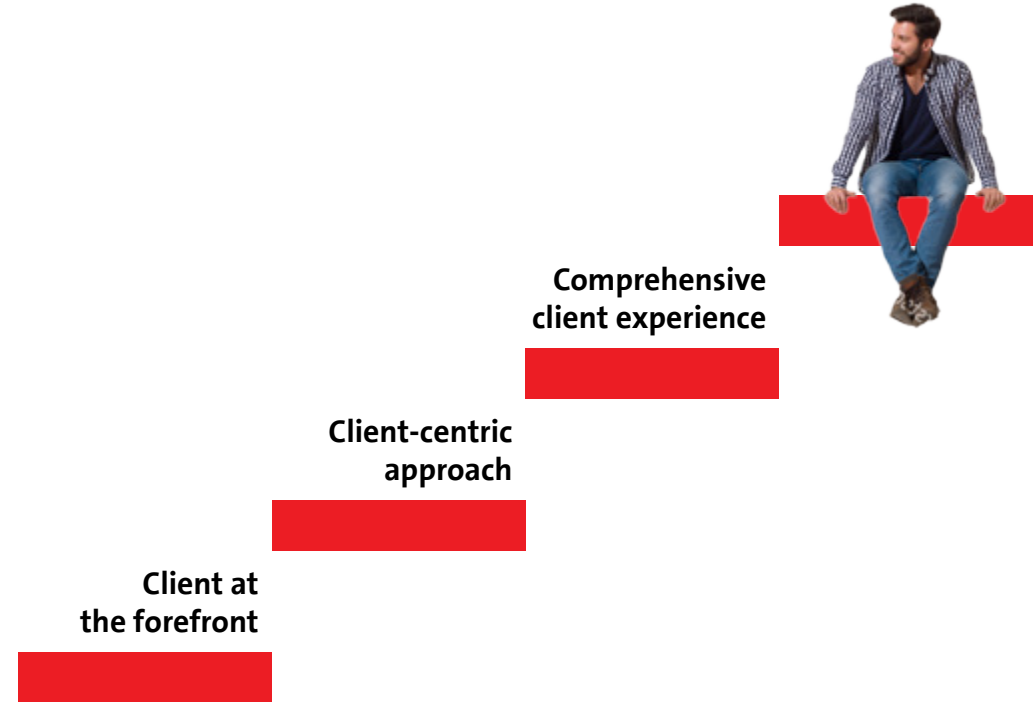


# 11. Development activities

- The number of client interaction points and the range of assistance service providers increased in all markets. Cooperation with partners was upgraded, and they were included in the Company’s platform solutions.
- Business ecosystems were upgraded with new services and harmonised with the revised *Triglav komplet* loyalty programme.
- Assistance, sales and claims procedures, as well as communication processes, continued to be digitalised and automated in order to fully meet client needs the moment they arise.
- Among the numerous innovations implemented, digital sales and marketing stand out; the digital platform for easy-to-use electronic client service was upgraded in accordance with the latest guidelines and the TRIA virtual assistant was launched.
- Product development and pricing policies were adapted to personalised solutions and macroeconomic trends.
- The Company entered into partnerships in third countries, and international brokerage companies are increasingly recognising the quality and flexibility of the Company’s services.
- The Company’s internal organisation was redesigned to facilitate the achievement of its strategic objectives and ambitions.
- A pilot project for setting up a hybrid workspace was launched.
- The IT infrastructure continued to be centralised with the aim of including 11 Group companies in the Group’s hybrid cloud by 2025.



At the forefront of the Group’s development activities, which are carried out by respective divisions and departments at the parent company, was the implementation of strategic guidelines with a particular emphasis on achieving an outstanding client experience, digital transformation and the development of service-oriented business ecosystems. The goals set were fully achieved. Furthermore, sustainability aspects and regulatory changes were incorporated into the development of products and services. See Section [12. Sustainable development at the Triglav Group](#) for further information.

## 11.1 A client-centric approach

Our increasing focus on clients is reflected in the expansion of the range of client interaction points and the development of business ecosystems, thereby strengthening the Company’s market presence and creating new sales opportunities. All of this increases the flexibility of the Group’s business model, changing the value provided by the two core activities by designing comprehensive solutions to meet client needs, in addition to ensuring clients’ financial security.

### 11.1.1 Business ecosystems

The main building blocks of all our ecosystems are assistance services expanded by related services, based on high-quality partnerships and supported by advanced information and digital solutions.

Ecosystems are built in the fields of health, well-being, mobility, living and financial services, integrating them with the revised *Triglav komplet* loyalty programme, as seen below.

In caring for people's health, new healthcare partners are added to the well-developed *Zdravje* (Health) business ecosystem, while upgrading existing partnerships and expanding the range of assistance and healthcare services. An outstanding user experience is also ensured by constantly improving processes in key client channels and implementing the most advanced technologies.

In a similar way, the Company enhances and upgrades partnerships with providers of home, car, computer, micromobility and pet assistance. At the home ecosystem, focus is on the solutions that provide the client with comprehensive repair of damage: from providing assistance immediately after the damage has occurred to repairing the damage using the "report and repair" method. In order to make it easier and faster to repair damage to clients' homes, various service providers were contracted. As part of the business ecosystem for the health and well-being of pets, their owners are joined into a community with easy access to information and service providers.

#### Triglav Group's business ecosystems

##### Triglav Health

Assistance to clients with acute and chronic illnesses, health prevention and provision of care.



##### Triglav Financial Security

A central point for planning and creating an individual's financial security in all periods of life - from savings to pension, access to advisors (financial, tax) or the use of various financial instruments.



##### Triglav Pets

For the well-being of pets, help with their acute illnesses and traumas, and insuring the owners' personal liability when caused by their pet.



##### Triglav Home

An ecosystem of assistance services in the elimination of damage, access to the services of verified contractors and solutions and systems for remote assistance, control and home security.



triglav  
ko%mplet

##### Triglav Mobility

Ensuring various forms of safe and sustainable mobility.



##### The Triglav Group single platform

Customer data management, ensuring security, personalization of the offer, loyalty program, evaluation of providers, gamification, shared digital technologies (e.g. image and speech recognition, AI/ML, bots, geolocation services, AR).

### 11.1.2 Development of sales processes and channels

The single platform for client communication and service continues to be developed. It is intended to ensure the coordinated, integrated and transparent dealing with clients and is based on the Hermes model and Microsoft Dynamics 365 technology. It includes automated processes and a single solution for an omni-channel user experience. To ensure such experiences, data and content about products and services will be integrated into the platform, enabling it to become the main digital transformation accelerator. In accordance with the plans, the management of claims that are submitted to the single entry point through several channels was optimised.

In support of sales, the process of managing life insurance contractors was automated (the entire process up to the drawing up and signing of the contract and notification of the partner). In addition, a mobile application for non-life insurance partners is being developed, incorporating new back-office automated marketing modules into the platform. The application for automatically sending claims will simplify the procedures from the acceptance of claims to the payment of claims. By the end of 2023, claim reporting for 20 insurance classes will be automated.

To ensure standardised recording and a comprehensive overview of data, as well as simplified change management, the registers of the databases of non-life and life insurance business partners were merged. Underwriting applications were adapted to the revised *Triglav komplet* loyalty programme, enabling the automatic renewal of home insurance.

In Slovenia, the single digital platform was upgraded to support the sales processes of non-life, life and health insurance products. The range of insurance products and services offered in banks was expanded to include the option of taking out

insurance remotely and e-signing, as well as the storage and delivery of e-documentation, which was linked to the call centre.

In Croatia, the life insurance sales portal was integrated into the new single platform for non-life, life and health insurance.

#### Development and new forms of partnerships

The Triglav Group is consolidating its position on the primary markets in the Adria region and strengthening its position in the wider international environment through partnerships with foreign insurance brokerage and agency companies as well as with reinsurers.

Through various forms of partnerships in **Slovenia** and a large network of contact points, clients can take out insurance at the very moment they need it, making this experience as convenient as possible for them. Partnerships are being strengthened mainly with vendors and service companies providing banking and other financial services, while the level of cooperation with partners providing assistance services is also being increased. In 2022, a greater level of cooperation was seen with regard to the settlement of motor vehicle and non-life insurance claims, as well as in roadside, home and cyber assistance at the insurance companies **outside Slovenia**.

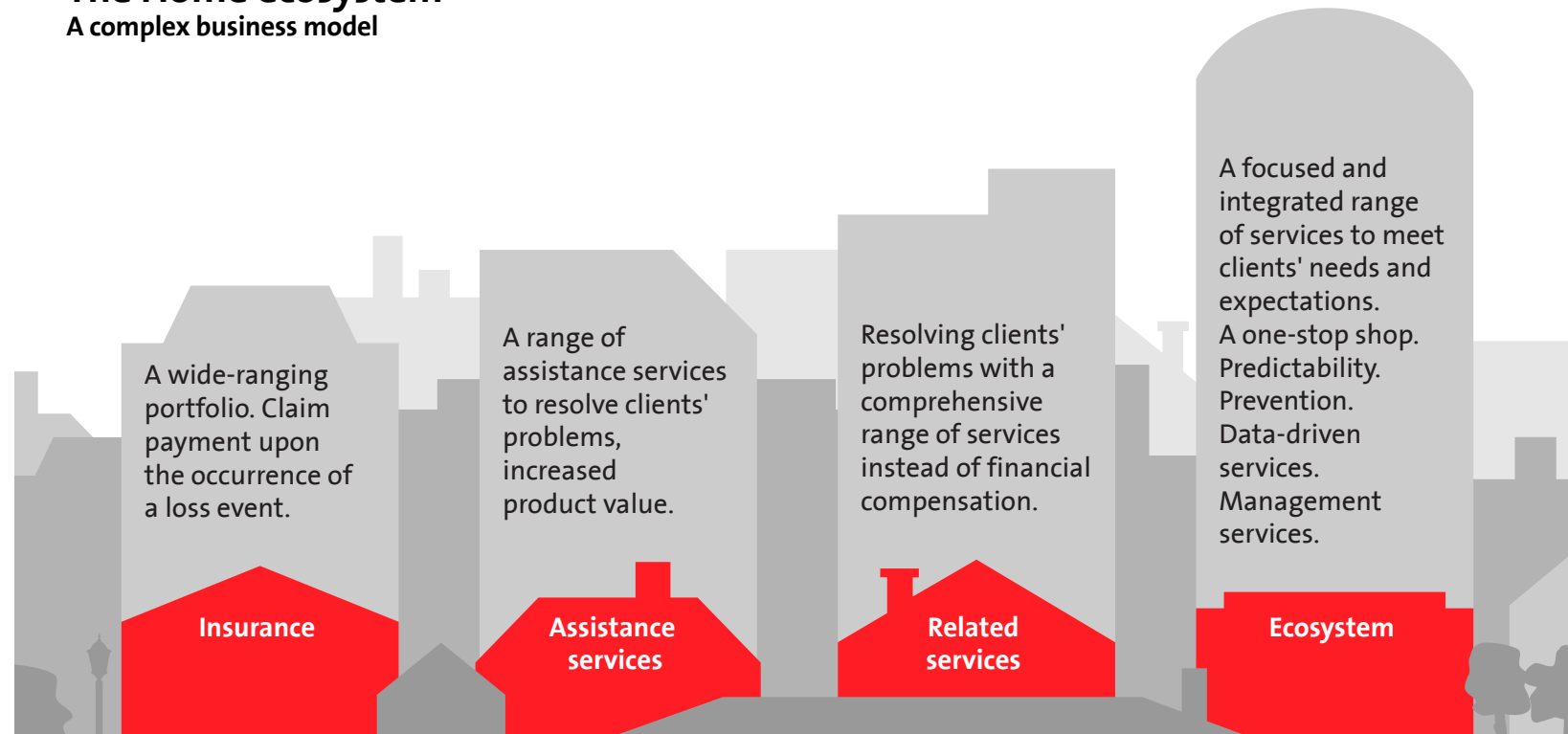
To ensure comprehensive vendor management, the Company established the Quality and

Contractor Relations Department. Cooperation was enhanced with the a specialised retail chain, a telecommunications operator and other vendors selling electronic devices, as well as business cooperation with a savings bank, which sells Triglav life insurance products.

**In Montenegro**, most new partnerships were entered into with banks (accounts receivable insurance) and with a mobile operator (mobile phone insurance). In addition, cooperation with Montenegrin Telekom was expanded in the high-net-worth client segment. Software support for own sales network and obtaining consent for direct marketing were improved. Furthermore, an online calculator was launched, and partnerships with four banks selling life insurance products were renewed.

## The Home ecosystem

### A complex business model



For the sales network in **Serbia**, a portal to simplify taking out home insurance and automatically renewing home and comprehensive insurance was designed, an application for selling life insurance was launched and the underwriting process was automated.

In **Croatia**, sales folders were introduced to simplify selling products via the sales network, authorisations for faster issuance of insurance policies were revised and e-classrooms for sales channel training were updated. Vehicle inspection providers were given access to the B2B portal, where motor vehicle insurance can be taken out. The introduction of the interface has simplified the use of Croatian insurance comparison sites. Moreover, a life and health insurance sales portal was launched.

In **North Macedonia**, cooperation with reputable partners was enhanced: another partner bank obtained authorisation to sell insurance, new partnerships with banks were established for selling consumer loan insurance and home insurance products, and an agreement was made with the leading mobile operator for telecommunications equipment insurance and home insurance via the B2B platform. In cooperation with healthcare institutions, free PCR tests were provided to policyholders.

In the Federation of **Bosnia and Herzegovina**, cooperation with travel agencies was expanded. In Republika Srpska, the sales network development strategy was revised to include the goal of expanding the sales network to new regions, new regulations on the work of the sales network and its remuneration were adopted, and both the number of points of sale of own and external sales networks and their employees were increased.

In the markets where the Group is not directly present, focus was on the strategy of expanding the core business. The Group's business presence was enhanced especially in most EU Member States and the EEA, while establishing new business partnerships with partners from third countries. The Group's business operations are developed and expanded through agency cooperation with local partners and international brokerage companies, which increasingly recognise the high quality and flexibility of the Group's services. Reinsurance products for international business clients were added to the insurance offer for agency partners abroad, globalising the Group's operations and underwriting.

### 11.1.3 Development of insurance products and services

Focused on client needs and setting the standard for an outstanding user experience, the Company aimed for responsiveness, simplicity and reliability of its services, products and processes. The transfer of products and good practices within the Group continued, achieving synergistic effects backed by a unified market presence.

- Property and interest in property insurance:** In order to mitigate inflationary pressures and balance the claims ratio of some insurance subclasses, premium rates, coverage limits and sums insured for all property insurance products were adjusted. Fixed deductibles were increased and the discount on insurance premium was adjusted. Sums insured were revalued based on the latest data on inflation rates and the construction index. The agreed value insurance terms and conditions were replaced with new *special insurance terms and conditions for investments of companies in buildings and equipment*, thereby removing automatic immunity from underinsurance. Insurance bases for general liability insurance were fully revised. The COVID-19 insurance coverage in the context of

insurance for travel abroad was extended, and for auto-renewal insurance policies the sum insured under liability insurance was increased to EUR 100,000.

- Motor vehicle insurance:** Insurance bases, premiums and tariff rates of motor vehicle insurance were adjusted to inflationary pressures and other needs. *Mini* roadside assistance insurance and roadside assistance insurance for goods vehicles with a maximum permissible weight over 3.5 tonnes was launched. Claims experience monitoring within the *Triglav komplet* system was designed, and the basis for awarding the *Triglav komplet Bonus* (TKB) was implemented. Insurance solutions continued to be developed for leasing service providers and vehicle importers (e.g. a multi-year policy for leasing-financed vehicles).
- Agricultural insurance:** Insurance products were harmonised with the Decree on co-financing of insurance premiums for primary agricultural production and fisheries for 2022. With regard to fruit tree insurance against the risk of spring frost, risk assumption activities were increased and the scope of insurance guarantee for outdoor orchards was reduced. Sums insured, premiums, tariff rates, the amount of insurance guarantee and pet insurance premiums were adjusted to inflationary pressures. The development and adaptation of insurance solutions continued in the context of building the *Triglav Male Živali* (Pets) ecosystem.
- Financial credit insurance:** Focus was on launching new and upgraded insurance products. With respect to credit insurance, the range of products for an individual assessment of whether to insure a credit was harmonised with regulatory amendments and modified criteria for determining creditworthiness. With regard to trade receivables insurance, advance payment insurance and factoring receivables insurance were adjusted to new market needs. A solution was developed for the approval of guarantees without expiry and for transactions involving long-term contracts (the energy sector).
- Transport insurance:** The portfolio analysis resulted in changes to road carrier's liability insurance for road carriers transporting new and used road vehicles (increased surcharge and deductible, clearly specified guarantee for sub-carriers as a secondary guarantee). In terms of legal protection for goods vehicles, the premium for the part that covers the protection of the transport contract was reduced, thereby increasing the availability of the product to carriers having a large fleet.
- Life and accident insurance:** In addition to upgrading *Fleks* unit-linked life insurance products, providing new investment options to clients and expanding the range of ETF funds, single premium unit-linked life insurance for bank clients and certain accident insurance products were upgraded. The redesign of the complementary accident insurance for children has made it possible for clients to opt for a higher sum insured and new risks (annuity, fractures, dislocations, burns and other injuries), as well as package or individual coverages and an additional benefit for families with three or more children. With the new coverages, the existing package offer of group accident insurance and accident insurance for the elderly was expanded and new coverages were added.
- Health insurance:** The range of modular health insurance products for businesses was expanded to include *Diagnoza rak Kolektivno* (Group Cancer Diagnosis) and *Psihološka pomoč Kolektivno* (Group Psychological Support), while the range of specialist outpatient treatment products was upgraded with additional elements and coverages (e.g. the option of remotely determining the



existence of a medically justified indication for referral to specialist treatment via family physicians who have a contract with the insurance company). The range of specialist areas, tests and procedures was expanded.

To better meet client needs, many processes were upgraded (for example, additional providers were included in the system for direct ordering of healthcare services and the range of services that can be ordered electronically at any time was expanded) and the assistance application was regularly updated to optimise the operation of the assistance centre. Due to the growing need to expand the range of assistance products for various groups of policyholders and the related provision of services, the Triglav zdravje asistenca company was founded.

- **Pensions:** The age classes of *Skupni pokojninski sklad* (Joint Pension Fund) guarantee funds were unified at Group level (*Skupni pokojninski sklad* (Joint Pension fund), *Skupina kritnih skladov Triglav PDPZ* (Triglav SVPI Guarantee Fund Group), *Skupina kritnih skladov Triglav pokojnine+* (Triglav Pensions+ Guarantee Fund Group)). This simplification, which will be implemented in early 2023, will also contribute to the reduction of the share of assets with a guaranteed return.

## 11.2 Transformation and digitalisation

Digitalisation and digital transformation are the key building blocks of the Group's new strategy period, aimed at providing clients with an outstanding user experience. The transformation is based on the unified management of client experience and digital business, which utilises self-service, digital sales and process automation. The latter also simplifies internal processes. Thus, several internal business processes were automated and digitalised using tools for robotic process automation (RPA).

In 2022, the network and server infrastructure was upgraded to ensure the stable, efficient and secure operation of information systems and services. As part of IT infrastructure centralisation, this project was completed at Triglav Osiguranje, Banja Luka. The goal is to include 11 companies in the Group' hybrid cloud by 2025, increasing the utilisation of equipment, obtaining additional security mechanisms and reducing maintenance costs. In developing the IT infrastructure, cloud services are used in all areas where this is reasonable and on-premise data centres are migrated to the hybrid cloud. A data centre was set up in the MS Azure cloud, enabling subsidiaries to migrate applications to the cloud.

By implementing the new AdInsure 3 core information system as a strategic project, a single platform for non-life, life and health insurance is being built. Within its framework, the AdInsure 3 sales portal for selling life insurance products was launched at the Croatian insurance company.

Core and support systems were upgraded to incorporate the new IFRS 17 accounting standard, while a uniform human resource system and intranet were implemented in companies in Slovenia

and most insurance companies outside Slovenia. By merging data from the Company's biggest registers, work was simplified and client experience was improved. Upon setting up the single business partners register, business partners' data from non-life and life insurance registers were collected in one place.

Due to the adverse economic situation, greater focus was on the recovery of insurance premium and the recovery of claims for unpaid rent.

### Pilot project: hybrid workplace

Zavarovalnica Triglav launched a **hybrid workplace** pilot project, in which around 14% of employees participate. In the context of the project, the employer's premises are primarily intended for collaboration, networking and creative processes, while employees perform mental and routine tasks to a greater extent in a quiet environment in a remote (home) office. The premises are designed as a hybrid working environment with a flex space that includes integrated creative points for collaboration or individual work, designated areas for socialising, virtual areas for collaboration (video calls), quiet rooms for conversations, etc. Unassigned workspaces are also planned, which should gradually reduce the need for fixed workstations.



The situation during the COVID-19 pandemic changed the way employees work, therefore, where the nature of work allows it, **working from home was made possible**. In addition, efforts are being made to digitalise human resource employment procedures to the greatest extent possible in order to enable job candidates to apply digitally and conduct the first round of interviews online.

The Company's organisational structure is adapted to facilitate the realisation of its strategic guidelines and ambitions.

- The Council of Architects (to ensure the consistency of proposals for IT solutions with the target information system architecture) and
- the Council of Security Experts (to ensure systematic treatment of cyber risks) were established.
- By revising digital business segments and the operation of the digital platform, two organisational units were established:
  - the Digital Platform and Business Intelligence Division (the implementation and promotion of digital business, seeking new ways of doing business and defining requirements) and
  - the Digital Operations and Client Experience Division (the development of new technological solutions, the paths leading to them and the technological aspect of data preparation and analysis for making business decisions).
- The Cyber Resilience Department (safe operation of information systems and data security, ensuring confidentiality, integrity and availability of information) was established.
- A more extensive overhaul of the non-life insurance claim segment was also aimed at digitalisation, automation and simplification of processes.

In Croatia, many activities were focused on the introduction of the euro as of 1 January 2023.

The transformation of digital solutions and services continued, especially the upgrade of the digital platform for easy-to-use electronic client service. Key acquisitions are in line with the latest digitalisation trends:

- the new i.triglav mobile application (a one-stop shop for clients, where they can arrange most matters related to insurance contracts and receive other services);
- inclusion of clients in the i.triglav digital office, also via the SI-PASS and Rekono identity verification services and a multi-level access for clients (services depending on the client identification method);
- management of several vehicles and measurement of driving with motorcycles in the DRAJV application;
- redesigned websites of eight insurance companies outside Slovenia as well as Triglav Skladi and Triglav Svetovanje (uniform user experience across all websites and applications of the Group insurance companies and personalised content for registered users);
- the TRIA virtual assistant (user help and answers to questions about the Company's products and services, personalised services or information for registered users);
- advanced analytics and artificial intelligence were integrated into client service processes (faster decision-making when selling services);
- prepared and consolidated data in the Synaps system (improved reporting quality).

## 11.3 Development activities related to asset management

A more advanced and simpler experience was ensured to both the internal and external users of **Triglav Skladi's** services, thereby strengthening the company's competitive position. Priority was given to the company's sustainability (ESG) strategy, which was first implemented in the context of discretionary mandates, and to the adaptation of data sources for the pursuit of sustainable investment policies. In addition, the Sustainable Business Policy was adopted and the Key Indicators of Sustainable Business were defined.

By incorporating the company's offer of savings plans into **the Triglav Group's komplet single loyalty programme**, clients can receive additional benefits when taking out non-life insurance. The company's website was redesigned, adapting it to digital marketing.

All five investment policies were updated, which are also the basis for *Aktivni naložbeni paketi* (Active Investment Packages), designed for the clients to actively manage and individually adjust their investment strategy in the context of unit-linked life insurance. The company's IT system was integrated into Zavarovalnica Triglav's environment. The server infrastructure was centralised, business processes were digitalised, the data warehouse was upgraded and reporting dashboards for making business decisions were established. The sales funnel in the automated marketing tool was synchronised with the MS Dynamics CRM platform, improving the monitoring and treatment of sales leads and clients at all interaction points, to which the automated communication was also adapted.

The implementation of the new SimCorp Dimension platform for fund management and discretionary mandates, as well as the effective digital implementation of business processes will be completed in 2023.

The subsidiary **Triglav Fondovi, Sarajevo** upgraded its range of products and services in 2022. With two new mutual funds, it has effectively positioned itself in the segment of investing investor assets in open-end investment funds.

At **Triglav, pokojninska družba**, a new version of the IN2 Delta investment information system was implemented (in addition to easier monitoring of portfolios, it enables the preparation of materials and ongoing simulations to ensure guaranteed profitability) and comprehensive management of a group of new Triglav pokojnine+ lifecycle guarantee funds was established.

**The platform for investing in alternative investments** continued to be developed by Triglav, further expanding its range of alternative investment classes. In order to increase the return on portfolios, the exposure of alternative investment classes in relation to the risks assumed was slightly increased, while maintaining high portfolio liquidity.