

12. Sustainable development at the Triglav Group

- The Triglav Group's strategic ambitions in sustainable development (ESG) were adopted.
- Sustainability factors are included into the investment processes of own insurance portfolio with the aim of achieving long-term profitable investments.
- The Triglav Zeleni fund invests in shares of companies that are among the leaders in corporate social responsibility within their industry.
- The Group's organisational culture is more cooperative, inclusive, development-oriented, transparent, open and creative. The progress made is one of the greatest in the region.
- The spread of COVID-19 was curbed with a number of measures designed to protect the health of clients and employees, including by working from home and strengthening preventive health activities.
- By upgrading mobile applications and launching new digital solutions, the Group increased the availability of its services and simplified claim settlement and asset management processes.
- The Group started to calculate and monitor its carbon footprint in a more comprehensive manner. As many as 95% of electricity for the parent company was obtained from renewable energy sources.
- The Triglav Group Code was revised.

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

The implementation of the Group's mission was closely linked with its pursuit of sustainability goals, with which the Group is 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. In 2021, the Group upgraded its sustainability orientation in environmental, social and governance areas and adopted **the Triglav Group's 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 ambitions regarding the ESG goals for 2025 are divided into four key areas:

- Insurance and asset management
- Triglav Group's business processes
- Responsible stakeholder engagement
- Effective corporate governance

See Section [4 Strategy and plans of the Triglav Group](#) for more details about the strategic ambitions in sustainable development (ESG).

Zavarovalnica Triglav became a signatory to the United Nations Principles for Sustainable Insurance (UN PSI) in February 2021, and thereby a member of the global community of banks, insurers and investors joining the United Nations Environment Programme Finance Initiative (UNEP FI). In addition, the Company joined the Partnership for Carbon Accounting Financials (PCAF). The PCAF's mission is to enable financial institutions to measure the climate impact of their loans and investments. It also established a working group that is developing a methodology to measure insurance-related GHG emissions.

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Sustainability highlights

Transition to a climate-neutral and resilient circular economy



2.09

tCO₂ is the carbon footprint per employee in the Group and 2.14 tCO₂ in Zavarovalnica Triglav (Scope 1 and 2)

95%

of electricity consumed at Zavarovalnica Triglav comes from renewable sources (60% at Group level)

↑57%

more premium written by the Group from products with environmental and social impacts

To integrate ESG aspects into product development and execute own business processes. By 2025, to reduce the carbon footprint per employee using the location-based method by 15%. To implement the European Green Deal on carbon neutrality by 2050.

Responsible stakeholder and community engagement



↑72

NPS index, high satisfaction of Zavarovalnica Triglav's clients

↑4.00

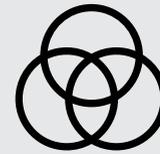
ORVI index, high employee satisfaction

190,000,000

km driven with the DRAJV safe driving application

To maintain high employee and client satisfaction. To develop an open culture of diversity and cooperation. To promote projects that contribute to the achievement of the United Nations Sustainable Development Goals (SDGs).

Effective corporate governance



42%

share of women at first and second management levels under the Management Board



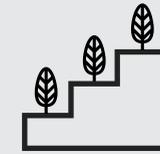
Policies adopted to integrate ESG aspects into operations

Engagement

of the Compliance and Sustainable Development Committee and the Sustainable Development Coordinator in sustainability risk management

To upgrade high corporate governance standards by integrating ESG aspects and effectively manage sustainability risks. To increase the scope of public disclosures related to main aspects of sustainable business (according to GRI GS, SASB, CDP and TCFD methodologies).

Sustainability aspects of asset management



8%

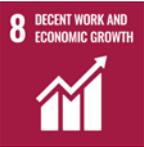
share of social impact, green and sustainable bonds in debt securities



Adopted key principles for integrating ESG factors into the investment policy (The sustainability aspect of the investment policy)

To double the share of green and sustainable investments in asset management by 2025.

Presentation of key ESG factors and main SDGs at the Triglav Group:³³

Area	Activities	Main SDGs
<p>Environmental aspect (E)</p> <ul style="list-style-type: none"> Energy consumption and carbon footprint Paperless operations Activities for a cleaner environment Environmental responsibility with insurance products Waste <p></p> <p>GRI GS 302, 305, 306, G4 F58 SASB: FN-IN-410b.1, FN-IN-410b.2</p>	<ul style="list-style-type: none"> More comprehensive carbon footprint monitoring within the Triglav Group. Carbon footprint per employee was 2.09 tCO₂ (Scopes 1 and 2). Electric vehicles account for 18% of Zavarovalnica Triglav's vehicle fleet. Employees may use company bikes and electric scooters. Promoting the use of less packaging and consistent waste separation. Reduced average daily paper consumption per employee at the Triglav Group from 45 paper sheets in 2020 to 14 paper sheets per day in 2021. Responsive and streamlined mass claim management using mobile applications and mobile appraisal units in the field at the time of natural disasters. A free Triglav Vreme (Triglav Weather) mobile application for weather alerts. Support for projects such as City as a Lab, which establishes and develops modern and environmentally friendly forms of mobility, and the Sustainable Mobility project. Paperless operations at Triglav Lab. Reducing the number and scope of issues and focusing on digital forms in the preparation of marketing materials (brochures, leaflets, folders, operational printed material, etc.). Selection and purchase of products made of environmentally friendly materials for promotional purposes. A stimulative premium policy for less intensive animal production, which is more environmentally friendly. Strengthening digital communication with clients. Promoting a low-carbon society by providing insurance solutions that support renewable energy sources and energy efficiency (solar power plant insurance). Reducing the pollution of mountains and raising awareness of responsible hiking in the hills/mountains and waste management in the mountains in the context of the Let's Clean the Mountains drive. Promotion of mountain pasture by providing insurance of livestock during grazing on mountain pastures, which helps to preserve mountain ecosystems. 	<p></p> <p></p>
<p>Social aspect (S)</p> <ul style="list-style-type: none"> Preventive activities aimed at reducing risks in the social environment Responsibility to clients Employee safety, health and satisfaction Responsibility to suppliers and contractors Investing in the local community and supporting sports, culture, education and health Diversity and equal opportunity <p></p> <p>GRI GS 203, 204, 401–405, 413, 414, 417, 418, G4 F57, F513, F514 SASB: FN-IN-270a.4, FN-AC-270a.3</p>	<ul style="list-style-type: none"> 140 speed display signs and light signalling systems installed on dangerous road and railway sections, co-financed by Zavarovalnica Triglav. The DRAJV application and driving simulator to promote safe driving. Global client assistance 24/7, free mobile applications for claim reporting and ordering assistance services. Alternative sales channels such as the sale of insurance products via banks and leasing companies. Promotion of investing in pension funds, health insurance and health systems. Points of sale equipped with aids for partially sighted and hard of hearing, most points of sale also provide independent access to people with different types of disabilities. Microhealth insurance that facilitates access to medical advice and a comprehensive range of health and life insurance services and products. Improved net promoter score (NPS). The Young Hopes project to support young talented athletes and artists. Improved organisational climate. A total of 1,600 motorcyclists attended safe driving workshops at the AMZS Safe Driving Centre in Vransko over eight years. Two free workshops were held in 2021. Planned employee training. Gaining knowledge about information security, personal data protection and the prevention of money laundering and terrorist financing through online training. The women employees to total employees ratio at the Group is 53.9%. Equal remuneration of employees for equal work regardless of gender. Full Family-Friendly Enterprise Certificate at Zavarovalnica Triglav. Active identification, reduction and management of risks in occupational health and safety. A programme for raising employees' awareness about a healthy lifestyle is carried out and preventive health examinations are provided. Partnerships with local suppliers in the Adria region. A wide range of insurance products for micro, small and medium-sized enterprises. A stimulative premium policy for young farmers, which contributes to the promotion of young farmers setting up an agricultural holding, the preservation of settlement and larger land cultivation in the countryside. Agricultural insurance products with municipal and state premium co-financing are available to a broad range of farmers. Development partnerships with the start-up environment and entrepreneurs. Increasing the level of insurance coverage in the emerging insurance markets in the Adria region. 	<p></p> <p></p>
<p>Governance aspect (G)</p> <ul style="list-style-type: none"> Stable and profitable operations High standards of corporate governance Diversity and sustainability aspect of remuneration policy Effective risk management Active investor relations policy Fair business practices Non-discrimination and respect for human rights in operations <p></p> <p>GRI GS 201, 202, 205, 206, 406, 412, 419 SASB: FN-IN-270a.2</p>	<ul style="list-style-type: none"> The governance system and policy of Zavarovalnica Triglav and the governance policy of the Triglav Group's subsidiaries. The diversity policy, which ensures gender balance and representation of various age groups in the Management Board, in addition to appropriate qualifications, experience and know-how. The sustainability aspect of remuneration policy at Zavarovalnica Triglav serves as a foundation for implementing a robust and reliable governance system and ensures business integrity and transparency. Corporate Governance Code for Companies with Capital Assets of the State. Consistent implementation of the anti-corruption policy and the revised Triglav Group Code in order to implement the principles of fair and ethical conduct, prevent corrupt practices, manage conflicts of interest and insurance fraud, prevent money laundering and terrorist financing, and ensure consumer protection and competition. Transparent, active, equal and open cooperation with investors at events held for institutional investors in Europe and the US, meetings, conference calls and other contacts. 	<p></p> <p></p>



³³ GRI GS 102-47



Key guidelines for sustainable operations of the Triglav Group for 2022

Aspect	Area	Guidelines
Environmental aspect	Reduction of environmental impact	<ul style="list-style-type: none"> • Raising employees' awareness on the importance of waste separation, energy efficiency and water saving • Reducing the Group's carbon footprint • Lower paper consumption through a higher share of digital communication channels • Increasing the share of e-vehicles in the fleet • Purchase of environmentally friendly promotional products • Optimal energy management of commercial buildings where own activities are performed • Further development of covers for risks arising from climate change • Development of a comprehensive risk management system by integrating sustainability risks, with a focus on climate change risks • Increasing the share of social impact, green and sustainable bonds • Raising awareness of the importance of preserving the natural environment
Social aspect	Responsible recruitment and work practices	<ul style="list-style-type: none"> • Strengthening the importance of developing a cooperative organisational culture • Maintaining a high level of employee engagement and satisfaction • Introduce the concept of flexible work for employees • Further strengthening activities to promote the health and well-being of employees • Development of employees' competences and knowledge • Active management of psychosocial risks among employees • Activities and training in intergenerational cooperation • Unification of activities for employee development in the Group
	Responsibility to clients and suppliers	<ul style="list-style-type: none"> • Digitalisation of communication channels with the client • Preparation of a wide range of quality content, focusing on raising insurance and financial literacy and providing useful tips • Improving user experience and increasing client satisfaction • Ensuring personal, information and data security and managing other risks of modern times • Providing accessible services to people with disabilities • Expansion and upgrade of cooperation with contractors • Maintaining locally-oriented procurement
	Responsible management of the insurance service portfolio and assets/investments	<ul style="list-style-type: none"> • Integrating sustainability aspects in the design and processing of insurance and investment products and services and in asset management • Depending on the form of investment, active exercising of management rights with portfolios by promoting sustainable development-related decisions and commitments to achieve sustainability goals
	Engagement in the community and its development	<ul style="list-style-type: none"> • Development of prevention programmes and promotion of preventive practices in traffic safety, health, fire safety, etc. • Strengthening key partnership projects in sports, culture, education and health • Balanced donation activities
Governance aspect	Effective governance of the organisation	<ul style="list-style-type: none"> • Compliance with legislation, internal rules and commitments made, thus ensuring fair and legal practices and operations • Ensuring a high level of corporate governance and following codes, recommendations and good practices • Improving the diversity of the Group's management and supervision bodies in terms of gender, education and experience • Upgrading public disclosures in sustainable business operations • Quality public information on the operations, financial position and plans of the Group • Proactive cooperation with analysts, institutional investors and shareholders • Maintaining professionalism and independence of external audit of operations • Upgrade of succession policy for the members of the management and of diversity and remuneration policies by incorporating ESG factors. • Comprehensive fit and proper assessment of members and candidates for the members of the Management Board and the Supervisory Board and business and key function holders
	Fair business practices	<ul style="list-style-type: none"> • Further development of the culture of ethical business practices of the Group members • Zero tolerance to criminal offences, money laundering and terrorist financing, prevention of corruption, management of conflicts of interest • Proactive communication and employee training in compliance and corporate ethics • Participation in compliance and fair business external working groups and transfer of best practices • Strengthening and transfer of best practices in insurance fraud investigation and prevention in the Group • Encouraging employees to identify insurance fraud cases and participating in the relevant training
	Respect for human rights	<ul style="list-style-type: none"> • Strengthening the awareness of the importance of respecting and preserving human rights and fundamental freedoms among employees and partners • Protection of employees' dignity with zero tolerance to discrimination, harassment and mobbing in the workplace



12.2 Stakeholder engagement³⁴

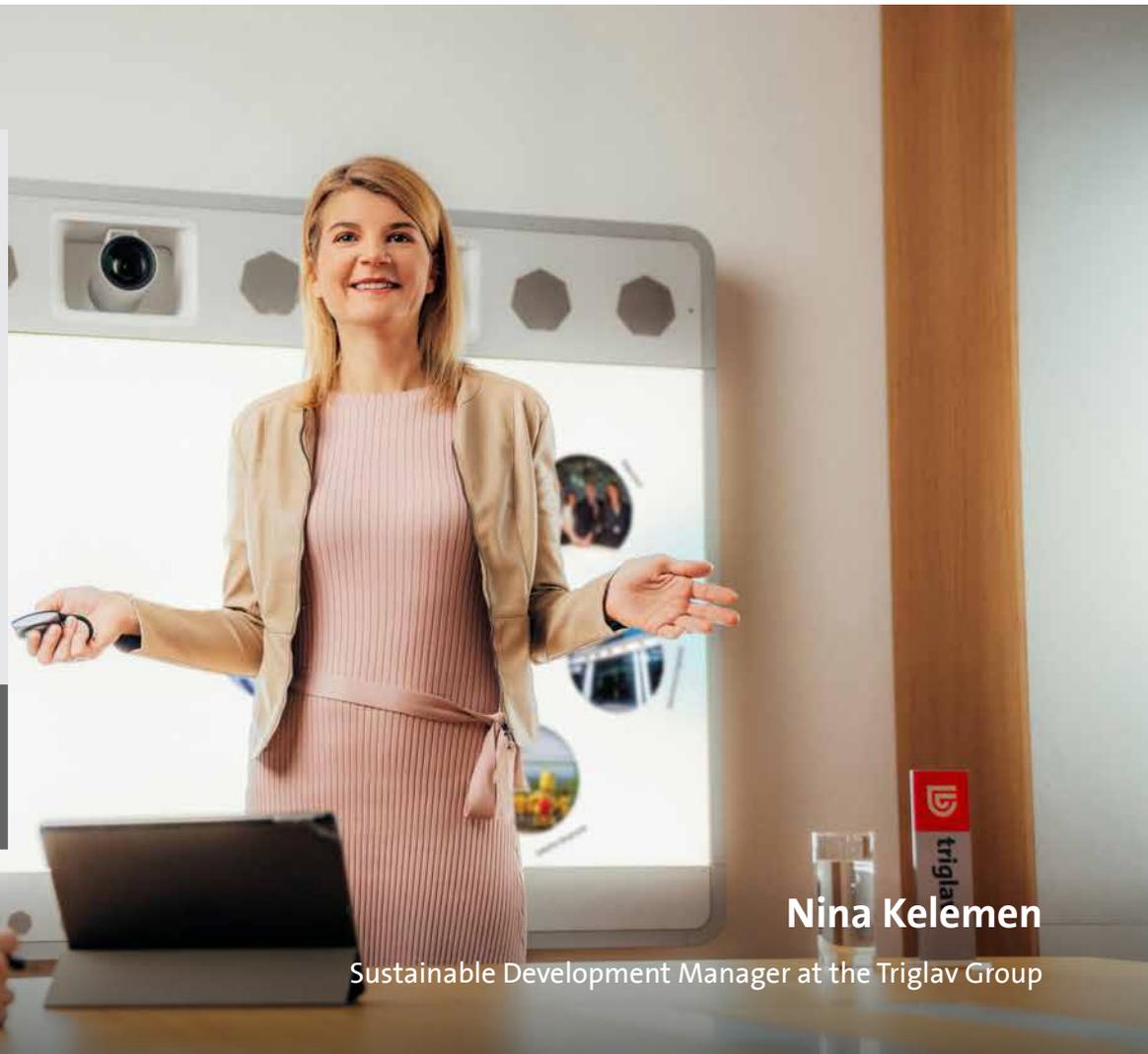
The Company proactively engages the main identified stakeholders in its activities: **clients/policyholders, employees, shareholders/investors, state and supervisory authorities, local communities, suppliers and the media.** In this way, mutual trust and understanding are strengthened.

The Company monitors the needs and interests of its stakeholders through mutual relationships at the 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, the Company regularly monitors interests, opinions and proposals by **analysing the needs and interests of stakeholders**, which is also used to examine the desired disclosures. In 2021, as part of the inclusive process for the modernisation of the double materiality matrix, extensive research on stakeholder interests was carried out, which is presented together with the matrix in Section [2.4 About the report](#).

As a result of the described processes, knowledge and guidelines are gained, which are taken into account as much as possible in the operations and development of products and services.

“In an extensive review involving almost 2,500 employees and representatives of other key stakeholders, we found that we enjoy their great trust, even when it comes to evaluating sustainability aspects in both of our core businesses. We confirmed that they expect a lot from us, also in the future. The trust that stakeholders place in us is a valuable capital, which we wish to preserve and consolidate. The year was very full of activities related to integrating sustainability aspects into operations. We adopted strategic guidelines and objectives relating to sustainable development, expanded disclosures and management processes, included ESG aspects in the investment policy, renewed carbon footprint measurements, and began to develop new and upgrade existing products and projects that bring environmental and social progress. We are aware that our progress will continue to be full of opportunities and challenges, and will be seen gradually, continuously and at Group level.”



Nina Kelemen

Sustainable Development Manager at the Triglav Group

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³⁴ GRI GS 102-40, 102-42, 102-43, 102-44



Highlighted topics and methods of stakeholder engagement

Stakeholders	Key interests	Engagement method	Engagement results
Clients/policyholders	<ul style="list-style-type: none"> Understanding the needs of clients Rapid claim settlement Innovative financial/insurance products and services Client-tailored insurance products – throughout the entire lifecycle Profitability in economic stability of Company Clear terms and conditions Quality insurance and financial products and services A broad range of quality assistance services Socially and environmentally responsible operations of the Company Financial literacy New digital ways of doing business and an easy-to-use online presentation of products/services Raising awareness of users about risky behaviour 	<ul style="list-style-type: none"> Personal contact with insurance experts, asset managers Recording complaints and compliments and responding thereto Email Telephone conversations Opinion polls and surveys Websites, blogs and e-newsletters Social networks Mobile applications Marketing communication 	<ul style="list-style-type: none"> 499,627 telephone conversations in Zavarovalnica Triglav's call centres. 196,055 replied electronic messages in Zavarovalnica Triglav. More than 36 thousand subscribers to the newsletters Vozim se (I'm driving) and Vse bo v redu (Everything Will Be Alright). 58,840 users of the i.triglav web office More than 100 thousand regular users of the Vse bo v redu portal and more than 39 thousand regular users of the Vozim se portal. Improved client satisfaction in all Group members, improved NPS of Zavarovalnica Triglav by 4 percentage points. 283,738 processed claim files by Zavarovalnica Triglav, of which 248,032 were newly registered in 2021. 2,698 complaints and 69 compliments in Zavarovalnica Triglav (according to the number of claims at Zavarovalnica Triglav and Triglav, pokojninska družba, the rate of complaints was 1.30% compared to 1.46% in 2020).³⁵
Employees	<ul style="list-style-type: none"> Internal culture of cooperation Rewarding of performance Personal and professional development Career advancement system Information about important milestones and changes in the Company Business strategy Work-life balance Education and additional training Safety and health at work Employee loyalty 	<ul style="list-style-type: none"> Management participation (the works council, trade unions, employee representatives in the supervisory boards) Career development and training system Measurement of organisational vitality Opinion polls and surveys Triglav.smo programme In-house print and online media In-house events, professional training, sports and recreational events Personal contact Email Telephone conversations 	<ul style="list-style-type: none"> ORVI index at 4.00 – an improvement of 0.01%. 22% of employees are members of the Triglav Group mountaineering and sports clubs. Complementary pension insurance for 59% employees of the Group and 96% of the Company. The group insurance package Comprehensive Medical Care (Celostna zdravstvena oskrba – CZO), in which 50% of all employees of the Group and 82% of the parent company are included. 31 training hours per employee at Group level.
Shareholders/investors	<ul style="list-style-type: none"> Clear business strategy In-depth information on the operations, financial position and plans of the Group Financial efficiency, capital adequacy Implemented growth and development activities Dividend policy and return Situation on markets and outlook Comprehensive management of all risks Corporate governance and sustainable operations Achievement of target credit rating Efficient organisation and internal processes within the Group 	<ul style="list-style-type: none"> General Meetings of Shareholders Sessions of the Supervisory Board and its committees Public announcements on the Ljubljana Stock Exchange SEOnet online portal Corporate website Presentation for Investors Active contact with institutional investors (investor conferences, individual meetings, conference calls) Contact for shareholders natural persons (email and telephone) Opinion polls and surveys 	<ul style="list-style-type: none"> 80% of all voting rights at the regular General Meeting of Shareholders. 11 online events for institutional investors organised either by the Company or by the stock exchange and stock exchange members. 30 publications of controlled information (simultaneously in Slovenian and English). Available financial calendar of announcements and calendar of events for investors.
State and supervisory bodies	<ul style="list-style-type: none"> Ensuring capital adequacy Safety of policyholders and/or users of insurance services Efficient risk management system Compliance of operations and insurance and financial services and products Complying with all obligations of a public company Responsible and sustainable operations 	<ul style="list-style-type: none"> Regulatory reporting (to the Insurance Supervision Agency, the Securities Market Agency) Regular reviews by inspection and supervisory bodies Audits by certified auditors 	<ul style="list-style-type: none"> 5 launched and 3 continued inspections in the field of personal data protection at the Triglav Group. 878 insurance fraud cases confirmed out of 1,517 reported cases of suspected insurance fraud (up by 15% relative to 2020).
Suppliers	<ul style="list-style-type: none"> Long-term cooperation Reliable and timely payments Upgrading the existing cooperation Delivery times, prices of services and goods Delivery of environmentally friendly material Paperless operations 	<ul style="list-style-type: none"> Public tenders and competitions Working meetings Email and electronic operations Telephone conversations Assessment of suppliers according to ESG criteria 	<ul style="list-style-type: none"> 375 assessments of suppliers according to sustainability criteria, which confirmed that they respect employees' rights, human rights and environmental legislation.
Local and broader community	<ul style="list-style-type: none"> Traffic safety Fire safety Health protection and care Co-development of projects in the areas of culture, sport, prevention, health, art, charity Infrastructure investments Access to insurance services for people with various disabilities Insurance and financial literacy Fair business practices Disaster relief 	<ul style="list-style-type: none"> Partnerships with non-profit organisations and educational institutions and execution of joint projects Joint projects with local communities, particularly in traffic safety Funds allocation system for sponsorships and donations Cooperation with local decision-makers Email Telephone conversations 	<ul style="list-style-type: none"> 12 speed display signs and 11 signalling systems for pedestrians installed on dangerous road sections, co-financed by Zavarovalnica Triglav in 2021. Support for 114 young talents in nine years of the Young Hopes project, to which EUR 451,000 was allocated. 1,600 motorcyclists attended safe driving workshops in eight years. A total of 80 events, training courses, workshops, seminars and video recording sessions to promote insurance literacy, risk awareness, presentation of products and services were held, which were attended by over 2,000 participants in person or virtually. 24 sponsored top athletes in Slovenia. EUR 3.5 million for prevention activities, EUR 4.4 million for sponsorships and EUR 781 thousand for donations.
Media	<ul style="list-style-type: none"> Transparent information about the operations, events and changes in the Triglav Group Information about insurance and financial products and services Cooperation with local and broader community Professional insurance and financial topics 	<ul style="list-style-type: none"> Press releases and statements Meetings with media representatives Answers and explanations Email Telephone conversations Websites 	<ul style="list-style-type: none"> 63 press releases by Zavarovalnica Triglav. 171 answers to the questions of the press by Zavarovalnica Triglav. 6,208 publications related to key topics about the Triglav Group in the media.

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12.3 Environmental aspects

12.3.1 Protection of the environment in business processes³⁶

In accordance with the adopted strategic ambitions, the Group is incorporating sustainable development principles into the Group's internal processes and upgrading them. In realising its responsibility to the natural environment, the Group focuses on areas on which it, as an insurance and financial institution, has a more significant influence. Priority is given to improving energy efficiency and reducing greenhouse gas emissions, in addition to reducing the quantity of waste generated and the consumption of water and other resources; the employees are reminded of these goals on a regular basis. The Group has also encouraged its users for many years to behave responsibly in the natural environment.

The amount of plastic waste at the Company is reduced by using office cups and water bottles. The Group's employees are encouraged to use the DRAJV application to reduce fuel consumption and ride safely, providing them with training in safe driving courses and making them aware of the benefits of using a bicycle. When buying new company vehicles, the lower release of carbon dioxide into the atmosphere is taken into account; vehicles with a small engine size and electric and hybrid vehicles are purchased, and a GPS system is used to track company cars.



The Triglav Group has 23 electric vehicles, 25 company bicycles and 15 electric scooters.

At Group level, employees used 25 company bicycles to travel to 1,000 business obligations, 15 electric scooters and 23 electric vehicles. The share of business trips at the parent company where electric vehicles are used is increasing, reaching 14% in 2021. Vans were used four times a day for **organised regular transport between three locations** in Ljubljana, and in cooperation with an external partner employees can use **an electric car sharing service**. This is a pilot sustainable mobility project, with which Company vehicles with low mileage are available for sharing in Ljubljana.

The Group companies are reducing paper consumption with network printers and double-sided printing, support applications and electronic archiving, digital business processes and e-business. They took **steps to move towards paperless operations** and encourage employees not to use the printer if not necessary. The decrease in paper consumption was also influenced by the increased volume of work from home due to the COVID-19 epidemic.

The sustainable business criteria are part of the supplier selection process (see [Procurement practices](#) in Section [12.4.4 Responsibility to suppliers](#)).

12.3.2 Carbon footprint³⁷

In 2021, a more comprehensive approach to calculating the Group's carbon footprint was taken, defining the targets and measures to reduce it. The calculation was prepared in accordance with the methodology for calculating Zavarovalnica Triglav'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). According to the location-based method, all Group companies were included in the calculation of the carbon footprint which 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 emission 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).
- **Scope 2:** indirect emissions from energy 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.



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Based on an independent verification carried out in accordance with ISO 14064-3, 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 and GHG emission reporting (Scope 1 and 2 emission reporting guidelines),
- was correct in terms of content and fairly presents GHG data (Scope 1 and 2) from 1 January 2021 to 31 December 2021 for Zavarovalnica Triglav d.d. and the Triglav Group.

The Group's largest source of greenhouse gas emissions are Scopes 1 and 2 (a 60% share). They are created by the consumption of electricity, heating and fuel for cars owned or leased by the companies included in the calculation.

Overview of the carbon footprint of the Triglav Group by scope

Quantities of specific activities	GHG emissions in tCO ₂ e			Index	
	2021	2020	2019	2021/2020	2020/2019
Triglav Group					
Scope 1.1 – Consumption of energy products from own capacities	458	557	810	82	69
Scope 1.2 – Fuel consumption of company cars	1,766	1,332	1,687	133	79
Scope 1 – Direct GHG emissions	2,224	1,889	2,497	118	76
Scope 2 – Indirect GHG emissions (location-based)	8,773	8,369	8,630	105	97
Scope 2 – Indirect GHG emissions (market-based)	5,849	8,243	7,986	71	103
Business travel (plane, train, bus, car)	1,101	1,125	1,963	98	57
Purchase of computer equipment	917	909	705	101	129
Waste management	195	172	47	113	366
Employee commuting to work	4,501	4,207	6,565	107	64
Paper consumption – internal	93	338	431	27	78
Paper consumption – external	526	254	364	207	70
Water consumption	9	23	24	39	95
Scope 3 – Other direct GHG emissions	7,342	7,028	10,098	104	70
Total Scope 1–2 GHG emissions	10,997	10,258	11,127	107	92
Total Scope 1–3 GHG emissions	18,339	17,286	21,225	106	81
Carbon footprint (Scope 1–2) per employee	2.09	1.93	2.11	108	91

With the adoption of the internal methodology for calculating the carbon footprint in 2021, the data capture for Zavarovalnica Triglav and the Triglav Group changed, thus data for 2019 and 2020 were also adjusted.

Overview of the carbon footprint of Zavarovalnica Triglav by scope

Quantities of specific activities	GHG emissions in tCO ₂ e			Index	
	2021	2020	2019	2021/2020	2020/2019
Zavarovalnica Triglav					
Scope 1.1 – Consumption of energy products from own capacities	187	178	393	105	45
Scope 1.2 – Fuel consumption of company cars	115	159	252	72	63
Scope 1 – Direct GHG emissions	301	337	645	89	52
Scope 2 – Indirect GHG emissions (location-based)	4,503	4,351	4,379	103	99
Scope 2 – Indirect GHG emissions (market-based)	1,589	4,173	4,318	38	97
Business travel (plane, train, bus, car)	861	886	1,369	97	65
Purchase of computer equipment	602	398	315	151	126
Waste management	85	68	20	125	340
Employee commuting to work	2,791	2,393	3,463	117	69
Paper consumption – internal	27	49	69	55	71
Paper consumption – external	229	209	322	110	65
Water consumption	3	8	8	34	99
Scope 3 – Other direct GHG emissions	4,598	4,013	5,565	115	72
Total Scope 1–2 GHG emissions	4,805	4,689	5,023	102	93
Total Scope 1–3 GHG emissions	9,403	8,701	10,588	108	82
Carbon footprint (Scope 1–2) per employee	2.14	2.09	2.23	102	94

With the adoption of the internal methodology for calculating the carbon footprint in 2021, the data capture for Zavarovalnica Triglav and the Triglav Group changed, thus data for 2019 and 2020 were also adjusted.

The Scope 1 carbon footprint increased by 18% at Group level in 2021 as a result of higher fuel consumption for company vehicles, while at Zavarovalnica Triglav it decreased by 11% due to lower fuel consumption for company vehicles.

The Scope 2 carbon footprint increased by 5% at Group level according to the location-based method and by 3% at Zavarovalnica Triglav. In 2021, the Company only purchased electricity from renewable sources, therefore the Group's Scope 2 carbon footprint decreased by 29% according to the market-based method, which takes into account emission factors obtained from the energy supplier, and that of the Company by 62%. The share of green electricity for the premises owned by the Company was 100%.

Scope 3 carbon footprint was higher by 4%, of which the largest share of emissions is accounted for by employees commuting to work, business trips and purchases of computer equipment. The Company reduced emissions from business trips by almost 3%. A significant share of Scope 3 emissions is attributed to employees commuting to work. These emissions increased by 7% at Group level and by 17% at the parent company as there was no closure of the economy in 2021. Due to the severe epidemic situation, employees used public transport to a lesser extent.

The guidelines aimed at reducing the consumption of energy products used for heating and cooling as well as electricity 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.

Use of energy products

The Group consumed 1,829 tonnes of oil equivalent (TOE) of energy on heating, cooling, lighting and electrical and electronic equipment, up by 8% relative to 2020, while the Company increased its energy consumption by 7%. Consumption of heating oil and hot water increased the most at the parent company. The increase is due to the smaller scope of closure of the economy and the consequent greater presence of employees in the office. Comparison with 2020 is difficult due to the challenging epidemiological situation.

Use of energy products at the Triglav Group and Zavarovalnica Triglav in energy product unit³⁸

Triglav Group	Energy product unit	Index				
		Quantities	2021	2020	2019	2021/2020
Heating water	kWh	4,967,025	4,359,684	4,411,103	114	99
Fuel oil	l	27,388	57,342	89,790	48	64
Gas	kWh	1,656,589	1,660,892	2,581,140	100	64
Wood pellets	kg	51,810	47,000	26,000	110	181
Electricity	kWh	14,086,990	12,841,319	13,382,997	110	96
Green electricity	kWh	8,466,599	345,961	117,659	2,447	294
Green electricity	%	60.10	2.69	0.88	2,231	306

Zavarovalnica Triglav	Quantities	2021	2020	2019	2021/2020	2020/2019
Heating water	kWh	4,045,257	3,629,474	3,741,053	111	97
Fuel oil	l	7,760	6,126	23,414	127	26
Gas	kWh	879,589	843,736	1,732,335	104	49
Electricity	kWh	8,890,970	8,438,062	8,404,232	105	100
Green electricity	kWh	8,446,421	345,961	94,123	2,441	294
Green electricity	%	95.00	4.10	1.40	2,317	293

With the adoption of the internal methodology for calculating the carbon footprint in 2021, the data capture for Zavarovalnica Triglav and the Triglav Group changed, thus data for 2019 and 2020 were also adjusted.

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

Triglav Group	TOE (ton equivalent)			Index	
	2021	2020	2019	2021/2020	2020/2019
Hot water	427	375	379	114	99
Fuel oil	24	49	77	48	64
Gas	146	147	228	127	64
Wood pellets	21	19	11	110	181
Electricity	1,211	1,104	1,151	110	96
Green electricity	728	30	10	2,447	294
Total	1,829	1,694	1,846	108	92

Zavarovalnica Triglav	2021	2020	2019	2021/2020	2020/2019
Hot water	348	312	322	111	97
Fuel oil	7	5	20	127	26
Gas	78	74	153	104	49
Electricity	764	726	723	105	100
Green electricity	726	30	8	2,441	368
Total	1,197	1,117	1,217	107	92

With the adoption of the internal methodology for calculating the carbon footprint in 2021, the data capture for Zavarovalnica Triglav and the Triglav Group changed, thus data for 2019 and 2020 were also adjusted.

Waste disposal

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.

The total quantity of waste generated in 2021 decreased by 2% at Group level and by 12% at the Company. The share of recycled waste was 23.8% at Group level and 28.3% at the Company. As the share of non-recycled waste increased slightly at Group level, in 2022 awareness will continue to be raised about the importance of appropriate waste separation and disposal.

The average daily consumption of office paper (A4 format) in sheets per employee fell to 14 at Group level (compared to 45 in 2020) and to 10 at the Company (compared to 18 in 2019), which was also due to working from home.

The quantity of disposed waste at the Triglav Group and Zavarovalnica Triglav³⁹

	Unit	Triglav Group			Index		Zavarovalnica Triglav			Index	
		2021	2020	2019	2021/2020	2020/2019	2021	2020	2019	2021/2020	2020/2019
Paper	kg	71,139	113,209	85,443	63	132	35,806	65,319	38,818	55	168
Biological waste	kg	24,669	12,968	12,567	190	103	20,727	10,059	9,849	206	102
Packaging	kg	57,883	43,677	53,328	133	82	37,120	24,851	29,929	149	83
Glass	kg	1,438	11,093	5,396	13	206	651	7,546	971	9	778
Mixed waste	kg	431,965	346,780	415,353	125	83	174,971	137,730	180,327	127	76
Electrical equipment and other	kg	64,455	135,026	5,861	48	2,304	64,000	134,958	5,852	47	2,306
Total recycled waste	kg	155,129	180,946	156,734	86	115	94,303	107,775	79,566	87	135
Total waste intended for removal	kg	496,420	481,805	421,213	103	114	238,971	272,687	186,179	88	146
Total waste generated	kg	651,549	662,752	577,947	98	115	333,274	380,463	265,745	88	143
Water consumption	m ³	58,659	65,700	68,847	89	95	19,116	23,342	23,071	82	101
Waste in ton/employee		0.12	0.12	0.11	99	114	0.15	0.17	0.12	88	144

With the adoption of the internal methodology for calculating the carbon footprint in 2021, the data capture for Zavarovalnica Triglav and the Triglav Group changed, thus data for 2019 and 2020 were also adjusted.

Paper consumption at the Triglav Group and Zavarovalnica Triglav

	Paper consumption in kg			Index	
	2021	2020	2019	2021/2020	2020/2019
Triglav Group					
Total paper consumption*	686,969	629,639	817,114	109	77
Paper consumption by employees (A4)**	94,998	312,769	369,200	30	85
Average daily office paper consumption per employee (sheets)	14	45	53	30	85
Zavarovalnica Triglav					
Total paper consumption*	278,571	280,839	409,710	99	69
Paper consumption by employees (A4)**	29,128	53,214	72,090	55	74
Average daily office paper consumption per employee (sheets)	10	18	25	55	74

With the adoption of the internal methodology for calculating the carbon footprint in 2021, the data capture for Zavarovalnica Triglav and the Triglav Group changed, thus data for 2019 and 2020 were also adjusted.

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

** Includes A4 paper consumption for internal purposes.

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12.3.3 Care for the wider natural environment

The pandemic changed the needs of stakeholders in work processes, so the use of certain types of material and services considerably decreased (paper, brochure printing services, cards, etc.). This had a direct impact on the reduction of waste in the environment, and the need for digitalisation of processes greatly increased. In procurement procedures, the focus was on using recycled paper for printing information materials and products from recycled and more environmentally friendly materials and services where applicable. In 2021, the Company bought 95% of electricity generated from renewable sources. Employees' children received wooden toys and products made of recyclable material (paper, wood, glass) from Dedek Mraz (Grandpa Frost). Due to the pandemic, the purchase of materials to ensure a healthy and safe working environment (protective masks, disinfectants, tests) increased significantly in the last two years, but they were not recyclable.

Nature conservation projects

Project	Impact
<ul style="list-style-type: none"> Planting of indigenous Slovenian tree species Gozd srčnosti (Wholehearted Woods), partner Slovenski državni gozdovi d.o.o. 	<ul style="list-style-type: none"> Raising awareness of the importance of restoring Slovenian forests. The result of the Triglav Skladi project is a young forest on Uršlja gora, where seedlings of indigenous Slovenian tree species are planted. Raising awareness of the importance of investing in green and socially responsible funds. They invest in shares of companies that are among the leaders in corporate social responsibility and the green transition within their industry.
<ul style="list-style-type: none"> Selection of the Best Mountain Trail, partner Planinska zveza Slovenije (Alpine Association of Slovenia) 	<ul style="list-style-type: none"> Selection of the best mountain trail – from Kranjska koča na Ledinah to Koroška Rinka – which will be renovated with Zavarovalnica Triglav's funds. Raising awareness of mountaineers about the importance of safe mountain trails and the work of trailblazers and co-financing the training of new trailblazers.



gozdsrčnosti.si

The aim of the Wholehearted Woods project was to raise awareness in Slovenia about investing in green and socially responsible funds, while helping to restore Slovenian forests at the same time.

12.3.4 Services and products promoting social and environmental benefits⁴⁰

Sustainability criteria are also taken into account when designing insurance products, and each product is properly assessed in accordance with the internal methodology of sustainability impact assessment. The development of insurance products thus takes into account sustainability factors and criteria already in the process of their approval. Described below are the most important services and products that promote social and environmental benefits.

- **Solar power plant insurance and micromobility insurance** products, which include insurance for small electric means of transport, are designed to promote the use of energy from renewable sources and the use of means of transport with zero emissions. In 2021, home insurance was further **upgraded with the option of insuring solar power plants** for own needs, thereby providing adequate insurance cover to all owners and users of energy from renewable sources.
- With the option of liability insurance and assistance to **e-vehicle and microvehicle users** (bicycles, e-bikes, e-scooters), the Company promotes the use of environmentally friendly means of transport.
- By offering **co-financed agricultural insurance** products, the Company promotes the supply of locally produced food and its consumption, thereby helping shorten food supply chains. More attention is paid to plant production insurance, which is less burdensome for the environment than intensive animal farming.

- With respect to animal production insurance, the Company uses premium policy to **promote less intensive animal production**, which is not only environmentally friendlier, but also involves fewer insurance risks. Cattle insurance products were adapted to the local geography and small and medium-sized livestock farms in order to maintain agricultural production in areas less favoured for agricultural activity.



The premium policy is designed to encourage farmers to invest in active protection from adverse weather conditions by using irrigation and sprinkler systems, anti-hail nets, greenhouses and tunnels.

- **By promoting insurance for crops in protected areas** (greenhouses), food production using a smaller quantity of phytopharmaceuticals is encouraged.
- **Through premium policy and participation in prevention programmes**, policyholders are encouraged to set up sustainability-oriented food production. Specifically, policyholders are encouraged to invest in active protection from adverse weather conditions by using irrigation and sprinkler systems for spring frost protection, anti-hail nets, greenhouses and tunnels.

⁴⁰ GRI G4-FS7, G4-FS8, SDG 2, SDG 7, SDG 9, SASB: FN-IN-410b.1, FN-IN-410b.2





Solar power plant insurance products are designed to promote the use of energy from renewable sources.

- In partnership with the Slovenian Rural Youth Association, the Company raises awareness of **young farmers** about risk management in agriculture and forestry and encourages innovation (the IMK project = Innovative Young Farmer of the Year).
- Remote sensing technology with satellite-based soil moisture measurement was added to index **crop insurance against drought**, which was upgraded with the Opti-crop application. Its general, freely accessible part is intended for all farmers (meteorological data, weather forecast, NDVI growth indices, etc.), and the other (closed) part is intended for farmers who have taken out an insurance policy. In this way, they can monitor the growth of their crops and the state of drought exposure on a daily basis. This insurance product is also being launched in subsidiaries outside Slovenia (Croatia, Serbia and North Macedonia).
- Triglav Skladi's **Triglav Zeleni equity socially responsible fund** invests in the shares of leading companies in the field of sustainable development and corporate social responsibility. It is intended for anyone who believes in a sustainable future and wishes to accumulate part of their savings by investing in innovative and socially responsible companies.

Total written premium from insurance and investment products in the Group that promote social and environmental benefits amounted to EUR 65.9 million, a 57% increase compared to the preceding year. Of this, written premium related to energy efficiency and low-carbon technology amounted to EUR 2.9 million, up by 25% relative to the year before.

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

	2021	2020	Index
Animal insurance	7,720,199	3,925,759	197
Crop insurance	13,392,760	11,140,631	120
Electric vehicle insurance	1,920,092	1,429,155	134
Micromobility insurance	484,875	475,136	102
Solar power plant insurance	537,912	459,248	117
Triglav Zeleni Fund	41,833,991	24,556,690	170
Total	65,889,829	41,986,619	157

* Assets under management

Integration of ESG factors into investment management and strategy⁴¹

In accordance with the requirements of Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector, the Company published in March a document entitled *Sustainability Aspect of Investment Policy*, which includes a description of sustainability risks and an overview of adverse sustainability impacts. The Company makes investment decisions responsibly and takes into account the sustainability aspect, in addition to focusing on maximum security and long-term growth of assets under management. Thus, environmental, social and governance factors (ESG) are included in the Company's investment processes with the aim of ensuring long-term profitable investments. Sustainability risk means an environmental, social or governance event or condition that could have a material negative impact on the value of investment. 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, 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.

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⁴¹ SASB FN-IN-410a.2

Proportions and values of individual categories in Triglav Group’s total assets as at 31 December 2021 (voluntary disclosure)

Triglav Group	Proportion	Value in EUR
The proportion in total assets of exposures to taxonomy non-eligible economic activities, except exposures to central governments, central banks and supranational issuers excluded from the calculation of the numerator and denominator	85%	2,025,967,171
The proportion in total assets of exposures to taxonomy eligible economic activities, except exposures to central governments, central banks and supranational issuers excluded from the calculation of the numerator and denominator	15%	346,600,213
The proportion in total assets of exposures to taxonomy eligible economic activities of financial undertakings	4%	88,379,241
The proportion in total assets of exposures to taxonomy eligible economic activities of non-financial undertakings	11%	255,924,963
Exposures to central governments, central banks and supranational issuers and derivatives	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	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 at the Triglav Group as at 31 December 2021 (mandatory disclosure)

Triglav Group	Proportion
Taxonomy eligible non-life insurance economic activities	91%
Taxonomy non-eligible non-life insurance economic activities	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.

The Group will pursue goals for the transition to a climate neutral and circular economy resilient to climate change in both activities (insurance and asset management). 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 clients⁴²

Responsibility to clients and client focus remain one of the main strategic guidelines of the Triglav Group. A lot of effort is invested in good long-term relationships with clients and contractors, monitoring developments in the insurance markets, determining the requirements and needs of clients, and professionally and properly addressing their comments and requirements. On this basis, the Company adapts its operations, improves business models and processes, and develops new products and services.

In the process of developing insurance products, procedures are set up for approving and testing an insurance product before it is sold or distributed to clients. Each product must meet the defined client needs and goals in its lifetime and correspond to their characteristics. The adequacy of distribution strategies is checked and tested on a regular basis, thereby maintaining client focus and product satisfaction. When any deviations are identified, the respective product or its distribution is appropriately adjusted.

Informing clients⁴³

The Company informs clients in a professional and transparent manner, enabling 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 appropriate and fair and that clients are treated in a proper and equal manner. Transparency, comprehensibility and availability of products and services is ensured already during their development, in addition to paying a lot of attention to after-sales services. Promotional

materials and documents are prepared in a transparent and comprehensive manner.

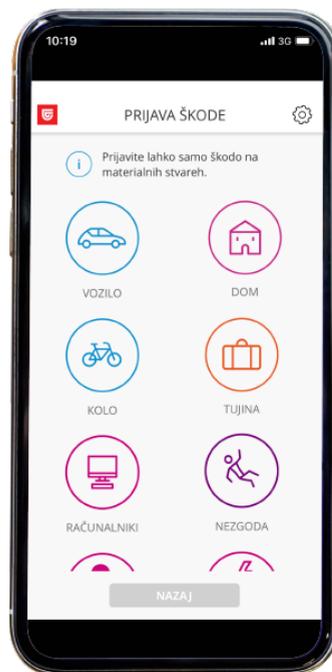
No misleading, aggressive, insulting, shocking or other inappropriate practices are used in promotional activities and the marketing of products and services. The Company also follows the recommendations of the Slovene Consumers' Association for improving financial literacy.

Any complaints are resolved quickly within the prescribed procedures. The Company fully complies with consumer protection legislation and the special requirements with regard to client information when concluding financial and insurance contracts remotely. It follows the guidelines of supervisory bodies and adopted the policy of management and control of insurance services and products and their distribution. Every care is taken that clients are informed about all insurance products. The protection of personal data and client rights is one of the most important principles to which an insurance company adheres in its operations.

Availability of services

Digitalisation, the use of new technologies, continuous business optimisation and upgrading facilitated access to products and services and resulted in simplified client operations. Continuous improvements and numerous activities in this area are also described in Section [11.1.4 Development of insurance products and services](#).

- **DRAJV mobile application:** The existing functionalities were improved and a number of new ones were added (see Section [11.2.1 Business digitalisation](#) for more details). The application, which promotes safe driving, is already used regularly by more than 62,000 drivers (11% more than in 2020), who in 2021 recorded almost 8 million journeys and drove almost 190 million kilometres. By driving



Using the mobile application to inspect the object insured via the mobile phone, claims are settled faster and with greater ease.

safely, users can get up to a 25% DRAJV discount when taking out motor vehicle insurance or insurance for young drivers.

- **A mobile application for claim reporting and ordering assistance services:** Using the Triglav Asistenca (Triglav Assistance) mobile application, clients can report a claim, monitor the progress of claim settlement and order assistance services.
- **An application for remote inspection of the object insured:** It makes it easier and faster to settle claims remotely, as the inspection is done via the client's smartphone.
- **Mobile appraisal units in the event of mass claims:** Mobile appraisal centres are set up

in the affected areas, thereby facilitating the appraisal of damage. In 2021, four mobile appraisal units were set up after four major hail storms in Slovenia, which carried out a total of over 2,200 appraisals of damaged vehicles.

- **Triglav Skladi mobile application and Moj račun (My Account) online application:** The two applications enable comprehensive online service, the management of mutual funds and remote investment solutions. The **Zaslužite si več** (Earn More) communication platform provides educational video content, guides (tutorials) and e-manuals, thereby supporting learning about and becoming aware of alternative investment solutions and helping to raise awareness and financial literacy.
- **Triglav Vreme (Triglav Weather) mobile application for weather alerts:** The application provides reliable weather information and forecasts for specific locations and the whole Slovenia. The data are provided by the Slovenian Environment Agency.
- **Remote consultation with a doctor under the Zdravstveni nasvet (Medical Advice) insurance product:** As part of *Zdravstveni nasvet* insurance, clients can consult with a specialist doctor by telephone, email or video call.
- **Digital campaign for a higher level of seismic safety of residential buildings in Croatia:** Policyholders were encouraged to simply expand their home insurance after the earthquakes in Zagreb and Petrinja.
- **A safe driving simulator at Triglav Lab:** Young drivers can take a practical driving test on a simulator to obtain a 10% discount when concluding a young driver's insurance policy. They can also get another 10% discount by attending a safe driving workshop.

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In 2021, mobile appraisal units were set up after four major hail storms in Slovenia, which carried out a total of over 2,200 appraisals of damaged vehicles.

Access to insurance services for people with various disabilities⁴⁴

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

- As many as 70% of the Company's points of sale provide independent access to people with different types of disabilities. In 2021, access and toilets in two buildings on the Dunajska cesta location in Ljubljana were renovated (new toilets for people with disabilities in the lobby and on the 2nd floor at Dunajska cesta 22 and a new lift that allows people with disabilities access to the basement at Dunajska cesta 20).
- 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.

12.4.1.1 Client satisfaction⁴⁵

Client satisfaction is systematically monitored by measuring and researching clients' experience. In this way, feedback is obtained so as to improve our services. The results obtained are also helpful in designing employee training, upgrading claim applications and monitoring sales.

In 2021, client satisfaction measurement according to the Net Promotor Score (NPS) methodology was extended to include additional contact points, e.g. the Client Support Centre and booking an online appointment with an agent. Client satisfaction at the Client Support Centre is monitored via various communication channels.

In 2021, the NPS index for Zavarovalnica Triglav rose to 72% (4 percentage points more than the year before), reaching the highest score to date. The result is mainly due to improved satisfaction with taking out insurance, which grew by 7 percentage points. Assistance services again reached the highest score. Measuring satisfaction with the NPS index is carried out in all Group insurance and financial companies in Slovenia, Croatia and North Macedonia. In 2021, it was introduced at Triglav Osiguranje, Sarajevo and Triglav Osiguranje, Belgrade. NPS measurement related to taking out insurance and reporting, paying and rejecting claims was established in Serbia and North Macedonia. In Bosnia and Herzegovina, it takes place after paying out a claim. The introduction of NPS measurement in other subsidiaries will continue in 2022.

Employees are informed about the results of client satisfaction measurement, breaking down the data in detail. Particular focus is placed on identifying and resolving negative client experiences, as this improves not only client satisfaction but also work processes,

services and products. In 2021, the features of tracking the settlement of an individual claim, uniform recording of individual critical events, submitting to competent departments and monitoring the settlement process and measures were added.

Client satisfaction is also measured at the **Zdravstvena točka** health information office and healthcare service providers. Client feedback and scores exceed target values. All clients who left negative feedback are contacted. The range of products and services is adapted based on the feedback, which is also communicated to partner healthcare providers. Every year, the best rated partner healthcare institutions are awarded special awards of excellence; in 2021, the special title of *Ambassador of Excellence* was introduced for 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.

In order to increase the loyalty of existing clients and gain new ones, a redesigned client loyalty programme (Triglav Klub) was launched in **Croatia**. In **Bosnia and Herzegovina**, client experience was improved by setting up additional client communication and information channels. In **Montenegro**, responsiveness in resolving client requests was increased, especially with regard to complaints.

Client feedback is also obtained through an anonymous survey when reporting a claim, mail and electronic complaints, responses on various social networks and own websites, as



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⁴⁴ GRI G4-FS14 | ⁴⁵ GRI GS 103-1, 103-2, 103-3, 102-44

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. A total of 2 such complaints and 11 compliments were received in 2021.

Complaints and compliments are regularly monitored, resolved and examined. Zavarovalnica Triglav received 2,698 complaints (8% less than the year before), the majority (93%) in relation to non-life insurance. A total of 4% of complaints related to life insurance, and the remaining (3%) to other areas. Complaints are classified into substantive and general complaints and complaints resolved according to a fast-track procedure. Substantive complains in which clients express their dissatisfaction with the handling of their claims are the most common (94%). A total of 9% of all complaints were founded and 14% were partly founded. In addition, 69 compliments were received (compared to 50 in 2020). In the Group members outside Slovenia, complaints are handled in accordance with complaint committee's rules, while their records are kept in the prescribed form, mostly digital.

The client retention rate in the Slovenian insurance companies of the Triglav Group in 2021 was 0.44% (compared to 0.41% in 2020), which means that the number of clients rose by approximately 3,900.⁴⁶ The rate of complaints in relation to the number of claims at Zavarovalnica Triglav and Triglav, pokojninska družba was 1.30% compared to 1.46% in 2020.⁴⁷

12.4.1.2 Assessment of effectiveness and market research

Twice a year, the Management Board reviews the report on outsourcers' satisfaction. The effectiveness of marketing and communication

campaigns and events is assessed with key performance indicators (KPIs).

In 2021, measurements of visibility, likeability, understanding and purchase decisions were carried out for marketing and communication campaigns AvtoMobilno, accident insurance for children and youth, life insurance and the analysis of knowledge and satisfaction of the ninth Triglav Run.

For the needs of the development of insurance products and services, quantitative research was carried out using the CAWI method for small animal insurance. The suitability of the product for sole traders, the user experience of the application for reporting claims remotely, the satisfaction of agents with the rewarding methods and system and the Naj prodajnik (Top Agent) event were checked.

The shopping habits of consumers of insurance are monitored with a quantitative analysis of shopping factors (All insurance), which takes place in the entire insurance market and provides a view of the market and end consumer.

Zavarovalnica Triglav is one of the most reputable brands in the Slovenian market and ranks among the top five brands in terms of reputation on markets outside Slovenia, which is quite an achievement. 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. The recall of the Triglav Skladi brand and its first selection set improved significantly in 2021.

12.4.1.3 Brand management and marketing communication

The reputation of the Triglav brand and the Triglav Group is built using an in-depth knowledge of client behaviour and needs, together with examining upcoming trends. Brand strength is increased through a comprehensive approach to branding at corporate and product levels. Brand identity is implemented on all target markets.

Marketing approaches and campaigns are implemented in compliance with statutory and other consumer protection regulations. No proceedings for violations related to marketing communication were initiated against Zavarovalnica Triglav and its subsidiaries in 2021.⁴⁸

In the **non-life insurance segment**, the sale of the redesigned home insurance product and the AvtoMobilno campaign were promoted.

A brand new marketing strategy for small animal insurance (insurance for dogs and cats) was developed.

In the **life insurance segment**, communication focused on whole life insurance and redesigned complementary serious illness insurance products.

The key advantages of the **i.triglav** digital office were presented with strategically and comprehensively designed creative solutions that also attracted new users.

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 were actively promoted.



Two extensive campaigns were designed to increase the visibility of health insurance products and the *Zdravstvena točka* assistance centre.

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⁴⁶ SASB: FN-IN-270.3 | ⁴⁷ SASB: FN-IN-270a.1 | ⁴⁸ GRI GS 417-2, 417-3, SASB: FN-IN-270a.1, FN-AC-270a.2

In the **health insurance segment**, two major marketing and communication campaigns were implemented with the aim of raising the recognisability of health insurance and Triglav Zdravje. In addition to product benefits, the benefits of related services, such as the *Zdravstvena točka* assistance centre and the wide network of partners – top healthcare providers, were presented.

In **asset management**, the comprehensive *Gozd srčnosti* (Wholehearted Woods) campaign was designed for the promotion of the Triglav Zeleni mutual fund (see Section [12.3.3](#) for further details). The whole campaign was designed emotionally and with several messages: by planting trees we help to restore forests, while dedicating trees to those who mean the world to us.

In other Group markets, various types of insurance products were promoted. In **North Macedonia**, health insurance products were promoted by launching, among others, the SOS package for voluntary health insurance, **#BeFit#BeHealthy#BeSecure** prize contest and the **Fit Kit** mobile exercise application.

In **Montenegro**, the promotion of new insurance for microvehicles, which is a new product in this insurance market, was at the forefront. In December, home insurance was promoted with the *Praznični Dome moj* (My Festive Home) corporate campaign. Over 1,776 children's drawings of their home were received, increasing the reach of insurance literacy activities.

Digital consultation: Hiking with Children

12.4.1.4 Corporate identity building

Triglav Lab, the technological centre and training ground of the Group's digital business, continues to play an important and dynamic role in strengthening the brand in the field of innovation and advanced solutions. It enables the Company to act as a trusted partner in several areas, such as preventive actions, financial literacy and cooperation with athletes. A total of 80 events (in-person and virtual), training courses, workshops, seminars and video recording sessions to promote insurance literacy, risk awareness, presentation of products and services were held in 2021, which were attended by over 2,000 participants.

Young people were addressed primarily through digital content about **saving, traffic safety, sports, health**, etc. For other target groups, several **preventive and awareness-raising events** related to the Company's products were held in cooperation with partners LIT Hekaton, AmCham

Summer School, Fanfara, specialist doctors, mountain rescuers, Alfakan and others.

As a partner of the Matica mountaineering society, Zavarovalnica Triglav developed the conceptual design and carried out the first phase of branding on **Kredarica**, which included a number of solutions.

A virtual tour of ski jumping in **Planica** is only part of the results of many years of cooperation between Zavarovalnica Triglav and the organisers of this internationally renowned sporting event. Despite the situation marked by COVID-19-related measures, the Company remained true to tradition and provided free and safe watching of ski jumps in a virtual environment. To boost the sports enthusiasm for ski jumping on the giant hill, a campaign was designed to promote the remote cheering for the best ski jumpers at the World Cup hosted by Planica.

Z nami bodo

Uroš Kuzman Betka Šuhel Mikolič

Gregor Hvalc,
dr. med.

Torek, 22. 6. ob 18. uri
Prijave na lab.triglav.si.

Digitalni posvet:
**Z otroki v hribe –
prigode in nezgode**

OČISTIMO
NAŠE GORE
POLEG LEPIH
DOŽIVETIJ
ODNEŠIMO
V DOLINO
TUDI SVOJE
SMETI

TriglavLab



12.4.1.5 Awards and prizes received

Awards and prizes of Zavarovalnica Triglav in 2021

- **Most reputable employer:** the most reputable employer in the insurance industry for 2020 according to a survey carried out by the Moje delo employment portal.
- **e2grow Exceptional Workplace Award 2020:** an international award for the successful and efficient shaping of the Triglav Group's organisational culture and values.
- **HRM Conference 2021:** HRM&M 2021 award in the Large Companies category for the project of renovating the Triglav Group's organisational culture.
- **Beep Institute:** the Ambassador of Human Potential Sustainable Development plaque.
- **Trusted Brand 2021:** the award for the most trusted brand in the Insurance Companies category for the fifteenth consecutive year.
- **WEBSI 2021:** first place in the Use of Advanced Technologies category and the Web Champions WEBSI award for the redesigned DRAJV mobile application.
- **Best online user experience:** first place among the websites of Slovenian insurance companies based on the analysis of the Slovenian digital insurance market carried out by E-laborat.
- **Effie Slovenia 2020:** a special recognition as the finalist of Effie Slovenia 2020 for long-term integrated communication in the campaign for the promotion of life insurance in the Services – Finance and Insurance category.
- **Best TV ad of the past thirty years:** the People's Choice Award at the Slovenian Advertising Festival for Zavarovalnica Triglav's advertisement entitled Čistilka (Cleaning Lady).

- **Arc Awards:** two Gold awards in the Interactive Annual Report and Cover/Home Page categories for the 2020 annual report of the Triglav Group and Zavarovalnica Triglav.
- **IADA:** the Diamond award in the Overall Presentation category for the online version of the 2020 annual report of the Triglav Group and Zavarovalnica Triglav and two Golden awards for the PDF version in the Photography and Integrated Presentation categories.
- **Best Annual Report:** award for the best annual report among financial institutions for 2020 selected by the Finance business daily and four awards in the following categories: the best annual report in business analysis and planning; introduction, risk management and corporate governance among financial institutions; communication.

12.4.2 Responsibility to employees⁴⁹

Healthy, satisfied and engaged employees are key to achieving the Group's high strategic and business objectives. For this purpose, numerous **employee management** activities are carried out, taking care for a stimulating environment that provides employees with the possibility of continuous development, training and career and personal growth. Special attention is paid to prudent selection of new employees and their onboarding. The Company values new knowledge, digital skills and cooperation, as well as promotes innovation, multiculturalism, and transfer of experience and knowledge through intergenerational cooperation.

Strategic employee management guidelines and the recruitment policy

- A uniform organisational culture is being created at Group level based on constructive behaviour, teamwork,

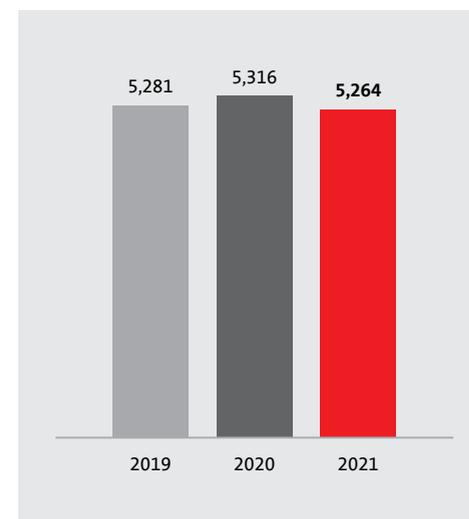
initiative, responsibility and cooperation. A uniform organisational culture supports the achievement of strategic objectives by pursuing corporate values, rules, methods of implementing processes, behaviour and methods of work of employees. The desired organisational culture helps to build a reputable employer brand.

- Standardised employee management processes are introduced within the Group by implementing minimum standards and transferring good practices.
- The Company acquires, develops and retains the best employees, improves selection processes and promotes mobility both within an individual Group member and at Group level. Onboarding mentoring for new hires and development mentoring for promising employees are carried out, in addition to fostering intergenerational cooperation.
- 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. Employees are constantly trained in digital technologies and sales skills. In 2021, the main competence – relationship orientation – was strengthened at Group level.
- A lot of attention is paid to key and promising employees and all leaders. Zavarovalnica Triglav implemented a system for obtaining a leadership license, which encourages leaders to continuously improve their knowledge and upgrade their leadership skills.
- The Company's human resource and information system (Gecko HRM) is being introduced in all Group companies. In 2021, it was implemented in most companies outside Slovenia, and in the last two companies it will be implemented in 2022.

12.4.2.1 Recruitment and employee structure

The Triglav Group had 5,264 employees as at 30 December 2021, down by 52 compared to the preceding year. The number of employees decreased the most at Triglav Osiguranje, Belgrade as a result of the decline in the number of fixed-term employees due to the COVID-19 pandemic.

The number of Triglav Group employees as at 31 December 2021⁵⁰

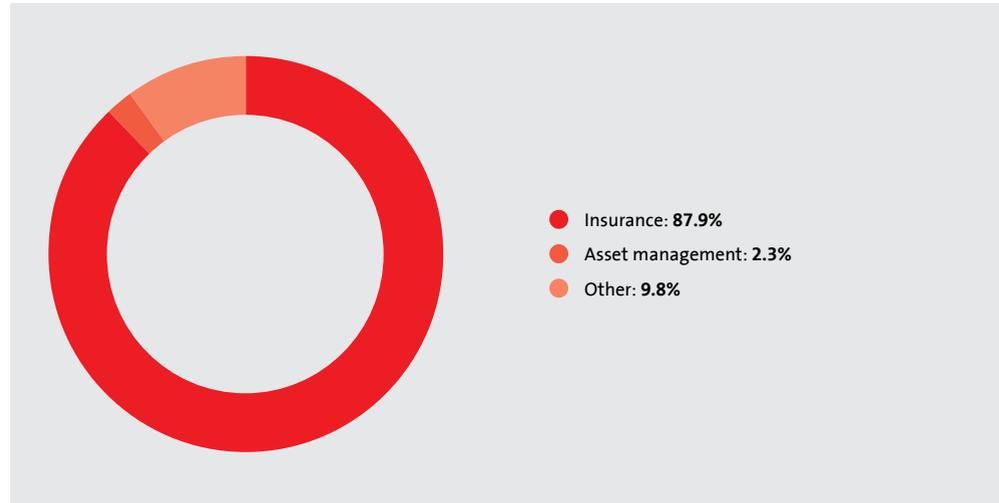


The share of employees in strategic activities increased. The majority, i.e. 87.9%, of all employees worked in the insurance activity, up by 0.7 percentage point compared to the year before. Employees in asset management activity, whose share increased by 0.1 percentage point, represented 2.3% of all employees; the share of employees in other activities decreased by 0.8 percentage point.

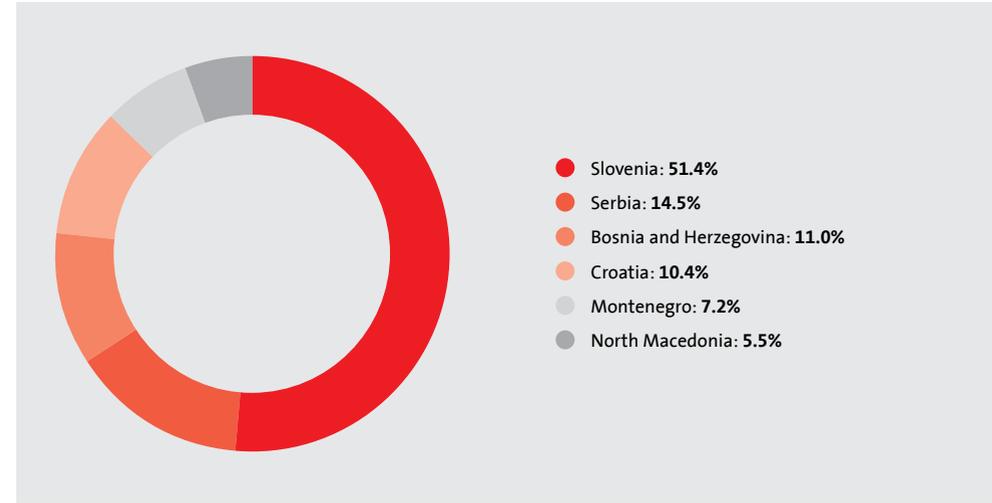


⁴⁹ GRI GS 103-1, 103-2, 103-3 | ⁵⁰ GRI GS 102-7

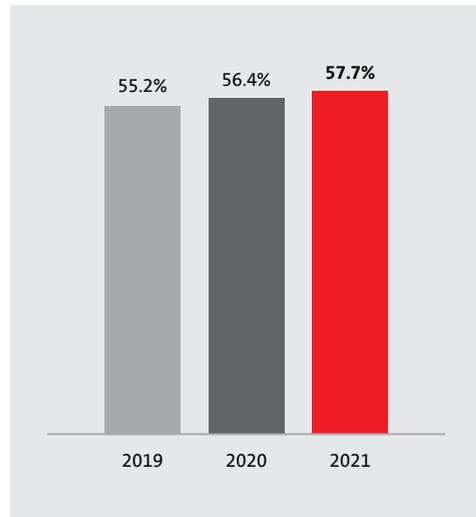
Employees by Triglav Group activity as at 31 December 2021



Employees by Triglav Group market as at 31 December 2021



Proportion of employees at the Triglav Group with at least level VI education according to the Bologna study programmes as at 31 December 2021



Employees at the Triglav Group and Zavarovalnica Triglav by type of employment (full-time, part-time) as at 31 December 2021⁵¹

	Triglav Group						Zavarovalnica Triglav					
	2021		2020		2019		2021		2020		2019	
Type of employment	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
Part-time	221	4,2	251	4,7	267	5,1	74	3,3	77	3,4	91	4,0
Full-time	5,043	95,8	5,065	95,3	5,014	94,9	2,172	96,7	2,167	96,6	2,162	96,0
Total	5,264	100,0	5,316	100,0	5,281	100,0	2,246	100,0	2,244	100,0	2,253	100,0
Type of employment agreement	2021		2020		2019		2021		2020		2019	
Fixed-term	623	11,8	779	14,7	793	15,0	41	1,8	49	2,2	46	2,0
Permanent	4,641	88,2	4,537	85,3	4,488	85,0	2,205	98,2	2,195	97,8	2,207	98,0
Total	5,264	100,0	5,316	100,0	5,281	100,0	2,246	100,0	2,244	100,0	2,253	100,0

A total of 51.4% of all Group employees are employed in Slovenia, up by 0.7 percentage point relative to the preceding year. The share of employees in Serbia decreased the most, by 1.2 percentage points.

The turnover rate⁵² increased in both the Triglav Group and Zavarovalnica Triglav; it was 13.2% in the Group (compared to 11.7% in 2020) and 4.1% at the parent company (compared to 3.4% in 2020). Most leavers were aged over 56 years (due to retirement) and 36–40 years. Most new hires were aged between 26 and 40 years.

The average age of employees in the Group rose slightly to 44.67 years (compared to 44.38 years in 2020); in the parent company it was 46.55 years (compared to 46.33 years in 2020). The average age of Zavarovalnica Triglav’s Management Board members was 48.66 years.⁵³ In Slovenia, senior management is hired from the local community, as is the majority of senior management in the markets outside Slovenia.⁵⁴

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⁵¹ GRI GS 102-8 | ⁵² GRI GS 401-1 | ⁵³ GRI GS 405-1, SASB: FN-AC-330a.1 | ⁵⁴ GRI GS 202-2

In terms of gender, the share of women among employees increased slightly to 53.9%. The proportion of women among the members of the Management Board of Zavarovalnica Triglav was 33.3%.⁵⁵ In all employee categories, activities and countries where the Group operates, the basic salary of men and women is equal.⁵⁶

A total of 89.3% of Group employees were employed under the collective agreement (compared to 90.7% in 2020) and 91.1% in the parent company (compared to 91.4% in 2020). The remaining 10.7% were employees with individual agreements.⁵⁷ Benefits are the same for all employees, be it permanent full-time employees, fixed-term employees or part-time employees.⁵⁸

Gender diversity by different categories at the Triglav Group and Zavarovalnica Triglav as at 31 December 2021 (%)⁵⁹

	Share in %			Index	
	2021	2020	2019	2021/2020	2020/2019
Triglav Group					
Women employees to total employees ratio	53.9	53.5	53.5	101	100
Proportion of women at the first management level under the Management Board	45.3	45.8	46.9	99	98
Proportion of women at first and second management levels under the Management Board	42.0	42.1	43.5	100	97
Women in management to women employees ratio	71.3	73.5	75.2	97	98
Zavarovalnica Triglav					
Women employees to total employees ratio	50.8	50.4	50.5	101	100
Proportion of women on the Management Board of Zavarovalnica Triglav	33.3	33.3	33.3	100	100
Proportion of women on the Supervisory Board of Zavarovalnica Triglav	0.0	0.0	11.1	0	0
Proportion of women at the first management level under the Management Board	25.9	25.9	32.1	100	81
Proportion of women at first and second management levels under the Management Board	38.8	37.9	36.8	102	103
Women in management to women employees ratio	75.6	74.7	72.4	101	103

Employees at the Triglav Group and Zavarovalnica Triglav by age and gender as at 31 December 2021⁶⁰

Age group	Triglav Group						Zavarovalnica Triglav					
	2021		2020		2019		2021		2020		2019	
	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
From 18 to 19	6	0.1	4	0.1	5	0.1	1	0.0	0	0.0	0	0.0
From 20 to 25	125	2.4	138	2.6	135	2.6	21	0.9	17	0.8	16	0.7
From 26 to 30	371	7.0	389	7.3	403	7.6	94	4.2	100	4.5	115	5.1
From 31 to 35	569	10.8	588	11.1	622	11.8	194	8.6	191	8.5	202	9.0
From 36 to 40	771	14.6	813	15.3	786	14.9	264	11.8	285	12.7	288	12.8
From 41 to 45	885	16.8	909	17.1	923	17.5	393	17.5	409	18.2	403	17.9
From 46 to 50	882	16.8	852	16.0	878	16.6	422	18.8	413	18.4	446	19.8
From 51 to 55	821	15.6	803	15.1	766	14.5	455	20.3	451	20.1	437	19.4
56 and over	834	15.8	820	15.4	763	14.4	402	17.9	378	16.8	346	15.4
Total	5,264	100.0	5,316	100.0	5,281	100.0	2,246	100.0	2,244	100.0	2,253	100.0
Gender												
Men	2,426	46.1	2,472	46.5	2,456	46.5	1,104	49.2	1,114	49.6	1,116	49.5
Women	2,838	53.9	2,844	53.5	2,825	53.5	1,142	50.8	1,130	50.4	1,137	50.5
Total	5,264	100.0	5,316	100.0	5,281	100.0	2,246	100.0	2,244	100.0	2,253	100.0

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12.4.2.2 Employee training and development⁶¹

Employee training and development

The training policy is aimed at improving employees' expertise and skills, which is of key importance in achieving the Group's strategic objectives.

Employees were provided with numerous training courses in various fields. Special attention was paid to the internal transfer of knowledge, as **61% of in-house training was carried out by our employees**, i.e. in-house lecturers. In order to prevent possible infections, most of in-house training courses were held online, either as webinars or e-learning (self-learning). At the parent company, focus was on insurance topics, sales training and business communication. In addition to regular training, the following took place:

- **the system of onboarding mentoring and traineeship** for new hires was set up;
- specialised in-house training for employees at subsidiaries, in which 60 employees participated, with 47 attending the **Autumn School**;
- **coaching of leaders and promising employees** in the Group, which was carried out by more than 50 in-house coaches;
- the **Triglav Ambasadorstvo** (Triglav Ambassadors) pilot project for the transfer of knowledge, skills and experience of the best agents to new agents and those who have development potential and motivation for development;
- the **Sales Academy** programme for agents, which also included 75 new agents and the first group of sales officers, while all heads of sale attended the Sales Management Academy;
- the system for obtaining a **leadership license** was set up at the parent company for training, education and coaching, designed for leaders to improve their leadership skills;
- the compulsory training of **20 teaching hours** for obtaining a license to conduct insurance agency business (i.e. a license) for **1,129 employees** at the parent company;
- a total of **7,249 hours of in-house training courses** were held at the parent company for employees of subsidiaries;
- **the leadership potential development programme for young promising employees**;
- online training for **employees at external points of sale**, where topics about insurance products and consumer protection were at the forefront.

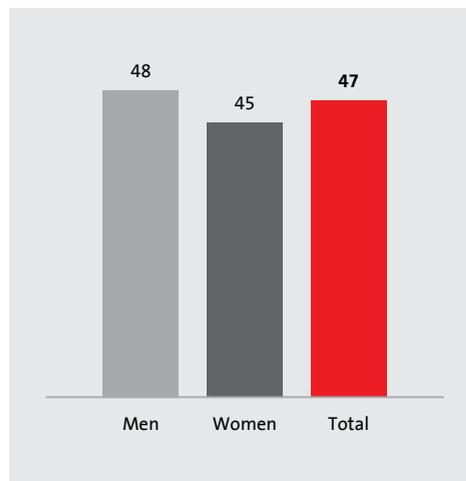
The total number of functional training hours increased by 29% and, despite the considerably changed situation, almost reached the 2019 level. Employees within the Group participated in training 31 hours on average, up by 30% compared to 2020. Zavarovalnica Triglav's employees participated in training 47 hours on average (index 118), most in the age group up to 25 years due to onboarding. At the Company, men participated in training on average two hours more than women.

The Group's training costs amounted to EUR 1.8 million (compared to EUR 1.5 million in 2020). The majority of in-house training courses took place online with lower indirect costs.



Special attention was paid to the internal transfer of knowledge, as 61% of in-house training was carried out by our employees, i.e. in-house lecturers.

The average number of functional training hours at Zavarovalnica Triglav in 2021 by gender⁶²



Employees are also encouraged to continue their formal education; work study was funded for 150 Group employees and scholarships were provided to 36 pupils and students. Obligatory work placement was provided to 52 pupils and students. The Company cooperated with schools and faculties in preparing project assignments and ensured the transfer of practical knowledge and experience to young people. A total of 25 young employees completed traineeship under the guidance of mentors.

Management by objectives and development of competences⁶³

The management-by-objectives system is implemented by all Group insurance companies. A total of 55% of all Group employees and 71% of the parent company's employees are included. Management by objectives is used to monitor employees' performance, motivate



⁶¹ GRI GS 103-1, 103-2, 103-3 | ⁶² GRI GS 404-1 | ⁶³ GRI GS 404-3



them and receive their feedback. Employees are rewarded for the achievement of their objectives, which are set together with their supervisor during the annual development interview (the top-down approach) and monitored at quarterly interviews. Due to the nature of their work, agents and heads of sales team who are rewarded on the basis of sales targets are excluded from the management-by-objectives system.

The **competency model** is integrated into annual development interviews, at which individual competency profiles and development activities are defined. The development of employees' competencies is planned based on the performance of tasks and duties as well as the current and anticipated 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 most insurance companies in the Group and in recruitment at Zavarovalnica Triglav, Pozavarovalnica Triglav Re and Triglav Osiguranje, Belgrade.

Fit and proper assessment

The Solvency II Directive requires that all persons who manage or supervise an insurance undertaking or hold a key function have adequate professional qualifications (fit) and are of good reputation and integrity (proper). The fit and proper assessment of the management board members, the supervisory board members and key function holders in the Group is carried out based on national legislation and adopted internal documents, which is also described in Section [5 Corporate Governance Statement](#). Fit and proper assessment was performed in all insurance companies in line with respective policies.

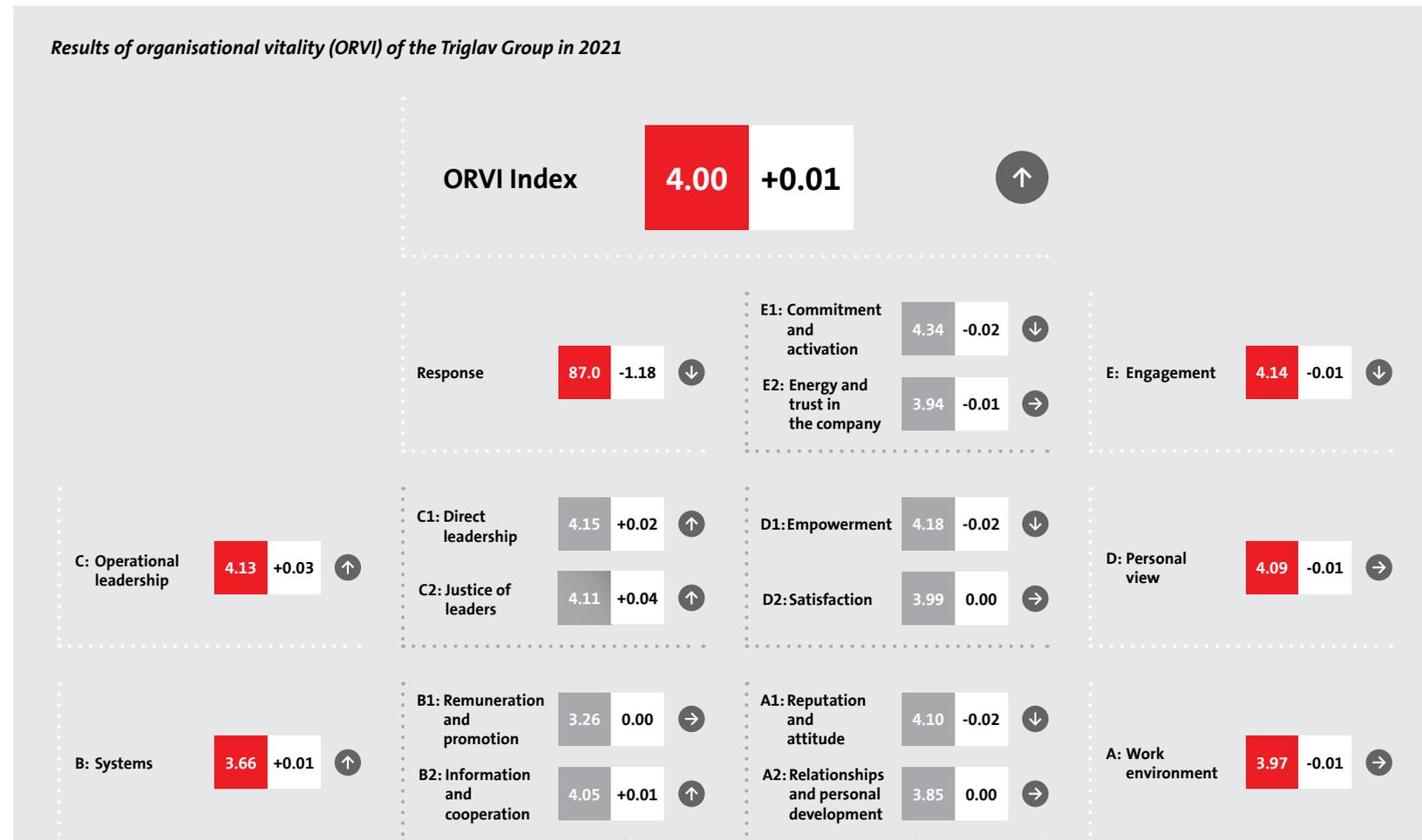
12.4.2.3 Organisational vitality (climate) and organisational culture ⁶⁴

The **organisational vitality survey (ORVI)** in 2021 confirmed that the measures taken by the Group to maintain the high vitality of the organisation and employee satisfaction were appropriate. The survey included 87% of all employees in 15 Group members (compared to 88% in 2020) in which ORVI is measured, which is **the second highest participation** to date.

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.

Organisational vitality improved, reaching **4.00** (2020: 3.99) **at Group level** and **4.05** (2020: 4.03) **at the parent company**. Among the indices, most progress was recorded at the indicator “operational management”, which was 4.13 at Group level and 4.30 at the parent company. Despite the changed working conditions, the Group employees remain very engaged (4.14). Engagement reached the highest value among the five measured indicators, with only “operational management” being rated higher at the parent company.

⁶⁴ GRI GS 102-43, 102-44



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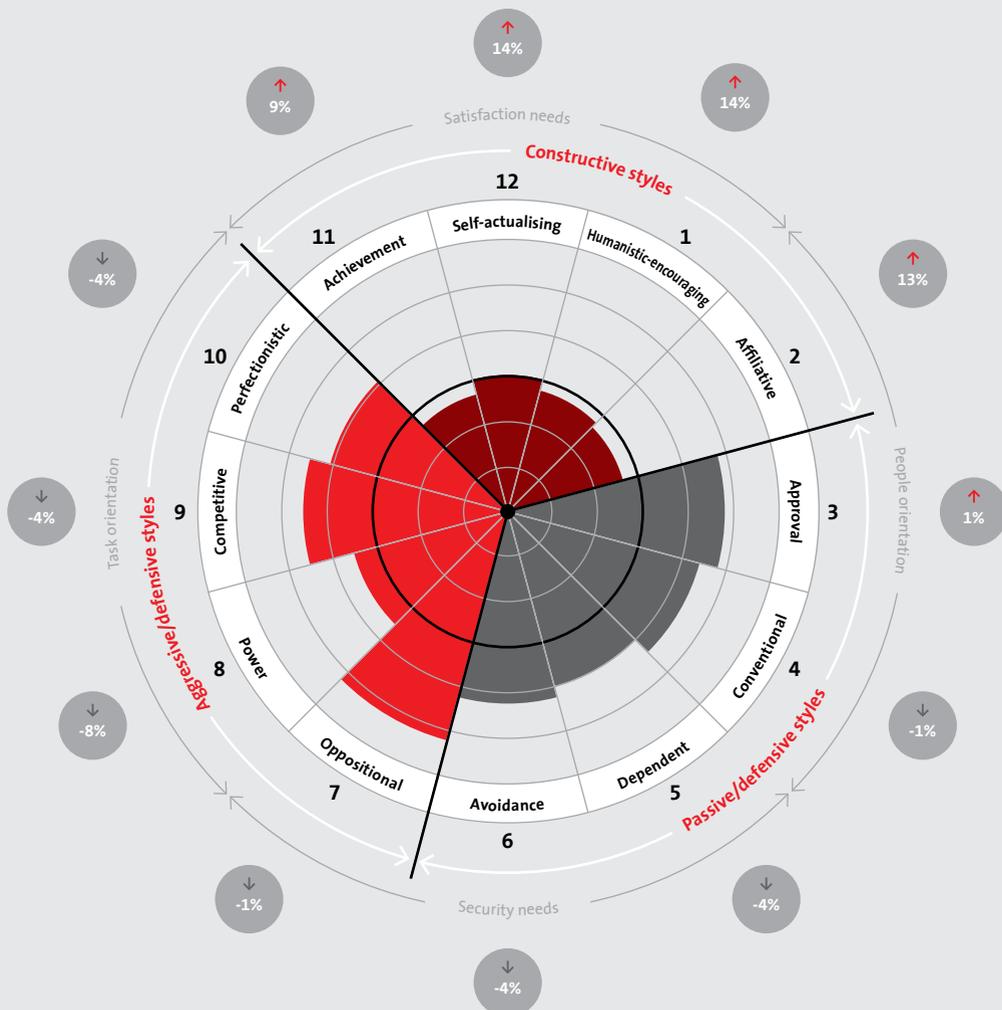
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The Group's employees once again expressed a positive attitude to their work environment; they are very satisfied with regular employment, working hours, their co-workers and direct supervisors. As part of improving the organisational culture (see below), interpersonal relationships and cooperation within the

organisation and the Group were also better rated. Employees believe that the Group is successfully adapting to the epidemic, they are satisfied with the benefits at work and feel safe in their work environment. The results showed that knowledge and understanding of the strategy among employees was excellent.

Changes in behavioural styles in the Triglav Group's organisational culture (2017–2021)



Organisational culture

After four years, the measurement of the organisational culture again took place in 2021; its aim was to monitor the strategic project of renovating the Triglav Group's organisational culture. The measurement results showed that in the last four years the Group was on the right track by carrying out many activities designed to adopt constructive behavioural styles. The changes achieved according to the world-renowned methodology represent one of the greatest advances in our region. There has been a considerable increase in constructive behavioural styles, which indicates that organisational culture has become more cooperative, inclusive, development-oriented, transparent, open and creative. Positive changes are noticeable both at Group and parent company levels.

With constructive behavioural styles increasing on average by 13% and 17% respectively. The highest growth in the Group was recorded in the humanistic-encouraging style and self-actualising (both are among the desired styles). The former is characterised by the exchange of ideas, enjoyment of work and the maintenance of personal integrity, while the latter is characterised by constructive resolution of disagreements, mutual encouragement and help in thinking. Among the behavioural styles in the parent company, affiliative strengthened the most.

12.4.2.4 Occupational health and safety⁶⁵

Zavarovalnica Triglav is implementing a comprehensive and strategic approach to ensuring occupational health and safety. In order to manage and reduce risks to the lowest possible level, a number of activities are carried out, such as strict compliance

with sectoral legislation (identification of risks and hazards and their management), promotion of occupational health (Triglav.smo – Zavarujmo zdravje (Protecting Health) health promotion programme), provision of personal protective equipment and appropriate working conditions, ergonomic workplace arrangement, and employee awareness and education. Many activities take place in the context of the Family-Friendly Enterprise certificate, additionally contributing to greater satisfaction and better health of employees.

The comprehensive approach implemented in the parent company is being transferred to other Group companies by establishing common minimum standards for ensuring occupational health and safety 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.⁶⁶

The Safety Statement and Risk Assessment for individual **job categories** include an assessment of hazards and harmful effects, which could impact the health of employees, and the foreseen prevention and mitigation measures. This is an ongoing process, which involves making regular revisions of assessments and updating the measures; employees are also directly involved in this process. Health risk assessments are revised in cooperation with occupational health specialists. Based on the results of risk assessment, employees are referred to periodic medical examinations and every new hire is required to undergo a statutory medical examination before taking up employment.⁶⁷



⁶⁵ GRI GS 103-1, 103-2, 103-3, SDG 8.8 | ⁶⁶ GRI GS 403-1 | ⁶⁷ GRI GS 403-2, 403-3, 403-4, 403-8



The revised Safety Statement and Risk Assessment was adopted in 2021, which introduced measures to prevent and reduce all risks to a minimum. Risks were reassessed, followed by identification of measures related to the increased risk of infectious disease and requirements for safe working from home. In addition, a sick leave analysis was taken into account, which is prepared every year by occupational medicine specialists.

Participation in training and passing an 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 **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.⁶⁸

Health promotion is carried out in a targeted and prudent manner with regard to the most common health problems that are perceived among employees based on anonymous reports of occupational medicine. The focus in 2021 was on managing the risks of the musculoskeletal system, implementing active breaks for employees and referring them to the mandatory reading of e-material on a healthy spine and exercising, stressing the importance of ergonomics when working at the office or from home. The four-day preventive health programme **Dnevi zdravja (Days of Health)** took place for the third consecutive year, which has been attended by more than 400 employees to date. Training courses in **maintaining health and stability in an uncertain situation** continued. New educational topics were joined into the spring and autumn series of lectures entitled **A healthy mind in a healthy body**.

Employees from other Group companies in Slovenia also attended some online lectures.

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.⁶⁹

Working safely during the pandemic

The crisis team, set up in the parent company when the COVID-19 pandemic was declared, continued its work in 2021 and will continue to operate throughout the period of increased risk of infection with infectious diseases. The team is in constant contact with the Company's Management Board and the heads of individual departments and is in charge of preparing work instructions, work organisation and up-to-date information. Good practice of crisis management was also transferred to the subsidiaries in the Group.

In order to ensure business continuity, regular testing of key employees, self-testing and verification of compliance with the recovered/vaccinated/tested rule was organised. A hotline and an online mailbox for reporting infections are available. Moreover, latest information, recommendations and forms are available to the employees on the special intranet tab COVID-19. Occupational health and safety specialists proved to be highly skilled and provided employees with a high level of safety throughout the pandemic with appropriate work organisation and protective equipment.

For all employees working from home, instructions were drawn up on how to arrange work space at home according to the basic requirements of occupational safety and health. The employees who work at the



In addition, plexiglass partitions were installed in more exposed workplaces (e.g. windows intended for sale and claim reporting, the canteen).

Company's premises were regularly informed about the compliance with safety measures. Sufficient quantities of protective masks and disinfectants were provided. In 2021, the parent company distributed 115,981 protective masks, 13,615 disinfectants, 49 pairs of protective gloves and 21,975 rapid antigen (HAG) tests for self-testing. In addition, plexiglass partitions were installed in more exposed workplaces (e.g. windows intended for sale and claim reporting, the canteen).

A total of 71 inspections of the implementation of measures to prevent the spread of infectious diseases and compliance with the recovered/vaccinated/tested rule were carried out at Company premises. No irregularities were found in most of them, and the minor discrepancies which were identified in nine cases were eliminated immediately.

Support to employees in the event of workplace violence⁷⁰

Advanced technical security measures were taken to protect both the employees and the premises. Moreover, regulations and instructions ensuring a safe work environment were adopted. Employees who are in contact with clients are specially trained in how to respond in the event of violence, robbery or threats.

Fire safety

With regard to fire safety in the Group, a **plan on emergency response and actions in the case of an emergency and other security events** was developed for the employees. In the case of an emergency or event that poses a security threat, employees can call the security control centre, where they will receive appropriate instructions. Furthermore, the Group

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⁶⁸ GRI GS 403-5, 403-6 | ⁶⁹ GRI GS 403-7 | ⁷⁰ GRI GS 103-1, 103-2, 103-3

implements preventive measures, monitors on-site fire safety in accordance with the applicable statutory requirements, carries out regular training and education of employees, and ensures ongoing improvement of fire safety at all business locations.

Security patrols and inspections of buildings and premises were carried out according to the annual plan, but, due to the situation, evacuation drills did not take place. Maintenance and regular inspections of active fire protection systems are performed within the prescribed

deadlines. In 2021, 11 fire risk assessments and 9 fire safety inspections were carried out, and no irregularities were identified.

Occupational health and safety topics covered in formal agreements with trade unions and in the collective agreement⁷¹

Safe working conditions at the parent company are provided in accordance with Zavarovalnica Triglav's collective agreement and the applicable legislation, while the subsidiaries adhere to the applicable local legislation. Before starting their work, employees are familiarised

with the dangers at work and work safety measures that they are obligated to follow. 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 work⁷²

The number of accidents in both the Group and the Company increased slightly in 2021, but their number remains small.

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

Each injury at work 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 (compared to 1 in 2020) and no occupational diseases in 2021.⁷³

Absenteeism⁷⁴

In the Triglav Group, the absenteeism rate was 4.74% and was 0.38 percentage point lower than in 2020, with the proportion of absenteeism paid by the Company decreasing by 0.02 percentage point (sickness benefits up to 30 days). In contrast, the lost time incident rate for which the costs are borne by other organisations increased by 0.40 percentage point (sickness benefits over 30 days, nursing and/or accompanying a sick person). The absenteeism rate at the parent company was also higher and stood at 5.13% (compared to 4.61% in 2020). The lost time incident rate for which the costs are borne by the Company fell slightly (by 0.05 percentage point), whereas the lost time incident rate for which the costs are borne by the Health Insurance Institute of Slovenia rose (by 0.57 percentage point).

Injuries at work at the Triglav Group and Zavarovalnica Triglav

Triglav Group	2021		2020		2019		Index	
	Number	Percentage	Number	Percentage	Number	Percentage	2021/2020	2020/2019
At work	10	76.9	7	63.6	11	55.0	143	64
On business trips	3	23.1	4	36.4	9	45.0	75	44
Total	13	100.0	11	100.0	20	100.0	118	55

Zavarovalnica Triglav	Number	Percentage	Number	Percentage	Number	Percentage	2021/2020	2020/2019
At work	4	57.1	1	25.0	2	28.6	400	50
On business trips	3	42.9	3	75.0	5	71.4	100	60
Total	7	100.0	4	100.0	7	100.0	175	57

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

Triglav Group	2021	2020	2019	Index	
				2021/2020	2020/2019
Lost work days due to work-related injuries	543	289	754	188	38
Lost time incident rate – LTIR*	0.24	0.21	0.38	113	56

Zavarovalnica Triglav	2021	2020	2019	2021/2020	2020/2019
Lost work days due to work-related injuries	321	98	73	328	134
Lost time incident rate – LTIR*	0.31	0.17	0.30	175	58

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

12.4.2.5 Care for employee satisfaction⁷⁵

As part of the Triglav.smo programme, the Company combines numerous activities to improve the satisfaction of its employees. The awareness and knowledge of all important aspects of our lives was strengthened through various workshops and events. To a lesser extent, such activities are also carried out in other Group members.

With the support of the *Psihološki utrip* (Psychological Pulse) in-house group, psychosocial, behavioural and other problems of employees were identified, providing them with psychosocial support and professional guidance to improve their mental well-being. Two cycles of online gatherings entitled *Healthy mind in a healthy body* were held, aimed in particular at improving and maintaining good relations between employees for a better climate in the work environment and their well-being.

The measures of the **Family-Friendly Enterprise Certificate** at the parent company are designed to provide for a better work-life balance of the employees. Due to the ageing of the population, measures to ease the care obligations of employees towards their elderly family members are coming to the fore. The Company has been the holder of the full Family-Friendly Enterprise Certificate since 2012 with a regular audit was performed in 2020.

Additional benefits for employees:⁷⁶

- complementary pension insurance for 59% of employees of the Triglav Group and for 96% 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 82% of the parent company are included.

The Group members operating outside Slovenia also 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

Work processes are adapted to new forms of work, which are dictated by digitalisation and the epidemic situation. In 2021, the option of working from home was provided to all employees whose work process allowed it. At the 2021 year-end, 28% of Group employees and 50% of Company employees had this option available to them. Due to the COVID-19 pandemic, the proportion of employees allowed to work from home was even higher; it was 58% at Group level and 65% in the parent company.

Proportion of employees who worked from home and proportion of hours of working from home in the Triglav Group and Zavarovalnica Triglav in 2021

	Triglav Group	Zavarovalnica Triglav
Number of employees allowed to work from home	3,069	1,468
Proportion of employees allowed to work from home	58.3	65.4
Number of hours of working from home	1,743,767	714,646
Proportion of hours of working from home	16.2	15.6

Parental leave or part-time work at the Triglav Group and Zavarovalnica Triglav in 2021⁷⁷

Triglav Group	Women	Men	Total
Maternity leave, child care leave	136		136
Paternity leave of 20 days		42	42
Paternity leave of 75 days (up to the child's age of three years)		5	5
Option of part-time working	38	1	39
Number of employees who returned to work after maternity leave in the reporting year	73	4	77
Return rate after parental leave	61%	100%	63%

Zavarovalnica Triglav	Women	Men	Total
Maternity leave, child care leave	26		26
Paternity leave of 20 days		40	40
Paternity leave of 75 days (up to the child's age of three years)			
Option of part-time working	26		26
Number of employees who returned to work after maternity leave in the reporting year	23	2	25
Return rate after parental leave	100%	100%	100%

Circumstance and work requirements permitting, working hours are 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.

Relationships among employees and management, trade union activities⁷⁸

The employees exercise their management rights based on the agreement on worker participation in the management of Zavarovalnica Triglav under the Worker Participation in Management Act. The agreement also sets out 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 of them. Before adoption, any document specifying the rights and obligations of workers is submitted to both trade unions to give their opinion. The Company informs the Works Council of any changes in the Company's operations at least 10 days prior to adopting such a decision.

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Respecting the workers' rights and human rights⁷⁹

The Group revised the **Triglav Group Code** in 2021, in which ethical conduct at all levels of its operations plays a key role. Among the 12 ethical principles is 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 individuality or affiliation.

Insurance companies outside Slovenia also take into account local legislation when implementing the provisions of the Code. These companies have internal resolution mechanisms, and reporting of Code violations takes place within the framework 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.

Discrimination and unwanted conduct at Zavarovalnica Triglav are additionally governed by the Rules on the protection of workers' dignity at work, under which a **confidant** is appointed with the approval of the Works Council. The rules regulate the manner of recognising, preventing and eliminating the consequences of discrimination, sexual and other harassment and workplace mobbing. Employees can turn to the confidant or their deputy to report a suspected violation of rights, 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 2021, **three** employee reports of inadmissible conduct were received at Group level. One case involved an interference with the fundamental rights to protect dignity and/or unacceptable behaviour such as discrimination, harassment or mobbing in the workplace. The confidant was involved in the consideration of two reports of alleged inadmissible conduct; one was dismissed at the request of the reporting person without formal proceedings, and in the other the confidant did not find a violation of the reporting person's dignity.⁸⁰

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.

Promoting innovation and improvements

The **Ideja IN** programme was updated in 2021, which encourages creativity, putting forward good ideas and proposing improvements in the Company. It is available to employees on the intranet, and several different areas are involved in reviewing ideas. A total of 27 ideas for improvement were examined in 2021.

Care for employees outside working hours

Employees have the opportunity to take part in various forms of socialising and sports activities outside working hours in most Group companies. Due to the pandemic, unfortunately, some established forms of socialising and sports activities, such as the Triglav Group Day – Our Day, sports games of financial organisations (ŠIFO) and gatherings with retired Triglav employees, did not take

place. A total of **22% of employees** of Group members and 44% of employees of the parent company were members of mountaineering and sports clubs.

12.4.3 Responsibility to community⁸¹

The Triglav Group carries out a series of activities to reduce risks in the environment and supports activities in sports, culture, education, environment and health. The Group has close ties with the environment in which it operates through partnerships with its employees, policyholders, organisations and local communities.

The volume of generated assets distributed among various stakeholders of the Group is shown by economic value distributed. In 2021, it increased to EUR 1,281.8 million (index 109) mainly due to dividend payments and the increase in net claims incurred and other insurance expenses.

Economic value distributed of the Triglav Group

	Index				
	2021	2020	2019	2021/2020	2020/2019
Economic value generated	1,378.8	1,274.9	1,292.4	108	99
Economic value distributed	1,281.8	1,179.2	1,245.6	109	95
- Net claims incurred and other insurance expenses	856.8	814.3	838.4	105	97
- Expenses from financial assets	27.6	36.7	21.9	75	167
- Other expenses	24.8	22.9	23.5	108	97
- Operating expenses	135.9	119.5	120.2	114	99
- Dividend payments	38.6	0.0	56.8	0	0
- Tax expense (income tax expense)	19.7	17.2	17.1	114	101
- Community investments (prevention activities, donations, sponsorships)	8.7	7.8	7.4	111	105
- Employee wages, allowances and benefits	169.7	160.7	160.3	106	100
Economic value retained	96.9	95.7	46.8	101	204

The **Group's responsibility to the community** in all environments 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.

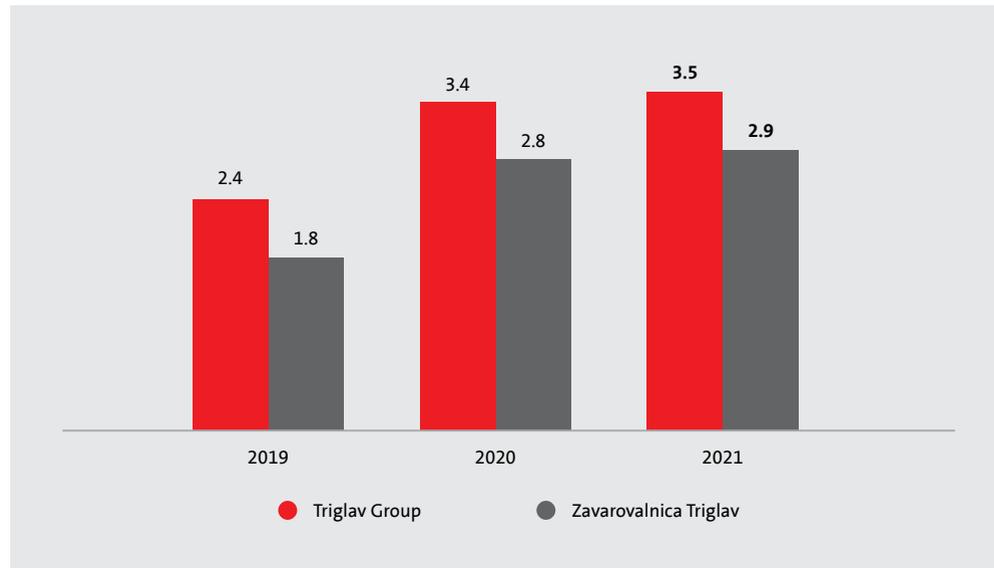
⁷⁹ GRI GS 103-1, 103-2, 103-3 | ⁸⁰ GRI GS 406-1 | ⁸¹ GRI GS 103-1, 103-2, 103-3

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. Compared to 2020, the volume of investments in prevention was higher both at Group level and in the parent company.

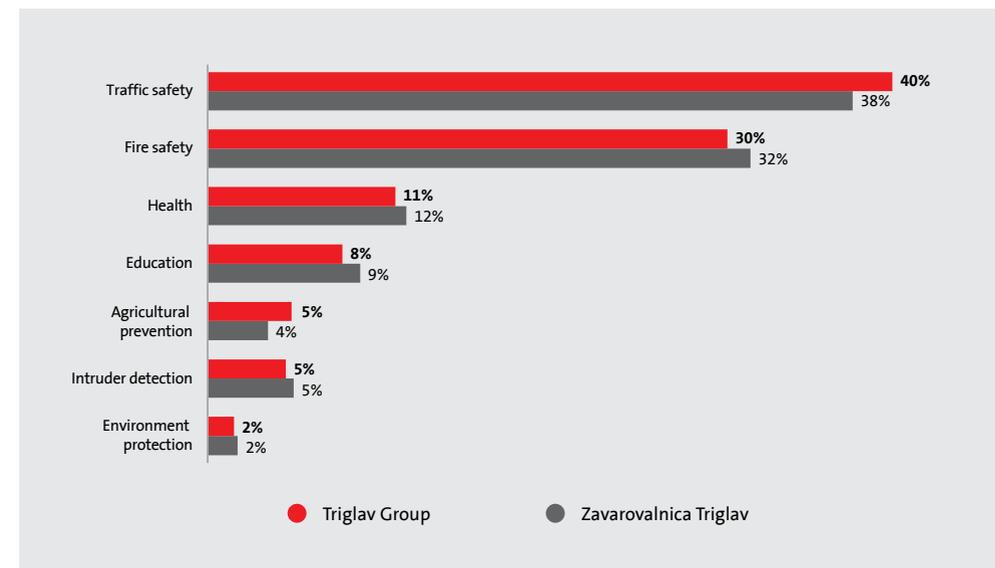
The bulk of funds was allocated to **improving traffic, fire and health safety**.

Funds allocated to preventive activities of the Triglav Group and Zavarovalnica Triglav in EUR million



A total of 190 drivers in six Slovenian towns retook their driving test with a driving instructor in 2021.

The share of the Triglav Group's and Zavarovalnica Triglav's funds for preventive activities by purpose in 2021



Prevention projects⁸²

The Group pursues its mission and creates a safer future also through preventive projects and campaigns. With regard to road prevention, drivers were offered numerous opportunities to improve their safe driving skills and upgrade their knowledge of road traffic regulations; for the same purpose, the benefits of the **DRAJV** application, the **Vozimse** and **Vse bo v redu** portals and driver training courses were combined. With respect to fire safety, almost **half of all Slovenian mountain huts and chalets** were equipped with automatic fire extinguishing systems over two years; awareness of the fire risk in mountain huts was raised by conducting fire drills in the high mountain range in cooperation with many partners. The Company teamed up with many experts and specialists to promote health and prevent disease. Free consultations, workshops and training courses were held, in addition to co-financing the purchase of equipment and the operation of programmes.

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⁸² GRI GS 103-1, 203-1, 413-1



High profile and comprehensive prevention projects of the Triglav Group in Slovenia in 2021 by area⁸³

Health prevention	Impact
Assistance in the event of a sudden cardiac arrest	<ul style="list-style-type: none"> Co-financing or purchase of 25 defibrillators in local communities – 166 since 2014. Co-financing of training courses in the use of defibrillators in local communities.
Prevention and early detection of disease	<ul style="list-style-type: none"> 37 meetings and other events on physical and mental health were held in the Triglav Lab. Special attention was devoted to the mental health of young people.
Rapid response training	<ul style="list-style-type: none"> Co-financing of first aid education and training of first responders for healthcare institutes and municipalities.
Purchase of medical equipment	<ul style="list-style-type: none"> Co-financing of devices such as blood glucose meters, a ventilator, ultrasound and ECG machines for healthcare institutes.
Traffic safety	Impact
Retaking the driving exam, partner AMZS (Automobile Association of Slovenia)	<ul style="list-style-type: none"> 190 drivers in six Slovenian towns retook the driving test with a driving instructor. In the three years of implementing this campaign, more than 410 drivers, who have an average of 28 years of driving experience, took a refresher ride with a driving instructor. The most common driver errors were presented in articles on the vozimse.si portal.
Vozimse.si – a road traffic prevention portal, partner AMZS	<ul style="list-style-type: none"> 110,000 drivers passed the renewal road rules test, which is almost 10% of all Slovenian drivers. The most common mistakes made by drivers of the DRAJV application were presented on the portal, and information was published that could help drivers eliminate them.
Traffic safety awareness videos, partner Atmosferci	<ul style="list-style-type: none"> 4 videos were recorded on the following topics: myths of winter driving, anger in traffic, proper use of the left lane on the highway, motorcycle responders.
Together for Road Safety project, partners Sipronika and Zavod Vozim (I'm Driving Institute)	<ul style="list-style-type: none"> 80 speed display signs in local communities, at high-risk road sections and in the vicinity of schools and kindergartens were set up (within six years), of which 12 in 2021. Under the mentorship of the Vozim Institute, students from 12 schools with displays were researching speeding and submitted proposals to the mayors of their municipalities to reduce speed in their settlements. The implementation of proposals will be monitored on an annual basis.
Together for Road Safety project, partner COPS system	<ul style="list-style-type: none"> Installation of 11 COPS@zebra systems in Slovenia at black spots with the greatest risk of traffic accidents when walking over a pedestrian crossing.
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"> At 160 workshops in person or online, 9,500 young people listened to personal stories of traffic accident victims and became acquainted with the DRAJV safe driving application. 300 parents learnt about the techniques of how to talk about reducing alcohol consumption among adolescents at the workshop "We need to talk about alcohol" (for parents of 15-year-olds). 600 young people researched the influence of speed on impact load and braking distance at 14 specialised workshops. 800 young people attended the Alcohol=Change of Life workshop.
Activities for the safety of preschool children and first graders in road traffic, partner the Slovenian Traffic Safety Agency	<ul style="list-style-type: none"> Over 21,000 first graders were equipped with yellow neckerchiefs. Road safety mascot Kuža Pazi (Watch Out Doggy) visited over 47 elementary schools.
Educational charity event "Motorcyclists for Motorcyclists" partner AMZS, Center varne vožnje Vransko (Vransko Safe Driving Centre)	<ul style="list-style-type: none"> More than 1,500 motorcyclists attended accident prevention workshops over the period of seven years. In 2021, two days of free workshops for motorcyclists were organised.
Training workshop on driving with tractors and tractor trailers, partner AMZS, Vransko Safe Driving Centre	<ul style="list-style-type: none"> More than 130 tractor drivers attended the workshop on safe driving with tractors. In two years, over 200 tractor drivers were trained, many of them young tractor drivers.
Ongoing development of the DRAJV safe driving application	<ul style="list-style-type: none"> More than 62,000 users of the DRAJV application drove 190 million kilometres. Overview of the monthly statistics with the most common errors and a link to the content of the Vozimse portal, which helps to eliminate errors.
Promotion of forming an emergency lane on motorways, partner Zavod Reševalni pas (Emergency Lane Institute)	<ul style="list-style-type: none"> Purchase of three cameras (ten in total) for monitoring the driving of fire engines on an emergency call, which raise drivers' awareness of the consequences of improper formation of an emergency lane. Footage of ambulances on an emergency call and their problems were shared with drivers on common communication channels.
Fire prevention	Impact
Care for greater fire safety in mountain huts, partners Alpine Association of Slovenia and Fire Fighting Association of Slovenia, Bonpet	<ul style="list-style-type: none"> 33 mountain huts were equipped with automatic fire extinguishing ampoules and fire extinguishers that extinguish the initial fire, even if the hut is empty. In total, 85 mountain huts were equipped in two years. As part of the Let's Clean the Mountains drive, the first fire drill was carried out with partners at Dom pod Storžičem in the event of fire in a mountain hut. A consultation for mountain hut caretakers was held on the topic of fire protection and the importance of appropriate insurance for mountain huts.
Purchase of fire protection equipment, partners fire services, associations and brigades	<ul style="list-style-type: none"> Co-financing of the purchase of protective equipment, fire-fighting equipment and fire engines as well as investments in fire stations for 90 volunteer fire brigades and associations. Actively raising awareness about the dangers of lighting candles on Advent wreaths on the Everything Will Be Alright portal.
Financing of training and competitive activities of firefighters, partner Fire Fighting Association of Slovenia	<ul style="list-style-type: none"> Co-financing the implementation of the National Firefighting Competition in Celje and raising awareness of the general public on fire prevention.

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In the context of the traditional New Year's prevention campaign **Za boljši jutri (For a better tomorrow)**, 25 prevention projects were supported in Slovenian local communities. Funds were allocated to firefighters, health care, civil protection, counselling in the field of children's mental health, institutions for users with special needs and elementary schools. Over 200 preventive projects were supported over eight years.

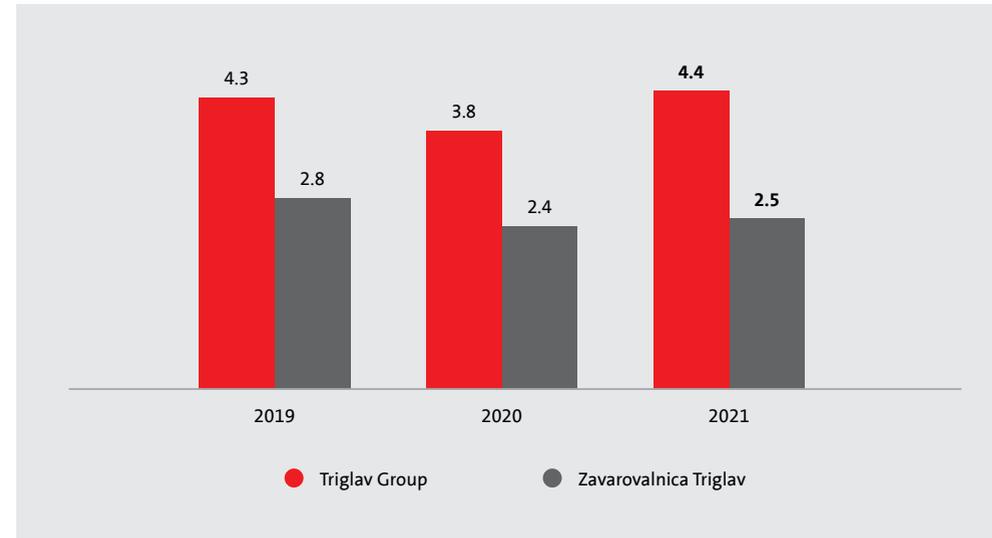


A total of 25 defibrillators were co-financed or bought in local communities in 2021 – amounting to 166 since 2014.

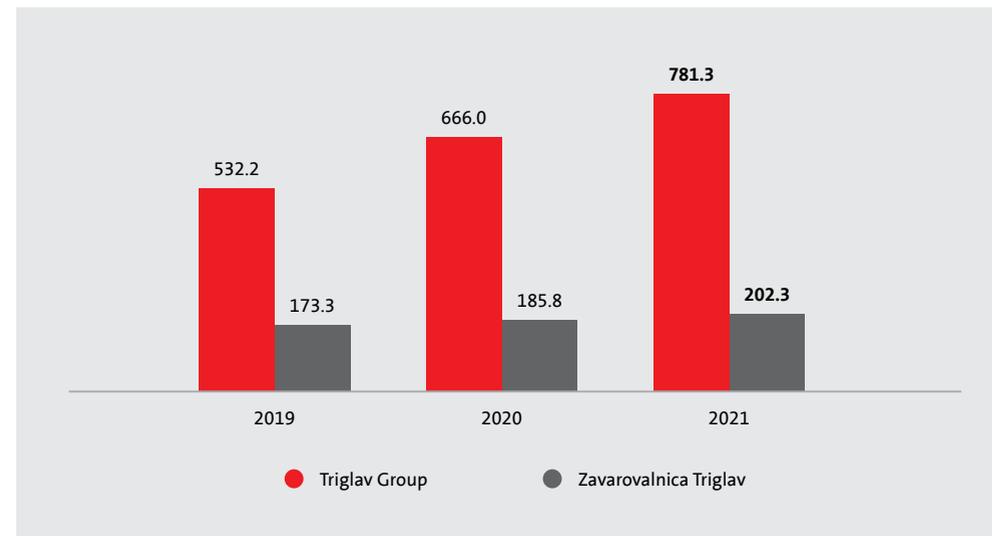
12.4.3.2 Sponsorships and donations⁸⁴

The management of sponsorship and donor partnerships in the Group is carried out in accordance with the established uniform guidelines. Attention is paid that their selection complies with the Company's business guidelines and brand. The situation related to the COVID-19 pandemic eased in comparison with the previous year and partnerships once again became more active. The amounts of both sponsorships (index 116) and donations (index 117) were increased.

Funds for sponsorships of the Triglav Group and Zavarovalnica Triglav in EUR million



Funds for donations of the Triglav Group and Zavarovalnica Triglav in EUR thousand

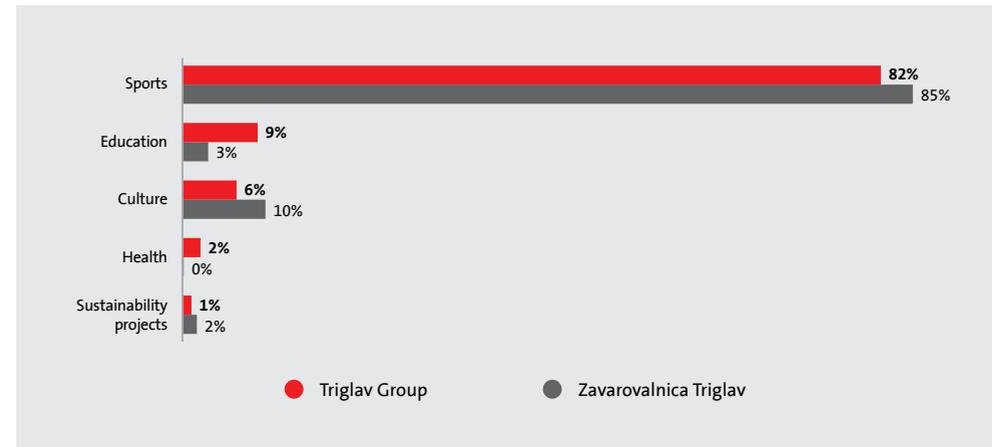


⁸⁴ GRI GS 201-1, 203-1

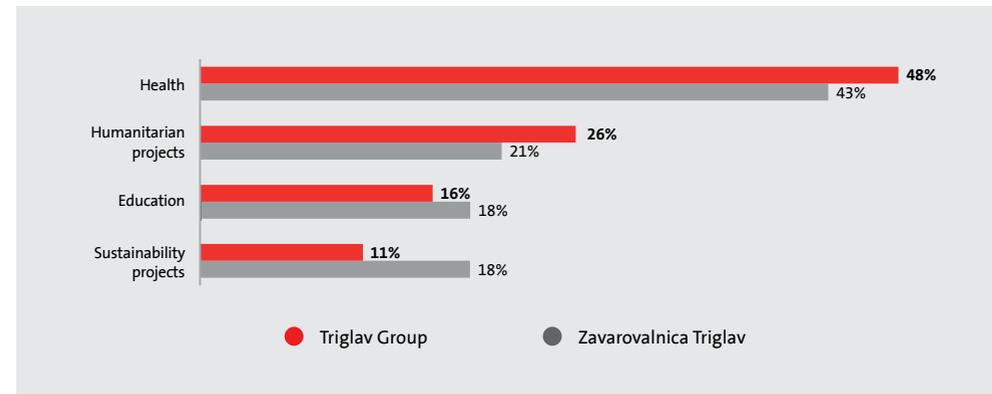


Zavarovalnica Triglav is a sponsor of 24 top athletes in Slovenia. Žan Košir is in the photo.

Sponsorships of the Triglav Group and Zavarovalnica Triglav in 2021 by content



Donations of the Triglav Group and Zavarovalnica Triglav in 2021 by content



Major sponsorships and donations

Sports sponsorships and the development of young athletes as well as raising awareness about the importance of a healthy lifestyle receive the majority of sponsorship funds. The Group is recognised as a partner of **national sports associations**, international sports events and numerous sports clubs in its markets. In 2021, its donor activities were strengthened and the largest share of funds was allocated to **healthcare and humanitarian projects**.

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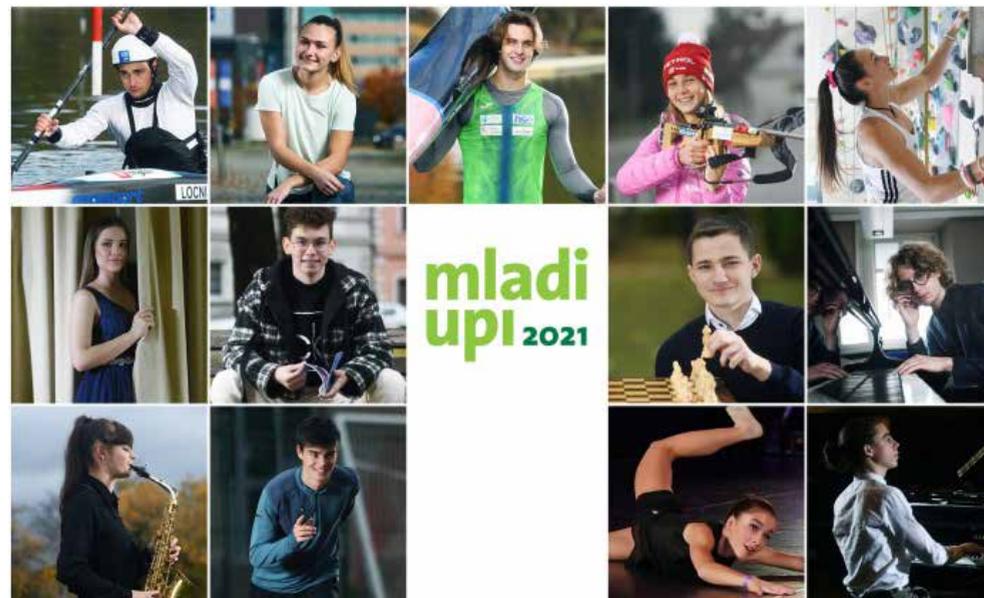
Some major sponsorships of the Triglav Group in 2021

Country	Sports sponsorship	Culture	Education and training
Slovenia	<ul style="list-style-type: none"> Partner of the Ski Association of Slovenia Golden partner of national teams in biathlon and Nordic skiing General sponsor of the FIS Ski Flying World Championship in Planica Sponsor of the Ski Jumping World Cup Ladies in Ljubno ob Savinji Sponsor of the Biathlon World Cup in Pokljuka Sponsor of the Sports Federation for the disabled of Slovenia Golden partner of the Football Association of Slovenia Sponsor of the Tennis Association of Slovenia Golden sponsor of the Table Tennis Association of Slovenia Sponsor of the Gymnastic Federation of Slovenia Sponsor of the Canoe Federation of Slovenia General partner of the climbing event Triglav The Rock Ljubljana Partner of the <i>Odbito na Ljubljani</i> event Sponsor of top athletes: Peter, Domen and Cene Prevc, Anamarija Lampič, Janez Lampič, Ela Nala and Tara Katarina Milič, Kaja Juvan, Domen Škofic, Janja Garnbret, Timotej Lampe Ignjič, Nataša Robnik, Miha Dovžan, Vid Vrhovnik, Aljaž Sladič, Nika Radišič, Špela Rogelj, Nika Križnar, Rok Marguč, Klemen Bauer, Jakov Fak, Katja Pogačar, Žan Košir and Jan Pancar. 	<ul style="list-style-type: none"> A series of concerts of Music of the World in Cankarjev dom Kinodvor Ljubljana Puppet Theatre Slovene Writers' Association Ljubljana Festival Ljubljana Castle Lent Festival National Museum of Slovenia Arsana Festival Beletrina Modern Gallery BBDO Festival RUTA 	<ul style="list-style-type: none"> Mountain Rescue Association of Slovenia: Staying Safe in the Mountains Managers' Association of Slovenia Slovenian Society for Dog Assisted Therapy Tačke Pomagačke (Helping Little Paws) Maritime Law Association American Chamber of Commerce in Slovenia (AmCham Slovenia)
Croatia	<ul style="list-style-type: none"> Croatian Basketball Association Croatia Open Umag Inter Zaprešić Football Club Adriatic Water Polo League 	<ul style="list-style-type: none"> Wine of Dalmatia Association 	<ul style="list-style-type: none"> Croatian Mountain Rescue Service
Montenegro	<ul style="list-style-type: none"> Budučnost Basketball Club Budučnost Female Handball Club Montenegro Olympic Committee Water Polo and Swimming Federation of Montenegro Adriatic Water Polo League Podgorica Basketball Club 	<ul style="list-style-type: none"> Budva Theatre Festival Art 365 	
North Macedonia	<ul style="list-style-type: none"> Vardar Handball Club Vardar Female Handball Club Alkaloid Chess Club Support of rally driver Igor Stefanovski Support of young tennis player Aleksandra Simeva Handball Federation of North Macedonia Support of the Youth League of the Basketball Federation of North Macedonia 	<ul style="list-style-type: none"> Tikveš Young Wine Festival 	<ul style="list-style-type: none"> Vrhbosna Sarajevo Elementary School
Bosnia and Herzegovina	<ul style="list-style-type: none"> Female Play Off Sarajevo Basketball Club Sarajevo Ski Club Borac Football Club Gradina Herceg Volleyball Club Železničar Football Club Čelik Football Club Support to Spars 05 Basketball Club 	<ul style="list-style-type: none"> Forum Sarajevo 	<ul style="list-style-type: none"> Skopje Scout Club
Serbia	<ul style="list-style-type: none"> General sponsor of the Basketball Federation of Serbia and the Serbian male national team Judo Federation of Serbia Borac Basketball Club Vojvodina Basketball Club Golf Association of Vojvodina Adriatic Water Polo League Support for the judoka Nemanja Majdov 	<ul style="list-style-type: none"> Manasija Knights Festival 	<ul style="list-style-type: none"> Municipality of Zemun

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Humanitarian activities of the Triglav Group members

Donation recipient	Purpose of aid
Lajka, society for the protection of and assistance to animals in distress, Slovenia	• Assistance to animals in distress
From Children to Children Society, Slovenia	• Co-financing of activities for children with special needs
Association of Patients with Blood Diseases, Slovenia	• Support for the rehabilitation programme
General hospitals of Ptuj, Murska Sobota, Jesenice and Izola, Slovenia	• Co-financing of necessary equipment (Triglav Run)
Happy Feet Society, Slovenia	• Family Assistance Project
Neurotrust, a neurorehabilitation institution, Slovenia	• <i>Let's ride together</i> drive
Tone Okrogar Primary School Zagorje, Municipality of Hrastnik, KS Kapca, Miklavžev zavod Murska Sobota and Vesna – Rateče d.o.o., Slovenia	• Co-financing the renovation of children's playgrounds (the renovation of 53 children's playgrounds was co-financed from 2012 to 2021)
ZPM Slovenije Ljubljana Moste – Polje, Slovenia	• Support for various programmes
Kinodvor and the Paediatric Clinic, Slovenia	• Enabling children at the hospital to watch a movie and socialising with the Watch Out Doggy mascot
Cystic Fibrosis Association, North Macedonia	• Support for the rehabilitation programme
Dragiša Mišović Clinical Centre, Serbia	• Purchase of hospital equipment
World Vision, Bosnia and Herzegovina	• Financial support to World Vision BiH organisation



Young Hopes 2021.

Everything Will Be Alright Institute

The mission of Zavarovalnica Triglav's Zavod Vse bo v redu (Everything Will Be Alright Institute) is to carry out socially responsible activities aimed at providing help and support to the socially disadvantaged and implement preventive activities. Key projects in 2021 included:

- **Support to young talents – Young Hopes project**

The Young Hopes project was implemented for the ninth time in a row, providing support to talented young athletes, para-athletes and artists. The current recipients of funds, aged 16 to 19, were announced at the end of 2021. The Everything Will Be Alright Institute allocated EUR 50,000 for the development of their talents and the realisation of their goals. In nine years, **114 young hopes** were supported with a total of EUR 451,000.

For all Young Hopes generations and all those closely associated with their work, the Company organised free lectures on effective communication and proper nutrition of athletes and those who are often exposed to pressure and stress.

- **Prevention activities aimed at preventing loss events**

The Company supported the **Alcohol-Free for 40 Days** campaign for the sixth year in a row, which promotes a healthy and sober lifestyle among the general public, including drivers. By promoting reflection on moderate and responsible alcohol consumption and raising awareness of the consequences of alcohol consumption, the Company is joining the efforts for positive changes in transport and community.

Information on corporate social responsibility partnerships:

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



12.4.4 Responsibility to suppliers

Procurement practices⁸⁵

Zavarovalnica Triglav uses a **standardised software solution for procurement**, which increases the transparency of procurement procedures and further reduces the operational risks of non-compliance with good business practices. Major procurement procedures are performed by the Strategic Sourcing Department which, in addition to its procurement role, performs a coordinating and communicating role between the departments in need of procurement and suppliers.

A new **procurement policy** for 2021–2023 was adopted in 2021. It defines the most important procurement categories and key development guidelines of procurement processes for greater cost efficiency, operational risk management and building long-term partnerships. It also ensures brand quality and compliance with the Group's integrated strategy and code. The biggest new feature is the definition of criteria for classification in the group of key and strategic suppliers, among which are the sustainability aspects related to the requirements of the GRI GS standards. The revised purchasing strategy and new indicators are in line with the Group's sustainable business guidelines.

Only suppliers who are, based on questionnaires, assessed each year as eligible according to the supplier compliance assessment and meet the expectations regarding sustainable business may participate in the 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 (at least in accordance with the applicable legislation), compliance with Slovenian legislation and international human rights documents and implementation of the requirements of environmental legislation. In this way, suppliers are assessed according to GRI standards indicators; 375 suppliers were assessed in 2021 (compared to 311 in 2020).

Locally-oriented procurement⁸⁶

The Company procures most materials and services on the Slovenian market; the share of suppliers outside the local market is less than 10%. The broader 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 only when it is economically feasible or there is no supplier in the market for the goods or services in demand.

The Group members also procure the majority of materials and services on their local markets. Where possible and reasonable, some of the same types of materials, raw materials and services were procured centrally and more favourable purchasing terms and conditions were achieved. All Group members adhere to the minimum standards for the Group's procurement process.

In 2022, an optimisation project will be implemented to carry out all procedures for same type purchases of companies in Slovenia in the amount exceeding EUR 25,000 (excluding VAT) via the Strategic Sourcing Department; for this purpose, a standardised software solution will be used.

Remuneration of insurance agencies and their sales staff

The Group's sales network is constantly being expanded with contractors, reaching **1,720** in 2021.⁸⁷ 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.

As at the 2021 year-end, the Company cooperated with 528 contractors authorised to provide insurance agency services (roadworthiness test providers, car dealers, leasing companies, banks, travel agencies, life and non-life insurance agencies) – 450 for non-life and 78 for life insurance. 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. The first agreement with a new partner is concluded for a fixed term. Before signing or renewing the agreement, a standardised review is performed. Contractors are also rewarded for exceeding the annual non-life and life insurance sales targets (volume bonus); furthermore, special additional rewarding campaigns are carried out during the year. In 2021, **rewarding of contractors for remote policy underwriting** was introduced.

Contractors are able to attend various training courses, workshops, and sales and motivational events, thus gaining new insurance and sales knowledge and skills, which improves client satisfaction.

When entering into new agreements with agencies, priority is given to exclusive sales, as insurance distributors can offer policyholders a comprehensive range of products of the Group members.

Companies outside Slovenia cooperated with more than **1,200 contractors** in 2021. In some countries, sales was promoted to natural persons through additional incentives. In Montenegro, the rules of remuneration were upgraded, placing an emphasis on the variable part of remuneration. These rules were also updated in some other companies.

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.

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12.5 Governance aspects

Fair business practices⁸⁸

In 2021, the Triglav Group Code was revised, changing in particular the method of addressing target stakeholders. Ethical principles were expanded to the following twelve:

- 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.

Through the Code, the system for direct reporting of non-compliance was set up, regulated by a special internal document for dealing with internal fraud and violations of the Code. These rules were also transferred to other Group members. Employees are regularly informed about the content of the code, which is also included in training.

In 2021, the Triglav Group dealt with two violations of the Triglav Group Code. No monetary losses directly related to the marketing and provision of information on insurance products were recorded.⁸⁹ None of the covered employees were involved in investment-related investigations, consumer complaints, private civil disputes or other regulatory proceedings.⁹⁰ No monetary losses directly related to legal proceedings concerning fraud, insider trading, antitrust, anticompetitive behaviour, market manipulation, abuse or other related laws or regulations of the financial industry were recorded.⁹¹

Insurance fraud management

Insurance fraud management is a condition for trusting in the insurer's fair business practices and an integral part of cost-effective operations. To identify suspected fraud, the Company uses advanced computer solutions that quickly and reliably detect suspicious cases. Technology also provides the Company with guidelines in establishing key internal controls for fraud prevention and identification, while at the same time helps to measure the Company's effectiveness in insurance fraud management.

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 employees. In the fight against fraud, the Company actively collaborates with other insurers and competent state authorities.

With the growing scope of remote insurance processes in recent years, new forms of fraud were detected, which the Company has begun to systematically monitor, adjusting its operations accordingly.

Whistleblowing regulations are governed by the Triglav Group Code, which is supplemented by the Rules on the management of internal fraud and violations. The latter also provides a framework for ensuring the protection of the reporting person's (whistleblower's) identity and protection against retaliation. At least one channel for reporting violations (an online form, a hotline for reporting fraud or the email address prevare@triglav.si) is available in all insurance and financial companies of the Group. In companies that employ at least 50 people, a **new internal channel** is being introduced in the application for receiving reports of violations. It is public and accessible on the website www.triglav.eu, making it available to all external stakeholders. Reporting persons may report any unlawful conduct, or an attempt thereof, that is contrary to the values and principles of the Triglav Group. 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.

Insurance fraud was confirmed in 878 cases out of 1,517 reported cases of suspected fraud in 2021. Of these, 33 reports of suspected fraud were received from external and internal reporting persons (whistleblowers). Fraud was confirmed in 9 cases. The number of confirmed cases of suspected fraud was 15% higher than in 2020. The Group also dealt with 34 cases of suspected internal fraud. Suspicion was confirmed in 18 cases in the total value of EUR 125,527.⁹²

Anti-corruption behaviour⁹³

In Group companies, the anti-corruption policy set a minimum standard of behaviour in proceedings with an identified corruption risk. As a mandatory contractual provision in legal relations with its contractors, the Group adopted an anti-corruption clause, a clause on respect for human rights, prevention of conflicts of interest, and protection of personal data and business secrets. Through regular training and communication, employees are trained in fair and transparent behaviour and how to respond to any identified irregularities. Zavarovalnica Triglav's employees attended training courses in corruption, conflict of interest management, prevention of money laundering and terrorist financing, and the Triglav Group Code for an average of 3.5 hours. No cases of corrupt practices were confirmed in the Triglav Group in 2021.

According to 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.⁹⁴



Personal data protection⁹⁵

With regard to **personal data protection**, the Group did not have any substantiated complaints regarding violations of privacy and protection and loss of personal data in 2021. In one case, non-compliance was found in the obligation to inform an individual, which was immediately rectified. There were no material sanctions; however, one written warning was issued due to the violation of the obligation to protect personal data, which is why action was taken to eliminate the irregularities.⁹⁶

In 2021, Zavarovalnica Triglav held several employee education and training courses on personal data protection – one training hour per employee on average. The internal control of personal data protection and the level of informing of individuals about the processing of their personal data were upgraded. Uniform rules for personal data processing and protection continued to be implemented within Group; they are based on common minimum standards for personal data protection.



Special attention is paid to personal data protection and employees participate in regular training on personal data protection.

Protection of competition⁹⁷

The Group follows the rules of consumer protection and competition and good business practices in its operations, product development and marketing. The protected interests of its competitors are respected and care is taken that the supplier selection procedures are transparent and comply with fair competition rules. By adopting the Handbook for Consumer and Competition Protection, the rules of behaviour to competitors were expanded, with special emphasis being on respecting the principles of fair competition. This is regularly communicated to employees. The Company was not informed of any proceedings due to non-compliance with competition protection rules that might have been initiated against any Group company in 2021.

Commitments to external initiatives and membership in associations⁹⁸

The Group companies participate in various initiatives and associations that promote ethical conduct and sustainable business. The main standard of professional business practices is implemented in the context of the Insurance Code of the Slovenian Insurance Association and other industry codes. The Company takes part in the activities of the American Chamber of Commerce, especially in the Ethics and Transparency 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. The subsidiaries carry out the parent company's commitments or directly adopt similar commitments and initiatives.

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. The Company's representatives are active in the following professional associations: 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 for finance, actuaries and compliance; furthermore, as its members, they attend the Business Integrity and Transparency Forum of Transparency International Slovenia. Subsidiaries are members of industry and professional associations in individual countries where they operate.

Adjustment to regulatory changes

Developments and changes in legislation are regularly monitored and included in the planning and implementation of operations. In 2021, the focus was on developing the most uniform practices in **personal data protection** and **protection of privacy in electronic communications**, related in particular to the transition to remote business. The following regulations were implemented: an amendment to the law governing companies, a directive governing the **protection of whistleblowers** and the guidelines of the European Insurance and Occupational Pensions Authority (EIOPA) on outsourcing to cloud service providers. The Company continued the harmonisation with the

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⁹⁵ GRI GS 103-1, 103-2, 103-3, 412-2, SDG 16 | ⁹⁶ GRI GS 419-1, 418-1 | ⁹⁷ GRI GS 103-1, 103-2, 103-3, 206-1 | ⁹⁸ GRI GS 102-12, 102-13

regulation on sustainability-related disclosures in the financial services sector, monitored the implementation of the EU Taxonomy and continued to implement the adopted Triglav Group's commitment to sustainability, which was upgraded with the Group's strategic ambitions relating to sustainable development (ESG).

The Group companies comply with legislative requirements, they are constantly adapting to changes and are actively involved in regulatory procedures. In countries where EU law does not apply, all Group companies comply with the minimum standards set by the parent company.

The Company's operations were adjusted to legal changes relating to supplemental voluntary pension insurance (SVPI) and obtained approvals for changes to pension schemes, management rules and investment policies for guarantee funds.

In the framework of a special working group, the definitions of the target market for more complex products were thoroughly reviewed in line with the EIOPA's guidelines on product review, the Policy on Insurance Product Governance and Oversight, and the EIOPA's and the ISA's positions regarding COVID-19 mitigation measures. For most insurance products, the target market was revised in the part that defines the purpose of an insurance product and the assumption of investment risks.

Furthermore, the Company addressed compliance with regulations relating to sustainability and amended the products in compliance with Regulation (EU) 2020/852 (Articles 6 and 7).

Government grants and other forms of government assistance⁹⁹

The Triglav Group received EUR 2.7 million in grants and other forms of government assistance in 2021, of which Zavarovalnica Triglav received EUR 2.5 million. The largest share of government grants in the Group, 83.3%, was accounted for by reimbursements of labour costs by the state. The support received in individual countries in which the Group operates so as to curb the COVID-19 epidemic accounted for 7.2%, while incentives for employing specific categories of workers accounted for 7.9%. The share of funds obtained in public tenders for co-financing traineeships from the Cohesion Fund was 1.1%. See Section [5.4 of the Accounting Report](#) for more information on government grants.

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