

## 12. Sustainable development at the Triglav Group

- Implementing the Triglav Group's strategic ambitions in sustainable development (ESG).
- In the context of its insurance business, the Group develops sustainability-oriented products and services and increases the premium written from products promoting general social and environmental benefits, including energy efficiency and low-carbon technology.
- The share of green, social impact and sustainable bonds rose to 10%.
- The Group's Triglav Zeleni equity fund complies with Article 8 of EU regulation on sustainability-related disclosures in the financial services sector.
- Employee satisfaction was maintained at a high level, and client satisfaction was further improved.
- The Scope 1 and Scope 2 carbon footprint decreased by 13%. A total of 63% of electricity for the Group was obtained from renewable energy sources.
- Preventive health activities were strengthened. For the effective prevention and management of work-related musculoskeletal disorders, Zavarovalnica Triglav was awarded an EU-OSHA Healthy Workplaces Good Practice Award.
- Commitment to respect human rights in business operations was incorporated into business processes. Due diligence of respect for human rights is carried out on a regular basis as part of risk assessment.

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

The implementation of the Group's mission was closely linked with its pursuit of sustainability goals, thereby creating a long-term stable basis for its profitable and safe operations, promoting the transition to a sustainable society and reducing its impact on climate change. At the end of 2021, an action plan for sustainable business, including key strategic activities and legislative requirements for individual departments and divisions, was adopted.

At Group level, sustainability-related activities are coordinated and directed by the Sustainable Development Coordinator, monitored by the Compliance and Sustainable Development Committee and decided on by the parent company's Management Board.

#### The ambitions regarding the ESG goals for 2025 are achieved in four key areas:

##### ■ Insurance and asset management

In the Triglav Group's investment portfolio, the share of green, sustainable and social impact bonds was further increased (see Section [7.9 Investment structure of the Triglav Group and Zavarovalnica Triglav](#) for more details). In early 2022, by joining the Partnership for Carbon Accounting Financials (PCAF), the Group committed to publish the carbon footprint of at least one asset class over a three-year period. The Triglav Zeleni sustainability equity fund, which complies with Article 8 of EU regulation on sustainability-related disclosures in the financial services sector, has been available to clients for several years (See Section [7.11 Asset management](#) for more information).

In the insurance segment, products are designed that promote social and environmental benefits, such as solar power plant insurance, micromobility insurance, electric and hybrid vehicle insurance, agricultural insurance with an emphasis on local production and improving crop protection against drought. With the aim of ensuring that the Group's range of insurance products complies with Regulation (EU) 2017/2358, an internal methodology was developed to assess their sustainability. To better manage sustainability risks at Group level, monitoring of the insurance portfolio of legal entities according to the European classification of economic activities (NACE) was set up.

##### ■ Own business processes

The Group's Scope 1 and Scope 2 carbon footprint decreased by 13% in 2022. In light of the energy crisis and care for the environment, efforts were made to raise employees' awareness about energy conservation and the importance of sustainable practices. As part of our carbon footprint calculation and the promotion of sustainable mobility, a survey was conducted among employees about how they commute to work. In 2022, first investments were made in solar panels to provide for partial energy self-sufficiency. The share of electric and hybrid vehicles in the fleet was increased. The Group companies took many additional measures related to digitalisation and paperless operations, enabling the Group to reduce overall paper consumption. The total quantity of waste generated at Group level fell by 6%.

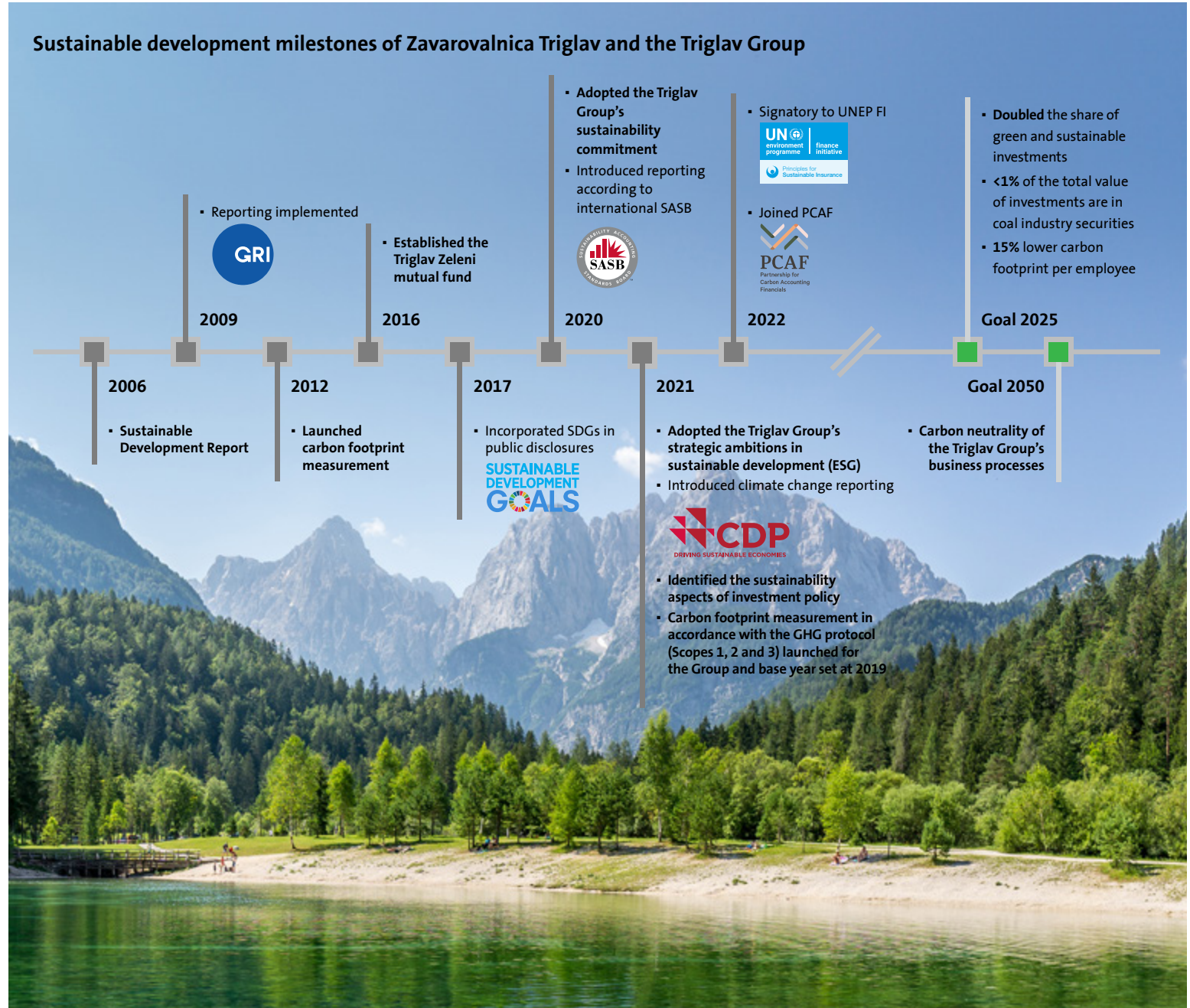
## Responsible stakeholder engagement

Employee and client satisfaction remained high in 2022. The concept of flexible working is being implemented with the aim of improving employees' work-life balance and expanding programmes promoting health and well-being, while providing for multidimensional diversity and the development and training of employees. The Group will continue to participate in social responsibility and environmental projects, enter into partnerships and give donations. In early 2022, together with partners from the fields of sports, culture, healthcare, prevention and the economy, the Insure Our Future project was launched, dedicated to raising awareness about the 17 United Nations Sustainable Development Goals (SDGs). Sustainability aspects began to be incorporated into the execution of some events (Triglav Run, Our Day). An important part of employee training takes place in digital format.

## Effective corporate governance

The Triglav Group achieves high corporate governance standards, while improving the public disclosures of its sustainable business and operations. In 2022, Triglav Funds adopted the Sustainable Business Policy and defined the Key Indicators of Sustainable Business. To make sure that its efforts in sustainable development are visible and communicated properly, it is a signatory to selected international initiatives (UN PSI, UNEP FI and PCAF, disclosures are made in accordance with the GRI and SASB sustainability standards). The Group disclosed through CDP's climate change questionnaire for the second year in a row.

See Section 4. [Triglav Group strategy and plans](#) for more details about the achievement of strategic ambitions in sustainable development (ESG). At Group level, sustainability-related activities are coordinated and directed by the Sustainable Development Coordinator, monitored by the Compliance and Sustainable Development Committee and decided on by the parent company's Management Board.

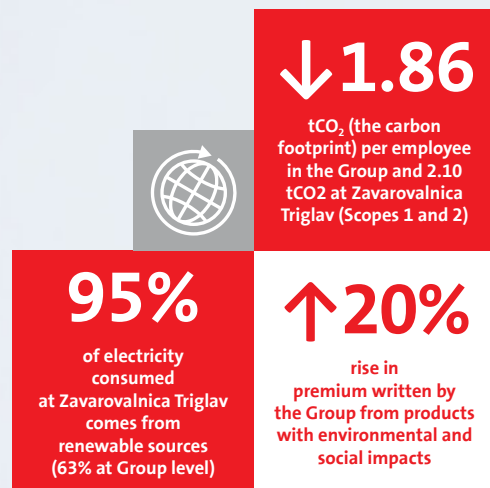






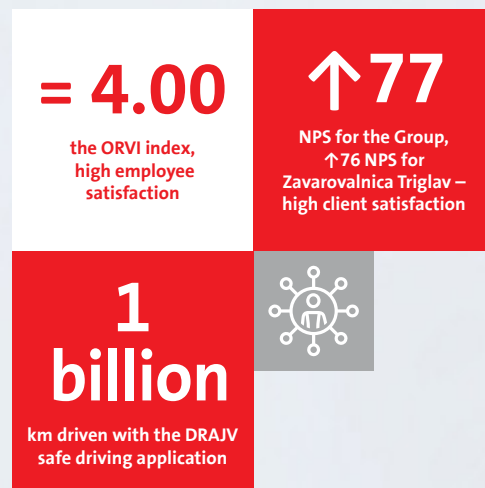
# The Group's sustainable development goals

## Transition to a climate-neutral and resilient circular economy



Integrating ESG aspects into product development and the execution of own business processes. By 2025, to reduce the carbon footprint (Scopes 1 and 2) of own activities per employee using the location-based method by 15%. Implementing the European Green Deal on carbon neutrality by 2050.

## Responsible stakeholder and community engagement



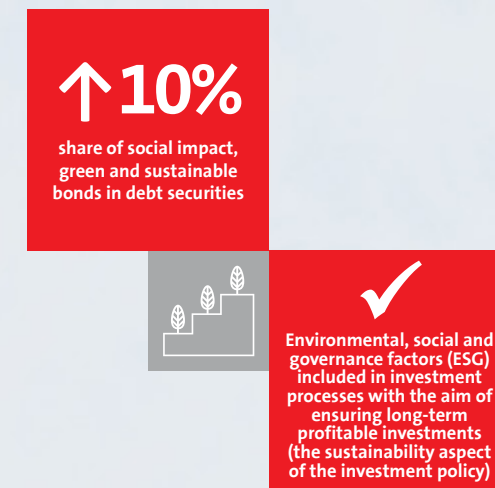
Maintaining high employee and client satisfaction. Developing an open culture of diversity and cooperation. Promoting projects that contribute to the achievement of the United Nations Sustainable Development Goals (SDGs).

## Effective corporate governance



Upgrading high corporate governance standards by integrating ESG aspects and effectively managing sustainability risks. Increasing the scope of public disclosures related to main aspects of sustainable business (according to GRI, SASB, CDP/TCFD methodologies).

## Sustainable aspects of asset management



To double the share of social impact, green and sustainable bonds in debt securities by 2025.

## 12.2 Key stakeholders<sup>28</sup>

The Group’s identified key stakeholders are **clients, employees, suppliers and partners, shareholders and investors, state and supervisory bodies, local communities and the media**. They are proactively included in the Group’s operations, thereby strengthening mutual trust and understanding.

Their needs and interests are identified through mutual relationships at strategic and operational levels. In doing so, the Company measures reputation, satisfaction and Net Promoter Score (NPS), monitors regulatory changes and implements their requirements and recommendations, analyses complaints and compliments, maintains daily contact with investors and clients, regularly communicates with the media and so on.

In addition, it regularly monitors interests, opinions and proposals by **analysing the needs and interests of stakeholders**, which is also used to examine the desired disclosures. See Section [2.4 About the report](#) for more information.

Gained knowledge and guidelines are taken into account as much as possible in the Group’s business and operations.

### Highlighted topics and methods of stakeholder engagement

| Stakeholders                         | Key interests   | Engagement method   | Engagement results   |
|--------------------------------------|---|---|--|
| <b>Clients</b>                       | <ul style="list-style-type: none"> <li>Understanding the needs of clients</li> <li>Rapid claim settlement</li> <li>Innovative financial and insurance products and services</li> <li>Client-tailored insurance products – throughout the entire lifecycle</li> <li>Economic stability of the Company</li> <li>Clear terms and conditions</li> <li>Quality insurance and financial products and services</li> <li>A broad range of quality assistance services</li> <li>Sustainable development of the Company</li> <li>Financial literacy</li> <li>Digital ways of doing business and an easy-to-use online presentation of products/services</li> <li>Raising awareness of users about risky behaviour and promoting prevention</li> </ul> | <ul style="list-style-type: none"> <li>Personal contact with insurance experts, asset managers</li> <li>Recording complaints and compliments and responding thereto</li> <li>Email</li> <li>Telephone conversations</li> <li>Opinion polls and surveys</li> <li>Websites, blogs and e-newsletters</li> <li>Social networks</li> <li>Mobile applications</li> <li>Marketing communication</li> </ul>   | <ul style="list-style-type: none"> <li>610,569 telephone conversations in Zavarovalnica Triglav’s call centres.</li> <li>164,126 replied electronic messages at Zavarovalnica Triglav.</li> <li>More than 29,000 subscribers to the newsletters <i>Vozim se</i> (I’m driving) and <i>Vse bo v redu</i> (Everything Will Be Alright).</li> <li>132,694 users of the i.triglav digital office.</li> <li>More than 115,000 regular users of the <i>Vse bo v redu</i> and the <i>Vozim se</i> portals.</li> <li>Improved NPS of the Group by 4 points and of Zavarovalnica Triglav by 3 points.</li> <li>299,885 processed claim files by Zavarovalnica Triglav, of which 266,433 were newly registered in 2022.</li> <li>3,429 complaints and 52 compliments in Zavarovalnica Triglav (according to the number of claims at Zavarovalnica Triglav and Triglav, pokojninska družba, the rate of complaints was 1.22% compared to 1.30% in 2021).<sup>29</sup></li> </ul> |
| <b>Employees</b>                     | <ul style="list-style-type: none"> <li>Internal culture of cooperation</li> <li>Rewarding of performance</li> <li>Personal and professional development</li> <li>Career advancement system</li> <li>Information about important milestones and changes in the Company</li> <li>Business strategy</li> <li>Work-life balance</li> <li>Education and additional training</li> <li>Care for safety and health</li> <li>Employee loyalty</li> </ul>   | <ul style="list-style-type: none"> <li>Management participation (the works council, trade unions, employee representatives in the supervisory boards)</li> <li>Career development and training system</li> <li>Measurement of organisational vitality</li> <li>Opinion polls and surveys</li> <li>Triglav.smo programme</li> <li>In-house print and online media</li> <li>In-house events, professional training, sports and recreational events</li> <li>Personal contact</li> <li>Email</li> </ul>  | <ul style="list-style-type: none"> <li>4.00 – the ORVI index maintained at the same level</li> <li>24% of employees are members of the Triglav Group mountaineering and sports clubs.</li> <li>Supplemental pension insurance for 59% employees of the Group and 95% of the Company.</li> <li>The group insurance package Comprehensive Medical Care (Celostna zdravstvena oskrba – CZO), in which 50% of all employees of the Group and 83% of the parent company are included.</li> <li>33 training hours per employee at Group level.</li> </ul>  |
| <b>Shareholders/ investors</b>       | <ul style="list-style-type: none"> <li>Business strategy and its implementation</li> <li>The Group’s operations, financial position and plans</li> <li>The implementation of the dividend policy and ZVTG share profitability</li> <li>Capital adequacy and risk management</li> <li>Implementation of growth and development activities</li> <li>Performance by particular market, situation in the markets and outlook</li> <li>Corporate governance and sustainable operations</li> <li>Cost-effectiveness</li> <li>Achievement of the target credit rating</li> <li>Effective organisation and governance of the Group</li> </ul>   | <ul style="list-style-type: none"> <li>General Meetings of Shareholders</li> <li>Sessions of the Supervisory Board and its committees</li> <li>Quality and up-to-date information on the SEOnet</li> <li>Information provided as presentation for investors</li> <li>Active contact and relations with institutional investors (investor conferences, individual meetings, conference calls)</li> <li>Organised presentations for shareholders natural persons and provision of information (by email and telephone)</li> <li>Corporate website, LinkedIn and Twitter</li> <li>Minority shareholders’ associations</li> </ul> | <ul style="list-style-type: none"> <li>77% of all voting rights at the annual General Meeting of Shareholders.</li> <li>The Company provides organised collection of proxies to vote at the General Meeting of Shareholders.</li> <li>28 publications of controlled information (all in Slovenian and English).</li> <li>11 events held for institutional investors.</li> <li>2 organised presentations for retail investors.</li> <li>Cooperation with minority shareholders’ associations.</li> <li>An available financial calendar of all key announcements.</li> <li>An available calendar of events for investors.</li> </ul>   |
| <b>State and supervisory bodies</b>  | <ul style="list-style-type: none"> <li>Ensuring capital adequacy</li> <li>Safety of policyholders and/or users of insurance services</li> <li>Efficient risk management system</li> <li>Compliance of operations and insurance and financial services and products</li> <li>Complying with all obligations of a public company</li> <li>Responsible and sustainable operations</li> </ul>   | <ul style="list-style-type: none"> <li>Regulatory reporting (to the Insurance Supervision Agency, the Securities Market Agency)</li> <li>Regular reviews by inspection and supervisory bodies</li> <li>Audits by certified auditors</li> </ul>  | <ul style="list-style-type: none"> <li>4 complaints with respect to personal data protection at the Triglav Group, 3 of which were partially grounded.</li> <li>886 fraud cases confirmed out of 1,651 reported cases of suspected insurance fraud insurance.</li> </ul>   |
| <b>Suppliers</b>                     | <ul style="list-style-type: none"> <li>Long-term cooperation</li> <li>Reliable and timely payments</li> <li>Upgrading the existing cooperation</li> <li>Delivery times, prices of services and goods</li> <li>Delivery of environmentally friendly material</li> <li>Paperless operations</li> </ul>  | <ul style="list-style-type: none"> <li>Public tenders and competitions</li> <li>Working meetings</li> <li>Email and electronic operations</li> <li>Telephone conversations</li> <li>Assessment of suppliers according to ESG criteria</li> </ul>  | <ul style="list-style-type: none"> <li>419 assessments of suppliers according to regulatory and expanded sustainability criteria, which confirmed that they respect employees’ rights, human rights and environmental legislation.</li> </ul>  |
| <b>The local and wider community</b> | <ul style="list-style-type: none"> <li>Traffic safety</li> <li>Fire safety</li> <li>Health protection and care</li> <li>Co-development of projects in the areas of culture, sport, prevention, health, art, charity</li> <li>Infrastructure investments</li> <li>Access to services for people with various disabilities</li> <li>Insurance and financial literacy</li> <li>Fair business practices</li> <li>Disaster relief</li> </ul>   | <ul style="list-style-type: none"> <li>Partnerships with non-profit organisations and educational institutions and execution of joint projects</li> <li>Joint projects with local communities, particularly in traffic safety</li> <li>Funds allocation system for sponsorships and donations</li> <li>Cooperation with local decision-makers</li> <li>Email</li> <li>Telephone conversations</li> </ul>  | <ul style="list-style-type: none"> <li>Involvement of over 160 partners in the Insure Our Future project, with the aim of raising awareness about the United Nations Sustainable Development Goals.</li> <li>Support for 127 young talents in ten years of the Young Hopes project, to which over EUR 500,000 was allocated.</li> <li>2,000 motorcyclists attended safe driving workshops over nine years.</li> <li>A total of 75 events, training sessions, workshops, seminars and video recording sessions to promote insurance literacy, risk awareness, presentation of products and services were held.</li> <li>24 sponsored top athletes in Slovenia.</li> <li>EUR 4.1 million for prevention activities, EUR 5.1 million for sponsorships and EUR 1.1 million for donations.</li> <li>12 speed display signs installed, co-financed by Zavarovalnica Triglav in 2022.</li> </ul>  |
| <b>Media</b>                         | <ul style="list-style-type: none"> <li>Transparent information about the operations, events and changes in the Triglav Group</li> <li>Information about insurance and financial products and services</li> <li>Cooperation with local and broader communities</li> <li>Professional insurance and financial topics</li> </ul>   | <ul style="list-style-type: none"> <li>Press releases and statements</li> <li>Meetings with media representatives</li> <li>Answers and explanations</li> <li>Email</li> <li>Telephone conversations</li> <li>Websites</li> </ul>  | <ul style="list-style-type: none"> <li>63 press releases by Zavarovalnica Triglav.</li> <li>178 answers to the questions of the press by Zavarovalnica Triglav.</li> <li>6,972 publications related to key topics about the Triglav Group in the media.</li> </ul>   |

<sup>28</sup> GRI 2-29 | <sup>29</sup> SASB: FN-IN-270a.2

## 12.3 Environmental aspects

### 12.3.1 Protection of the environment in business processes<sup>30</sup>

In line with its strategic ambitions, the Group reduces its impact on the natural environment primarily through the efficient use of energy and by limiting greenhouse gas emissions. It strives for careful waste management, lower consumption of water and other resources. Its employees and partners are regularly reminded to act responsibly towards the natural environment, making them aware of its importance.

Among the goals set out in the Group's strategic ambitions relating to sustainable development is a **higher share of electric and hybrid vehicles**. In 2022, they accounted for 8% of all company vehicles in the Group (compared to 4% in the previous year), while at the parent company this share increased from 11% to 18%.<sup>31</sup> At Group level, 40 electric and 10 hybrid vehicles and 24 company bicycles are available to employees, which they used to travel to 1,100 business obligations; in addition, 33 electric scooters are available for short trips. In Ljubljana, employees are able to use the car sharing service **to travel between the Company's three locations**, thereby gradually replacing company vehicles with low mileage.

The Group's employees are invited to use the DRAJV application to reduce fuel consumption and travel safely, providing them with training in safe driving courses and encouraging them to use a bicycle. Paper consumption is reduced by developing software, through electronic archiving and digitalisation of business processes (paperless operations, encouraging employees to use e-signing and reduce the use of printers). The quantity of plastic waste is reduced by using company mugs and water bottles. In 2022, 62% of all training sessions were held digitally (compared to 19% before the COVID-19 pandemic).



*In North Macedonia, free use of a replacement electric car was offered to clients with comprehensive car insurance while their car was being repaired.*

In 2022, the Company also carried out teambuilding programmes, which contributed to the quality development of the community, e.g. the playground at a kindergarten was renovated and arrangements were made with the associations that will be the Company's partner in organising volunteer activities for employees.

In the supplier selection process, the suppliers' sustainable business practices are checked (see Procurement practices in Section [12.4.4 Responsibility to suppliers](#)).

### 12.3.2 Carbon footprint<sup>32</sup>

In 2022, the Group's carbon footprint (Scopes 1 and 2) was **reduced** by 13% compared to 2021, and by 14% compared to the 2019 base year. The Group's largest source of GHG emissions are Scopes 1 and 2 taken together (a 50% share). They are created by the consumption of electricity, district heating, heating fuel and motor fuel for cars owned or under operational lease by the companies included in the calculation.

Taken separately, **Scope 1 carbon footprint** increased by 12% at Group level in 2022 compared to the year before due to higher fuel consumption by company vehicles. At Zavarovalnica Triglav it increased by 14%. Compared to the 2019 base year, Scope 1 carbon footprint at Group level rose by 2%.

Compared to the previous year, **Scope 2 carbon footprint** fell by 20% at Group level in 2022 according to the location-based method and by 11% at Zavarovalnica Triglav. In 2021, the Company only purchased electricity from renewable sources for premises owned, therefore the Group's Scope 2 carbon footprint decreased by 27% according to the market-based method, which takes into account emission factors obtained from the energy supplier, and that of the Company by 11%. The share of green electricity for the premises owned by the Company was 100%. Compared to the 2019 base year, Scope 2 carbon footprint at Group level according to the location-based method decreased by 20%.

**Scope 3 carbon footprint** at Group level was 33% higher in 2022 compared to the previous year, and 3% lower compared to 2019. The largest share in 2022 was accounted for by employees commuting to work, business trips and purchases of computer equipment. Emissions from business trips rose by 30% at Group level by 22% at the parent company, because the number of business trips in the past two years was lower due to the COVID-19 pandemic. Emissions from employees commuting to work increased by 56% at Group level and by 37% at the parent company.

<sup>30</sup> GRI 3-3, 306-2 | <sup>31</sup> The total number of company vehicles includes all vehicles owned by the Company or under operating lease, including the vehicles used for private purposes. Due to a change in methodology, the share for the past year is lower than published in the Annual Report of the Triglav Group and Zavarovalnica Triglav for 2021. | <sup>32</sup> GRI 3-3, 305-1, 305-2, 305-3



### Overview of the carbon footprint of the Triglav Group by scope

| Quantities of specific activities                                | GHG emissions in tCO <sub>2</sub> e |               |               |               | Index      |            |            |
|--|-------------------------------------|---------------|---------------|---------------|------------|------------|------------|
|  | 2022                                | 2021          | 2020          | 2019          | 2022/2021  | 2021/2020  | 2022/2019  |
| <b>Scope 1 – Direct GHG emissions</b>                            | <b>2,836</b>                        | <b>2,526</b>  | <b>2,139</b>  | <b>2,790</b>  | <b>112</b> | <b>118</b> | <b>102</b> |
| - Scope 1.1 – Consumption of energy products from own capacities | 580                                 | 458           | 557           | 810           | 127        | 82         | 72         |
| - Scope 1.2 – Fuel consumption of company cars                   | 2,257                               | 2,068         | 1,582         | 1,981         | 109        | 131        | 114        |
| <b>Scope 2 – Indirect GHG emissions (location-based)</b>         | <b>7,020</b>                        | <b>8,773</b>  | <b>8,463</b>  | <b>8,728</b>  | <b>80</b>  | <b>104</b> | <b>80</b>  |
| <b>Scope 2 – Indirect GHG emissions (market-based)</b>           | <b>4,248</b>                        | <b>5,849</b>  | <b>8,243</b>  | <b>7,986</b>  | <b>73</b>  | <b>71</b>  | <b>53</b>  |
| <b>Scope 3 – Other direct GHG emissions</b>                      | <b>9,814</b>                        | <b>7,377</b>  | <b>7,028</b>  | <b>10,098</b> | <b>133</b> | <b>105</b> | <b>97</b>  |
| - Business travel (plane, train, bus, car)                       | 1,430                               | 1,101         | 1,125         | 1,963         | 130        | 98         | 73         |
| - Purchase of computer equipment                                 | 848                                 | 917           | 909           | 705           | 92         | 101        | 120        |
| - Waste management   | 196                                 | 195           | 172           | 47            | 100        | 113        | 419        |
| - Employee commuting to work                                     | 7,036                               | 4,501         | 4,207         | 6,565         | 156        | 107        | 107        |
| - Paper consumption – internal                                   | 130                                 | 128           | 338           | 431           | 101        | 38         | 30         |
| - Paper consumption – external                                   | 165                                 | 526           | 254           | 364           | 31         | 207        | 45         |
| - Water consumption  | 10                                  | 9             | 23            | 24            | 116        | 38         | 42         |
| <b>Total Scope 1–2 GHG emissions</b>                             | <b>9,857</b>                        | <b>11,299</b> | <b>10,602</b> | <b>11,518</b> | <b>87</b>  | <b>107</b> | <b>86</b>  |
| <b>Total Scope 1–3 GHG emissions</b>                             | <b>19,671</b>                       | <b>18,677</b> | <b>17,630</b> | <b>21,617</b> | <b>105</b> | <b>106</b> | <b>91</b>  |
| <b>Carbon footprint (Scope 1–2) per employee</b>                 | <b>1.86</b>                         | <b>2.09</b>   | <b>1.95</b>   | <b>2.13</b>   | <b>89</b>  | <b>107</b> | <b>88</b>  |

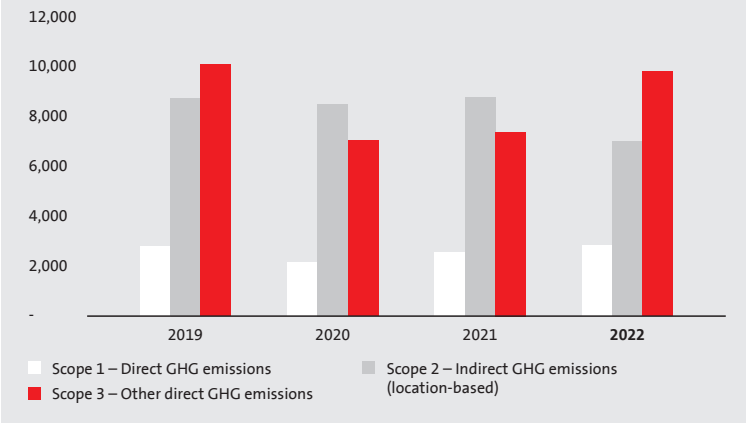
Following the change in data capture, the data for 2019, 2020 and 2021 were adjusted.

### Overview of the carbon footprint of Zavarovalnica Triglav by scope

| Quantities of specific activities                                | GHG emissions in tCO <sub>2</sub> e |              |              |               | Index      |            |            |
|--|-------------------------------------|--------------|--------------|---------------|------------|------------|------------|
|  | 2022                                | 2021         | 2020         | 2019          | 2022/2021  | 2021/2020  | 2022/2019  |
| <b>Scope 1 – Direct GHG emissions</b>                            | <b>693</b>                          | <b>605</b>   | <b>587</b>   | <b>938</b>    | <b>114</b> | <b>103</b> | <b>74</b>  |
| - Scope 1.1 – Consumption of energy products from own capacities | 180                                 | 187          | 178          | 393           | 96         | 105        | 486        |
| - Scope 1.2 – Fuel consumption of company cars                   | 513                                 | 419          | 409          | 546           | 123        | 102        | 94         |
| <b>Scope 2 – Indirect GHG emissions (location-based)</b>         | <b>4,004</b>                        | <b>4,503</b> | <b>4,351</b> | <b>4,379</b>  | <b>89</b>  | <b>103</b> | <b>91</b>  |
| <b>Scope 2 – Indirect GHG emissions (market-based)</b>           | <b>1,416</b>                        | <b>1,589</b> | <b>4,173</b> | <b>4,318</b>  | <b>89</b>  | <b>38</b>  | <b>33</b>  |
| <b>Scope 3 – Other direct GHG emissions</b>                      | <b>5,608</b>                        | <b>4,634</b> | <b>4,013</b> | <b>5,565</b>  | <b>121</b> | <b>115</b> | <b>101</b> |
| - Business travel (plane, train, bus, car)                       | 1,053                               | 861          | 886          | 1,369         | 122        | 97         | 77         |
| - Purchase of computer equipment                                 | 443                                 | 602          | 398          | 315           | 74         | 151        | 141        |
| - Waste management   | 78                                  | 85           | 68           | 20            | 92         | 125        | 396        |
| - Employee commuting to work                                     | 3,837                               | 2,791        | 2,393        | 3,463         | 132        | 117        | 111        |
| - Paper consumption – internal                                   | 48                                  | 63           | 49           | 69            | 77         | 128        | 70         |
| - Paper consumption – external                                   | 146                                 | 229          | 209          | 322           | 64         | 109        | 45         |
| - Water consumption  | 3                                   | 3            | 8            | 8             | 96         | 34         | 32         |
| <b>Total Scope 1–2 GHG emissions</b>                             | <b>4,697</b>                        | <b>5,109</b> | <b>4,939</b> | <b>5,317</b>  | <b>92</b>  | <b>103</b> | <b>88</b>  |
| <b>Total Scope 1–3 GHG emissions</b>                             | <b>10,305</b>                       | <b>9,743</b> | <b>8,951</b> | <b>10,882</b> | <b>106</b> | <b>109</b> | <b>95</b>  |
| <b>Carbon footprint (Scope 1–2) per employee</b>                 | <b>2.10</b>                         | <b>2.14</b>  | <b>2.09</b>  | <b>2.23</b>   | <b>98</b>  | <b>102</b> | <b>94</b>  |

Following the change in data capture, the data for 2019, 2020 and 2021 were adjusted.

Comparison of the quantity of Scopes 1, 2 and 3 carbon footprint in 2019–2022



The Triglav Group's carbon footprint calculation was prepared in accordance with the methodology for calculating Zavarovalnica Triglav's and the Triglav Group's carbon footprint, defining in greater detail the scope and limits, the method of data collection and analysis, and emission factors. For year-on-year comparisons and setting targets to reduce the carbon footprint, 2019 was set as the base year, when the epidemic situation had not yet affected the total volume of greenhouse gas emissions (GHG). The carbon footprint calculation according to the location-based method includes all Group companies that are fully consolidated and have office space or employees and therefore meet the materiality criterion.

The methodology follows the guidelines of the internationally recognised Greenhouse Gas Protocol and takes into account the release factors of the international database, which classifies emissions into three scopes (Scopes 1, 2, 3). The calculation of the Group's carbon footprint included the following scopes and categories of emissions:

- **Scope 1:** direct emissions from sources owned or controlled by the company (e.g. boilers, stoves, painting chambers, company vehicles) and fugitive emissions associated with air-conditioning units.
- **Scope 2:** indirect emissions resulting from purchased district heating and electricity.
- **Scope 3:** indirect emissions resulting from business trips by air, train, bus and car not owned or leased by the company, from purchases of IT equipment, generated waste, employee commuting, consumption of paper and water.

Based on an independent verification carried out in accordance with the ISO 14064-3 standard, the verifier, SIQ Ljubljana, gave a **positive opinion** on the carbon footprint report of Zavarovalnica Triglav d.d. and the Triglav Group and confirmed that the report:

- was prepared in accordance with the GHG protocol for GHG emission reporting (Scopes 1 and 2 emission reporting guidelines),
- was correct in terms of content and fairly presents GHG data (Scopes 1 and 2) from 1 January 2022 to 31 December 2022 for Zavarovalnica Triglav d.d. and the Triglav Group.

## Use of energy products

The Group consumed 1,787 tonnes of oil equivalent (TOE) of energy on heating, cooling, lighting and electrical and electronic equipment, down by 2% relative to 2021, while the Company reduced its energy consumption by 6%. At the parent company, consumption of gas, electricity and water for heating decreased the most, whereas fuel oil consumption increased the most.

The Company launched a project to install solar power plants on some roofs of its commercial buildings, which together will cover around 8% of its total electricity needs. In Ljubljana (at Dunajska cesta 22), thermostatic valves for central temperature regulation were installed and the basic infrastructure for a higher number of electric cars was built. The guidelines aimed at reducing the consumption of energy products used for heating and cooling as well as electricity in general were taken into account in each renovation of the Group's business premises. LED lighting is installed in all new business premises and on advertising signs (see sections [12.1 Implementation of strategic guidelines and sustainable development goals of the Triglav Group](#) and [7.10 Investment in own-use real property and equipment](#) for more information).

### Use of energy products at the Triglav Group and Zavarovalnica Triglav in energy product unit<sup>33</sup>

| Quantities                   | Energy product unit |             |             |            | Index      |            |              |              |
|------------------------------|---------------------|-------------|-------------|------------|------------|------------|--------------|--------------|
|                              | 2022                | 2021        | 2020        | 2019       | 2022/2021  | 2021/2020  | 2022/2019    |              |
| <b>Triglav Group</b>         |                     |             |             |            |            |            |              |              |
| Heating water                | kWh                 | 4,618,841   | 4,967,025   | 4,359,684  | 4,411,103  | 93         | 114          | 105          |
| Fuel oil                     | L                   | 29,410      | 27,388      | 57,342     | 89,790     | 107        | 48           | 33           |
| Gas                          | kWh                 | 2,221,206   | 1,656,589   | 1,660,892  | 2,581,140  | 134        | 100          | 86           |
| Wood pellets                 | kg                  | 49,030      | 51,810      | 47,000     | 26,000     | 95         | 110          | 189          |
| Electricity                  | kWh                 | 13,353,852  | 14,086,990  | 12,841,319 | 13,382,997 | 95         | 110          | 100          |
| Green electricity            | kWh                 | 8,448,791   | 8,466,599   | 345,961    | 117,659    | 100        | 2,447        | 7,181        |
| <b>Green electricity</b>     | <b>%</b>            | <b>63.3</b> | <b>60.1</b> | <b>2.7</b> | <b>0.9</b> | <b>105</b> | <b>2,234</b> | <b>7,190</b> |
| <b>Zavarovalnica Triglav</b> |                     |             |             |            |            |            |              |              |
| Heating water                | kWh                 | 3,843,000   | 4,045,257   | 3,629,474  | 3,741,053  | 95         | 111          | 103          |
| Fuel oil                     | L                   | 15,520      | 7,760       | 6,126      | 23,414     | 200        | 127          | 66           |
| Gas                          | kWh                 | 723,129     | 879,589     | 843,736    | 1,732,335  | 82         | 104          | 42           |
| Wood pellets                 | kg                  | 0           |             |            |            | 0          | 0            | 0            |
| Electricity                  | kWh                 | 8,330,044   | 8,890,970   | 8,438,062  | 8,404,232  | 94         | 105          | 99           |
| Green electricity            | kWh                 | 7,913,093   | 8,446,421   | 345,961    | 117,659    | 94         | 2,441        | 6,725        |
| <b>Green electricity</b>     | <b>%</b>            | <b>95.0</b> | <b>95.0</b> | <b>4.1</b> | <b>1.4</b> | <b>100</b> | <b>2,317</b> | <b>6,785</b> |

Following the change in data capture, the data for 2019, 2020 and 2021 were adjusted.

### Use of energy products at the Triglav Group and Zavarovalnica Triglav in tonne of oil equivalent (TOE)

| Triglav Group                | TOE (ton equivalent) |              |              |              | Index     |            |            |
|------------------------------|----------------------|--------------|--------------|--------------|-----------|------------|------------|
|                              | 2022                 | 2021         | 2020         | 2019         | 2022/2021 | 2021/2020  | 2022/2019  |
| Hot water                    | 397                  | 427          | 375          | 379          | 93        | 114        | 105        |
| Fuel oil                     | 25                   | 24           | 49           | 77           | 107       | 48         | 33         |
| Gas                          | 196                  | 146          | 147          | 228          | 134       | 100        | 86         |
| Wood pellets                 | 20                   | 21           | 19           | 11           | 95        | 110        | 189        |
| Electricity                  | 1,148                | 1,211        | 1,104        | 1,006        | 95        | 110        | 114        |
| Green electricity            | 726                  | 728          | 30           | 8            | 100       | 2,447      | 8,976      |
| <b>Total</b>                 | <b>1,787</b>         | <b>1,829</b> | <b>1,694</b> | <b>1,701</b> | <b>98</b> | <b>108</b> | <b>105</b> |
| <b>Zavarovalnica Triglav</b> |                      |              |              |              |           |            |            |
| Hot water                    | 330                  | 348          | 312          | 322          | 95        | 111        | 103        |
| Fuel oil                     | 13                   | 7            | 5            | 20           | 200       | 127        | 66         |
| Gas                          | 64                   | 78           | 74           | 153          | 82        | 104        | 42         |
| Wood pellets                 | 0                    |              |              |              | 0         | 0          | 0          |
| Electricity                  | 716                  | 764          | 726          | 578          | 94        | 105        | 124        |
| Green electricity            | 680                  | 726          | 30           | 8            | 94        | 2,441      | 8,407      |
| <b>Total</b>                 | <b>1,124</b>         | <b>1,197</b> | <b>1,117</b> | <b>1,073</b> | <b>94</b> | <b>107</b> | <b>105</b> |

Following the change in data capture, the data for 2019, 2020 and 2021 were adjusted.

<sup>33</sup> The calculation for a tonne of oil equivalent (toe) is based on the assumption that 10 kWh of electricity are generated from one litre of fuel oil and 9.5 kWh from a m3 of natural gas. GRI 302-1.

## Waste management<sup>34</sup>

Compared to the year before, the total quantity of waste generated in 2022 decreased by 6% at Group level and by 18% at the Company. The share of recycled waste increased to 29.7% at Group level and 37.1% at the Company.

This year, too, the consumption of paper for internal purposes was reduced. The average daily consumption of office paper (A4 and A3 formats) in sheets per employee fell to 19 at Group level (compared to 20 in 2021) and to 18 at the Company (compared to 23 in 2021).

Waste separation and disposal depends on the waste management system at the local level or at the level of the country in which the Group members operate. Full waste separation is carried out in Slovenia, whereas in other countries waste separation and disposal is not yet fully regulated, therefore the quantity and type of waste are often not available. In commercial buildings in Slovenia, employees are encouraged in various ways to use less packaging and better separate waste. In 2022, the subsidiary company in Serbia adopted a waste management plan, which implemented the monitoring of waste-by-waste separation category and type of waste disposal.



Employees are encouraged to use less packaging and better separate waste in a variety of ways.

## Waste management at the Triglav Group and Zavarovalnica Triglav

|   |                | Triglav Group  |                |                |                | Index      |            |            |
|---|----------------|----------------|----------------|----------------|----------------|------------|------------|------------|
|   | Unit           | 2022           | 2021           | 2020           | 2019           | 2022/2021  | 2021/2020  | 2022/2019  |
| Paper                                   | kg             | 76,124         | 71,139         | 113,209        | 85,443         | 107        | 63         | 89         |
| Biological waste                        | kg             | 36,107         | 24,669         | 12,968         | 12,567         | 146        | 190        | 287        |
| Packaging                               | kg             | 66,008         | 57,883         | 43,677         | 53,328         | 114        | 133        | 124        |
| Glass                                   | kg             | 3,903          | 1,438          | 11,093         | 5,396          | 271        | 13         | 72         |
| Mixed waste                             | kg             | 430,833        | 431,965        | 346,780        | 415,353        | 100        | 125        | 104        |
| Electrical equipment and other          | kg             | 825            | 64,455         | 135,026        | 5,861          | 1          | 48         | 14         |
| <b>Total recycled waste</b>             | <b>kg</b>      | <b>182,142</b> | <b>155,129</b> | <b>180,947</b> | <b>156,734</b> | <b>117</b> | <b>86</b>  | <b>116</b> |
| <b>Total waste intended for removal</b> | <b>kg</b>      | <b>431,658</b> | <b>496,420</b> | <b>481,806</b> | <b>421,214</b> | <b>87</b>  | <b>103</b> | <b>102</b> |
| <b>Total waste generated</b>            | <b>kg</b>      | <b>613,800</b> | <b>651,549</b> | <b>662,753</b> | <b>577,948</b> | <b>94</b>  | <b>98</b>  | <b>106</b> |
| Water consumption                       | m <sup>3</sup> | 68,086         | 58,659         | 65,700         | 68,847         | 116        | 89         | 99         |
| Waste in ton/employee                   | kg             | 116            | 124            | 125            | 109            | 94         | 99         | 106        |

|   |                | Zavarovalnica Triglav |                |                |                | Index      |           |            |
|---|----------------|-----------------------|----------------|----------------|----------------|------------|-----------|------------|
|   | Unit           | 2022                  | 2021           | 2020           | 2019           | 2022/2021  | 2021/2020 | 2022/2019  |
| Paper                                   | kg             | 34,495                | 35,806         | 65,319         | 38,818         | 96         | 55        | 89         |
| Biological waste                        | kg             | 30,026                | 20,727         | 10,059         | 9,849          | 145        | 206       | 305        |
| Packaging                               | kg             | 35,366                | 37,120         | 24,851         | 29,929         | 95         | 149       | 118        |
| Glass                                   | kg             | 667                   | 651            | 7,546          | 971            | 102        | 9         | 69         |
| Mixed waste                             | kg             | 170,202               | 174,971        | 137,730        | 180,327        | 97         | 127       | 94         |
| Electrical equipment and other          | kg             | 275                   | 64,000         | 134,958        | 5,852          | 0          | 47        | 5          |
| <b>Total recycled waste</b>             | <b>kg</b>      | <b>100,554</b>        | <b>94,304</b>  | <b>107,775</b> | <b>79,567</b>  | <b>107</b> | <b>88</b> | <b>126</b> |
| <b>Total waste intended for removal</b> | <b>kg</b>      | <b>170,477</b>        | <b>238,971</b> | <b>272,688</b> | <b>186,179</b> | <b>71</b>  | <b>88</b> | <b>92</b>  |
| <b>Total waste generated</b>            | <b>kg</b>      | <b>271,031</b>        | <b>333,275</b> | <b>380,463</b> | <b>265,746</b> | <b>81</b>  | <b>88</b> | <b>102</b> |
| Water consumption                       | m <sup>3</sup> | 18,347                | 19,116         | 23,342         | 23,071         | 96         | 82        | 80         |
| Waste in ton/employee                   | kg             | 121                   | 148            | 170            | 118            | 82         | 88        | 103        |

## Paper consumption at the Triglav Group and Zavarovalnica Triglav

|   |  | Paper consumption in kg |           |           |           | Index     |            |           |
|---|--|-------------------------|-----------|-----------|-----------|-----------|------------|-----------|
|   |  | 2022                    | 2021      | 2020      | 2019      | 2022/2021 | 2021/2020  | 2022/2019 |
| <b>Triglav Group</b>  |  |                         |           |           |           |           |            |           |
| Total paper consumption*  |  | 321,002                 | 725,961   | 629,639   | 817,114   | 44        | 115        | 39        |
| Paper consumption by employees (A4 and A3)                          |  | 131,356                 | 133,990   | 312,769   | 369,200   | 98        | 43         | 36        |
| <b>Average daily office paper consumption per employee (sheets)</b> |  | <b>19</b>               | <b>20</b> | <b>45</b> | <b>53</b> | <b>98</b> | <b>43</b>  | <b>36</b> |
| <b>Zavarovalnica Triglav</b>  |  |                         |           |           |           |           |            |           |
| Total paper consumption*  |  | 211,006                 | 317,563   | 280,839   | 409,710   | 66        | 113        | 52        |
| Paper consumption by employees (A4 and A3)                          |  | 52,460                  | 68,120    | 53,214    | 72,090    | 77        | 128        | 73        |
| <b>Average daily office paper consumption per employee (sheets)</b> |  | <b>18</b>               | <b>23</b> | <b>18</b> | <b>25</b> | <b>78</b> | <b>128</b> | <b>74</b> |

Following the change in data capture, the data for 2019, 2020 and 2021 were adjusted.

\* Includes paper consumption for internal and external purposes, including envelopes, promotional material, printed material, insurance documentation, etc.



The Triglav Group worked with the Slovenia Forest Service to **reforest the Karst region** after the devastation caused by fires in 2022. At the end of November, employees with their families and friends joined volunteers from Slovenia and abroad to plant saplings in the first large-scale campaign.

At the North Macedonian life insurer, employees organised a tree-planting campaign by the Veles Lake entitled “New life – for life with a smile”, while employees at Triglav penzisko društvo, Skopje participated in the tree-planting campaign “Plant a dream for a better future”. Triglav Skladi promoted investing in sustainable companies with the “Create a #floral summer” campaign.

See Section [12.4.3 Responsibility to the community](#) for more details on prevention projects.

### 12.3.3 Services and products promoting social and environmental impacts<sup>35</sup>

Sustainability principles are implemented already when designing insurance and investment products. Each product in the development and approval stage is assessed in accordance with the internal methodology for sustainability impact assessment. Described below are the most important services and products that promote social and environmental benefits.

- **Solar power plant insurance and micromobility insurance:** Solar power plant insurance provides insurance for solar power plants and adequate insurance coverage for users of energy from renewable sources. Insurance for small electric means of transport is designed to promote the use of means of transport with zero emissions.
- **Comprehensive car insurance and roadside assistance insurance:** These products include all the necessary coverage for **electric and hybrid vehicles**, because they provide insurance for the entire infrastructure for charging such vehicles (charging stations, cables, etc.). In North Macedonia, the Kasko Green insurance product range was designed for owners of electric and hybrid vehicles, which includes a 50% discount when taking out comprehensive car insurance.
- **The DRAJV application:** With a lower motor vehicle insurance premium, it encourages clients to drive safely, economically and responsibly.
- **Co-financed agricultural insurance:** These insurance products promote the supply of locally produced food and its consumption, as well as shorter supply chains. In this way they contribute to the preservation of agricultural production and rural settlements, which is particularly important for more remote areas with difficult conditions for farming (less favoured areas for agriculture).
- **The range of agricultural insurance products:** Greater emphasis is being placed on plant production insurance and insurance of small and medium-sized livestock farms, which are a significantly smaller burden on the environment than intensive animal farming.
- **Agricultural insurance premium policy:** It promotes the importance of establishing preventive protection against increasing production risks as a result of climate change. The Company **participates in prevention programmes** for sustainable food production (irrigation systems, sprinkler systems to protect against spring frost, anti-hail nets, greenhouses, tunnels).

- **Index insurance products,** such as crop insurance against drought with remote sensing technology to detect a lack of soil moisture, help to reduce the burden on the environment in the claim settlement process. Damage assessment procedures in the field using tablets and drones are also more environmentally friendly.
- **Benefits for young farmers:** In partnership with the Slovenian Rural Youth Association, young farmers receive benefits when concluding insurance upon taking over a farm. Support is provided to innovative and preventive projects such as the IMK project (Innovative Young Farmer) and (Un)safe Driving with Tractors.
- **Triglav Skladi’s Triglav Zeleni equity fund:** The fund complies with EU regulation on sustainability-related disclosures in the financial services sector. The fund invests in the shares of leading companies in the field of sustainable development and corporate social responsibility. In 2022, Triglav Skladi offered the option of investing in sustainable funds for the life insurance products with a savings component.

Written premium from insurance and investment products that promote general social and environmental benefits is on the rise, which helps to realise the Company’s strategic ambitions. It reached EUR 20.8 million in 2022 (index 127). The Triglav Zeleni fund’s assets under management rose by 18% to EUR 49.2 million.



*Our now traditional preventive workshops titled »(Un)safe Driving with Tractors« were held for young farmers.*

<sup>35</sup> GRI G4-F57, G4-F58, SDG 2, SDG 7, SDG 9, SASB: FN-IN-410b.1, FN-IN-410b.2

### Written premium from the Triglav Group's insurance products that promote social and environmental benefits and Triglav Zeleni fund's assets under management

|  | Written premium and assets under management |                   |                   | Index      |            |
|--|---|-------------------|-------------------|------------|------------|
|  | 2022  | 2021              | 2020              | 2022/2021  | 2021/2020  |
| Crop insurance                                   | 17,056,736                                  | 13,392,760        | 11,140,631        | 127        | 120        |
| Electric vehicle insurance                       | 2,427,251                                   | 1,920,092         | 1,429,155         | 126        | 134        |
| Micromobility insurance                          | 550,591                                     | 484,875           | 475,136           | 114        | 102        |
| Solar power plant insurance                      | 773,394                                     | 537,912           | 459,248           | 144        | 117        |
| <b>Total written premium</b>                     | <b>20,807,972</b>                           | <b>16,335,639</b> | <b>13,504,170</b> | <b>127</b> | <b>121</b> |
| <b>Assets managed by the Triglav Zeleni fund</b> | <b>49,246,838</b>                           | <b>41,833,991</b> | <b>24,556,690</b> | <b>118</b> | <b>170</b> |

### Integration of ESG factors into investment management and strategy<sup>36</sup>

Investing of the Group's financial assets takes into account the sustainability aspect of the investment policy (in compliance with the requirements of Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector), which includes a description of sustainability risks and an overview of adverse sustainability impacts.

In the investment process, the Company pursues the social corporate responsibility guidelines developed by the Organisation for Economic Co-operation and Development (OECD) and the principles for responsible investment (PRI), supported by the United Nations.

### Voluntary and mandatory disclosures of proportions of exposure of taxonomy-eligible and taxonomy non-eligible economic activities

Presented below are some of the proportions of exposure to taxonomy-eligible and taxonomy non-eligible economic activities according to the EU Taxonomy Regulation in total assets and non-life insurance activities. The proportions presented partially comply with Commission Delegated Regulation (EU) 2021/2178 of 6 July 2021 supplementing Regulation (EU) 2020/852.

### Proportions and values of individual categories in the Triglav Group's total assets (voluntary disclosure)

| Triglav Group  | 31 December 2022 |               | 31 December 2021 |               |
|--|------------------|---------------|------------------|---------------|
|  | Proportion       | Value in EUR  | Proportion       | Value in EUR  |
| The proportion in total assets of exposures to taxonomy <b>non-eligible</b> economic activities, except exposures to central governments, central banks and supranational issuers excluded from the calculation of the numerator and denominator | 89%              | 2,184,808,041 | 85%              | 2,025,967,171 |
| The proportion in total assets of exposures to taxonomy <b>eligible</b> economic activities, except exposures to central governments, central banks and supranational issuers excluded from the calculation of the numerator and denominator     | 11%              | 281,908,313   | 15%              | 346,600,213   |
| The proportion in total assets of exposures to taxonomy eligible economic activities of financial undertakings   | 3%               | 69,869,725    | 4%               | 88,379,241    |
| The proportion in total assets of exposures to taxonomy eligible economic activities of non-financial undertakings   | 9%               | 211,081,858   | 11%              | 255,924,963   |
| Exposures to central governments, central banks and supranational issuers and derivatives  | 44%              | 1,091,468,585 | 58%              | 1,382,189,062 |
| Exposures to undertakings that are not obliged to publish non-financial information pursuant to Article 19a or 29a of Directive 2013/34/EU   | 45%              | 1,596,251,823 | 41%              | 1,521,997,653 |

Estimates of the Bloomberg information system were used for the calculation.

Derivatives are excluded from the numerator for calculating non-eligible and eligible exposures.

Exposures to undertakings that are not obliged to publish non-financial information pursuant to Article 19a or 29a of Directive 2013/34/EU are excluded from the numerator of key performance indicators of financial undertakings.

Exposures to investments held in respect of life insurance contracts where the investment risk is borne by the policyholders are excluded from the calculation of the numerator and denominator of all exposure calculations.

### The proportion of taxonomy-eligible and taxonomy non-eligible non-life insurance economic activities in the Triglav Group (mandatory disclosure)

| Triglav Group  | Proportion       |                  |
|--|------------------|------------------|
|  | 31 December 2022 | 31 December 2021 |
| Taxonomy eligible non-life insurance economic activities     | 91%              | 91%              |
| Taxonomy non-eligible non-life insurance economic activities | 9%               | 9%               |

The Group's strategic ambitions in sustainable development (ESG) fully follow the goals adopted in the context of the Paris Agreement to limit global warming and the European Green Deal on reducing greenhouse gas emissions by 2030 and reaching carbon neutrality by 2050.

In both strategic activities, insurance and asset management, the Group's activities will be focused on the transition to a climate-neutral society and a climate-resilient circular economy. In carrying out its activities, the Group will promote sustainable economic activity, energy efficiency and energy from renewable sources with an aim to reduce greenhouse gas emissions.

See Section [12.1 Implementation of strategic guidelines and sustainable development goals of the Triglav Group and Zavarovalnica Triglav](#) for more information.

## 12.4 Social aspects

### 12.4.1 Responsibility to clients<sup>37</sup>

In client relations, the Company pursues the principles of simplicity and transparency and responds quickly and effectively to clients' needs, thereby building mutual trust. A lot of effort is invested in good long-term relationships, monitoring developments in the insurance markets, determining the requirements and needs of clients, and professionally and properly addressing their comments. On this basis, the Company improves its business models and processes, and develops new products, services and ecosystems. Client focus is also achieved using new marketing approaches at all levels.

By developing digital solutions, the Company aims to improve the clients' user experience; furthermore, it strengthens its relationships through direct communication via insurance agents (see Section [11. Development activities](#) for more information). The focus is on keeping clients informed about insurance products and protecting their personal data and rights. Ensuring quality and thus client satisfaction is governed by rules, protocols and instructions.

An integral part of developing insurance products are procedures set up for approving and testing products before they are sold or distributed. Each product must meet clients' needs and goals in its lifetime and correspond to their characteristics. The adequacy of distribution strategies is checked and tested on an ongoing basis. When any deviations are identified, the respective product or its distribution is appropriately adjusted.

### Informing clients<sup>38</sup>

The Company informs clients in a professional and transparent manner, enabling them easy access to all the necessary information about the Company's products and services. The Company aims to ensure that its insurance and other general terms and conditions are fair and transparent and that clients are treated in a proper and equal manner. Furthermore, the Company complies with special requirements with regard to client information when concluding financial and insurance contracts remotely.

Any complaint, which may be filed in various ways, is resolved quickly according to the prescribed procedures. The Company complies with the guidelines of supervisory bodies and carefully implements its policy of management and control of insurance services and products and their distribution.

As regards advertising, the newest communication guidelines are followed, without using any misleading, aggressive, insulting, shocking or other inappropriate practices. The Company is guided by ethical principles, cultivates its brand reputation and applies the recommendations of the Slovene Consumers' Association for improving financial literacy. No proceedings for violations related to marketing communication were initiated against Zavarovalnica Triglav and its subsidiaries in 2022.

### Availability of services

By expanding and constantly upgrading our digital solutions, clients are provided with easily accessible products and services and a simple way of doing business. See Section [11. Development activities](#) for more information about improvements and numerous activities.

- **Communication objectives:** Toll-free telephone numbers are available for the Company's services (general information and technical assistance: 080 555 555, [info@triglav.si](mailto:info@triglav.si); and assistance services: 080 2864 in Slovenia, 080 2222 2864 abroad). The toll-free telephone number 080 2664 of Triglav, Zdravstvena zavarovalnica, is available for information on health insurance, and the toll-free telephone number 080 1019 of Triglav Skladi is available for information on investment solutions. Call centres also operate in Croatia, Serbia and North Macedonia. Additional dialogue was created for the digital assistant (chatbot) and support topics for clients were expanded.
- **The DRAJV mobile application:** The milestone marking 1 billion kilometres being driven in total was surpassed. The upgraded application now uses a driving assessment algorithm, allows multiple vehicles to be added to user accounts (a car, motorhome, motorcycle), motorcycle rides to be recorded and also offers a custom way of claiming discounts on

## 'Insure Our Future' with partnerships for sustainable development

In early 2022, in cooperation with over 160 partners – our sponsored parties, the **Insure Our Future** project was launched live on streaming channels. The project aims to raise awareness about the United Nations Sustainable Development Goals (SDGs). Our employees, followers of our sponsored parties, clients and other users of our communication channels are encouraged to commit to implementing them. The existing collaboration was upgraded into a joint partnership for sustainable development, taking on an ambassadorial role in raising awareness about global development challenges and sustainable living.



<sup>37</sup> GRI 3-3

<sup>38</sup> GRI 3-3, 417-1, 417-2, 417-3, SASB: FN-IN-270a.1, FN-IN-270a.4, FN-AC-270a.2, FN-AC-270a.3



motorcycle insurance. The application is used by more than 60,000 drivers per month, who recorded over 11 million journeys in 2022 (up by 36% relative to the previous year) and drove more than 275 million kilometres. By driving safely, users are rewarded with a discount when taking out motor vehicle insurance or insurance for young drivers and receive a discount on motorcycle insurance.



The DRAJV mobile app is used by more than 60,000 users a month.

- The i.triglav mobile application:** By upgrading the application, a wider range of services was made available to smart device users. Clients can sort out most things related to insurance contracts in one place and access the Company's other services (taking out or renewing insurance policies, reporting a claim and monitoring the status of their claim, ordering assistance, reviewing details of insurance and benefits, etc.). The mobile application allows clients to check the balance of their savings at Triglav Skladi and the balance of their life and pension insurance assets. In the i.triglav digital office, the processes related to taking out insurance and making additional premium payments were upgraded, and communication with employers was enabled in the i.triglav Poslovni (Business) application.

- The Triglav Vreme mobile application:** The application provides reliable weather information and forecasts. The data are provided by the Slovenian Environment Agency.
- Websites of Group companies:** With the technological, content and design upgrade of the websites of subsidiaries outside Slovenia and Triglav Skladi, the user experience was unified and their visibility boosted with a uniform digital identity, i.e. corporate visual identity (see Section [11.2 Transformation and digitalisation](#)).
- Mobile appraisal units in the event of mass claims:** In the affected areas, mobile appraisal units were set up for a quick and prompt damage assessment. In 2022, eight mobile appraisal units were set up after six major and several small hailstorms in Slovenia, which carried out a total of over 4,000 appraisals of damaged vehicles.
- An application for inspection of the object insured:** Remote inspection is possible using a client's smartphone, a drone and 360° cameras, as well as by capturing data using OCR technology. Damage reporting and inspection procedures are therefore simpler and faster.
- Many new features have been added to claim settlement:** the possibility of reporting claims online for liability insurance claims, paperless claim reporting at claim reporting counters, the upgraded *Mobilni zastopnik* (Mobile Agent) mobile application, the centralisation of claim settlement according to the "report and repair" procedure, the possibility to report motor vehicle legal protection insurance claims at SK+ service centres, the establishment of a call centre to assist clients in reporting and inspecting damage, the launch of assistance for pets, the possibility of electronic document signing for clients in the claim settlement process.
- The Triglav Skladi mobile application and Moj račun (My Account) online application:** The two upgraded applications with automated input of professional topics and advice for prudent asset management enable comprehensive online service and the remote management of mutual funds and investment solutions.
- Remote consultation with a doctor under the Zdravstveni nasvet (Medical Advice) insurance product:** Clients can consult with a specialist doctor by telephone or video call.
- A safe driving simulator at Triglav Lab:** Young drivers can take a practical driving test on a simulator to obtain a discount when concluding a young driver's insurance policy. They can also get a discount by attending a safe driving workshop.

#### Access to insurance services for people with various disabilities<sup>39</sup>

##### Zavarovalnica Triglav: improving the services provided to persons with disabilities and ensuring their social integration

- A total of 70% of the Company's points of sale provide independent access to people with different types of disabilities. In 2022, disability-friendly restroom facilities were built at Dunajska cesta 22 in Ljubljana, and during the renovation of the Vič representative office, automatic sliding doors were installed for easier access.
- 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.

<sup>39</sup> GRI G4-FS14

### 12.4.1.1 Client satisfaction<sup>40</sup>

Client satisfaction is monitored by measuring and researching clients' experience. The results obtained are helpful not only in improving services but also in designing employee training, upgrading claim applications and monitoring sales.

In 2022, client satisfaction measurement according to the Net Promotor Score (NPS) methodology was expanded to include additional contact points in subsidiaries. Satisfaction with assistance services began to be measured in subsidiaries in Croatia, Bosnia and Herzegovina and Montenegro, as well as satisfaction with underwriting and paying out claims in Bosnia and Herzegovina. NPS measurement is performed in all markets where the Group operates, expanding the number of companies included.

The NPS of the Group and the Company reached the highest levels ever. **The Triglav Group's NPS** in 2022 was 77, up by four points compared to the previous year, while **Zavarovalnica Triglav's NPS** was 76, up by three points. This is mainly a result of improved satisfaction with taking out insurance, which grew by five percentage points. Clients once again expressed their greatest satisfaction with assistance services, where the NPS increased by two points (88).

Any negative client experiences are dealt with very carefully. The automated recording and sending of client comments about their experiences with the Company will be integrated into the CRM platform in 2023. Employees are informed about the satisfaction measurement results, and based on the findings, internal processes and services are further improved.

Client satisfaction with **healthcare service providers** is measured at the **Zdravstvena točka** health information office. Scores always exceed target values. All clients who left negative feedback are contacted. The range of products and services is adapted based on feedback

received, which is also communicated to partner healthcare service providers. The best rated partner healthcare service providers are awarded awards of excellence, and the *Ambassador of Excellence* award is given to the providers who were awarded five years in a row.

In **asset management**, a recognisable brand was built and client satisfaction was improved through active and targeted tailoring of the product range. Clients were addressed via various marketing channels, our presence on social networks and the use of digital platforms were strengthened, a call centre was set up and client satisfaction measurement according to the NPS methodology was established.

Insurance companies outside Slovenia continued to perform activities aimed at increasing client satisfaction. When implementing solutions, they take into account the parent company's experiences as well as business digitalisation trends and needs in the region.

In addition to NPS measurement, client feedback is obtained through an anonymous survey when reporting a claim, mail and electronic complaints,



*In Montenegro, a full-day event with activities for children and a concert was held for clients using the My Home service.*

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 points of sale**, which are also recorded in an application. No such complaints were recorded in 2022 (4 compliments were received).

**Complaints and compliments** are regularly monitored and analysed. Individual complaints are monitored and managed with effective software. The complaint handling rules define the individual stages of the complaints procedure and the duties of the responsible persons. Once a year, a report on the handling of complaints and compliments is drawn up and presented to the Company's management. It also specifies measures to improve the complaints procedure and processes. The Company ensures that clients are transparently informed about the complaints procedure, both with appropriate explanations in the insurance documentation and on the Company's websites, where they can find all information related to the effective handling of complaints.

In 2022, Zavarovalnica Triglav received 3,429 complaints (compared to 3,335 complaints in 2021), most of which related to non-life insurance

claims (91%), followed by complaints related to life insurance claims (6%), life insurance (2%) and non-life insurance (1%). Less than one percent of complaints were related to subrogations and other matters. Complaints are classified into substantive and general complaints and complaints relating to personal data protection. Substantive complains in which clients express their dissatisfaction with the handling of their claims are the most common (94%). Of all complaints received, two-thirds were unfounded, 11% were founded and 17% were partly founded. Apart from that, 52 compliments were received, mainly from employees, agents, technicians and appraisers. In the Group members outside Slovenia, complaints are handled in accordance with complaint committee's rules; records are kept in the prescribed form, mostly digital.

**The client retention rate** in Zavarovalnica Triglav in 2022 was 92.9% Together with the new clients acquired this year, the total number increased by 8.6%.<sup>41</sup> **The rate of complaints** in relation to the number of claims at Zavarovalnica Triglav and Triglav, pokojninska družba was 1.22% compared to 1.30% in 2021.<sup>42</sup>

### 12.4.1.2 Assessment of effectiveness and market research

Marketing and communication campaigns are monitored by researching visibility, likeability and what affects clients' understanding and purchasing decisions. EEG-based neurometry and eye tracking are used to monitor emotional perception and response to certain TV ads.

When developing, upgrading and consolidating products and services, measurements are used to check the suitability of services, bundles and the potential use of mobile applications, in addition to the mystery shopping method and using focus groups for new underwriting applications and products.

<sup>40</sup> GRI 2-25 | <sup>41</sup> SASB: FN-IN-270.3 | <sup>42</sup> SASB: FN-IN-270a.1



## Building on brand strength by incorporating a new value promise

All stakeholders in all markets are involved in repositioning the brand and renewing the value promise. The branding process is managed by Zavarovalnica Triglav's Marketing Communication Department. **Tjaša Kolenc Filipčič:** "We are building on the implementation of our mission and business development, where, with new business models and services, we are focusing even more on the changed needs of clients and their user experience."

In the **non-life insurance segment**, the focus was on building the visibility of the upgraded Triglav komplet loyalty programme, which includes subsidiaries' insurance products. The interest in agricultural insurance, insurance for motorcyclists and tractor operators, *Pazi name!* (Watch Out for Me!) accident insurance, travel insurance, insurance for young drivers and DRAJV challenges was actively promoted.

In the **life insurance segment**, the focus was on an integrated approach that comprehensively addressed several target groups. In cooperation with top sport climber Janja Garnbret, the whole life insurance campaign was carried out.

In the **asset management segment**, due to the situation related to the war in Ukraine, an online information centre was set up to provide expert explanation regarding the safety of invested assets.

In the **health insurance segment**, a new long-term 360-degree communication, content and sales campaign was designed, focusing on the message "Your partner in health" and the Company's position as a reliable organiser of healthcare and assistance services, as well as on additional health insurance products.

The purchasing habits of consumers are monitored with quantitative research of factors that affect purchasing (All insurance), which takes place in the entire insurance market and provides insight into end consumer habits. An in-house report on measuring contractors' satisfaction is drawn up twice a year, identifying measures for improvement.

Zavarovalnica Triglav is **one of the most reputable brands** in the Slovenian market and ranks among top five brands in terms of reputation in markets outside Slovenia. The Group members are recognised as reputable companies with a distinctive, transparent style of communication with their clients. The Group is known well for its comprehensive range of insurance products and efficient claim settlement, including the payment of indemnities and benefits. It has the best corporate image in Slovenia, where Zavarovalnica Triglav is considered one of the best companies in Slovenia and contributes positively to the development of the local community; in other markets, the Group is still growing its image.

## Brand management and marketing communication

For effective brand positioning and communication, a **new Triglav brand strategy** is being developed. It covers three aspects – the company's corporate brand, product brand and employer brand, and the Triglav brand identity, which is built based on its new personality archetype.

The reputation of the Triglav brand and the Triglav Group, clients' loyalty and relationships with them are built using an in-depth knowledge of clients' needs and examining trends. Brand strength is increased by applying comprehensive branding at corporate (i.e. at Group level) and product levels (i.e. at the level of individual products, product groups and services). In addition, brand identity is implemented on all target markets.

### 12.4.1.3 Awards and acknowledgements received

Awards and acknowledgments of the Triglav Group in 2022

- **WEBSI 2022:** Triglav Skladi was ranked second in the Corporate Social Responsibility Projects category for its Wholehearted Woods project.
- **TOP investor in education:** Zavarovalnica Triglav was awarded a certificate for systematic investment in employee education and training.
- **Top manager and Top Funds 2022 selected by the Moje finance magazine:** Mitja Baša from Triglav Skladi received an award for the best mutual fund manager, and the winning mutual funds were: for the three-year period (2019–2021) Triglav Money Market EUR in the Money Market – Euro category, Triglav Top Brands in the Equity Global category and Triglav Asia in the Equity Asia – Oceania category, which was also awarded the highest score for the ten-year period (2012–2021).
- **European Agency for Safety and Health at Work (EU-OSHA):** Zavarovalnica Triglav was recognised for effective prevention and management of work-related musculoskeletal disorders.
- **Recognition for occupational safety and health:** Zavarovalnica Triglav received a national award for its Protecting Health programme by the Ministry of Labour, Family, Social Affairs and Equal Opportunities in the context of the Healthy Workplaces Good Practice Awards 2020–2022 competition.
- **IADA:** The 2021 Annual Report of the Triglav Group and the parent company received gold awards in the following categories: Overall Presentation (online version), Home Page Design (PDF version) and Infographic (PDF version).
- **Arc Awards:** The 2021 Annual Report of the Triglav Group and the parent company received gold awards in the following categories: PDF Version of Annual Report, Design/Graphics and Photography/Video. In addition, the annual report was the grand winner in the Best of Eastern Europe category.
- **Gold Quill:** The 2020 Annual Report of the Triglav Group and parent company received two awards from the International Association of Business Communicators (IABC) – for excellence in strategic communication and for an integrated online approach with effective and imaginative use of online tools.
- **Best Annual Report:** Two awards for the best annual report in the Communication and Sustainable Development categories for 2021 selected by the Finance business daily.
- **Reputable Employer:** Zavarovalnica Triglav received the title of *Reputable Employer 2021* in the insurance sector for the fourth time in a row.
- **Recognition for spreading a family-friendly company culture:** Special thanks for spreading a family-friendly company culture to Zavarovalnica Triglav, which has been a holder of the Family-Friendly Enterprise Certificate since 2012.



## 12.4.2 Responsibility to employees<sup>43</sup>

### Strategic employee management guidelines and the recruitment policy

- The Company acquires, develops and retains the best employees, as well as improves selection processes. Standardised employee management processes are introduced within the Group by implementing minimum standards and transferring good practices.
- A uniform organisational culture is being created at Group level based on constructive behaviour, teamwork, initiative, responsibility and cooperation. The employer brand is systematically redesigned in order to strengthen the Company's reputation. Mobility within individual companies and between Group companies is promoted. Onboarding mentoring for new hires and development mentoring for promising employees are carried out, in addition to fostering intergenerational cooperation.
- Employees' know-how is being upgraded in all areas of work and the competencies necessary for the effective achievement of individuals' goals are developed on an ongoing basis. In 2022, the main competency – flexibility was strengthened at Group level.
- The development of key and promising employees and leaders is an ongoing process. Zavarovalnica Triglav's leadership license encourages leaders to continuously improve their knowledge and upgrade their leadership skills.
- Employee satisfaction and commitment are a priority, which is monitored using an annual ORVI survey.
- Modern, hybrid forms of work are being implemented that will enable employees to

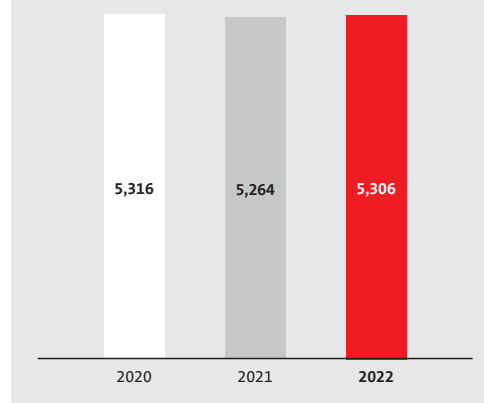
work more flexibly and efficiently, facilitate networking and cooperation, and improve their work-life balance.

- At the Triglav Group, the main modules were integrated into the Gecko HRM HR information system, and by the end of 2023 development modules will be fully implemented.

### 12.4.2.1 Recruitment and employee structure<sup>44</sup>

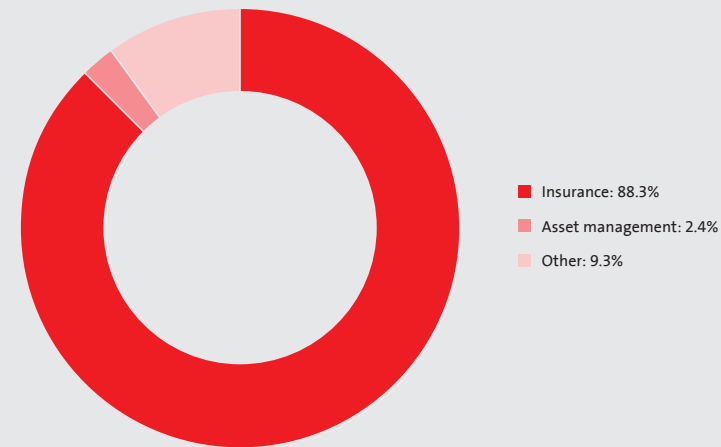
The Triglav Group had 5,306 employees as at 31 December 2022, up by 42 over the preceding year. The number of employees increased the most due to new hires at the Serbian insurer, Triglav, Zdravstvena zavarovalnica and the Macedonian life insurer.

The number of Triglav Group employees as at 31 December 2022



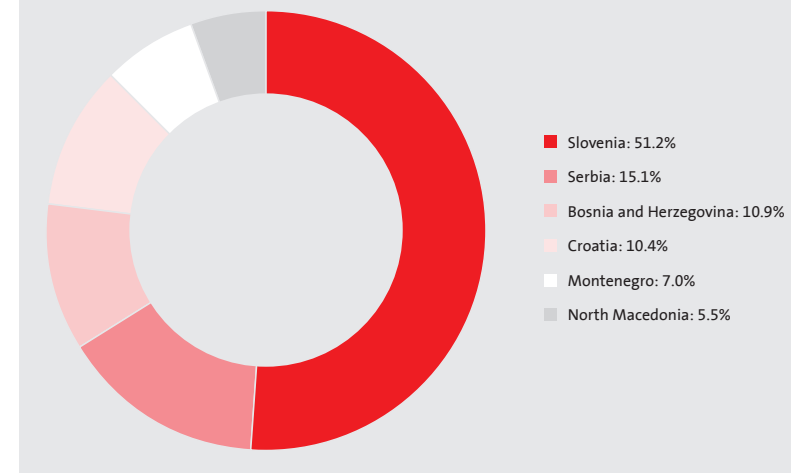
The majority, i.e. 88.3%, of all employees worked in the insurance activity, up by 0.5 percentage point compared to 2021. The share of employees in asset management activity increased by 0.1 percentage point, whereas in other activities it decreased by 0.6 percentage point.

Employees by Triglav Group activity as at 31 December 2022

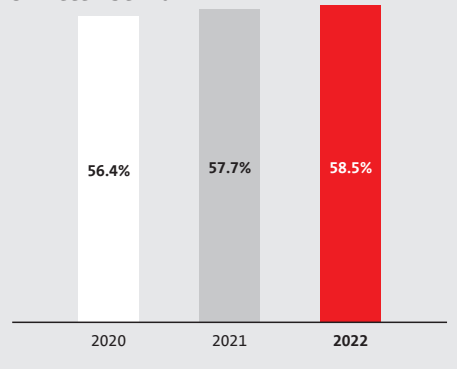


A total of 51.2% of all Group employees are employed in Slovenia, down by 0.2 percentage point relative to the preceding year. The share of employees in Serbia increased the most, by 0.6 percentage point.

Employees by Triglav Group market as at 31 December 2022



**Proportion of employees at the Triglav Group with at least level VI education according to the Bologna Process study programmes as at 31 December 2022**



**Employees at the Triglav Group and Zavarovalnica Triglav by type of employment (full-time, part-time) as at 31 December 2022**

|                                     | Triglav Group |              |              |              |              |              | Zavarovalnica Triglav |              |              |              |              |              |
|-------------------------------------|---------------|--------------|--------------|--------------|--------------|--------------|-----------------------|--------------|--------------|--------------|--------------|--------------|
|                                     | 2022          |              | 2021         |              | 2020         |              | 2022                  |              | 2021         |              | 2020         |              |
|                                     | Number        | Percentage   | Number       | Percentage   | Number       | Percentage   | Number                | Percentage   | Number       | Percentage   | Number       | Percentage   |
| <b>Type of employment</b>           |               |              |              |              |              |              |                       |              |              |              |              |              |
| Part-time                           | 241           | 4.5          | 221          | 4.2          | 251          | 4.7          | 74                    | 3.3          | 74           | 3.3          | 77           | 3.4          |
| Full-time                           | 5,065         | 95.5         | 5,043        | 95.8         | 5,065        | 95.3         | 2,169                 | 96.7         | 2,172        | 96.7         | 2,167        | 96.6         |
| <b>Total</b>                        | <b>5,306</b>  | <b>100.0</b> | <b>5,264</b> | <b>100.0</b> | <b>5,316</b> | <b>100.0</b> | <b>2,243</b>          | <b>100.0</b> | <b>2,246</b> | <b>100.0</b> | <b>2,244</b> | <b>100.0</b> |
| <b>Type of employment agreement</b> |               |              |              |              |              |              |                       |              |              |              |              |              |
| Fixed-term                          | 607           | 11.4         | 624          | 11.9         | 779          | 14.7         | 33                    | 1.5          | 41           | 1.8          | 49           | 2.2          |
| Permanent                           | 4,699         | 88.6         | 4,640        | 88.1         | 4,537        | 85.3         | 2,210                 | 98.5         | 2,205        | 98.2         | 2,195        | 97.8         |
| <b>Total</b>                        | <b>5,306</b>  | <b>100.0</b> | <b>5,264</b> | <b>100.0</b> | <b>5,316</b> | <b>100.0</b> | <b>2,243</b>          | <b>100.0</b> | <b>2,246</b> | <b>100.0</b> | <b>2,244</b> | <b>100.0</b> |

The turnover rate<sup>45</sup> at Group level fell to 11.6% (compared to 13.2% in 2021) and rose to 5.3% at Zavarovalnica Triglav (compared to 4.1% in 2021). A total of 615 employees left in 2022; most leavers were aged over 56 years (due to retirement) and 36–40 years. A total of 652 new employees were hired; most new hires were aged between 26 and 35 years.

The average age of employees in the Group rose slightly to 44.80 years (compared to 44.67 years in 2021); at the parent company it was 46.74 years (compared to 46.55 years in 2021). The average age of Zavarovalnica Triglav's Management Board members was 48.50 years.<sup>46</sup> In Slovenia, senior

management is hired from the local community, as is the majority of senior management in the markets outside Slovenia.<sup>47</sup>

The proportion of women among all employees increased both at the Company and in the Group, where it reached 54.7%. The proportion of women among the members of the Management Board of Zavarovalnica Triglav was 25.0%, and in the management and supervisory bodies of all Group companies it stood at 23.6%.<sup>48</sup> In all employee categories, activities and countries where the Group operates, the basic salary of men and women is equal.<sup>49</sup>

**Gender representation by various categories at the Triglav Group and Zavarovalnica Triglav as at 31 December 2022 (%)<sup>50</sup>**

|  | Share in % |      |      | Index     |           |
|--|------------|------|------|-----------|-----------|
|  | 2022       | 2021 | 2020 | 2022/2021 | 2021/2020 |
| <b>Triglav Group</b>   |            |      |      |           |           |
| Women employees to total employees ratio   | 54.7       | 53.9 | 53.5 | 102       | 101       |
| Proportion of women at the first management level under the Management Board         | 45.1       | 45.3 | 45.8 | 100       | 99        |
| Proportion of women at first and second management levels under the Management Board | 41.2       | 42.0 | 42.1 | 98        | 100       |
| Proportion of women in management and supervisory bodies                             | 23.6       | 20.9 | 20.7 | 113       | 101       |
| Proportion of the underrepresented gender in management and supervisory bodies       | 17.1       | 17.2 | 18.2 | 100       | 94        |
| Women in management to women employees ratio   | 4.9        | 4.5  | 5.3  | 108       | 85        |
| <b>Zavarovalnica Triglav</b>   |            |      |      |           |           |
| Women employees to total employees ratio   | 51.1       | 50.8 | 50.4 | 101       | 101       |
| Proportion of women on the Management Board of Zavarovalnica Triglav                 | 25.0       | 33.3 | 33.3 | 75        | 100       |
| Proportion of women on the Supervisory Board of Zavarovalnica Triglav                | 0.0        | 0.0  | 0.0  | 0         | 0         |
| Proportion of women at the first management level under the Management Board         | 25.9       | 25.9 | 25.9 | 100       | 100       |
| Proportion of women at first and second management levels under the Management Board | 40.2       | 38.8 | 37.9 | 104       | 102       |
| Women in management to women employees ratio   | 3.5        | 3.5  | 3.4  | 100       | 104       |

<sup>45</sup> GRI 401-1 | <sup>46</sup> GRI 405-1, SASB: FN-AC-330a.1 | <sup>47</sup> GRI 202-2 | <sup>48</sup> GRI 405-1 | <sup>49</sup> GRI 405-2 | <sup>50</sup> GRI 405-1, SASB: FN-AC-330a.1

**Employees at the Triglav Group and Zavarovalnica Triglav by age and gender as at 31 December 2022<sup>51</sup>**

|                  | Triglav Group |              |              |              |              |              | Zavarovalnica Triglav |              |              |              |              |              |
|------------------|---------------|--------------|--------------|--------------|--------------|--------------|-----------------------|--------------|--------------|--------------|--------------|--------------|
|                  | 2022          |              | 2021         |              | 2020         |              | 2022                  |              | 2021         |              | 2020         |              |
|                  | Number        | Percentage   | Number       | Percentage   | Number       | Percentage   | Number                | Percentage   | Number       | Percentage   | Number       | Percentage   |
| <b>Age group</b> |               |              |              |              |              |              |                       |              |              |              |              |              |
| From 18 to 19    | 3             | 0.1          | 6            | 0.1          | 4            | 0.1          | 0                     | 0.0          | 1            | 0.0          | 0            | 0.0          |
| From 20 to 25    | 127           | 2.4          | 125          | 2.4          | 138          | 2.6          | 24                    | 1.1          | 21           | 0.9          | 17           | 0.8          |
| From 26 to 30    | 361           | 6.8          | 371          | 7.0          | 389          | 7.3          | 88                    | 3.9          | 94           | 4.2          | 100          | 4.5          |
| From 31 to 35    | 555           | 10.5         | 569          | 10.8         | 588          | 11.1         | 191                   | 8.5          | 194          | 8.6          | 191          | 8.5          |
| From 36 to 40    | 741           | 14.0         | 771          | 14.6         | 813          | 15.3         | 268                   | 11.9         | 264          | 11.8         | 285          | 12.7         |
| From 41 to 45    | 904           | 17.0         | 885          | 16.8         | 909          | 17.1         | 367                   | 16.4         | 393          | 17.5         | 409          | 18.2         |
| From 46 to 50    | 940           | 17.7         | 882          | 16.8         | 852          | 16.0         | 438                   | 19.5         | 422          | 18.8         | 413          | 18.4         |
| From 51 to 55    | 828           | 15.6         | 821          | 15.6         | 803          | 15.1         | 446                   | 19.9         | 455          | 20.3         | 451          | 20.1         |
| 56 and over      | 847           | 16.0         | 834          | 15.8         | 820          | 15.4         | 421                   | 18.8         | 402          | 17.9         | 378          | 16.8         |
| <b>Total</b>     | <b>5,306</b>  | <b>100.0</b> | <b>5,264</b> | <b>100.0</b> | <b>5,316</b> | <b>100.0</b> | <b>2,243</b>          | <b>100.0</b> | <b>2,246</b> | <b>100.0</b> | <b>2,244</b> | <b>100.0</b> |
| <b>Gender</b>    |               |              |              |              |              |              |                       |              |              |              |              |              |
| Men              | 2,401         | 45.3         | 2,426        | 46.1         | 2,472        | 46.5         | 1,096                 | 48.9         | 1,104        | 49.2         | 1,114        | 49.6         |
| Women            | 2,905         | 54.7         | 2,838        | 53.9         | 2,844        | 53.5         | 1,147                 | 51.1         | 1,142        | 50.8         | 1,130        | 50.4         |
| <b>Total</b>     | <b>5,306</b>  | <b>100.0</b> | <b>5,264</b> | <b>100.0</b> | <b>5,316</b> | <b>100.0</b> | <b>2,243</b>          | <b>100.0</b> | <b>2,246</b> | <b>100.0</b> | <b>2,244</b> | <b>100.0</b> |

A total of 88.5% of Group employees were **employed under the collective agreement** (compared to 89.3% in 2021) and 89.6% at the Company (compared to 91.1% in 2021). The remaining 11.5% were employees with individual agreements.<sup>52</sup> Benefits are the same for all employees, be it permanent full-time employees, fixed-term employees or part-time employees.<sup>53</sup>

The Company does not employ any employees without a guaranteed minimum or fixed number of working hours.<sup>54</sup> In accordance with the law, 30 natural persons were employed at the Company under a work contract in 2022.<sup>55</sup>

**12.4.2.2 Employee training and development<sup>56</sup>**

The Group's strategic guidelines are implemented also by pursuing an educational policy, thereby ensuring the employees' expertise, sustainable business, digitalisation and an outstanding user experience.

Particular attention is paid to training leaders, promising employees, in-house mentors, sales staff and employees in the claim segment. Employees from all Group companies and employees at external points of sale are included in training. A variety of educational topics are available to

employees. At the parent company, the focus was again on insurance topics, sales training and business communication.

Most training sessions at Group level (67%) were held online (webinars and e-learning). In addition to regular training, the following took place:

- **Specialised in-house training** of 70 employees. A total of 62 Triglav employees attended the Spring School to obtain new knowledge and skills (45 of them participated remotely).
- New educational topics were made available to **leaders** in the context of the leadership license, which is gradually being transferred to Group companies. In spring, **the Conference for Leaders** was held for the leaders at the parent company, and **the Effective Leadership and Communication programme** was offered to the management bodies of subsidiaries.
- New hires were included in **the Triglav Guide** programme, provided with onboarding mentoring and traineeships and participated in creative workshops.
- A new group of employees who took on the role of sales ambassadors participated in **the Triglav Ambassadors** programme to exchange knowledge, skills and experience of the best insurance agents.

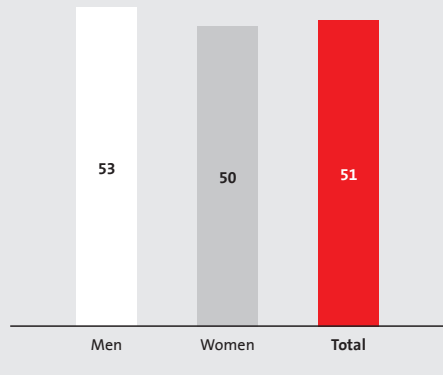
- A total of 118 insurance agents and 30 sales clerks attended **the Sales Academy**, while all heads of sale continued with the Sales Management Academy programme.
- The compulsory training of **20 teaching hours** to maintain a **licence to conduct insurance agency business** was held for 1,216 employees at the parent company.
- Training of the Group's **16 new in-house coaches** commenced, who will provide coaching for leaders and promising employees. There are a total of 58 in-house coaches.
- A total of **9 expert meetings** were held for employees from subsidiaries, who also participated in other **in-house training sessions**; a total of 9,982 training hours were held for employees of subsidiaries. Special attention was paid to the internal transfer of knowledge, as 61% of in-house training was carried out by employees, i.e. in-house trainers.
- In cooperation with the IEDC – Bled School of Management, promising employees were given the opportunity to participate in **the Integrative Approach to Business** educational programme. The TIBA Alumni event was held with its main theme dedicated to understanding **the VUCA world**.
- In the context of online training for **employees at external points of sale**, topics about insurance products and consumer protection were at the forefront.

**The total number of functional training hours** at Group level rose by 8%. Employees at Group level participated in 33 training hours on average (index 107) and 51 training hours at the Company (index 110), most in the age group up to 30 years. At the Company, men participated in training on average two hours more than women.

<sup>51</sup> GRI 405-1 | <sup>52</sup> GRI 2-30 | <sup>53</sup> GRI 401-2 | <sup>54</sup> GRI 2-7 | <sup>55</sup> GRI 2-8 | <sup>56</sup> GRI 3-3



**The average number of functional training hours at Zavarovalnica Triglav in 2022 by gender<sup>57</sup>**



The Group's training costs amounted to EUR 2.4 million (compared to EUR 1.8 million in 2021), as the number of training hours in traditional form and related costs increased.

Employees are encouraged to continue their formal education. **Work study** was funded for 137 Group employees and **scholarships** were provided to 48 pupils and students. **Obligatory work placement** was provided to 67 pupils and students. The Company partnered with schools and faculties to transfer practical knowledge and experience to young people. A total of 22 young employees completed **traineeship** under the guidance of mentors.

### Management by objectives and development of competences<sup>58</sup>

The management-by-objectives system is implemented by all Group insurance companies and some Slovenian non-insurance companies. A total of 49% of all Group employees and 71% of the parent company's employees are included. Employees' performance is monitored and rewarded on a quarterly basis; their objectives are set together with their supervisor in an annual development interview (the top-down approach).

Due to the nature of their work, agents and heads of sales teams who are rewarded on the basis of sales targets are excluded from the management-by-objectives system.

The **competency model**, which is integrated into annual development interviews, identifies competency profiles and development activities of each employee. The development of employees' competencies is systematically planned based on the performance of tasks and duties as well as the current and anticipated development opportunities and requirements.

The competencies and development potential of employees in some Group members are assessed using the **DNLA** (Discovery of Natural Latent Abilities) **tool**. It is also used in training of leaders at Group most insurance companies and in the recruitment process at Zavarovalnica Triglav, Pozavarovalnica Triglav Re and Triglav Osiguranje, Belgrade.

### 12.4.2.3 Occupational health and safety<sup>59</sup>

Zavarovalnica Triglav takes a comprehensive approach to ensuring occupational health and safety. In order to manage and reduce risks to the lowest possible level, the Company fully complies with sectoral legislation (identification of risks and hazards and their management), promotes occupational health (Triglav.smo – *Zavarujmo zdravje* (Protecting Health) health promotion programme), provides personal protective equipment, appropriate working conditions and ergonomic workplace arrangement, raises employees' awareness and educates them. Various activities take place in the context of the Family-Friendly Enterprise Certificate, additionally contributing to greater satisfaction and better health of employees.

### Occupational health and safety system<sup>60</sup>

The comprehensive approach is transferred from the parent company to other Group companies

by establishing common minimum occupational health and safety standards and by strictly complying with local legislation. In this regard, the aim is to identify, mitigate and manage risks arising from duties and the work environment.

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

The Safety Statement and Risk Assessment for **job categories** includes an assessment of hazards and harmful effects which could impact the health of employees. Measures for their prevention and reduction are also specified. As part of this continuous process, in which employees actively participate, assessments are revised and measures upgraded on an ongoing basis. Health risk assessments are revised in cooperation with occupational health specialists. Based on the assessment, employees are referred to periodic medical examinations and every new hire is required to undergo a statutory medical examination before taking up employment.

Participation in training and passing a test on **fire safety and occupational health and safety** are mandatory for employees. At **Zavarovalnica Triglav**, employees are made aware of these topics via various communication channels, the **Insure Our Future** (*Zavarujmo*

*zdravje*) health promotion programme, the measures related to the full Family-Friendly Enterprise Certificate and the **Triglav.smo** programme. Best practices are implemented at Group level.

### Health promotion<sup>61</sup>

Health promotion is carried out with regard to the most common health problems that are perceived among employees based on anonymous reports of occupational medicine. Employees are able to participate in the **Health Days** (*Dnevi zdravja*) four-day preventive health programme, which has been attended by more than 550 employees over the past four years. Useful topics are communicated via in-house media, at training sessions, with e-Campus topics and at the series of the **Healthy Mind in a Healthy Body** workshops. On World Mental Health Day, a well-attended event titled *Seeking Help is Brave* was held in cooperation with Triglav, Zdravstvena zavarovalnica. At the event, renowned Slovenian experts spoke about when, how and why it is important to seek help when faced with mental distress.

In 2022, the parent company received an **important national and European award** in health protection, which is reported in greater detail in Section [12.4.1.3 Awards and acknowledgements](#).



Zavarovalnica Triglav received the Healthy Workplaces Good Practice Award at an award ceremony held in San Sebastian.

<sup>57</sup> GRI 404-1 | <sup>58</sup> GRI 404-3 | <sup>59</sup> GRI 3-3, SDG 8.8 | <sup>60</sup> GRI 403-1, 403-2, 403-3, 403-4, 403-5, 403-8 | <sup>61</sup> GRI 403-6

A survey on the promotion of health, employees' well-being and experiences in the working environment was conducted at the parent company. Every year, together with an authorised occupational medicine specialist, an analysis of sick leave in the previous calendar year is made, which is then used as a guideline in planning appropriate activities in protecting employees' health and preventing the risks of sick leave due to health issues.

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 they fulfil the requirements relating to occupational health and safety.

The crisis team, set up in the parent company when **the COVID-19 pandemic** was declared, drew up work instructions, regulated the organisation of work and issued up-to-date information regarding measures and the epidemic situation in Slovenia in order to ensure business continuity and safety at work. Employees were provided with protective equipment and rapid antigen (HAG) tests for self-testing, and the online mailbox for reporting infections remained active. The Company was subject to 43 inspections regarding the implementation of measures to prevent the spread of infectious diseases and compliance with the recovered/vaccinated/tested rule in 2022.

## Fire safety

A **plan on emergency response and actions in the case of an emergency and other security events** is in place at Group level. 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. The Company regularly improves fire safety, monitors its compliance with legislative requirements and provides for training and education of employees; security patrols, inspections of buildings and premises and evacuation drills are carried out according to the annual plan. In 2022, 8 fire risk assessments and 5 fire safety inspections were carried out, with no major irregularities identified.

## Occupational health and safety topics covered in formal agreements with trade unions and in the collective agreement<sup>62</sup>

Safe working conditions at the parent company are defined 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 risks at work and work safety measures that they are obligated to follow. Employees are provided with the prescribed work equipment and personal protective equipment, and periodic medical examinations are carried out in line with the timeline and scope foreseen for individual job categories.

## Injuries at work<sup>63</sup>

The number of accidents remains low; at Group level their number increased to 20 in 2022, while at the parent company it decreased to 4.

### Injuries at work at the Triglav Group and Zavarovalnica Triglav

| Triglav Group     | 2022      |              | 2021      |              | 2020      |              | Index      |            |
|-------------------|-----------|--------------|-----------|--------------|-----------|--------------|------------|------------|
|                   | Number    | Percentage   | Number    | Percentage   | Number    | Percentage   | 2022/2021  | 2021/2020  |
| At work           | 14        | 70.0         | 10        | 76.9         | 7         | 63.6         | 140        | 143        |
| On business trips | 6         | 30.0         | 3         | 23.1         | 4         | 36.4         | 200        | 75         |
| <b>Total</b>      | <b>20</b> | <b>100.0</b> | <b>13</b> | <b>100.0</b> | <b>11</b> | <b>100.0</b> | <b>154</b> | <b>118</b> |

| Zavarovalnica Triglav | 2022     |              | 2021     |              | 2020     |              | Index     |            |
|-----------------------|----------|--------------|----------|--------------|----------|--------------|-----------|------------|
|                       | Number   | Percentage   | Number   | Percentage   | Number   | Percentage   | 2022/2021 | 2021/2020  |
| At work               | 1        | 25.0         | 4        | 57.1         | 1        | 25.0         | 25        | 400        |
| On business trips     | 3        | 75.0         | 3        | 42.9         | 3        | 75.0         | 100       | 100        |
| <b>Total</b>          | <b>4</b> | <b>100.0</b> | <b>7</b> | <b>100.0</b> | <b>4</b> | <b>100.0</b> | <b>57</b> | <b>175</b> |

The number of lost work days at Group level rose due to the higher number of injuries at work, while in the parent company this was a result of longer absences from work.

### Lost work days and lost time incident rate due to injuries at work at the Triglav Group and Zavarovalnica Triglav

|   | 2022  | 2021 | 2020 | Index     |           |
|---|-------|------|------|-----------|-----------|
|   |       |      |      | 2021/2020 | 2020/2019 |
| <b>Triglav Group</b>                        |       |      |      |           |           |
| Lost work days due to work-related injuries | 1,279 | 543  | 289  | 236       | 188       |
| Lost time incident rate – LTIR*             | 0.37  | 0.24 | 0.21 | 155       | 113       |
| <b>Zavarovalnica Triglav</b>                |       |      |      |           |           |
| Lost work days due to work-related injuries | 578   | 321  | 98   | 180       | 328       |
| Lost time incident rate – LTIR*             | 0.18  | 0.31 | 0.17 | 58        | 175       |

\* The number of work-related incidents/total number of hours of all employees x 200,000

Each injury which would render an employee unfit for work for more than three working days, each dangerous occurrence and each established occupational disease must be reported to the Labour Inspectorate of the Republic of Slovenia. The Company recorded two dangerous occurrences (also 2 in 2021) and no occupational diseases in 2022.<sup>64</sup>

### Absenteeism<sup>65</sup>

At Group level, the absenteeism rate was 5.04 and was 0.30 percentage point higher than in 2021. The share of absenteeism for which sickness benefits are borne by the employer increased by 0.14 percentage point (medical leave up to 30 days), while the share of lost work days for which benefits are borne by other organisations increased by 0.16 percentage point (medical leave longer than 30 days, sick nursing, accompanying a sick person). The absenteeism rate at the Company was also higher and stood at 5.86% (compared to 5.13% in 2021). As a result, the share of work days lost borne by the employer rose by 0.18 percentage point and the share of work days lost borne by the Health Insurance Institute of Slovenia increased by 0.55 percentage point.

#### 12.4.2.4 Care for employee satisfaction

### Organisational vitality (climate) and organisational culture<sup>66</sup>

The results of the **organisational vitality survey (ORVI)**, which measures employee satisfaction, remained at the same high level in 2022 as the year before. The ORVI index was **4.00** at **Group level** and **4.05** at **the parent company**. A total of 86% of employees from 17 Group companies participated in the survey (compared to 87% from 15 companies in 2021). The aggregate ORVI index is composed of the indicators (indices) for work environment, systems, operational management, personal view and engagement, which are further classified into ten categories.

The indicators for **operational leadership** and **engagement** recorded the highest values. Employees also remain **highly committed and active**. Their satisfaction with regular employment, working time, co-workers and direct supervisors were also rated high. **Interpersonal relationships and cooperation** within the organisation remain at a level similar to last

year, with employees cooperating more with employees from other Group companies. Triglav employees are **proud** to be part of the Triglav Group (score 4.33) and are satisfied with the **benefits** offered by employment in the Group; there is a sense of **security and equal treatment** at the workplace.

The change in the behavioural styles of the **organisational culture** was measured in 2021; based on the results, a number of activities were implemented.

### Benefits and opportunities for employees

The **Triglav.smo** overarching programme is designed to improve the satisfaction of the Company's employees, bringing together various workshops and events to strengthen the awareness and knowledge of all important aspects of our lives. To a lesser extent, these activities also take place in other Group companies. The programme includes taking care

of employees' children by organising holiday camps and traditionally giving gifts to children at the end of the year. In 2022, a charity drive was carried out to raise money for the treatment of an employee's child. All Triglav Group employees are included in the Greeting the Seasons events.

The two in-house experts, who offer individual psychological counselling to employees as part of the **Psychological Pulse** group at Zavarovalnica Triglav, conducted 99 interviews in 2022, almost more than double than in 2021.

#### Results of organisational vitality (ORVI) of the Triglav Group in 2022





The **Family-Friendly Enterprise** Certificate facilitates better work-life balance of employees at the parent company, depending on the needs they have in different life situations or age periods. The Company has been the holder of the full Family-Friendly Enterprise Certificate since 2012. In 2022, extraordinary working from home was added to the benefits: in exceptional health-related cases, employees may work from home for up to 30 days. Based on good practices, the aim is to promote similar conduct in the Group subsidiaries and gradually set as uniform standards as possible.

**Additional benefits for employees:**<sup>67</sup>

- supplemental pension insurance for 59% of employees of the Triglav Group and for 95% of employees of the parent company;
- payment of group accident insurance premium;
- favourable conditions for taking out complementary accident insurance for employees and their family members;
- complementary 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 group insurance package Comprehensive Medical Care (Celostna zdravstvena oskrba – CZO), in which 50% of all employees of the Group and 83% of the parent company are included.

The Group members operating outside Slovenia provide benefits to their employees such as supplemental voluntary pension insurance premium, discounts on medical examinations, the payment of accident insurance premium and discounts on other types of insurance.

**Work from home, parental leave and part-time work**

At Zavarovalnica Triglav and some Group companies, employees whose nature of work allows it may work from home. At the 2022 year-end, 33% of Group employees and 63% of Company employees had this option available to them. .

**Proportion of employees who worked from home and proportion of hours of working from home in the Triglav Group and Zavarovalnica Triglav in 2022**

|   | Triglav Group | Zavarovalnica Triglav |
|---|---------------|-----------------------|
| Number of employees allowed to work from home     | 1,757         | 1,412                 |
| Proportion of employees allowed to work from home | 33.1          | 63.0                  |
| Number of hours of working from home              | 634,846       | 437,583               |
| Proportion of hours of working from home          | 5.9           | 9.7                   |

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.

**Parental leave or part-time work at the Triglav Group and Zavarovalnica Triglav in 2022**<sup>68</sup>

| Triglav Group  | Women | Men  | Total |
|--|-------|------|-------|
| Maternity leave, child care leave  | 164   | 2    | 166   |
| Paternity leave of 20 days   |       | 47   | 47    |
| Paternity leave of 75 days (up to the child's age of three years)                    |       | 2    | 2     |
| Option of part-time working  | 39    | 6    | 45    |
| Number of employees who returned to work after maternity leave in the reporting year | 90    | 2    | 92    |
| Return rate after parental leave   | 56%   | 100% | 57%   |

| Zavarovalnica Triglav  | Women | Men  | Total |
|--|-------|------|-------|
| Maternity leave, child care leave  | 51    |      | 51    |
| Paternity leave of 20 days   |       | 45   | 45    |
| Paternity leave of 75 days (up to the child's age of three years)                    |       |      | 0     |
| Option of part-time working  | 27    | 1    | 28    |
| Number of employees who returned to work after maternity leave in the reporting year | 48    | 2    | 50    |
| Return rate after parental leave   | 96%   | 100% | 96%   |

**Relationships among employees and management, trade union activities**<sup>69</sup>

The employees exercise their management rights in line with the Worker Participation in Management Act and based on the agreement on worker participation in the management of Zavarovalnica Triglav. The Act sets out in greater detail the manner of exercising the rights referred to in said Act and lays down other rights and the manner of workers' participation in management, which is both individual and collective. Two representative trade unions and the Works Council are active in the Company. The Company concluded a special agreement and cooperates well with both. Before adoption, any document relating to the organisation of work or laying down the obligations that workers must be aware of to fulfil their contractual and other obligations is submitted to both trade unions to give their opinion.

**Respecting the workers' rights and human rights**<sup>70</sup>

Any reported or detected suspected violation is dealt with according to a predetermined procedure, in which professionalism, confidentiality and protection of the reporting person are guaranteed. **The Triglav Group Code** defines the ethical principles of its operations, including respect for human rights, which is based on respect for and protection of internationally recognised human rights and fundamental freedoms. The Group creates a stimulating work environment that respects and protects the dignity and integrity of employees at the workplace, regardless of any personal circumstances or affiliation.

In addition to the Code, insurance companies outside Slovenia take into account local legislation. These companies have internal resolution mechanisms in place, and reporting of Code violations takes place in the context of compliance. Each report and identity of the reporting person (whistleblower) are treated confidentially. The reporting person is protected from any retaliatory action and is given an opportunity to informally resolve the issue.

<sup>67</sup> GRI 401-2, 201-3 | <sup>68</sup> GRI 401-3 | <sup>69</sup> GRI 3-3, 402-1 | <sup>70</sup> GRI 2-23, 2-24, 2-25, 3-3

Potential discrimination and unwanted conduct at Zavarovalnica Triglav are additionally governed by the Rules on the protection of workers' dignity at work. The rules set out the manner of recognising, preventing and eliminating the consequences of discrimination, sexual and other harassment and workplace mobbing. In accordance with the rules, a confidant and their deputy are also appointed with the consent of the Works Council. Employees can report a suspected violation of rights to the confidant or their deputy, who then initiates proceedings to resolve the case, if possible, at the earliest stage. If the conflict cannot be resolved at this stage, a mediator is included in its resolution or a hearing before the competent committee is held.

In 2022, three reports of inadmissible conduct were received in Zavarovalnica Triglav, which the confidant dealt with in accordance with the rules. In one case, no violations were identified, and the confidant concluded the proceedings with a report. Two reports are still pending, as they were made at the end of the year.

The Company incorporated its **commitment to respect human rights in business operations** into its business processes. With it, as the Group's parent company, the Company committed itself to respecting human rights throughout the entire business process and to avoiding and preventing possible negative impacts on ensuring human rights. Due diligence of respect for human rights is carried out on a regular basis as part of risk assessment in compliance, human resources and procurement.



As part of the Children of Triglav corporate social responsibility project, new children's playground equipment was installed in Mežica

### 12.4.3 Responsibility to community<sup>72</sup>

Through its business operations, the Group can directly or indirectly influence society. It aims to make a positive contribution to economic development, improving the quality of life of employees and their families, as well as the local community and society in general. In partnership with its stakeholders, the Group provides support to sports, cultural, educational, environmental and health activities.

The volume of generated assets distributed among various stakeholders of the Group is shown by economic value distributed. In 2022, it increased to EUR 1,351.1 million (index 105) predominantly due to higher dividend payments and an increase in expenses from financial assets.

#### Economic value distributed of the Triglav Group<sup>73</sup>

|  | Index          |                |                |            |            |
|--|----------------|----------------|----------------|------------|------------|
|  | 2022           | 2021           | 2020           | 2021/2020  | 2020/2019  |
| <b>Economic value generated</b>  | <b>1,403.1</b> | <b>1,378.8</b> | <b>1,274.9</b> | <b>102</b> | <b>108</b> |
| <b>Economic value distributed</b>  | <b>1,351.1</b> | <b>1,281.8</b> | <b>1,179.2</b> | <b>105</b> | <b>109</b> |
| - Net claims incurred and other insurance expenses                       | 658.7          | 856.8          | 814.3          | 77         | 105        |
| - Expenses from financial assets   | 196.8          | 27.6           | 36.7           | 714        | 75         |
| - Other expenses   | 34.0           | 24.8           | 22.9           | 137        | 108        |
| - Operating expenses   | 160.9          | 135.8          | 119.4          | 118        | 114        |
| - Dividend payments  | 84.0           | 38.6           | 0.0            | 218        | 0          |
| - Tax expense (income tax expense)                                       | 24.3           | 19.7           | 17.2           | 124        | 114        |
| - Community investments (prevention activities, donations, sponsorships) | 10.2           | 8.8            | 8.0            | 116        | 111        |
| - Employee wages, allowances and benefits                                | 182.0          | 169.7          | 160.7          | 107        | 106        |
| <b>Economic value retained</b>   | <b>52.0</b>    | <b>96.9</b>    | <b>95.7</b>    | <b>54</b>  | <b>101</b> |

The Group's responsibility to the community is fulfilled primarily through investments in prevention, sponsorships and donations, as well as investments in infrastructure at national and local levels, which are presented below. Their content is defined based on:

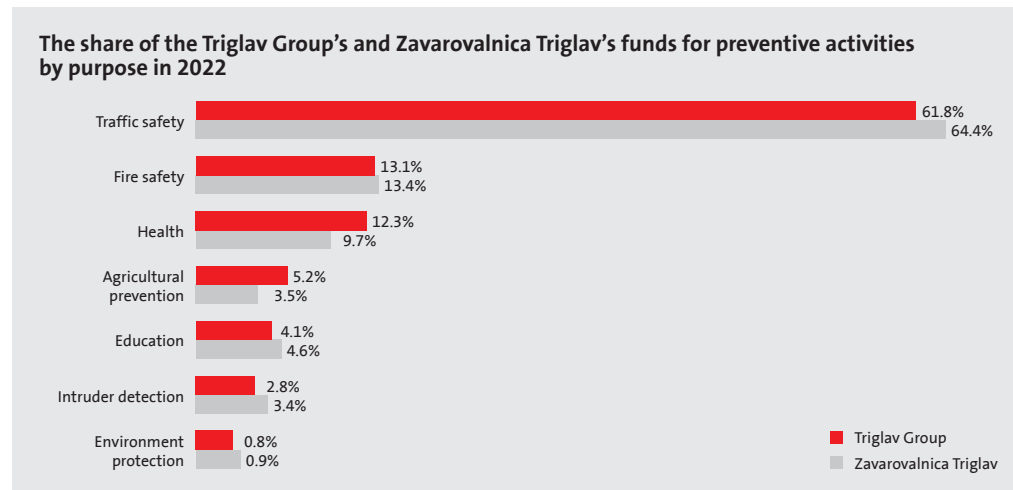
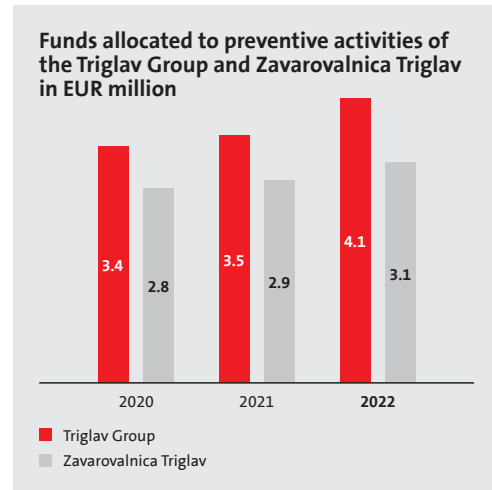
- sponsorships and donor partnerships and participation in investments in prevention;
- the needs identified in local environments by the Group's companies and business units;
- direct contact with local communities;
- performance analyses, especially risks and claims experience, published data of specialised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

<sup>72</sup> GRI 406-1 | <sup>73</sup> GRI 3-3  
<sup>73</sup> GRI 201-1, 203-1. The data on donations for 2021 and 2020 changed due to the revised methodology.

### 12.4.3.1 Investment in prevention

Prevention programmes are an important social aspect of sustainable impacts of the insurance industry, as they reduce risks and are also prescribed by law. The volume of investment in prevention has increased over the last three years, both at Group level and the parent company.

The bulk of funds was allocated to **improving traffic, fire and health safety**.



*In cooperation with AMZS, 150 drivers over the age of 60 took a refresher course. Due to high interest, the project was continued and another 500 drivers were invited to participate.*

### Prevention projects<sup>74</sup>

Prevention projects are mainly directed at the groups of people and natural environments most at risk. In line with demographic trends, the number of elderly drivers is increasing, and they are among those more exposed to the risk of being involved in a traffic accident. To this end, for the fourth year running, could the Company offers them the chance to improve their driving skills and knowledge of traffic regulations as part of the **Refresher Ride with a Driving Instructor for the Elderly** campaign. For motorcyclists, another more at risk group of drivers, the **DRAJV** safe driving application was upgraded. Support was provided to a total of 98 fire brigades and associations. To prevent accidents and fires in the mountains, cooperation was strengthened with the Mountain Rescue Association of Slovenia, the Alpine Association of Slovenia, the Avalanche Warning Institute, the Triglav National Park Public Institute and the Kranjska Gora Mountain Rescue Society and a dangerous high-mountain trail was rebuilt.

<sup>74</sup> GRI 3-3, 201-1, 203-1



### High profile and comprehensive prevention projects of the Triglav Group in Slovenia in 2022 by area<sup>75</sup>

| Health prevention and safety at work  | Impact  |
|---|---|
| Assistance in the event of a sudden cardiac arrest  | <ul style="list-style-type: none"> <li>Co-financing or purchase of 18 defibrillators for local communities (184 in 9 years). Co-financing of training sessions in using a defibrillator.</li> </ul>   |
| Prevention and early detection of disease and mental health   | <ul style="list-style-type: none"> <li>9 meetings and other events on physical and mental health were held at the Triglav Lab.</li> <li>The Najdi.se project was set up (in cooperation with the Vozim Institute) to promote and protect mental health among young people.</li> <li>6 workshops for parents (in cooperation with the Vozim Institute) were held on alcohol- and cannabis-related issues, attended by 482 parents.</li> <li>Support was provided to 10 Hrastnik Social Work Centre workshops for parents on the mental and physical health of young people.</li> <li>Support was provided to the Slovenian Urological Patients Association in the Movember 2022 campaign.</li> </ul> |
| Training in first aid response  | <ul style="list-style-type: none"> <li>Co-financing of first aid training – the purchase of Q CPR manikins for demonstration and CPR training.</li> </ul>   |
| Purchase of medical and therapeutic equipment   | <ul style="list-style-type: none"> <li>Purchase and co-financing of devices such as a mobile X-ray, a medical recliner for the elderly and a therapeutic chair for physically challenged students.</li> <li>Purchase of oximeters and infant warmers for 5 Slovenian maternity hospitals.</li> </ul>  |
| Prevention of accidents at work, partner: the Slovenian Forest Service  | <ul style="list-style-type: none"> <li>Financing a chainsaw safety course for forest owners.</li> </ul>   |
| Traffic safety  | Impact  |
| Refresher ride with a driving instructor for the elderly, partner: AMZS   | <ul style="list-style-type: none"> <li>A total of 150 drivers over the age of 60 attended a two-stage refresher course in driving knowledge and skills (driving in the city and at the safe driving centre) and 300 drivers attended a city driving course.</li> <li>In the four years of implementing this campaign, more than 640 experienced drivers have taken a refresher course with a driving instructor. The course focused on roundabouts, speed and keeping a suitable safety distance.</li> </ul>  |
| Vozimse.si – a road traffic prevention portal, partners: AMZS and Atmosferci  | <ul style="list-style-type: none"> <li>A total of 51,535 online tests were taken to refresh drivers' knowledge of road traffic regulations.</li> <li>Raising awareness of safe driving with videos on driving and working with tractors, autonomous and electric vehicles.</li> </ul>   |
| The Together for Road Safety project, partners: Sipronika and Zavod Vozim (I'm Driving Institute)   | <ul style="list-style-type: none"> <li>12 new speed display signs in local communities, at high-risk road sections and in the vicinity of schools and kindergartens were set up, 92 in total over seven years.</li> <li>Under the mentorship of the Vozim Institute, students from schools with displays were researching speeding and submitted proposals to their municipalities to reduce speed in their settlements.</li> </ul>   |
| Together for Road Safety project, partner: COPS system  | <ul style="list-style-type: none"> <li>10 new COPS@zebra and COPS@road systems were installed in Slovenia at points with the greatest risk of traffic accidents (over 70 in total).</li> </ul>  |
| Interactive workshops for secondary school students "I still drive but I no longer walk", partners: Zavod Vozim (I'm Driving Institute) and Sipronika | <ul style="list-style-type: none"> <li>At 208 workshops in person or online, 10,386 young people listened to personal stories of traffic accident victims and became acquainted with the DRAJV safe driving application.</li> <li>330 young people researched the influence of speed on impact load and braking distance at 117 specialised workshops.</li> <li>380 young people attended the Alcohol=Change of Life workshop.</li> </ul>   |
| The safety of preschool children and first graders in road traffic, partner: the Slovenian Traffic Safety Agency                                      | <ul style="list-style-type: none"> <li>21,000 first graders received yellow safety neckerchiefs.</li> <li>The Kuža Pazi (Watch Out Doggy) road safety mascot visited 45 elementary schools to promote being cautious.</li> </ul>  |
| Training events and topics for motorcyclists  | <ul style="list-style-type: none"> <li>The day of free prevention and first aid workshops for motorcyclists (attended by more than 2,000 motorcyclists in eight years).</li> <li>A conference on motorcyclists' behavioural risks entitled "Anatomy of a Motorcyclist's Ride".</li> <li>Presentation at the event about driving motorcycles of up to 125 cubic centimetres safely (analysis of data from the DRAJV application).</li> </ul>   |
| A training workshop on driving with tractors and tractor trailers, partner: AMZS, Vransko Safe Driving Centre   | <ul style="list-style-type: none"> <li>More than 300 tractor drivers attended the workshop on safe driving with tractors (more than 500 tractor drivers in three years, including many young tractor drivers).</li> </ul>   |
| The DRAJV safe driving application  | <ul style="list-style-type: none"> <li>The data from the DRAJV application were used to analyse and plan preventive measures and to select locations for the installation of speed display signs. The application was upgraded so as to promote the safe driving of motorcyclists.</li> </ul>   |
| Promotion of forming an emergency lane on motorways, partner: Zavod Reševalni pas (Emergency Lane Institute)  | <ul style="list-style-type: none"> <li>Sharing videos about the problems of ambulances on an emergency call.</li> </ul>   |
| Young drivers   | <ul style="list-style-type: none"> <li>A subpage for young drivers "Mission: pass your driver's test and be a safe driver" was set up on the Vozimse.si portal.</li> <li>In cooperation with gamers Žiga Lah (ScorpLZ) and Jaka Krčovnik (Jack on the Box) and psychologist Anja Čorić, an event was held for young drivers, at which the topic of having a fear of driving was discussed.</li> </ul>   |
| Being Safe on a Bike, partners: Butan plin, Slovenian Traffic Safety Agency, National Education Institute of Slovenia                                 | <ul style="list-style-type: none"> <li>More than 10,000 students (from over 100 schools) took part in cycling education about sustainable mobility, traffic regulations and active leisure time.</li> </ul>   |
| Fire prevention   | Impact  |
| Care for greater fire safety in mountain huts, partners: the Alpine Association of Slovenia and the Fire Fighting Association of Slovenia, Bonpet     | <ul style="list-style-type: none"> <li>30 mountain huts were equipped with automatic fire extinguishing ampoules and fire extinguishers (115 mountain huts in three years).</li> <li>Support was provided to the construction of a new mountain hut on Okrešelj as a model of a modern fire-safe mountain hut.</li> </ul>   |
| Purchase of fire protection equipment, partners fire services, associations and brigades  | <ul style="list-style-type: none"> <li>Co-financed purchase of protective equipment, fire-fighting equipment and fire engines as well as investments in fire stations for 98 volunteer fire brigades and associations.</li> </ul>   |
| Financing of training and competitive activities of firefighters, partners: Fire Fighting Association of Slovenia and Instructor 112                  | <ul style="list-style-type: none"> <li>The main sponsorship of the Firefighting Olympics in Celje.</li> <li>Co-financed three-day Heavy Rescue training course for firefighters in the event of major accidents, attended by 250 volunteer and professional firefighters from seven countries.</li> <li>In cooperation with the Atmosferci group, video content warning of the risk of battery fires was regularly posted on the Vozimse.si portal.</li> </ul>  |
| Protection of the natural environment   | Impact  |
| Safe return – prevention of bird strikes, partner: the Society of Knowledge and Values of Nature  | <ul style="list-style-type: none"> <li>Studying the coexistence of birds and airplanes in Slovenia and researching bird strike prevention techniques.</li> </ul>  |
| The sustainable development of pond banks, partner: the Brdo Public Utility Institute   | <ul style="list-style-type: none"> <li>Support for sustainable development of the bank of the pond in the Brdo pri Kranju park.</li> </ul>  |
| Sustainable visiting of Triglav National Park, partner: the Triglav National Park Public Institute  | <ul style="list-style-type: none"> <li>Co-organisation of an expert meeting and an open day at the Triglav Lab.</li> <li>The results of the analysis of driving with the Triglav application in terms of traffic congestion and speeding will serve as the basis to design measures to reduce motorised traffic in Triglav National Park.</li> </ul>  |
| Long-term conservation of protected wetlands, partner: the Wetland Research Society, Slovenia   | <ul style="list-style-type: none"> <li>Survey of 60 wetlands in the Julian Alps.</li> </ul>   |
| Study and conservation of dolphins, partner: Morigenos – Slovenian Marine Mammal Society  | <ul style="list-style-type: none"> <li>Initiation of the development of a research and education centre about dolphins in Piran.</li> </ul>   |
| Protection of indigenous marine species, partner: the Jesenice Fishing Family   | <ul style="list-style-type: none"> <li>Co-financing the construction of a centre for the breeding of indigenous marine species in Jesenice.</li> </ul>  |
| Keeping mountain trails well-maintained and safe, partner: the Alpine Association of Slovenia   | <ul style="list-style-type: none"> <li>Support in arranging mountain trails from Gorjanci to Kočevski rog as part of Trailblazers' Day.</li> <li>Support for restoring the challenging mountain trail to Koroška Rinka.</li> </ul>  |
| Sustainable visit to the mountains, partners: the Alpine Association of Slovenia and AMZS   | <ul style="list-style-type: none"> <li>Support for the Green Mountain Trail project to promote the sustainable choice of mountain locations, thereby contributing to less populated peaks.</li> </ul>   |

In the context of this year’s traditional New Year’s prevention campaign **Za boljši jutri (For a better tomorrow)**, 26 prevention projects were supported in Slovenian local communities. Funds were allocated to firefighters, healthcare, civil protection, counselling in the field of children’s mental health, institutions for users with special needs and elementary schools. Over 230 preventive projects were supported over nine years.



*As part of the Best Mountain Trail contest, the Company funded the renovation of the Koroška Rinka trail after it had been closed for several years.*

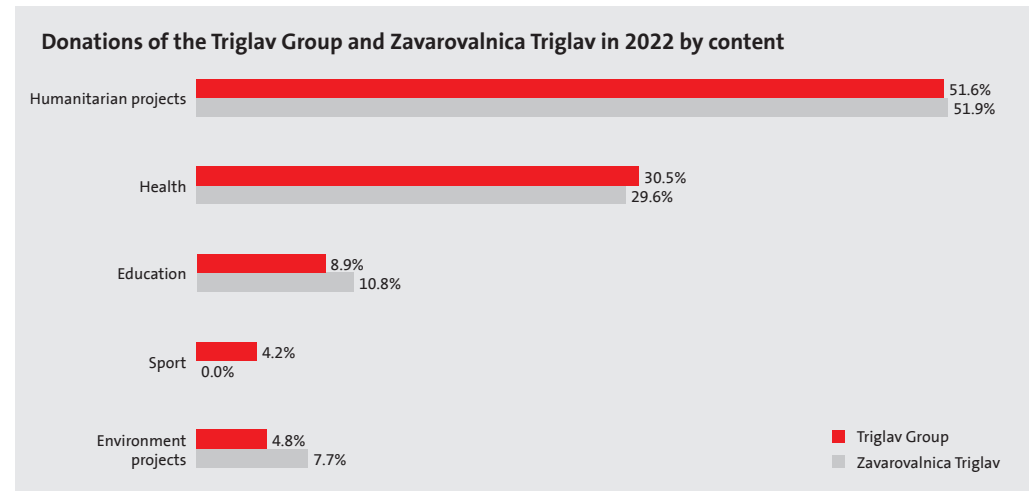
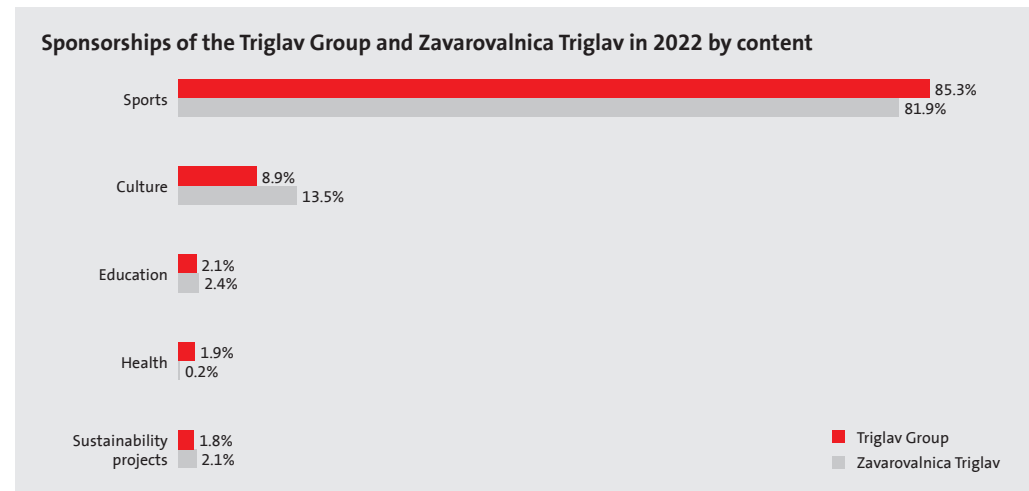
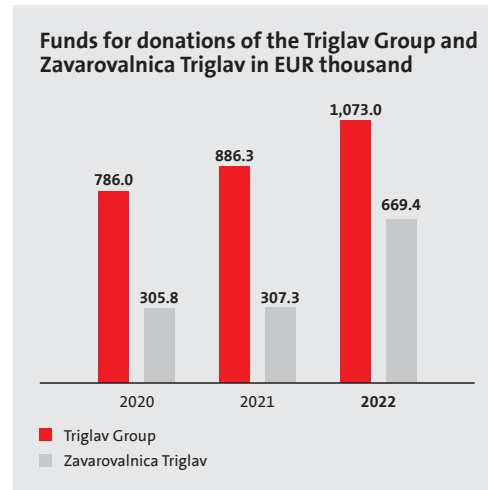
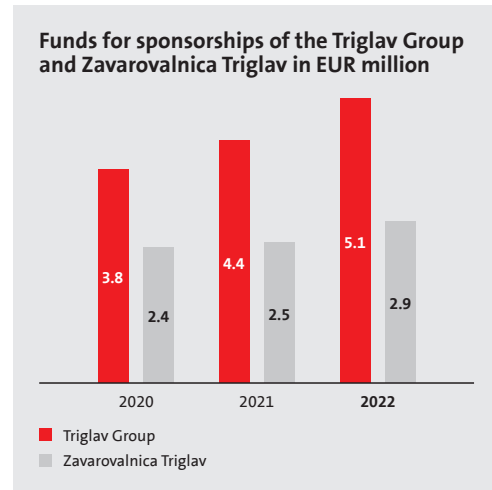
**High profile and comprehensive prevention projects of the Triglav Group in the markets outside Slovenia in 2022 by area**

| Health prevention   | Impact   |
|---|--|
| Prevention of musculoskeletal diseases, partner: the Basketball Federation of Serbia, Serbia                                    | ■ Organisation of workshops for the prevention of musculoskeletal diseases in athletes.    |
| Early detection of diseases, partner: the Croatian Neurological Society, Croatia  | ■ Support for the “Links in Neurology” symposium.  |
| Prevention and early detection of disease, partner: the “Heart for Children with Cancer” Association, Bosnia and Herzegovina    | ■ Financial support for the treatment of children with cancer and help for their families. |
| Prevention of accidents in the mountains, partner: the Mountain Rescue Service of the Federation of BiH, Bosnia and Herzegovina | ■ Co-financing of activities of the Gorazde Mountain Rescue Service.                       |
| Protection of the natural environment   | Impact   |
| Protection of the natural environment and biodiversity, partner: Eko Fond Orahovica, Bosnia and Herzegovina                     | ■ Implementation of environmental and cleanliness drives.                                  |



### 12.4.3.2 Sponsorships and donations<sup>76</sup>

The Group has uniform guidelines for sponsorships and donor partnerships in place. Attention is paid that their selection complies with the Company's business guidelines and brand. In 2022, the amounts of both sponsorships (index 133) and donations (index 121) were increased.



As part of the New Year's prevention campaign »For a Better Tomorrow«, more than 230 prevention projects have been supported throughout Slovenia over the past nine years.

### Major sponsorships and donations

Sports sponsorships, the development of young athletes and raising awareness about the importance of a healthy lifestyle receive the majority of funds. The Group is recognised as a partner of national sports associations, international sports events and numerous sports clubs in its markets. In 2022, the largest share of donations was given to humanitarian projects and healthcare.

<sup>76</sup> GRI 201-1



### Some major sponsorships of the Triglav Group in 2022

| Country                | Sports sponsorship  | Culture  | Education and training  |
|------------------------|---|--|---|
| Slovenia               | <ul style="list-style-type: none"> <li>■ Partner of the Ski Association of Slovenia</li> <li>■ Golden partner of national teams in biathlon and Nordic skiing</li> <li>■ General sponsor of the FIS Ski Flying World Championship in Planica</li> <li>■ Sponsor of the Ski Jumping World Cup Ladies (the New Year's Eve Tour) in Ljubno ob Savinji</li> <li>■ Sponsor of the Biathlon World Cup in Pokljuka</li> <li>■ Sponsor of the Sports Federation for the disabled of Slovenia</li> <li>■ Golden partner of the Football Association of Slovenia and its national teams as well as the first women's and the first men's football league</li> <li>■ Sponsor of the Tennis Association of Slovenia</li> <li>■ Golden sponsor of the Table Tennis Association of Slovenia</li> <li>■ Sponsor of the Gymnastic Federation of Slovenia</li> <li>■ Sponsor of the Canoe Federation of Slovenia</li> <li>■ Sponsor of the Olimpija Ice Hockey Club and the Jesenice Ice Hockey Skating Society</li> <li>■ Sponsor of the Slovenian Golf Association</li> <li>■ Sponsor of the Ice Hockey Federation of Slovenia</li> <li>■ Sponsor of the Cedevisa Olimpija Basketball Club, the Krka – Telekom Novo mesto Basketball Club and the Domžale Basketball Club</li> <li>■ Sponsor of the ACH Volley Ljubljana Volleyball Club and the Merkur Maribor Volleyball Club</li> <li>■ General partner of the climbing event Triglav The Rock Ljubljana</li> <li>■ Partner of the <i>Woop! Odbito na Ljubljani</i> event</li> <li>■ Sponsor of top athletes: Peter, Domen and Cene Prevc, Anamarija Lampič, Ela Nala Milič, Kaja Juvan, Domen Škofic, Janja Garnbret, Nataša Robnik, Miha Dovžan, Vid Vrhovnik, Aljaž Sladič, Nika Radišič, Špela Rogelj, Nika Križnar, Taja Bodlaj, Rok Marguč, Klemen Bauer, Jakov Fak, Katja Pogačar, Žan Košir, Jan Pancar, Tjaša Fifer, Anej Doplihar and Matej Žan.</li> </ul> | <ul style="list-style-type: none"> <li>■ A series of concerts of Music of the World in Cankarjev dom</li> <li>■ Kinodvor</li> <li>■ Ljubljana Puppet Theatre</li> <li>■ Slovene Writers' Association</li> <li>■ Ljubljana Festival</li> <li>■ Ljubljana Castle</li> <li>■ Lent Festival</li> <li>■ National Museum of Slovenia</li> <li>■ Arsana Festival</li> <li>■ Beletrina</li> <li>■ Modern Gallery</li> <li>■ Festival RUTA Triglav Group – a regional festival</li> </ul> | <ul style="list-style-type: none"> <li>■ Mountain Rescue Association of Slovenia: Staying Safe in the Mountains</li> <li>■ Managers' Association of Slovenia</li> <li>■ Slovenian Society for Dog Assisted Therapy Tačke Pomagačke (Helping Little Paws)</li> <li>■ Maritime Law Association</li> <li>■ American Chamber of Commerce in Slovenia (AmCham Slovenia)</li> </ul> |
| Croatia                | <ul style="list-style-type: none"> <li>■ Croatian Basketball Association</li> <li>■ Croatia Open Umag</li> <li>■ General sponsor of the Adriatic Water Polo League</li> </ul>   | <ul style="list-style-type: none"> <li>■ Wine of Dalmatia Association</li> </ul>   |   |
| Montenegro             | <ul style="list-style-type: none"> <li>■ Podgorica Basketball Club</li> <li>■ AS Tennis Club</li> <li>■ Budućnost VOLI Basketball Club</li> <li>■ Budućnost Female Handball Club</li> <li>■ ALL STAR Basketball Club</li> <li>■ Podgorica Millennium Run</li> <li>■ Water Polo and Swimming Federation of Montenegro</li> </ul>   | <ul style="list-style-type: none"> <li>■ Budva Theatre Festival</li> </ul>   | <ul style="list-style-type: none"> <li>■ EYCA international programme for young people</li> </ul>   |
| North Macedonia        | <ul style="list-style-type: none"> <li>■ Vardar Handball Club</li> <li>■ Vardar Female Handball Club</li> <li>■ Alkaloid Handball Club</li> <li>■ Support of rally driver Igor Stefanovski</li> <li>■ Support of young tennis player Vesna Jovanova</li> <li>■ Handball Federation of North Macedonia</li> <li>■ Basketball Federation of North Macedonia</li> </ul>  | <ul style="list-style-type: none"> <li>■ Kraft produkcija Festival</li> </ul>  | <ul style="list-style-type: none"> <li>■ AETM</li> </ul>  |
| Bosnia and Herzegovina | <ul style="list-style-type: none"> <li>■ Female Play Off Sarajevo Basketball Club</li> <li>■ Sarajevo Ski Club</li> <li>■ Bosna Visoko Handball Club</li> <li>■ Vitez Minifootball Club</li> <li>■ Čelik Zenica Football Club</li> <li>■ Jajce Handball Club</li> <li>■ Support to SPARS 05 Youth Basketball Club</li> </ul>  |  |   |
| Serbia                 | <ul style="list-style-type: none"> <li>■ General sponsor of the Basketball Federation of Serbia and the Serbian male national team</li> <li>■ Crvena zvezda Volleyball Club</li> <li>■ Judo Federation of Serbia</li> <li>■ Borac Basketball Club</li> <li>■ Vojvodina Basketball Club</li> <li>■ Golf Association of Vojvodina</li> <li>■ Support for the judoka Nemanja Majdov</li> </ul>   | <ul style="list-style-type: none"> <li>■ Manasija Knights Festival</li> <li>■ Cultural manifestation – Oplenačka berba</li> </ul>  |   |

## Triglav Lab's activities

Many events, workshops and training sessions in prevention, financial literacy and cooperation with athletes are held at the Triglav Lab technology centre. In 2022, 75 on-site and online events were held, of which 42 were educational, 18 in the field of preventive healthcare, 10 for business and awareness purposes and 5 related to the Company's products. The main topics of the virtual events were fire and flood safety and dog care and health, while the virtual events on the topic of health were held in cooperation with Triglav Zdravje. As part of the POMNI project, screening tests for dementia took place in the premises of Triglav Lab (over several months), in addition to providing consulting for hemato-oncology patients. In the context of the summer finance school, young people attended a lecture on financial literacy (Triglav Skladi in partnership with Moje Finance magazine).

## Everything Will Be Alright Institute

Zavarovalnica Triglav's *Zavod Vse bo v redu* (Everything Will Be Alright Institute) carries out socially responsible activities aimed at providing help and support to the socially disadvantaged as well as implements preventive activities. Key projects in 2022 included:

### ■ The Help Ukraine project

In the Slovenian companies of the Triglav Group, a charity drive was carried out to raise funds for refugees from Ukraine staying in Slovenia. The Group's employees, together with donations from Group companies, raised EUR 310.7 thousand.

### ■ Cooperation with the Slovenian Forest Service

The Everything Will Be Alright Institute signed an agreement on long-term cooperation in the Green Heart of the Karst project, with which the Triglav Group joined the project of Karst reforestation after the fire in 2022. The first large-scale campaign took place in November at the Cerje Monument of Peace. A total of 50 employees and other volunteers from Slovenia and abroad planted saplings.

As part of the collaboration with the Slovenian Forest Service, support was provided for the renovation of the Charcoal Forest Nature Trail in Dole pri Litiji, which is considered the heart of the Charcoal-Making Region.

### ■ Prevention activities aimed at preventing loss events

The Company participated as a partner in the **Alcohol-Free for 40 Days campaign** for the seventh year in a row, which promotes a healthy and sober lifestyle among the general public, including drivers.

### ■ Support to young talents – the Young Hopes project

The year 2022 was the tenth anniversary of the Young Hopes social responsibility project, providing support to talented young athletes, para-athletes, artists and scientists. This time, an open call was published in the spring. An expert jury selected 13 young and successful finalists aged between 16 and 20. 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. In ten years, 127 young people were

supported with a total of over half a million euros. The project ended with a gala event at the Ljubljana Castle, where diplomas were awarded to the last two generations of young people.

The recipients of financial support from the past five years were invited to apply to receive sponsorship funds from Zavarovalnica Triglav and which enabled them to receive even longer-term support. In addition, alumni meetings with lectures were held, focusing on safety, obstacles, tips and knowledge that young people need when they become young drivers.



Young Hopes 2022.

### Information on corporate social responsibility partnerships:

Zavarovalnica Triglav, d.d., Ljubljana  
 Miklošičeva cesta 19, 1000 Ljubljana  
 Email: [sponzorstva@triglav.si](mailto:sponzorstva@triglav.si)

## 12.4.4 Responsibility to suppliers

### Procurement practices<sup>77</sup>

The Company uses a **standardised software solution** for procurement, which increases the transparency of procurement procedures and reduces the operational risks of non-compliance with good business practices. The procurement procedures above a certain amount (above EUR 10,000) are performed by the Strategic Sourcing Department, which is responsible for coordination and communication between the relevant departments in need of procurement and suppliers. With the new electronic form implemented in 2022, the preparation of initial information for starting the procurement procedure was simplified.

Only verified suppliers who meet the **legal compliance** criteria can participate in procurement procedures. *The supplier compliance assessment* assesses the risks of corrupt practices, conflicts of interest and political exposure, while *the business sustainability assessment* is used to assess respect for human rights, provision of a safe and healthy work environment for employees and other workers, compliance with Slovenian legislation and international human rights documents and environmental legislation requirements. Based on these criteria, new suppliers are assessed in the selection process, while existing suppliers are assessed once a year. In 2022, additional criteria were added to the sustainable development form.

### Locally-oriented procurement<sup>78</sup>

The Company selects its suppliers mostly on the Slovenian market; the share of suppliers based outside the local market is less than 10%. Market trends in key procurement groups, such as IT, property management, general procurement, intellectual services, marketing, labour and general affairs, are regularly monitored. The Company seeks offers outside the local market when it is economically feasible or there is no comparable supplier in the market for the goods or services in demand.

The Group companies also carry out most of their procurement in local markets by complying with the common minimum procurement standards. Where possible and reasonable, some of the same types of materials, raw materials and services are procured centrally at Group level at more favourable purchasing terms and conditions. In 2022, procurement procedures above EUR 25,000 were centralised for all Slovenian companies and are carried out by the parent company's Strategic Sourcing Department.

### Remuneration of insurance agency companies and sales staff

The Group's sales network is constantly being expanded with contractors. In 2022 their number exceeded **1,980**, of which **1,441 were outside Slovenia**. See Section [14. Business network of the Triglav Group](#) for further information.<sup>79</sup> Before signing an agreement with a new contractor, the standardised selection procedure is carried out, while the business results of existing contractors are regularly monitored and measures are taken for enhancing cooperation and improving sales.

*Non-life insurance* agency companies are rewarded based on the following criteria: exclusivity, written premium, size of the area of operation, volume of sales of insurance products and fulfilment of planned obligations. When awarding a bonus, the Company takes into account the fulfilment of monthly targets and the renewability and growth of the insurance portfolio. The commission rate of contractors selling *life insurance* products depends on exclusivity, portfolio balance, client loyalty indicator and the effectiveness of maintaining the portfolio. Contractors are also rewarded for exceeding the annual non-life and life insurance sales targets (volume bonus); furthermore, special additional rewards are made available during the year. The first agreement with a new partner is concluded for a fixed term. Priority is given to exclusive sales, as insurance distributors can offer policyholders a comprehensive range of products of the Group members.

In Republika Srpska, remuneration regulations were revised. In some countries where the Group operates, additional incentives were used to promote sale to retail clients. In awarding a bonus, linear bonus schemes are used, which are 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.

In order to maintain and promote loyalty, contractors may attend training sessions, workshops, and sales and motivational events, thus gaining new insurance and sales knowledge and skills, which improves not only relations between contractors and the Company but also client satisfaction.



## 12.5 Governance aspects<sup>80</sup>

### Fair business practices<sup>81</sup>

The Triglav Group adopted the **Triglav Group Code**, which focuses on twelve main ethical principles:

- integrity and compliance,
- conflict of interest management,
- prevention of the restriction of competition, unfair competition and unfair business practices,
- transparency and comprehensive communication,
- respect for human rights,
- responsibility to the employees,
- a client-centric approach,
- responsibility to the business partners and shareholders,
- fraud management,
- prevention of corruptive actions,
- money laundering and terrorist financing prevention,
- data protection and integrity.

Employees in all Group companies are made aware of and educated about the Code, fostering adherence to the adopted principles at all levels.

The Code defines the system for direct reporting of non-compliance, while the procedure for dealing with internal fraud and violations of the Code is regulated by an internal document. In 2022, the Group dealt with 14 reports of violations and two cases of suspected internal fraud. No major monetary losses directly related to the marketing and provision of information on insurance products were identified.<sup>82</sup> None of the covered employees were involved in investment-related investigations, consumer complaints, private civil disputes or other regulatory proceedings.<sup>83</sup> No monetary losses directly related to legal proceedings concerning fraud, insider trading, antitrust, anticompetitive behaviour, market manipulation, abuse or other laws or regulations of the financial industry were recorded.<sup>84</sup>

### Insurance fraud management

To identify suspected fraud, advanced computer solutions are used that automatically and reliably detect suspicious cases and are helpful to experienced investigators. Key internal controls for fraud prevention and detection are also based on advanced technological solutions, which at the same time measure the effectiveness of fraud management processes.

Systematic training and awareness raising activities on how to identify insurance fraud, particularly with respect to underwriting and claim settlement, are carried out for all Group employees. In the fight against

fraud, the Company actively works together with other insurers, the Slovenian Insurance Association and the competent state authorities.

Modern forms of insurance and remote business lead to new types of fraud, which requires systematic monitoring and adjustment of the Company's operations.

Reporting and dealing with suspected fraud is regulated by the Group's Code, while the Rules on dealing with internal fraud and violations provide a framework for ensuring the protection of the reporting person's identity, handling anonymous reports and protection against retaliatory actions. The Rules also govern **whistleblowing** regulations.



*To identify suspected fraud, advanced computer solutions are being used that automatically and reliably detect suspicious cases and are an additional tool for experienced investigators.*

At least one communication channel for reporting violations (an online form, a hotline for reporting fraud or the email address [preware@triglav.si](mailto:preware@triglav.si)) is available in all insurance and financial companies of the Group. In companies with at least 50 employees, the reporting person can also use an application to report violations, which is available and accessible on the [www.triglav.eu](http://www.triglav.eu) website, and thus available to all external stakeholders. Any unlawful conduct, or an attempt thereof, that is contrary to the values and principles of the Triglav Group may be reported. Each report is dealt with in accordance with a predetermined procedure; the bona fide reporting person is protected during the procedure and after its completion.

<sup>80</sup> GRI 2-23, 2-24, 2-25, 2-26, 2-27 | <sup>81</sup> GRI 3-3 | <sup>82</sup> SASB FN-IN-270a.1 | <sup>83</sup> SASB FN-AC-270a.1 | <sup>84</sup> SASB FN-AC-510a.1

Insurance fraud was confirmed in 886 cases out of 1,651 reported cases of suspected fraud in 2022. Of these, 25 reports of suspected fraud were received from external and internal reporting persons (whistleblowers), which were confirmed in three cases. The number of confirmed cases of suspected fraud was 9% higher than in 2021.<sup>85</sup>

### Anti-corruption behaviour<sup>86</sup>

The anti-corruption policy sets a minimum standard of conduct in proceedings with an identified corruption risk for the Group companies. Mandatory contractual provisions include an anti-corruption clause, a conflict of interest clause and clauses on the protection of human rights, personal data, inside information and business secrets. Employees are regularly made aware of how to act lawfully, fairly and transparently and how to respond to identified irregularities.

In 2022, the Company's employees attended training sessions on managing conflicts of interest and preventing money laundering and terrorist financing for an average of 3 hours. No cases of corrupt practices were confirmed in the Group.

In line with the Political Parties Act, Zavarovalnica Triglav may not and does not finance political parties. Such financing and other political activities are also banned by the corruption risk management policy of the Triglav Group; therefore, neither are carried out by any of its members.<sup>87</sup>



Employees receive regular training on personal data protection and fair business practices.

### Personal data protection<sup>88</sup>

With regard to **personal data protection**, the Group received four complaints, three of which were found to be partially grounded. The cases of detected non-compliance were investigated and the internal control system was updated. No material sanctions due to non-compliance were imposed on the Company. In one case, a fine was imposed on the person responsible, but the procedure related to the request for judicial protection is still pending.<sup>89</sup>

On average, the Company's employees received one hour of training on personal data protection. Information security and the personal data protection internal control system were upgraded, while keeping clients informed about the processing of their personal data. Uniform rules for personal data processing and protection continued to be implemented within Group; they are based on common minimum standards.

### Protection of competition<sup>90</sup>

In its operations, product development and marketing, the Group respects consumer rights and follows good business practices. When choosing suppliers, it aims for transparency and respects the protected interests of its competitors. In the Handbook for Consumer and Competition Protection, the rules of behaviour to competitors have been regulated to avoid the risk of violating regulations and principles of fair competition. In the markets where the Group holds a dominant position, consumers are advised to be cautious when taking out insurance and business partners when entering into business relationships. Proceedings for alleged non-compliance with competition protection rules have been initiated against a Group subsidiary company; as a result, in the future, the Group will be even more active in drawing attention to the importance of consumer protection and competition.

### Commitments to external initiatives and membership in associations<sup>91</sup>

Zavarovalnica Triglav became a signatory to the United Nations Principles for Sustainable Insurance (UN PSI) and a member of the global community of banks, insurers and investors joining the United Nations Environment Programme Finance Initiative (UNEP FI). Also, it is a signatory to the Partnership for Carbon Accounting Financials (PCAF) initiative.

The main standard of professional business practices is implemented by complying with the Insurance Code of the Slovenian Insurance Association and other industry codes. The Company is active in the American Chamber of Commerce, especially in the Corporate Ethics and Transparency Committee and the Sustainable Growth Committee. As one of the first Slovenian companies, it committed itself to respecting the Declaration on Fair Business Practices. By joining Transparency International Slovenia, the Company additionally committed itself to developing an anti-corruption culture, and by signing the Commitment to Respect Human Rights in Business, it supported the implementation of the National Action Plan of the Republic of Slovenia for Respect for Human Rights in the Economy.

<sup>85</sup> GRI 419-1, SASB: FN-AC-510a.1, FN-AC-510a.3 | <sup>86</sup> GRI 3-3, 205-1, 205-2, 205-3  
<sup>87</sup> GRI 415-1 | <sup>88</sup> GRI 3-3, 412-2, SDG 16 | <sup>89</sup> GRI 419-1, 418-1 | <sup>90</sup> GRI 3-3, 206-1 | <sup>91</sup> GRI 2-28

The Company is an active member of the Slovenian Insurance Association and its committees, the Chamber of Commerce and Industry of Slovenia and other local and interest chambers. It has representatives in several professional associations, such as the Slovenian Directors' Association, the Managers' Association of Slovenia, the Association of Employers of Slovenia, the European Institute of Compliance and Ethics, 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, particularly in the fields of finance, actuaries and compliance. Subsidiaries are members of industry and professional associations in the countries where they operate and participate in various committees.

### Adjustment to regulatory changes

In 2022, the focus was on standardising the Group's personal data protection practices. The system for monitoring and complying with restrictive measures (sanctions) adopted due to the aggression against Ukraine was upgraded (e.g. the scope of client due diligence was updated and expanded, additional internal controls and ongoing notification of adopted new features were implemented); furthermore, guidelines for the Group's subsidiaries operating outside the EU were drawn up.

Procedures were updated in line with the amended law governing the prevention of money laundering and terrorist financing. The guidelines of the European Insurance and Occupational Pensions Authority in outsourcing cloud services were implemented.

Operations continued to be harmonised with the regulation on sustainability-related disclosures in the financial services sector and the EU Taxonomy, while regularly monitoring legislative changes in sustainable business. In addition, the implementation of accounting standards IFRS 17 and IFRS 9 continued.

The definitions of the target market and the distribution strategy for more complex products were reviewed and updated in line with the respective EIOPA's guidelines. Amendments to the Commission Delegated Regulation (EU) 2017/653 on PRIIPs and the Slovenian Insurance Supervision Agency's notices were taken into account in drafting key information documents for products. With respect to supplemental voluntary pension insurance (SVPI), approvals for changes to guarantee fund management rules were obtained.

Group subsidiaries adapted to changes and were actively involved in regulatory procedures. In the countries where EU legislation does not apply, the minimum standards of the parent company are followed.

### Government grants and other forms of government assistance<sup>92</sup>

The Triglav Group received EUR 3.1 million (index 116) in grants and other forms of government assistance in 2022, of which Zavarovalnica Triglav received EUR 2.9 million (index 114). The largest share of government grants in the Group, 86.5%, was accounted for by reimbursements of labour costs by the state. Government assistance in the context of aid measures due to unfavourable trends in the economy (mainly the rise in energy prices) accounted for 6.9%, while incentives for employing specific categories of workers accounted for 5.3%. The share of funds obtained in public tenders for co-financing the cost of a particular asset was 1.2%. See Section [5.6 of the Accounting Report](#) for more information on government grants.