations, product development and marketing; in doing so, it respects the protected interests of its competitors.³⁵ Care is taken that the supplier selection procedures are transparent and comply with fair competition rules. The Group denounces any arrangements with competitors, which could lead to restrictive practices, and ensures that no marketing purposes or preferences are revealed in its communication with competitors. Any information on competitors is gathered solely in compliance with the law. Furthermore, no banned advertising approaches are used in marketing communication and advertising. As the company holding the leading position, Zavarovalnica Triglav takes great care not to abuse its power on individual markets. Zavarovalnica Triglav was not informed of any legal actions filed against the Company or any Group member before the Slovenian Competition Protection Agency or competent supervisory authorities in other countries of the Group members for violating the competition protection laws.³⁶

Remuneration of insurance agencies and their sales staff

Before signing an agreement with a new contractor, the standardised selection procedure is carried out. The business results of existing contractors are regularly monitored and measures are taken for enhancing cooperation and improving sales. The Triglav Group cooperates with more than 1,370 contractors.

As at the 2019 year-end, Zavarovalnica Triglav cooperated with 436 contractors holding an insurance agency licence (roadworthiness test providers, car dealers, leasing companies, banks, travel agencies, life and non-life insurance agencies). Most agreements are concluded with non-exclusive agencies.³⁷ Non-life insurance agencies are classified based on the following criteria: exclusivity, written premium, size of the area of operation, insurance product range and the number of new or renewed insurance policies. When awarding a bonus, the Company takes into account the fulfilment of monthly targets, renewability and growth of the portfolio. In the case of contractors selling life insurance products, the commission rate depends on exclusivity, portfolio trend, client loyalty index and the effectiveness of maintaining the portfolio. Contractors are also rewarded for exceeding the annual non-life and life insurance sales targets (volume bonus).

E-learning with regard to the implementation of the EU Insurance Distribution Directive and the requirements for the professional training of insurance distributors was provided for the sales staff of contractors in Slovenia in 2019.

On markets outside Slovenia, the Group cooperates with over 940 contractors (agencies, roadworthiness test providers, leasing companies, car dealers and banks). In awarding a bonus, linear bonus schemes are used, which may be upgraded with bonus commissions depending on the value of insurance policies, financial discipline and the claims ratio. Premium rates are universal (regardless of whether an insurance policy is new or renewed), whereas exclusive partnerships are additionally rewarded with benefits.

Subsidies and state aid³⁸

In 2019, the Company received subsidies in the amount of EUR 5,594.26 as reimbursement for the costs of using a portable power generator. Apart from that, the Company received subsidies for people with disabilities (bonuses for exceeding the set quotas, exemption from the payment of pension and disability insurance contributions) in accordance with the Vocational Rehabilitation and Employment of Disabled Persons Act.

³⁴ GRI GS 103-1, 103-2, 103-3, 204-1 | ³⁵ GRI GS 103-1 | ³⁶ GRI GS 206-1 | ³⁷ GRI GS 102-10 | ³⁸ GRI GS 201-4

12.4 Social aspects

12.4.1 Responsibility to employees³⁹

One of the Group's strategic projects is the transformation of the organisational culture, which is also reflected in the **Group's human resource management policy**. The Group's strategic and business objectives are achieved through development activities and training to increase the level of motivation and engagement of employees. New hires are carefully selected among the best workers available. The employees are provided with opportunities for personal growth, development and career advancement. The Company values new knowledge and digital skills, as well as promotes innovation, multiculturalism, and transfer of experience and knowledge through inter-generational cooperation.

We pay special attention to the training and coaching of leaders.
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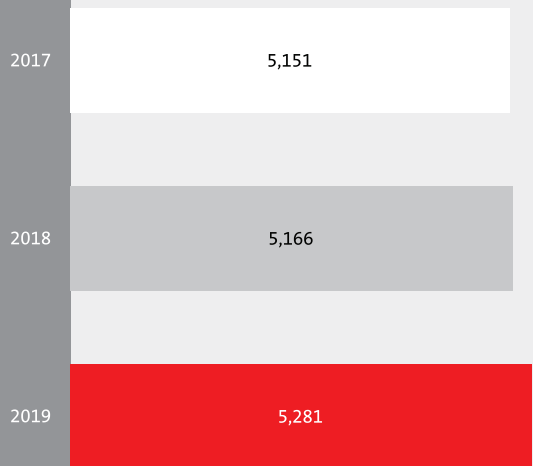
Strategic human resource management guidelines and the recruitment policy

- A uniform organisational culture is being created based on constructive behaviour, teamwork, initiative, responsibility and cooperation. In 2019, the Company began to more uniformly manage and communicate its strategic objectives to the Group members by implementing corporate values, rules, established processes and procedures, and employee conduct.
- A good employer reputation is being built. In addition to recruiting, developing and retaining the best employees, the aim is to further improve selection processes, promote mobility within each company and between the Group companies. The Company set up a system of induction and development mentoring for both new and promising employees. In recruitment, both traditional and alternative methods are employed. A special challenge is to obtain employees with inter-functional, analytical and technical skills.
- In the framework of the competency model in 2019, the main competence, i.e. cooperation, was developed, while promoting the development of micro-project work.
- A special emphasis is on key promising employees. In addition to continuing training in digital technologies and sales skills, training and coaching of leaders are ongoing activities.
- Zavarovalnica Triglav's human resource information system, with the necessary adjustments, began to be implemented in some other Group members in 2019.

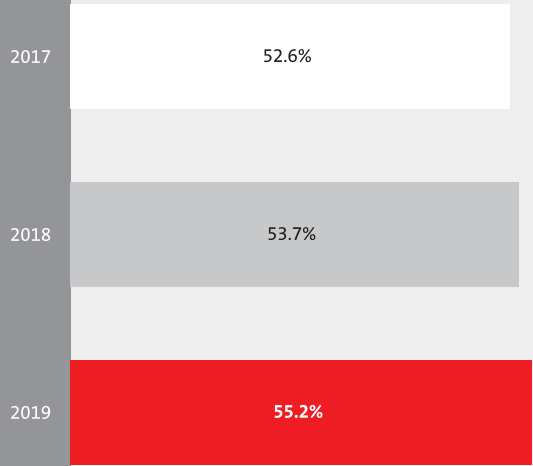


³⁹ GRI GS 103-1, 103-2, 103-3

The number of employees in the Triglav Group



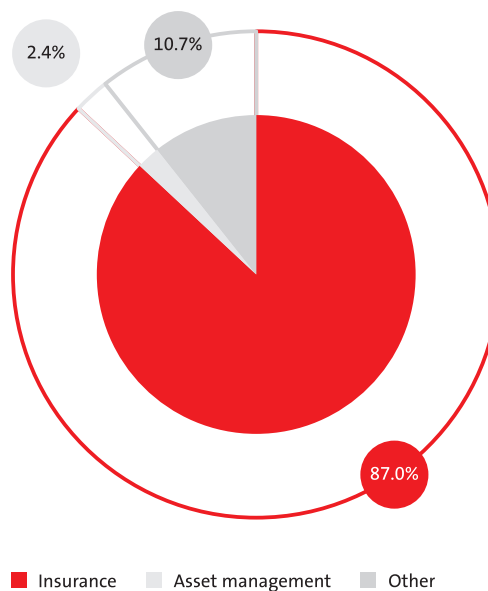
Proportion of employees in the Triglav Group with at least level VI education according to the Bologna study programmes



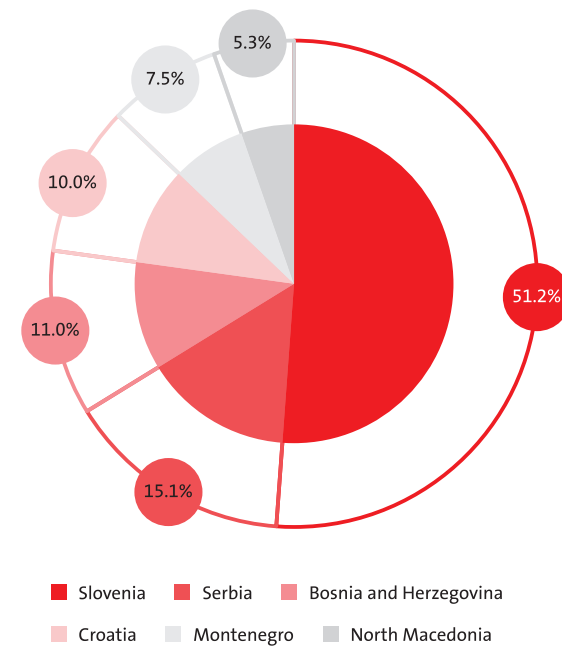
12.4.1.1 Recruitment and employee structure⁴⁰

The Triglav Group had 5,281 employees as at 31 December 2019, an increase of 115 employees compared with the previous year. The number increased the most in Triglav Osiguranje, Belgrade, Triglav Osiguruvanje Život, Skopje, Triglav Skladi (due to the acquisition of Alta Skladi) and in the new company Triglav penzisko društvo, Skopje.

Employees by activity of the Triglav Group



Employees by market of the Triglav Group



⁴⁰ GRI GS 102-7, 102-8

Employees in the Triglav Group and Zavarovalnica Triglav by type of employment (full-time, part-time) as at 31 December 2019⁴¹

	Triglav Group				Zavarovalnica Triglav			
	2019		2018		2019		2018	
Type of employment	Number	Share (in %)	Number	Share (in %)	Number	Share (in %)	Number	Share (in %)
Part-time	267	5.1	295	5.7	91	4.0	91	4.0
Full-time	5,014	94.9	4,871	94.3	2,162	96.0	2,199	96.0
Total	5,281	100.0	5,166	100.0	2,253	100.0	2,290	100.0
Type of employment agreement								
Fixed-term	793	15.0	655	12.7	46	2.0	35	1.5
Permanent	4,488	85.0	4,511	87.3	2,207	98.0	2,255	98.5
Total	5,281	100.0	5,166	100.0	2,253	100.0	2,290	100.0

The **employee turnover rate**⁴² in the Group was 12.5% (compared to 10.8% in 2018) and 5.1% in the parent company (compared to 3.0% in 2018). Most leavers were aged between 31 and 40 years and above 56 years due to retirement. The majority of new hires were aged between 26 and 35 years.

The **average age** of employees in the Triglav Group was somewhat higher than in the previous year, i.e. 44.06 years (compared to 43.96 years in 2018). The average age of employees in the parent company was 45.89 years (compared to 45.61 years in 2018). The average age of Zavarovalnica Triglav’s Management Board members was 46.67 years.⁴³ In Slovenia, senior management is hired from the local community, as is the majority of senior management on the markets outside Slovenia where the Group operates.⁴⁴

In terms of gender, the **proportion of women** among employees increased by 1.3 percentage point. In all employee categories, locations and activities, the **basic salary of men and women** is equal.⁴⁵ The **proportion of women in senior management** increased to 14.6% (compared to 13.6% in 2018) and to 40.4% in middle management (compared to 40.2% in 2018). The proportion of women among the members of the Management Board of Zavarovalnica Triglav was 33.3%.⁴⁶

The **proportion of employees under the collective agreement** in the Group was 91.1% (compared to 91.4% in 2018) and 92.1% in the Company (compared 93.1% in 2018). The remaining 8.9% were employees with individual agreements.⁴⁸ Benefits are the same for all employees, be it permanent full-time employees, fixed-term employees or part-time employees.⁴⁹

Employees in the Triglav Group and Zavarovalnica Triglav by age and gender as at 31 December 2019⁴⁷

	Triglav Group				Zavarovalnica Triglav			
	2019		2018		2019		2018	
Age group	Number	Share (in %)	Number	Share (in %)	Number	Share (in %)	Number	Share (in %)
From 18 to 19	5	0.1	5	0.1	0	0.0	0	0.0
From 20 to 25	135	2.6	116	2.2	16	0.7	17	0.7
From 26 to 30	403	7.6	397	7.7	115	5.1	121	5.3
From 31 to 35	622	11.8	645	12.5	202	9.0	224	9.8
From 36 to 40	786	14.9	780	15.1	288	12.8	297	13.0
From 41 to 45	923	17.5	905	17.5	403	17.9	422	18.4
From 46 to 50	878	16.6	829	16.0	446	19.8	434	19.0
From 51 to 55	766	14.5	749	14.5	437	19.4	434	19.0
56 and over	763	14.4	740	14.3	346	15.4	341	14.9
Total	5,281	100.0	5,166	100.0	2,253	100.0	2,290	100.0
Gender								
Men	2,456	46.5	2,470	47.8	1,116	49.5	1,128	49.3
Women	2,825	53.5	2,696	52.2	1,137	50.5	1,162	50.7
Total	5,281	100.0	5,166	100.0	2,253	100.0	2,290	100.0

⁴¹GRI GS 102-8 | ⁴²GRI GS 401-1 | ⁴³GRI GS 405-1 | ⁴⁴GRI GS 202-2 | ⁴⁵GRI GS 405-2 | ⁴⁶GRI GS 405-1 | ⁴⁷GRI GS 405-1 | ⁴⁸GRI GS 102-41 | ⁴⁹GRI GS 401-2

12.4.2 Employee training and development⁵⁰

Education and training

Continuous education and training of employees is one of the key conditions for achieving the Group's strategic objectives. In this way, the employees are provided with many internal and external training courses in various fields of expertise. Most of the training, as much as 94%, was organised in-house (54% as traditional training, 40% as online training). The emphasis was on insurance topics, sales training, leadership training, and training programmes aimed at increasing employee competences.

Over 1,100 employees of the parent company requiring an authorisation to conduct insurance agency business (i.e. a license) were affected by the new legislation that came into force in 2019, requiring them to complete **at least 20 teaching hours of training** per year. Numerous training courses in insurance and consumer protection

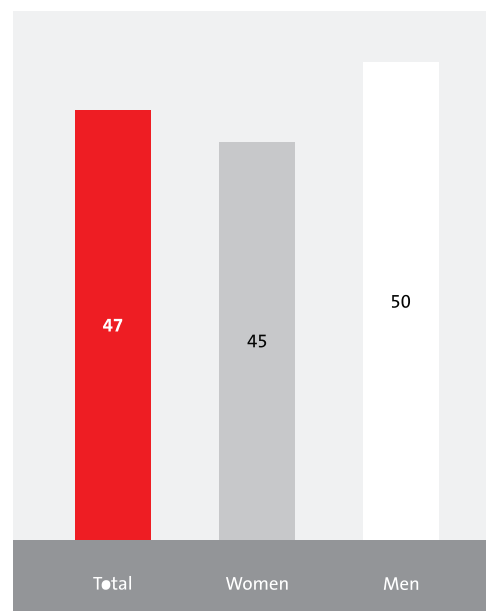
were held, in addition to short training courses as part of regular weekly meetings at regional units.

The Company organised **21 consultations** for employees in various fields of expertise. In addition to the Company's employees, **employees at external points of sale** were included in various online training courses. Two groups of insurance agents attended the **Sales Academy**, while their supervisors attended the **Sales Management Academy**. Newly hired insurance agents, employees from subsidiaries and external points of sale participated in the preparatory course for obtaining a license to conduct insurance agency business.

Leadership development training programmes also continued. Two new teams of **in-house coaches** were trained to support leaders in implementing a new mentality (strengths-based leadership) in the context of organisational culture development. All supervisors from the parent company and the Group participated in coaching.

The Group's promising staff completed the **Triglav International Business Academy (TIBA)**

The average number of functional training hours in Zavarovalnica Triglav in 2019 by gender⁵¹



The employees are encouraged to obtain further **formal education**. Full or partial funding of work study was provided to 112 employees of the Group. A total of 20 young employees completed traineeship under the guidance of mentors. Scholarships were provided to 25 high school and university students, while obligatory work placement was provided to 52 high school and university students. Cooperation with faculties continued and the Company presented its activities to high school and university students on several occasions.

The Group organised **16 international expert symposia** for employees. Pozavarovalnica Triglav held a training course on accounts receivable insurance for employees of the whole Group. The Digital Academy was available to the employees in and outside Slovenia, while internal training entitled "Triglav School" (Triglav škola) gradually began to be carried out in all companies. In addition, e-learning was implemented at all subsidiaries outside Slovenia.

programme in May. A new **Digital Academy** training program was created, in which employees from the whole Group participated. The **V živo #sTriglava** programme helped the participants to manage their professional image online.

The **investment in the training programmes of the Triglav Group** amounted to EUR 2.2 million (index 128), primarily due to the significantly higher number of internally organised training programmes. The latter increased also due to the development of training plans for all employees in the parent company. In the context of annual interviews, supervisors selected appropriate training programmes for their employees based on competency assessments with the aim of strengthening them. Although training was fairly evenly distributed across all age groups, a slightly higher number of new hires participated in training.

The Group's online training focused on specialised topics of insurance business and sales skills, including preparation for licenses, occupational safety and health, information security, personal data protection, and the prevention of money laundering and terrorist financing.⁵²

Management by objectives and competence⁵³

Management by objectives is used to monitor employees' performance, provide them with feedback and motivate them. Employees are rewarded for the achievement of their objectives, which are set together with their supervisor during the annual interview and monitored at quarterly interviews. Due to the nature of their work, sales staff are subject to other forms of remuneration, such as commission, which – as a rule – depends on their performance results.

Participants of the Triglav International Business Academy.



⁵⁰ GRI GS 103-1, 103-2, 103-3 | ⁵¹ GRI GS 404-1 | ⁵² GRI GS 412-2 | ⁵³ GRI GS 404-3

The development of the competences of all employees is planned according to the requirements for current competences, according to the performance of tasks and duties, and according to the anticipated needs or requirements for competences in the future. By defining individual competency profiles and development activities, the competency model is integrated into annual development interviews.

As much as 70% of all employees are included in the management-by-objective system, which is also being introduced in various forms to other companies in Slovenia. Insurance subsidiaries outside Slovenia introduced management by objectives for all employees whose remuneration is not based on the commission system.

The competences and development potential of employees in several Group companies are also assessed using the DNLA (Discovery of Natural Latent Abilities) tool. This tool is also used in recruitment at Zavarovalnica Triglav, Pozavarovalnica Triglav Re and Triglav Osiguranje, Belgrade and for the development of leadership skills at the parent company, Pozavarovalnica Triglav Re, Triglav, Zdravstvena zavarovalnica and in insurance subsidiaries outside Slovenia.

Fit and proper assessment

The Solvency II Directive requires that all persons who manage or supervise an insurance undertaking or hold a key function have adequate professional qualifications (fit) and are of good reputation and integrity (proper). In the Triglav Group, fit and proper assessment is conducted in line with national legislation and the adopted internal documents for the members of management boards, supervisory boards and key function holders. The assessment, which is carried out in all insurance companies, was also done in 2019.

12.4.2.1 Organisational vitality (climate) and organisational culture⁵⁴

A total of 3,756 or 86.3% of employees in 14 Group companies participated in the measurement of organisational vitality and engagement (ORVI). The responsiveness was 3.2 percentage points higher in 2019 (compared to 83.1% in 2018). The aggregate ORVI index is composed of the indicators *work environment, systems, operational management, personal view* and engagement.

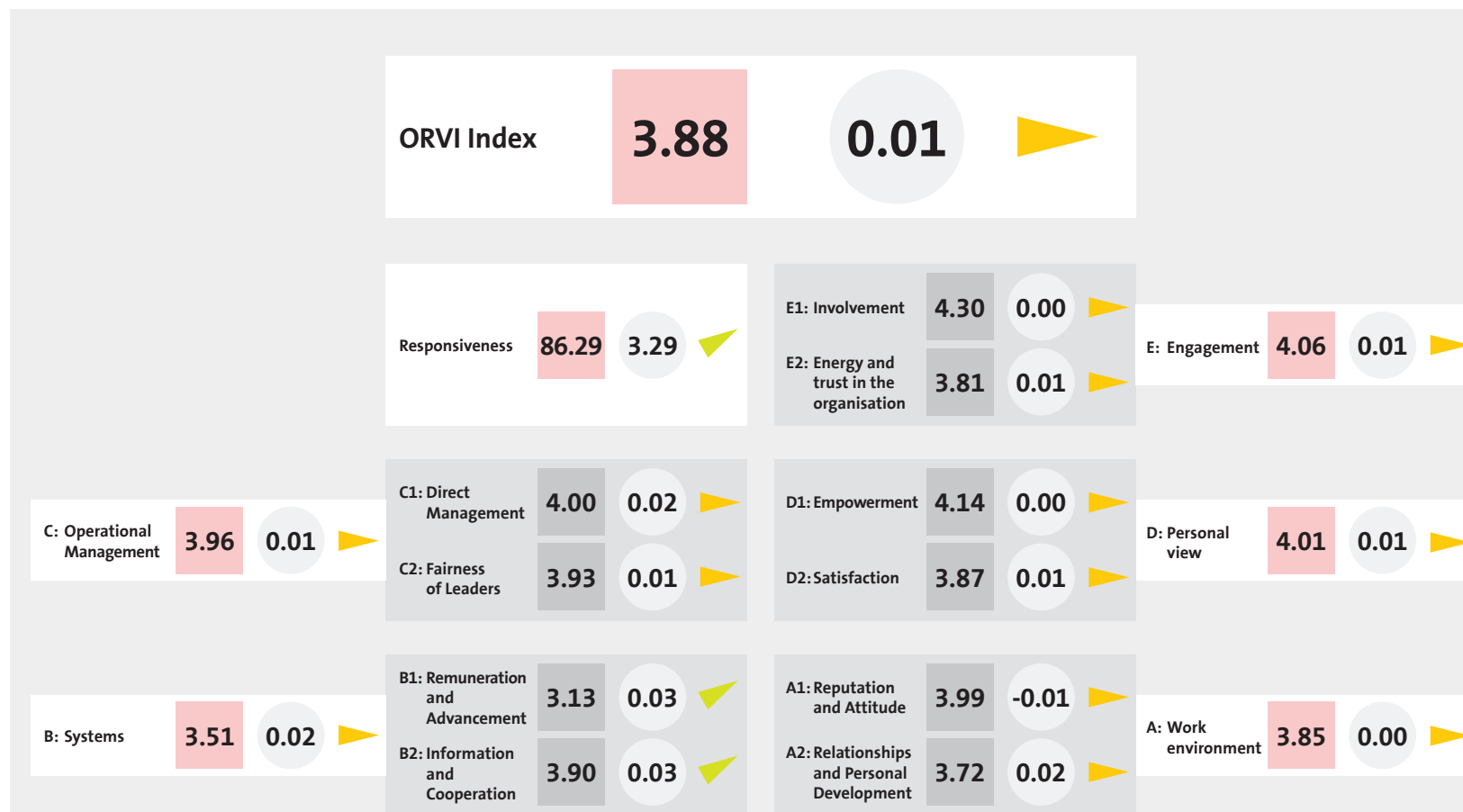
Organisational vitality at the Group further improved in 2019. The ORVI index was 3.88, an

increase of 0.1 percentage point. Improvement was recorded in most major indicators.

The share of highly engaged employees slightly increased in 2019 (by 0.2 percentage point) to 52.6%, whereas the share of less engaged employees dropped to 11.7% (compared to 12.0% in 2018). The Group's employees perceive their work environment as positive; they are satisfied with regular employment, working time, their co-workers and direct supervisors. Improvement was also seen in the Remuneration and Advancement category.

The ORVI index of the **parent company** is higher than that of the Group and stands at 3.92. The indicators remained at the level of the previous year.

The results of the measurement serve as the basis for adjustments and improvements of the organisational culture of the Triglav Group and the long-term organisational vitality of Zavarovalnica Triglav. Key measures in this respect include the establishment of a leadership culture and the systematic development of supervisors throughout the whole Group.



⁵⁴ GRI GS 102-43, 102-44

12.4.3 Occupational health and safety⁵⁵

The comprehensive approach developed by the parent company to ensure safe and healthy working conditions is transferred to the Group by implementing common minimum standards for occupational health and safety in compliance with local legislation. In this regard, the aim is to identify, mitigate and manage risks arising from work duties and the work environment.



Occupational health and safety is organised in accordance with the legislation and ensures the smooth provision of a healthy work environment for the employees.⁵⁶

The Safety Statement and Risk Assessment for individual **workplace categories** include an assessment of hazards and harmful effects, which could impact the health of employees, and the foreseen mitigation measures. It is an ongoing process, which involves making regular revisions of assessments and updating the measures. Employees also take part in it. Health risk assessments are revised in cooperation with occupational health physicians. Based on the results of risk assessment, employees are referred to periodic medical examinations and every new hire is required to undergo a statutory medical examination.⁵⁷

Care for occupational health and safety is **promoted among clients** through insurance products. Anyone (employer) wishing to conclude group accident insurance can only do so if it fulfils the requirements relating to occupational health and safety of its employees.⁵⁸

In a modern e-classroom, employees learn about fire safety and occupational health and safety (participation in the training course and the exam are obligatory). In addition, a mix of communication channels is used for raising awareness. The parent company carries out the **Protecting Health** (Zavarujmo zdravje) health promotion

programme, with the emphasis on mental health, and the measures of the full Family-Friendly Enterprise Certificate, while the **Triglav.smo** programme is implemented at the Group level to promote healthy, satisfied and engaged employees.

A new four-day preventive health programme **Days of Health** (Dnevi zdravja) was launched in 2019, which was attended by 199 employees at one of the Slovene thermal spas. The programme will continue in 2020.

The parent company also provides its employees with a psychological and social support programme aimed at comprehensive treatment of employees in all kinds of distress.

Due to the increasing proportion of older employees, a special focus is on **ageing in the workplace**. All employees are advised to exercise regularly, eat healthy and abandon unhealthy habits, and educated on how to sit properly, effectively relax and manage stress. Employees' families are also invited to attend these workshops and events.

Support to employees in the event of workplace violence⁵⁹

Employees who are in contact with clients are trained in how to respond in the event of violence, robbery or threats. In addition to the modern technical security measures to protect both the employees and the business premises, regulations and instructions ensuring a safe work environment are also in place.

Fire safety

With regard to fire safety, the Group implements preventive measures, monitors on-site fire safety in accordance with the applicable statutory requirements, carries out regular training and education of employees, and ensures ongoing improvement of fire safety at all business locations. A plan on emergency response and actions in the case of an emergency and other security events was developed for the employees. In the case of an

emergency or event that poses a security threat, employees can call the security control centre, where they will receive appropriate instructions.

Occupational health and safety topics covered in formal agreements with trade unions and in the collective agreement⁶⁰

Safe working conditions in the parent company are provided in accordance with Zavarovalnica Triglav's collective agreement and the applicable legislation, while the subsidiaries adhere to the applicable local legislation. Before starting their work, employees are familiarised with the dangers at work and work safety measures that they are obligated to follow. Furthermore, employees are provided with the required work equipment and personal protection equipment. Periodic medical examinations are carried out in line with the timeline and scope foreseen for individual workplace categories.

Injuries at work⁶¹

The number of injuries at work increased in the Triglav Group, but decreased in Zavarovalnica Triglav. Overall, the number of injuries at work remained low.

Injuries at work in the Triglav Group and Zavarovalnica Triglav in 2018 and 2019

	2019		2018		Index
	Number	Share (in %)	Number	Share (in %)	2019/2018
Triglav Group					
At work	11	55.0	8	57.1	138
On business trips	9	45.0	6	42.9	150
Total	20	100.0	14	100.0	143
Zavarovalnica Triglav					
At work	2	28.6	3	37.5	67
On business trips	5	71.4	5	62.5	100
Total	7	100.0	8	100.0	88

The number of lost work days in the Group rose due to the higher number of injuries at work.

Lost work days due to injuries at work in the Triglav Group and Zavarovalnica Triglav in 2018 and 2019

	2019	2018	Index
Lost work days due to injuries at work			
Triglav Group	754	529	143
Zavarovalnica Triglav	73	106	69

⁵⁵ GRI GS 103-1, 103-2, 103-3, SDG 8.8 | ⁵⁶ GRI GS 403-1 | ⁵⁷ GRI GS 403-2, 403-3 | ⁵⁸ GRI GS 403-7 | ⁵⁹ GRI GS 103-1, 103-2, 103-3 | ⁶⁰ GRI GS 403-4 | ⁶¹ GRI GS 403-2 | ⁶² GRI GS 403-10 | ⁶³ GRI GS 403-9



↑ Employees' children summer camp.

12.4.4 Care for employee satisfaction⁶⁴

Family-Friendly Enterprise Certificate

Zavarovalnica Triglav is planning for the long-term preservation of cognitive skills and promotion of both physical and mental health of its employees. The measures of the Family-Friendly Enterprise Certificate are designed to provide for a better work-life balance of the employees. Zavarovalnica Triglav has been the holder of the full Family-Friendly Enterprise Certificate since 2016 and received special recognition for maintaining it in 2019. The measures of the certificate are also implemented in the context of the strategic project of transforming the organisational culture.

In Zavarovalnica Triglav, children who have lost one of their parents receive an annuity or scholarship. The Company also responds if its employees need humanitarian assistance; employees' children were taken to summer camp for the fourth consecutive year. The "care fund of work hours" has been welcomed by employees who have family members suffering from a serious illness. Employees can also take extraordinary leave to accompany their loved ones for doctor's appointments.

Additional benefits for employees:⁶⁵

- the employer makes payments for supplemental pension insurance for 59% of the employees of the Triglav Group and for 96% of the employees of the parent company;
- payment of group accident insurance premium;
- favourable conditions for taking out additional accident insurance for employees and their family members;
- additional accident insurance for all business trips;
- after one year of employment in the parent company, employees may opt for supplemental voluntary pension insurance and voluntary pension insurance;
- the collective insurance package Comprehensive medical care (Celostna zdravstvena oskrba – CZO), in which 63% of all employees of the Group and 83% of the parent company are included.

Other benefits are listed in the previous sections. The Group members operating outside Slovenia also provide benefits to their employees in the form of discounts on medical examinations, the payment of accident insurance premium, discounts on other types of insurance and, in certain companies, the payment of voluntary health insurance premium.

Parental leave or part-time work in the Triglav Group and Zavarovalnica Triglav in 2019⁶⁶

Triglav Group	Women	Men	Total
Maternity leave, child care leave	137	4	141
Father's leave of 20 days*	0	62	62
Father's leave of 75 days (up to the child's age of three years)	0	6	6
Option to work part-time	40	2	42
Zavarovalnica Triglav	Women	Men	Total
Maternity leave, child care leave	47	1	48
Father's leave of 20 days*	0	49	49
Father's leave of 75 days (up to the child's age of three years)	0	1	1
Option to work part-time	26	1	27

The number of employees who returned to work after parental leave was 94% (both genders).

Return to work and retention rate after using parental leave in the Triglav Group and Zavarovalnica Triglav in 2019⁶⁷

Triglav Group	Women	Men	Total
The number of employees who returned to work after parental leave	129	4	133
The number of employees who returned to work after parental leave (by gender) and who stayed employed in the Company after 12 months	129	4	133
Return rate after parental leave	94%	100%	94%
Retention rate after parental leave	100%	100%	100%
Zavarovalnica Triglav	Women	Men	Total
The number of employees who returned to work after parental leave	47	1	48
The number of employees who returned to work after parental leave (by gender) and who stayed employed in the Company after 12 months	47	1	48
Return rate after parental leave	100%	100%	100%
Retention rate after parental leave	100%	100%	100%

Circumstance and work requirements permitting, working hours can be adapted to the needs and wishes of employees. Employees who are parents of first graders can take advantage of a day's paid leave on the first school day. Employees can take unpaid leave in certain cases and in agreement with their supervisors.

⁶⁴ GRI GS 103-1, 103-2, 103-3 | ⁶⁵ GRI GS 401-2, 201-3 | ⁶⁶ GRI GS 401-3 | ⁶⁷ GRI GS 401-3

Relationships among employees and management, trade union activities⁶⁸

Two representative trade unions are active in Zavarovalnica Triglav and the Works Council. The Company concluded a special agreement and cooperates well with both of them. Before adoption, any document specifying the rights and obligations of workers is submitted to the trade unions to give their opinion. The agreement on worker participation in the management of Zavarovalnica Triglav specifies the implementation of workers' rights under the Worker Participation in Management Act and regulates other rights and the method of participation of workers in the company's management, which may be both individual and collective. The Company informs the Works Council of any changes in the Company's operations at least 10 days prior to adopting such a decision.

Respecting the workers' rights and human rights⁶⁹

By respecting fundamental human rights and caring for the values of dignity, integrity and equality, the Group is building a safe, healthy and friendly work environment for its employees. The mutual relations are regulated by the Triglav Group Code, which promotes prevention of discrimination, harassment and mobbing in the workplace. In the implementation of the Code, individual companies also comply with the applicable local legislation. At Zavarovalnica Triglav, discrimination and unwanted conduct are governed by the Rules on the protection of workers' dignity at work, under which a confidant is appointed with the agreement of the Works Council. Insurance companies outside Slovenia have internally defined resolving and joint reporting of breaches of the Code. Great care is taken that the employees are not exposed to any conflicts and unwanted conduct that would undermine their dignity. Any disagreements are resolved through dialogue. It is



important for comprehensive dispute resolution to start resolving a dispute at its earliest stage, with the cooperation of a wide circle of experts and leaders.

In 2019, the Group's employees did not report any interference with the fundamental rights to protect the dignity and unlawful conduct of discrimination, harassment or mobbing in the workplace as defined by the Triglav Group Code.⁷⁰

Promoting innovation and improvements

As part of the Idea IN system designed to foster creativity and collect good ideas and proposals for

improvements, 14 ideas were submitted by employees, of which 8 were recognised as good and were rewarded and 3 related to an improvement of the existing solutions.

Care for employees outside the working hours

Social and sports activities popular among the employees include the Triglav Group Day – Our Day, sports games of financial organisations (ŠIFO) and gatherings with retired Triglav employees. Over 21% of employees of the Group members and 37% of the employees of the parent company were members of the mountaineering and sports clubs.

The Triglav Group Day – Our Day. ↑

⁶⁸ GRI GS 103-1, 103-2, 103-3, 402-1, SDG 8.8 | ⁶⁹ GRI GS 103-1, 103-2, 103-3 | ⁷⁰ GRI GS 406-1

12.5 Responsibility towards clients⁷¹

Focusing on clients is one of the three key strategic guidelines of the Triglav Group. Therefore, building long-term relationships with clients, monitoring their needs and successfully resolving any disagreements are at the forefront of the Company's operations. The Company strives for the best possible transparency, comprehensibility and accessibility of its products and services, which is taken into account already during their development. Modern technologies provide new ways of reaching clients and give clients the possibility to choose the type of communication that is best suited for them. Much attention is also paid to quality after-sales services. See [→ *Section 11. Development and sales activities*] for more details.

Marketing and labelling⁷²

The Company provides its clients with all the necessary information and easy access to it. It ensures that its insurance and other general terms and conditions are appropriate and fair and that clients are treated professionally and equally.

No misleading, aggressive, insulting, shocking or other inappropriate practices are used in promotional activities and the marketing of products and services. The Company also follows the recommendations of the Slovene Consumers' Association for improving financial literacy.

Any complaints are resolved quickly within the prescribed procedures. The Company fully complies with consumer protection legislation and the special requirements with regard to client information when concluding distant contracts for financial services, including insurance contracts. See [→ *Section 11.6 Adjustment to regulatory changes*] for more information.

New EU legislation came into force in 2019, setting uniform rules for communicating and conducting sales activities, as well as upgrading and increasing the protection of consumers. Therefore, a great deal of activities was devoted to putting these rules into practice.

Product and service accessibility and portfolio⁷³

Rapid development and use of modern technologies provide greater accessibility and simplicity of services, constant interaction, new forms of partnerships and the upgrading of products into services. See [→ *Section 11. Development and sales activities*] for more details.

- **Telematics to promote safe driving:** The DRAJV mobile application is regularly used by 48,000 drivers per month, which is 14% more than in 2018. The number of safe drivers who took out an insurance policy with the DRAJV discount increased.
- **Safe driving simulator in Triglav Lab:** Young drivers can take a practical driving test on a simulator to obtain a 50% reduction in the surcharge for increased risk in young drivers. By combining the use of the DRAJV application with the e-exam and the safe driving test in the training centre or on the simulator, the young driver can get a 100% exemption from the surcharge payment.

Safe driving simulator in Triglav Lab. ↓



⁷¹ GRI GS 103-1, 103-2, 103-3 | ⁷² GRI GS 103-1, 103-2, 103-3, GS 417-1 | ⁷³ GRI G4-FS7, G4-FS8, SDG 13



- **Application for mobile claim reporting and ordering assistance services:** The Triglav Asistenca mobile application enables clients to report a claim, monitor the progress of claim settlement and order assistance services.
- **Mobile appraisal units in the event of mass claims:** Mobile appraisal units were set up in the affected areas also in 2019, thereby facilitating the appraisal of damage.
- **Simplified claim settlement:** The settlement of low-value claims was simplified for all non-life insurance claims regardless of the claim reporting channel. Reporting, registration and settlement of travel and health insurance claims was simplified. Automatic billing and liquidation of claims was introduced for some insurance subclasses and clients, which ensures quick response and faster settlement of claims.
- **Expanded electronic and mobile claim reporting:** In the Mobilni zastopnik and Mobilna cenilka mobile applications, an authorised person may report a claim on behalf of the client. In addition, the option of reporting animal and crop insurance claims was developed.
- **Use of drones to appraise crop damage and damage to major buildings:** Damage assessment and appraisal using drones was launched to ensure a quick, safe and accurate damage assessment.

- **Paperless operations:** Cooperation with physicians sensors is completely paperless in order to ensure faster settlement of claims. Paperless communication (in electronic form) with clients takes place in the settlement of non-life insurance claims, with the client's consent to electronic correspondence.
- **Integration of the new Audatex vehicle damage assessment application:** In this way, the contractor – repair shop or the employee of Zavarovalnica Triglav can view and assess the damage.
- **Prevention advice and insurance literacy:** The online portal Vse bo v redu (Everything Will Be Alright) provides advice and explains the basic insurance concepts and principles. In addition, Naložbenik magazine is published with the aim of raising awareness about the importance of life insurance in relation to ensuring financial security. Triglav Skladi has participated in the “Financial literacy of young people” project for many years.
- **Weather alert mobile application:** The free and freely accessible Triglav Vreme (Triglav Weather) application, in partnership with the Slovenian Environment Agency, provides reliable weather information and forecasts for a particular location and the whole Slovenia.
- **Online transactions with mutual funds and investment solutions:** In 2019, Triglav Skladi launched the Moj račun (My Account) online application, which enables users comprehensive online transactions with mutual funds and investment solutions, while providing a comprehensive overview of portfolio balance and information about new features and services. The online communication platform Zasluzite si več (Earn More) provides additional information about investment and funds and raises awareness of prudent asset management for a variety of target groups, especially young people.
- **Accessibility in client communication:** See [→ Section 11. Development and sales activities] for more information about online communication channels and tools. In addition to those, clients can receive information on non-life and life insurance products by calling the toll-free number 080 555 555. The assistance and general information centre is available 24/7 at the special phone number 080 2864 (for calls from abroad: +386 2222 2864). The web office, which is available as an Android and iOS smartphone application, provides easier access to insurance products to computer literate movement-impaired policyholders.⁷⁴

With use of drones we ensure a quick, safe and accurate damage assessment. ↓



⁷⁴GRI G4-FS14, SDG 1.4

Insurance products and services designed to promote environmental responsibility

- Raising the awareness about the importance of **prevention and risk management in agricultural production** and the need to protect domestic food production:
 - promotion of insurance co-financed by municipalities at the level of local communities,
 - promotion of cooperatives by concluding insurance via cooperatives (especially with regard to hop insurance).
- The premium policy and participation in prevention programmes encourage policyholders to invest in **active protection from adverse weather conditions** through the use of anti-hail nets, greenhouses, tunnels, irrigation and sprinkler systems for spring frost protection, and test anti-frost candles against spring frost for orchards and vineyards.⁷⁵
- In agricultural insurance, damage appraisal in the field is performed **electronically (paperlessly)**.
- The Company raises awareness of young farmers with regard to risk management in agriculture and supports the Innovative Young Farmer project, both in partnership with the Association of Slovene Rural Youth.
- The premium policy is designed to encourage **less intensive animal production**, which is not only environmentally friendlier but also involves fewer insurance risks. Cattle insurance (the main class of livestock insurance) was adapted to regional specifics and small and medium-sized livestock farms to maintain agricultural production in less favoured areas (limiting agricultural factors).⁷⁶



80 participants of the first workshop on safe driving with tractors. ↑

- Together with the AMZS and the Association of Slovene Rural Youth, the Company organised training on **safe driving with a tractor** at the AMZS training centre in Vransko.
- Remote sensing technology with satellite-based soil moisture measurement was added to the crop insurance against drought, which will be transferred to subsidiaries outside Slovenia.
- The Company participates in the pilot project of the Swiss Re reinsurance company “Hail occurrence based on lightning characteristics”, in which experts study the probability of hail occurrence based on the characteristics of lightning during storms.
- **The range of partner authorised veterinary clinics for small animals is growing** with the aim of improving the quality of insurance and healthcare services.
- The stimulative premium policy for **young farmers** contributes to the promotion of young farmers setting up an agricultural holding, the preservation of settlement and larger land cultivation in the countryside.



These goals are consistent with the interests of both the Common Agricultural Policy and Slovenia’s agricultural policy.⁷⁷

- In cooperation with the Slovenian Environment Agency (ARSO), the Company acquired the observer status in the Alpine Drought Observatory (ADO) project, which is managed by the EURAC Institute from Bolzano. The online platform for the Alpine region provides simultaneous monitoring of point and satellite drought indicators.

Due to environmental risks, long-term and short-term financial security of agricultural producers is increased:

- by actively participating in the **project team for upgrading the financial risk management system** in agriculture, forestry and beekeeping due to natural disasters for the 2020–2027 period, which was established by the Ministry of Agriculture, Forestry and Food;
- **by taking out agriculture insurance with state premium co-financing** (in accordance with the applicable legislation, the insurer and the policyholder agree on the payment of only that part of the premium which the policyholder is required to pay, while the remaining portion of the state co-financed premium is directly claimed by the insurer on behalf of the policyholder).

⁷⁵ GRI G4-FS8, SDG 2.3 | ⁷⁶ GRI G4-FS8 | ⁷⁷ GRI G4-FS7, SDG 9.3

Access to insurance services for people with various disabilities⁷⁸

Zavarovalnica Triglav: to improve the services provided to persons with disabilities and ensure their full integration

- 70% of the Company's points of sale provide independent access to people with different types of disabilities. The renovation of business premises in 2019 also involved improving access to the elevators for people with disabilities in the commercial building at Dunajska cesta in Ljubljana, at two points of sales and one appraisal point.
- 100% of the points of sale are equipped with aids for partially sighted persons.
- 100% of the regional units' head offices are fitted with FM devices for hard-of-hearing persons.
- Awareness about the needs of people with disabilities is raised in cooperation with the Sports Federation for the Disabled of Slovenia and the Vozim Institute, as well as through volunteer work of employees at school sports days.

Fair business practices⁷⁹

The principles of fair and ethical conduct are set out in the **Triglav Group Code** (hereinafter: the Code), which applies to all insurance and financial companies of the Group. Its content and principles are constantly communicated and included in employee training, e.g. ethical conduct and compliance, transparency, prevention of corrupt practices, conflict of interest management, fraud management, prevention of money laundering and terrorist financing, consumer protection, fair business practices and respect for human rights.

Through the Code, the system for direct reporting of non-compliance was set up, regulated by a special internal document for dealing with internal fraud and breaches of the Code. These rules apply to all Group members.

No major breaches of the Code or cases of internal fraud were identified in the Triglav Group in 2019.⁸⁰

No major inconsistencies in the Triglav Group were identified by external supervisory authorities. They imposed a fine of EUR 358 during a fire safety review, and the Pension and Disability Insurance Institute of Slovenia issued an admonition.⁸¹

Insurance fraud management⁸²

Insurance fraud is identified using an advanced application software, which was implemented in all insurance subsidiaries of the Triglav Group. The identification of fraud suspicions is thus simpler, and the established indicators allow the Company to identify fraud suspicions in a shorter time. The internal control system is being improved based on confirmed suspicions of fraud or identified risks. In the fight against fraud, the Company actively cooperates with other insurers and competent state authorities.

Systematic training and awareness raising activities are carried out for all employees of the Group so as to effectively identify fraud, particularly with respect to insurance underwriting and claim settlement. In doing so, the employees are encouraged to report suspicions using the application software.

Insurance fraud was confirmed in 677 cases out of 1,310 reported cases of suspected fraud in 2019. The number of confirmed cases of suspected fraud was 50% higher than in 2018.⁸³

Anti-corruption measures and personal data protection⁸⁴



In accordance with the Declaration on Fair Business, the Slovene Corporate Integrity Guidelines and the relevant internal documents, the anti-corruption clause is an obligatory contractual provision that must be included in legal relationships with contractors. With the adopted anti-corruption policy, its mandatory application was extended to other insurance and financial companies of the Triglav Group. There were no reported suspicions of corruption in the Triglav Group in 2019.

The parent company signed the Commitment to Respect Human Rights in Business in 2019 in order to implement the National Action Plan of the Republic of Slovenia for Respect for Human Rights in the Economy. This standard will be transferred to the Group members after its implementation in the parent company.

With regard to personal data protection, Zavarovalnica Triglav further strengthened the number of education and training courses for its employees and external sales staff. Together with the Group members, the Company began to prepare common rules for the processing and protection of personal data.⁸⁵

The Information Commissioner initiated four inspection procedures at Zavarovalnica Triglav in 2019, three of which were based on self-reporting an identified breach of personal data protection. Three supervisory procedures have not yet been completed, while in one case the supervisory authority suspended the procedure. One supervisory procedure was initiated in the subsidiaries of the Group, but no irregularities relating to personal data protection were established.⁸⁶

Monetary value of all contributions to political parties⁸⁷

Zavarovalnica Triglav is prohibited from financing political parties pursuant to the Political Parties Act. The corruption risk management policy of the Triglav Group prohibits such financing and other political activities; therefore, they are not carried out by any of its members.

Client satisfaction⁸⁸

The Company systematically monitors and measures clients' satisfaction, analyses their experience and obtains feedback so as to improve its services. In order to further increase client satisfaction, employees undergo additional training, claim applications are upgraded and insurance sale is monitored.

The client relationship management system and client satisfaction and loyalty measurement system (Net Promoter Score – NPS) provide the necessary information, the profiles of policyholders and potential clients, and user experience. Client satisfaction in 2019 was measured with the NPS index in Zavarovalnica Triglav, Triglav, Zdravstvena zavarovalnica, Triglav, pokojninska družba, Triglav Svetovanje and Triglav Osiguruvanje, Skopje. In 2020, measurement will also be started in Triglav Skladi and Triglav Avtoservis, as well as in other insurance subsidiaries outside Slovenia. See [→ *Section 11.1 Comprehensive client relationships*] for more information.

The goal of the Zavarovalniški monitor survey (Insurance Monitor, an international survey conducted since 2000) and systematic complaint management and resolving is to check client satisfaction and knowledge. The survey results in 2019 were approximately the same as the year before. Zavarovalnica Triglav is still the most recognised insurance company, and a steady increase in popularity was seen (the score is 3 percentage points higher than last year). In the last two years, the preference for the selection set increased; 52% of users of insurance services would choose Zavarovalnica Triglav if they took out insurance today regardless of the insurance class. The best results were achieved in image statements, while the most important factor in taking out new insurance remains speedy and quality payment of claims and benefits.

Twice a year, the Management Board discusses a report on the satisfaction of outsourcers and measures for improvement.

An important indicator of client satisfaction are complaints and compliments, which are regularly monitored, resolved and analysed. A total of 2,807 complaints were registered by the Company in 2019 (up by 6% compared to the previous year), most of which were related to non-life insurance, whereas only 8% referred to life insurance and less than 1% to other segments. Complaints are classified into substantive and general complaints and complaints resolved through a fast-track procedure. Substantive complains in which clients express their dissatisfaction with the handling of their claims are the most common (89%). A total of 10% of resolved complaints were founded and 11% were partly founded. In addition, 57 compliments were received (compared to 62 in 2018).

In Triglav Osiguruvanje, Skopje, an omnibus survey under the CAPI method is conducted twice a year, while a survey using the CATI method is carried out for the needs of health insurance. In Triglav Osiguranje, Zagreb, Lovćen Osiguranje and Triglav Osiguranje, Belgrade, the measurement of client satisfaction is performed in the context of the ISO procedure for service quality assurance. Lovćen Osiguranje conducted a research of the market and its needs in 2019.

Client feedback is also obtained through an anonymous survey when reporting a claim, mail and electronic client complaints, responses on various social networks and own websites, as well as directly from agents in the field.

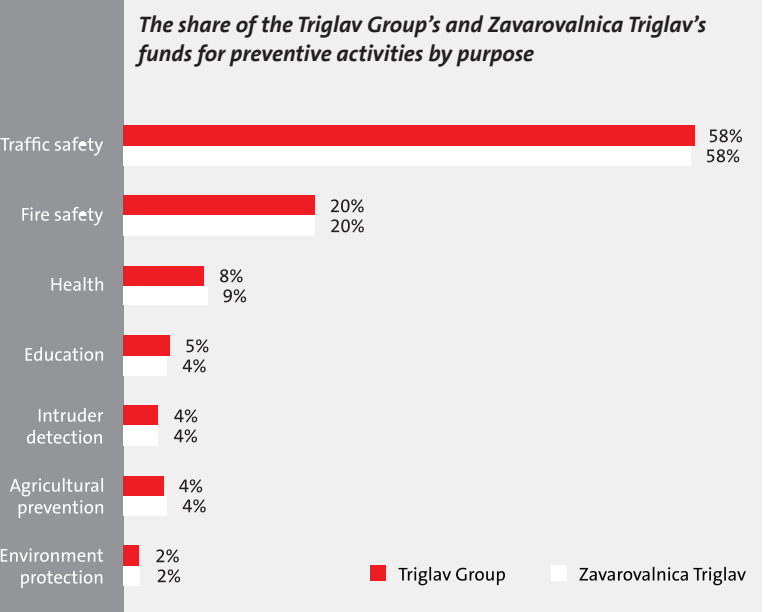
A book of complaints and compliments is available at all points of sale. In the Group members outside Slovenia, complaints are handled by a complaint committee based on the relevant rules, while complaint records are kept in the prescribed form, mostly digital.

12.6 Responsibility to community

The Triglav Group has close ties with the environment in which it operates not only through partnerships with its policyholders, organisations and local communities, but also through volunteer work of its employees.

12.6.1 Investments in prevention⁸⁹

The bulk of funds was allocated to improving traffic safety and reducing fire risk. The Company's efforts in the field of prevention, sponsorships and donations is also described in [[-> Section 12.3 Indirect economic impacts](#)].



Prevention projects⁹⁰

The Triglav Group systematically provides funds to projects, partners, activities and insured persons for accident prevention and reduction of risks and damage.

A great deal of attention in 2019 was devoted to the consolidation and upgrading of traffic safety activities. Based on driver behaviour research conducted in recent years, a comprehensive programme was established to improve driving skills and promote safer mobility, and to supplement it with topics on prevention awareness in the context of the **vozimse.si** platform.

Many topics on prevention are regularly published on the Everything Will Be Alright portal with practical tips on how to avoid illness and accidents at home, during travelling, when making family plans and care for property.

[↑] Many topics on prevention are regularly published on the Everything Will Be Alright portal, including awareness video about the ignition of cooking oil in the kitchen.

⁸⁹ GRI GS 103-1, 103-2, 103-3 | ⁹⁰ GRI GS 103-1, GS 203-1, 413-1



Zavarovalnica Triglav equipped the Oljka Day Center in Koper with a defibrillator. Since 2014, it has purchased or co-financed 113 defibrillators.



In the context of the New Year's prevention campaign **For a Better Tomorrow**, Zavarovalnica Triglav supported approximately 30 prevention projects in local communities. Funds were provided for fire-fighters, health care, safety in the mountains and ski resorts, and for the purchase of rescue dog equipment. Almost 160 prevention projects were supported over the period of six years.

Corporate volunteering of Zavarovalnica Triglav's employees

Initiative	Employee volunteering
Cooperation with the Sports Federation for the Disabled of Slovenia – the Paralympic Committee	<ul style="list-style-type: none"> Participation in the organisation of the Paralympic Sports Days in elementary schools across Slovenia.

High profile and comprehensive prevention projects of the Triglav Group in 2019⁹¹

Area: Traffic safety	Impact
Mobility Tour, partner Nerv Tech Institute for Civilisation and Culture, Slovenia	<ul style="list-style-type: none"> 281 drivers from 10 Slovene towns tested their skills with the DRAJV driving simulator. Together with the driver, the instructor analysed their driving and gave them tips to improve their driving skills.
Retake the driving exam, partner AMZS, Slovenia	<ul style="list-style-type: none"> 30 long-time drivers retook the driving exam. Their most common mistakes were analysed and awareness-raising topics were prepared.
Vozimse.si – road traffic prevention portal, partner AMZS, Slovenia	<ul style="list-style-type: none"> Establishment of a portal to easily refresh knowledge of road traffic regulations and promotion of driving etiquette. The tests were taken by 2,100 drivers.
Together for Road Safety project, partner Sipronika, Slovenia	<ul style="list-style-type: none"> 56 speed display signs in local communities, at high-risk road sections and in the vicinity of schools and kindergartens were set up (4 years), of which 12 in 2019. Reduction of speed by 5% or more and improved traffic safety.
Together for Road Safety project, partner COPS system, Slovenia	<ul style="list-style-type: none"> 12 light signalling systems for preventing collisions on unprotected railway level crossings were set up in 2019; 24 in total up to now on unprotected railway level crossings and 24 in crossroads. No casualties one year after setting up 12 crossings equipped with signalling systems.
Training of fire-fighters and other rescue workers in traffic accidents, partners AMZS, Slovenia	<ul style="list-style-type: none"> Training on the technologically advanced simulator Rosenbauer was provided to over 300 fire-fighters and ambulance drivers.
Interactive workshops for secondary school students "I Still Drive But I No Longer Walk", partner Vozim Institute, Slovenia	<ul style="list-style-type: none"> At 156 workshops, 1,950 secondary school students listened to personal stories of traffic accident victims and became acquainted with the DRAJV application. Parents of 15-year-olds learnt about techniques to talk about reducing alcohol consumption among adolescents at the workshop "We need to talk about alcohol".
Activities for the safety of preschool children and first graders in road traffic, partners Slovenian Traffic Safety Agency and Football Association of Slovenia, Slovenia	<ul style="list-style-type: none"> Over 20,000 first graders were equipped with yellow neckerchiefs. Road safety mascot Kuža Pazi (Watch Out Doggy) visited over 50 elementary schools.
Neurophysiological and cognitive profiling of drivers' abilities, partner Faculty of Electrical Engineering, University of Ljubljana, Slovenia	<ul style="list-style-type: none"> Testing of abilities using the safe driving simulator in Triglav Lab for young drivers, professional drivers, agents and others who want to improve their driving skills. Continued neurophysiological and cognitive profiling of abilities on the simulator.
Educational charity event "Motorcyclists for Motorcyclists" partner AMZS, Safe Driving Centre Vransko, Slovenia	<ul style="list-style-type: none"> More than 1,000 motorcyclists attended accident prevention workshops over the period of six years. Two free workshops in 2019.
Training workshop on driving with tractors and tractor trailers, partner AMZS, Safe Driving Centre Vransko, Slovenia	<ul style="list-style-type: none"> 80 participants of the first workshop on safe driving with tractors, many of them were young drivers.
Upgrade of the DRAJV safe driving application, Slovenia	<ul style="list-style-type: none"> More than 48,000 regular monthly users of the DRAJV safe driving application have driven 406 million kilometres.
Area: Fire prevention	Impact
Purchase of fire protection equipment, partners fire services, associations and brigades, Slovenia	<ul style="list-style-type: none"> Co-financed purchase of personal protective equipment for safe fire extinguishing and of vehicles and other fire extinguishing equipment. Purchase of fire detectors.
Home fire safety, partners Heavy Rescue Slovenia and Fire Brigade Ljubljana, Slovenia	<ul style="list-style-type: none"> Awareness videos about the ignition of cooking oil in the kitchen and the ignition of an Advent wreath or Christmas decorations on the Everything Will Be Alright portal.
Area: Health prevention	Impact
Assistance in the event of a sudden cardiac arrest, Slovenia	<ul style="list-style-type: none"> Co-financing or purchase of 2 defibrillators in local communities. 113 defibrillators have been purchased or co-financed since 2014.
Care for health, Slovenia	<ul style="list-style-type: none"> Co-financing of nicotine replacement therapy to quit smoking. Support for the DORA programme for early detection of breast cancer. Co-financing of therapeutic equipment for the elderly. Purchase of an atmosphere gas meter to prevent excess values.
Prevention and early detection of diseases, Slovenia	<ul style="list-style-type: none"> Prevention lectures and consultations with specialists in Triglav Lab (e.g. consultations with a kinesiologist, gynaecologist and obstetrician, consultation on burnout).

⁹¹SDG 3.6

12.6.2 Sponsorships and donations⁹²

Almost 1,450 applications for partnerships in the form of sponsorships and donations were collected through the website www.triglav.eu, of which 43% were approved. Attention was paid that their selection and effectiveness comply with the Company's business guidelines and brand. This section describes the causes supported by Zavarovalnica Triglav's sponsorships and donations and the key projects of the Group, while their value is presented in [→ Section 12.3 Economic aspects].

Over the past 30 years, almost 100,000 fans of this sport were taken to Planica.
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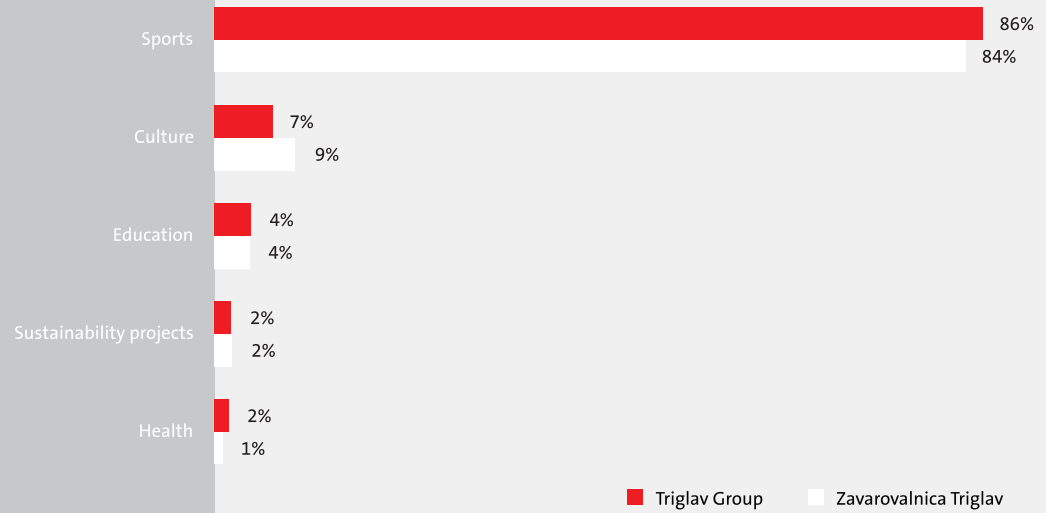


1,500 runners participated in Triglav run 2019.
↑

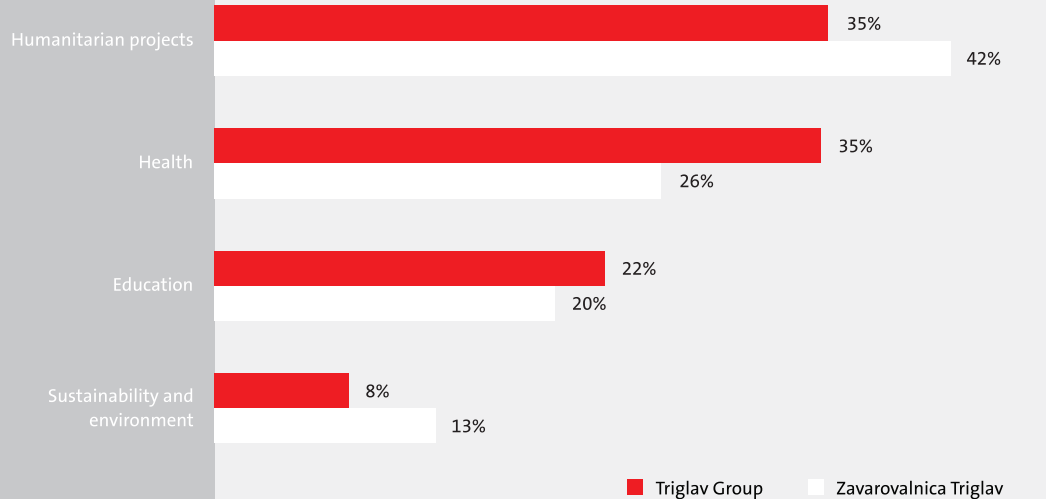
Major sponsorships and donations

Sports sponsorships and the development of young athletes as well as raising awareness about the importance of a healthy lifestyle receive the majority of funds. Zavarovalnica Triglav is recognised as a partner of national sports associations (alpine skiing, hockey, canoe, volleyball, etc.) and as a partner of organisers of international sports events and numerous sports clubs in Slovenia.

Sponsorships of the Triglav Group and Zavarovalnica Triglav in 2019 by content



Donations of the Triglav Group and Zavarovalnica Triglav in 2019 by content



⁹² GRI GS 103-1, GS 203-1

Some major sponsorships of the Triglav Group

Country	Sports sponsorship	Culture	Education and training
Slovenia	<ul style="list-style-type: none"> Partner of the Ski Association of Slovenia Golden partner of national teams in biathlon and Nordic skiing General sponsor of the World Cup Ski Jumping Finals in Planica and partner of the World Cup in cross-country skiing in Planica Over 3,300 school children, large families and persons with special needs were given the chance to watch the finals in 2019 Over the past 30 years, almost 100,000 fans of this sport were taken to Planica. Sponsor of the Ski Jumping World Cup Ladies in Ljubno ob Savinji Over 1,000 elementary school children were given the opportunity to watch the Biathlon World Cup in Pokljuka. Sponsor of the Paralympic Committee of Slovenia Golden partner of the Football Association of Slovenia Sponsor of top athletes Peter, Domen and Cene Prevc, Jakov Fak, Vesna Fabjan, Rok Marguč, Klemen Bauer, Špela Rogelj, Žan Košir, Timotej Lampe Ignjič, Ana Marija Lampič, Janez Lampič, Nika Križnar, Vid Vrhovnik, Miha Dovžan, Janja Garnbret and Domen Škofic Main sponsor of the Tennis Association of Slovenia Partner of the climbing event Triglav The Rock Ljubljana 	<ul style="list-style-type: none"> Sponsor of a series of concerts of Music of the World in Cankarjev dom Sponsor of Kinodvor Sponsor of the Ljubljana Puppet Theatre Sponsor of the Ljubljana Festival Sponsor of the Lent Festival Sponsor of the Bobri Festival Sponsor of the Borštnik Theatre Festival 	<ul style="list-style-type: none"> Mountain Rescue Association of Slovenia: Staying Safe in the Mountains Everybody Institute (Zavod Vsak): digital literacy for young people Exercise and Win Institute (Zavod Gibaj in zmagaj): raising awareness of the importance of physical activity
Croatia	<ul style="list-style-type: none"> Croatian Basketball Association Croatia Open Umag Croatian Academic Water Polo Club Mladost Sponsor of the Adriatic Water Polo League 	<ul style="list-style-type: none"> Sponsor of the Wine Festival of Dalmatia and Urbanovo – Days of Wine 	
Montenegro	<ul style="list-style-type: none"> Budučnost Basketball Club Budučnost Female Handball Club Montenegro Olympic Committee Water polo and Swimming Federation of Montenegro Sponsor of the Adriatic Water Polo League Sponsor of the reconstruction of the Jadran Carine Herceg Novi pool 	<ul style="list-style-type: none"> Sponsor of the Budva Theatre Festival Support for the publication of Glasnik of the Pensioners Association of Montenegro Support to the European Creative Centre of Montenegro 	
North Macedonia	<ul style="list-style-type: none"> Vardar Handball Club Stefanovski Auto Kart Club Alkaloid Chess Club MZT Basketball Club Support of young tennis player Aleksandra Simevoj Sponsor of the Canoe Federation of North Macedonia Sponsor of the Handball Federation of North Macedonia Support of the Youth League of the Basketball Federation of North Macedonia 	<ul style="list-style-type: none"> Sponsor of the Music Publishing Centre Sponsor of the Tikveš Young Wine Festival 	<ul style="list-style-type: none"> Support for the Agricultural Association
Bosnia in Herzegovina	<ul style="list-style-type: none"> Female Play Off Basketball Club S. Ketch Street Basketball Bubamara Sports School Mladost Tennis Club Sports and Recreation Association Banja Luka: 2019 Belgrade-Banja Luka Cycling Race Summer in Vrbas 2019, Grand Prix Banja Luka, 2019 Banja Luka Marathon 		<ul style="list-style-type: none"> Mountain Rescue Service Banja Luka: Staying Safe in the Mountains
Serbia	<ul style="list-style-type: none"> General sponsor of the Basketball Federation of Serbia and the Serbian male national basketball team Mega Vizura Basketball Club Radivoj Korać Basketball Cup in Niš General sponsor of the ski school Snow Stars Team on Kopaonik Crvena Zvezda Judo Club Sponsor of the Adriatic Water Polo League 	<ul style="list-style-type: none"> Sponsor of the Despot Stefan Lazarević International Chivalry Festival Sponsor of Eurovision Song Contest Sponsor of the Pigmalion Association for Fine Art Exhibitions 	

Humanitarian activities of the Triglav Group members

Donation recipient	Purpose of aid
Evropa Donna, Slovenia	<ul style="list-style-type: none"> Support to the work of the society and promotion of a diary for female patients
Society of Oncology Patients, Slovenia	<ul style="list-style-type: none"> Support for cancer awareness and promotion of a healthy lifestyle
Ultrasound Association, Slovenia	<ul style="list-style-type: none"> Support for the project "Slojenčki" for the refurbishment of all Slovene maternity hospitals
Slovenian Society for Dog Assisted Therapy Tačke Pomagačke (Helping Little Paws), Slovenia	<ul style="list-style-type: none"> Promotion of reading literacy and communication skills of children with developmental disorders or after an accident
ZPM Ljubljana Moste – Polje, Slovenia	<ul style="list-style-type: none"> Support for the Godparenthood programme
Kinodvor and Paediatric Clinic, Slovenia	<ul style="list-style-type: none"> Enabling children at the hospital to watch a movie and socialising with the Watch Out Doggy mascot
Down sy i mi, Bosnia and Herzegovina	<ul style="list-style-type: none"> Assistance to children with Down syndrome
SOS Children's Village, North Macedonia	<ul style="list-style-type: none"> Helping children without parents
Zelenilo, Montenegro	<ul style="list-style-type: none"> Support for the My Tree campaign for the greening of Podgorica
Clinical Centre, Montenegro	<ul style="list-style-type: none"> Help in purchasing an incubator
Municipality of Danilovgrad, Montenegro	<ul style="list-style-type: none"> Help in the humanitarian campaign for families in social distress
Association for Helping People with Developmental Issues, Croatia	<ul style="list-style-type: none"> Assistance in carrying out activities and support in fund-raising
Centre for Children and Adolescents with Development Disabilities, Serbia	<ul style="list-style-type: none"> Purchase of works of art made by the residents of the centre as business gifts

Preventive activities of the Triglav Group members

Country	Purpose of aid
Montenegro	<ul style="list-style-type: none"> Promotion of prevention in road traffic
North Macedonia	<ul style="list-style-type: none"> Reflective vests for first graders

Everything Will Be Alright Institute

The mission of the "Everything Will Be Alright" Institute is to carry out socially responsible activities aimed at providing help and support to the socially disadvantaged and implement preventive activities. Key projects in 2019 included:

Support to young talents – Young Hopes project

Talented young athletes, artists and scientists were supported through the Young Hopes (Mladi up) project for the seventh consecutive year. In 2019, the Company selected 13 recipients of financial aid between the ages of 16 and 19 years. In cooperation with Pro Plus media company, EUR 50,000 was allocated to the development of talented young people and the achievement of their goals; a total of EUR 351,000 was allocated to 88 Young Hope participants over seven years.

At the same time, free lectures were held for everyone who was selected in the context of the Young Hopes project and everyone who was closely connected to their work. The theme of the first alumni meeting was "A Career after a Career", focusing on the life of elite athletes after retirement. At the second alumni meeting, Olympic medal recipient Sara Isaković presented to young people her way of coping with stress and psychological preparation for stressful situations.

Preventive activities of the Institute aimed at preventing loss events

The Institute is the partner of the "Alcohol-Free for 40 Days" campaign, in the context of which breathalyser tests were offered free of charge in Planica during the World Cup.

Information on corporate social responsibility partnerships:

Zavarovalnica Triglav d.d., Ljubljana
Miklošičeva cesta 19, 1000 Ljubljana
E-mail: sponzorstva@triglav.si



↑
Young Hopes 2019.



Employees at Zavarovalnica Triglav can use 16 electric vehicles.

12.7 Environmental aspect⁹³

Protection of the environment in work processes

Zavarovalnica Triglav regularly raises employee awareness about the rational use of resources and waste management. To reduce waste plastic packaging from beverage vending machines, all employees of Zavarovalnica Triglav have their own cup and water bottle. Employees at Zavarovalnica Triglav can use 19 company bicycles (2,537 rides were taken) and 10 electric scooters, while two company bicycles are available in Triglav Osiguruvanje, Skopje. Zavarovalnica Triglav provides van transport four times a day to transfer employees between three units (Miklošičeva, Dunajska and Verovškova).

Zavarovalnica Triglav has 16 electric vehicles available. Most new company vehicles in the Group have significantly lower carbon dioxide emissions, which is in compliance with the guidelines of the European Commission, setting the maximum CO₂ emission target of 95 g/km by 2020. The sustainable business criteria are part of the supplier selection process (see [→ *Procurement practices under Section 12.3 Economic aspects*]).

To reduce paper consumption, the Group members introduced network printers and double-sided printing, developed application software, promoted electronic archiving, adopted measures to implement paperless operations, and sent notifications about rational printing to their employees.

Triglav Skladi uses recycled paper (paper towels and toilet paper), while paper is recycled in Triglav Osiguranje, Belgrade

Carbon footprint calculation⁹⁴

Carbon footprint results in tonnes of CO₂ equivalent by Triglav Group members in 2017–2019

Location	Carbon footprint		
	2019	2018	2017
Zavarovalnica Triglav*	7,215	7,649	7,738
Triglav Osiguranje, Zagreb**	480	477	602
Triglav Osiguranje, Belgrade**	648	774	743
Lovćen Osiguranje, Podgorica**	438	209	206
Triglav Osiguranje, Sarajevo**	331	155	151
Triglav Osiguruvanje, Skopje**	149	171	201
Triglav Osiguranje, Banja Luka**	136	100	72
Pozavarovalnica Triglav Re***	52		
Triglav, Zdravstvena zavarovalnica***	488		
Triglav, pokojninska družba***	41		
Triglav Skladi***	32		

* The Company headquarters, 12 regional units' head offices and the commercial building at Dunajska 22 are included in the calculation.

** The Company headquarters are included in the calculation.

*** The Company headquarters are included in the calculation. The first data were captured in 2019.

The bulk of greenhouse gas emissions is accounted for by emissions due to electricity consumption and heating, followed by work-related transport. The above calculation was performed using the methodology based on the Greenhouse Gas Protocol. The calculation includes direct emissions from heating with natural gas and fuel oil at regional units' head offices and the headquarters as well as the emissions due to the Company's vehicle fleet, which is used exclusively for work-related travel. Indirect emissions included electricity used for cooling, lighting, heating, the operation of electrical and electronic equipment, as well as district heating emissions. Apart from that, emissions due to the use of paper and emissions due to work-related travel using employees' own vehicles or public transport (train, bus, plane) were taken into account. Commuting to/from work was not considered in the calculation.

Electricity consumption at Zavarovalnica Triglav was about 3% lower, carbon footprint fell by more than 10% due to heating, and the overall carbon footprint at Zavarovalnica Triglav decreased by 6%.

Total emissions due to work-related travel (using the Company's vehicle fleet exclusively for work-related travel, public transport and employees' own vehicles) decreased by 7% to 424 tonnes of CO₂ equivalent. The decrease was primarily a result of the smaller number of flights. Almost 9% of all trips using company vehicles were made with electric vehicles.

The average daily consumption of office paper (A4 format) per employee in Zavarovalnica Triglav was 25.4, having decreased by more than two paper sheets per employee per day, while in the Triglav Group the average consumption was 30.2 paper sheets per employee per day.

Use of energy products⁹⁵

The guidelines aimed at reducing the consumption of heating and cooling energy as well as electricity were taken into account in each renovation of the Company's business premises. LED lighting is installed in all new business premises and on advertising signs with the logo. The renovation of the commercial building at Dunajska 22 in Ljubljana included the replacement of windows, insulation and roof.

To reduce fuel consumption, the Group members encouraged the use of the DRAJV application and participation in safe driving courses, renewed their vehicle fleet with smaller vehicles and used GPS tracking of company vehicles.

Use of energy products in the Triglav Group and Zavarovalnica Triglav in 2017–2019

Energy product type	Use of energy product by year					
	Triglav Group		Zavarovalnica Triglav		Index	
	2019	2019	2018	2017	2019/2018	2018/2017
Warm water (MWh)*	5,119	4,937	5,369	5,935	92	90
Fuel oil (l)	66,607	22,931	13,286	0	173	0
Gas (m ³)	131,311	57,870	105,015	92,936	55	113
Electricity (MWh)*	10,686	8,338	8,602	8,593	97	100

* The Company headquarters, 12 regional units' head offices and the commercial building at Dunajska 22 are included in the calculation for Zavarovalnica Triglav. The data for Dunajska 22 apply to the whole building including all tenants.

A total of 63,788 gigajoules (GJ) of electricity was used for heating, cooling, lighting and the operation of electrical and electronic equipment, assuming that 10 kWh of electricity are generated from one litre of fuel oil and 9.5 kWh from a m³ of natural gas. Zavarovalnica Triglav does not yet keep separate records of its energy consumption by energy source, but estimates its structure to be comparable to the structure of energy sources at the national level. According to the latest available data from 2018, it is estimated that the largest energy source in Slovenia is fossil fuels (60.71%), followed by nuclear energy (37.92%), while renewable energy sources accounted for 1.37% of the total.⁹⁶

Waste disposal policy⁹⁷

Full waste separation is carried out only in Slovenia, because separate collection and disposal of waste is not regulated at a national level in any other countries where the Group operates. Only waste paper is collected for charity purposes. Commercial buildings in Slovenia are gradually introducing more efficient ways of organising, separating and monitoring waste, which has resulted in a lower amount of mixed municipal waste and an increased amount of separately collected packaging waste and paper. At the Group level, almost 8 tonnes (of which almost 6 tonnes by Zavarovalnica Triglav) of obsolete IT equipment was handed over to the authorised waste management services.

The quantity of waste in Zavarovalnica Triglav in 2017–2019⁹⁸

Waste type	Zavarovalnica Triglav (in m ³)			Index	
	2019	2018	2017	2019/2018	2018/2017
Mixed waste	472	739	740	64	100
Packaging	523	400	841	131	48
Paper	567	382	580	148	66
Glass	3	3	3	100	
Biological waste	41	11	38	373	
Total	1,606	1,535	2,202	105	70

10th season of Slovenia-wide "Let's Clean the Mountains"⁹⁹

- Garbage bag dispensers at mountain outposts began to be replaced with wooden awareness signs, thus following the guidelines of the European directive on restricting the consumption of plastic bags.
- In partnership with the Mountain Rescue Association of Slovenia (GRZS) and the Alpine Association of Slovenia (PZS), the Company published mountain awareness topics about cardiac arrest and hypothermia in the mountains, the use of crampons and hiking during winter in the hills.
- Over 36,000 campaign ambassadors on social networks actively co-create the community of lovers of clean mountains and meet at group clean-ups, thereby promoting intergenerational cooperation.
- The GRZS co-financed the purchase of GPS devices for faster search for injured persons in the mountains.
- Within the Best Mountain Trail contest, the Company provided funds to the Laško Mountaineering Society for the reconstruction of the Rečiška loop mountain trail.
- Over the course of four seasons, 80 suggestions for family hikes were published on the interactive website www.ocistimogore.si.
- The purchase of avalanche rescue equipment for mountain rescuers was co-financed.
- The trailblazer course was co-financed.



Company provided funds for the reconstruction of the Rečiška loop mountain trail.
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12.8 Key corporate social responsibility guidelines of the Triglav Group in 2020

Guideline	Activities planned
Transparent governance of the organisation	<ul style="list-style-type: none"> ▪ Quality information of the financial public on the operations, financial position and plans of the Group ▪ Proactive cooperation with analysts, institutional investors and shareholders
Fair business practices	<ul style="list-style-type: none"> ▪ Further development of the culture of ethical business practice of the Group members ▪ Declaration on Fair Business ▪ Proactive internal communication and employee training in compliance and corporate ethics ▪ Participation in compliance and fair business external working groups and transfer of best practices ▪ An example of best practice in insurance fraud investigation and prevention in the Triglav Group ▪ Encouraging employees to identify insurance fraud cases and participating in the relevant training
Responsible recruitment and work practices	<ul style="list-style-type: none"> ▪ Transformation of the organisational culture ▪ Staff competency development ▪ Unification of activities in relation to employee development in the Triglav Group ▪ Improvement of selection procedures ▪ Effective induction of new hires into the work and culture of employees ▪ Employee training ▪ Maintaining a healthy and safe environment for the employees ▪ Active management of psychosocial risks among employees ▪ Intergenerational cooperation – coexistence of generations: activities and training
Respect for human rights	<ul style="list-style-type: none"> ▪ Protection of employees' dignity with zero tolerance to discrimination, harassment or mobbing at the workplace
Responsibility to clients and suppliers	<ul style="list-style-type: none"> ▪ Preparation of a wide range of quality content, focusing on raising insurance and financial literacy and providing useful tips ▪ Services accessible to people with disabilities ▪ Expansion and upgrade of cooperation with contractors ▪ Locally-oriented procurement
Engagement in the community and its development	<ul style="list-style-type: none"> ▪ Traffic safety prevention programmes ▪ Employee volunteering ▪ Triglav Generations in Planica ▪ Triglav Run ▪ Children of Triglav ▪ Preventive action
Reduction of environmental impact	<ul style="list-style-type: none"> ▪ Waste management ▪ Let's Clean the Mountains and Hills ▪ Reduction of greenhouse gas emissions

⁹⁹SDG 15.4