



Zavarovalnica Triglav, d.d.  
Miklošičeva cesta 19, 1000 Ljubljana

triglav

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triglav.si

# Unaudited Interim Report of the Triglav Group and Zavarovalnica Triglav d.d. for the period from 1 January 2022 to 30 June 2022



## MANAGEMENT BOARD:

President: Andrej Slapar

Members: Uroš Ivanc

Tadej Čoroli

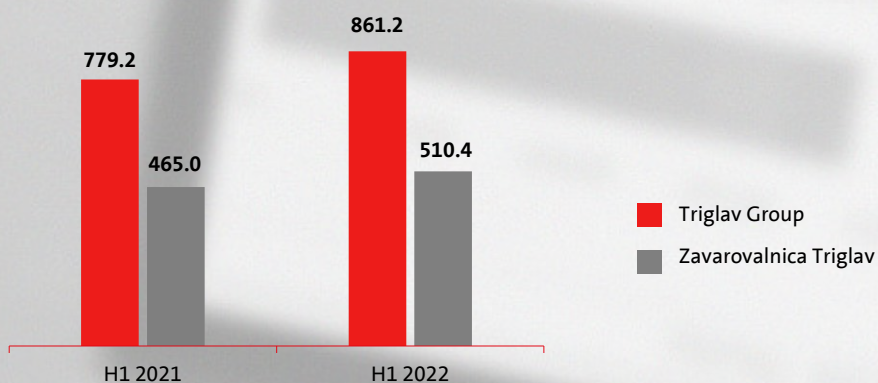
Barbara Smolnikar

David Benedek

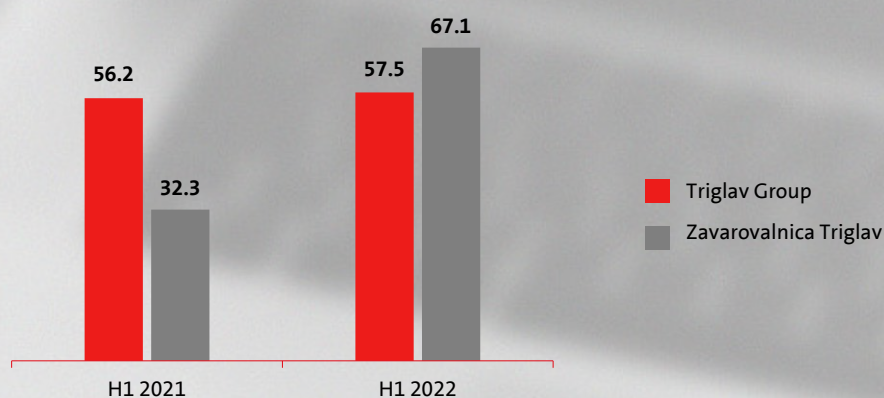
Marica Makoter

Ljubljana, August 2022

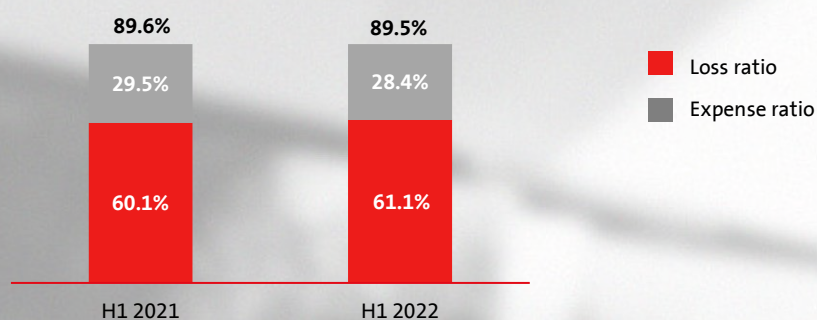
### Total revenue in EUR million



### Net profit before tax in EUR million



### Combined ratio of the Triglav Group



Credit rating

"A"

of the Triglav Group  
with a stable medium-term  
outlook

EUR 3.7

Dividend per share

**Dear shareholders, business partner and colleagues,**



In the first half of 2022, the Triglav Group generated consolidated profit before tax of EUR 57.5 million, up by 2% relative to the same period last year. Furthermore, we increased the volume of our business and maintained financial strength with capital adequacy within the target range.

In the reporting period, we operated in challenging circumstances, which further deteriorated in the second quarter of the year. In addition to the consequences of the COVID-19 pandemic, these were marked by a worsening macroeconomic situation with high growth in general inflation and an unfavourable situation in international financial markets. Under such circumstances, the half-year profit achieved confirms the robustness of our business model and the resilience of our underwriting activities and

the Group's solvency position to a deteriorating economic situation. Profit was further affected by high growth in business volume, lower investment returns due to the unfavourable situation in financial markets and the impairment of Russian bonds. Moreover, we managed the investment portfolio relatively conservatively in the reporting period.

The estimate stands that the Triglav Group's annual profit will be within the initially planned range; however, we stress that the risks related to the realisation of target profit have increased significantly due to negative influences from the business environment.

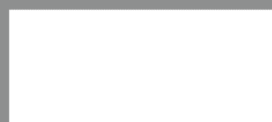
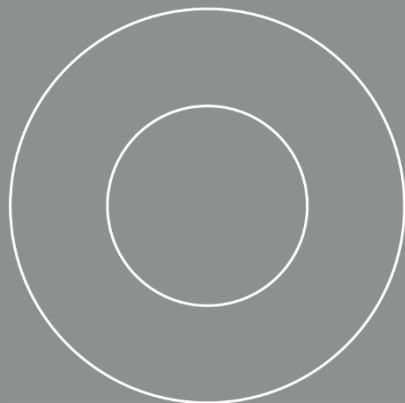
The Triglav Group's total revenue increased by 11% to EUR 861.2 million year-on-year, and total gross written premium increased by 9% to EUR 797.2 million. Premium growth was recorded in all three insurance segments and on all insurance markets. The increased premium volume resulted in a 15% increase in gross claims paid (EUR 398.1 million), which also increased this year due to the end of last year's pandemic-related restrictions, higher prices of materials and services and major CAT events that occurred in the second quarter (an estimated EUR 21.6 million in claims). The combined ratio in non-life and health insurance was favourable, standing at 89.5%. As always, we were prudent in the management of costs, which rose due to the economic situation, and conservative in the management of insurance technical provisions.

In the reporting period, we consistently implemented a series of strategic activities with an emphasis on our clients and sustainability ambitions. We are satisfied with our performance in the first half of the year. The credit goes to the Triglav team of over 5,000 employees, whom I thank for their professional and dedicated work.

**Andrej Slapar**

**President of the Management Board of Zavarovalnica Triglav**

# Business Report





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## Business Report

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# 1. Financial highlights in the first half of 2022

## 1.1 Financial highlights of the Triglav Group

	in EUR million		
	H1 2022	H1 2021	Index 2022/2021
Total revenue	861.2	779.2	111
Gross written premium from insurance, coinsurance and reinsurance contracts	797.2	731.1	109
Net premium income	573.3	544.1	105
Gross claims paid	398.1	347.6	115
Net claims incurred	368.9	351.3	105
Gross operating expenses	181.6	163.6	111
Profit before tax	57.5	56.2	102
Net profit	45.3	47.0	96
Net profit attributable to the controlling company	45.3	47.0	97
	30 June 2022	31 December 2021	Index 2022/2021
Insurance technical provisions	3,221.2	3,198.7	101
Equity	739.9	933.0	79
Equity attributable to the controlling company	737.8	930.5	79
Number of employees	5,304	5,264	101

## Key performance indicators of the Triglav Group

	H1 2022	H1 2021
ROE annualised	11.2%	11.2%
Loss ratio	61.1%	60.1%
Expense ratio	28.4%	29.5%
Combined ratio	89.5%	89.6%
Ratio of gross operating expenses to gross written premium	20.6%	20.3%

## 1.2 Financial highlights of Zavarovalnica Triglav

	in EUR million		
	H1 2022	H1 2021	Index 2022/2021
Total revenue	510.4	465.0	110
Gross written premium from insurance, coinsurance and reinsurance contracts	472.9	437.9	108
Net premium income	303.8	292.1	104
Gross claims paid	211.7	192.9	110
Net claims incurred	179.7	186.4	96
Gross operating expenses	107.5	98.0	110
Profit before tax	67.1	32.3	207
Net profit	57.7	26.4	219
	30 June 2022	31 December 2021	Index 2022/2021
Insurance technical provisions	2,280.2	2,280.5	100
Equity	534.0	675.2	79
Number of employees	2,231	2,246	99

## Key performance indicators of Zavarovalnica Triglav

	H1 2022	H1 2021
ROE annualised	20.2%	8.6%
Loss ratio	48.9%	53.0%
Expense ratio	31.0%	31.9%
Combined ratio	79.9%	84.9%
Ratio of gross operating expenses to gross written premium	22.7%	22.4%

### 1.3 Activities, markets and position of the Triglav Group

The Triglav Group is the leading insurance and financial group in Slovenia and the Adria region as well as one of the leading groups in South-East Europe. The Group operates in seven markets in six countries. Furthermore, it operates in the wider international environment through partnerships with foreign insurance brokerage and agency companies as well as reinsurers.

## Strategic activities

Insurance	Asset management
Non-life	Own insurance portfolio (asset backing liabilities and backing funds)
Life	
Pension	Mutual funds and individual asset management
Health	
Reinsurance	Pension funds

**Insurance** is the most extensive strategic activity of the Triglav Group, which includes non-life, life, health and pension insurance as well as reinsurance.

The insurance business of the Group comprises:

- **in Slovenia:** Zavarovalnica Triglav d.d., Triglav, Zdravstvena zavarovalnica d.d., Pozavarovalnica Triglav Re d.d. and Triglav, pokojninska družba d.d.;
- **abroad:** eight insurance undertakings in Croatia, Serbia, Montenegro, Bosnia and Herzegovina and North Macedonia.

The **asset management activity** at the Triglav Group, which is performed by Zavarovalnica Triglav, the Group's life insurance and pension insurance companies, Triglav Skladi d.o.o., Triglav, Upravljanje nepremičnin d.d. and Triglav d.o.o., includes saving via the Group's insurance services and investing in the Group's mutual funds and discretionary mandate assets, pension funds and private equity funds.

## The Triglav Group members directly involved in or supporting the Group's strategic business lines

	Insurance	Asset management	Other
<b>Slovenia</b>	<ul style="list-style-type: none"> <li>▪ Zavarovalnica Triglav d.d.</li> <li>▪ Pozavarovalnica Triglav Re d.d.</li> <li>▪ Triglav, Zdravstvena zavarovalnica d.d.</li> <li>▪ Triglav, pokojninska družba d.d.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Triglav Skladi d.o.o.</li> <li>▪ Triglav, Upravljanje nepremičnin d.o.o.</li> <li>▪ Triglav d.o.o.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Triglav INT d.d.</li> <li>▪ Triglav Svetovanje d.o.o.</li> <li>▪ Triglav Avtoservis d.o.o.</li> <li>▪ Triglavko d.o.o.</li> <li>▪ Diagnostični center Bled d.o.o.</li> <li>▪ Triglav zdravje asistenca d.o.o.</li> </ul>
<b>Croatia</b>	<ul style="list-style-type: none"> <li>▪ Triglav Osiguranje d.d., Zagreb</li> </ul>		<ul style="list-style-type: none"> <li>▪ Triglav Savjetovanje d.o.o.</li> </ul>
<b>Serbia</b>	<ul style="list-style-type: none"> <li>▪ Triglav Osiguranje a.d.o., Belgrade</li> </ul>		<ul style="list-style-type: none"> <li>▪ Triglav Savetovanje d.o.o.</li> </ul>
<b>Montenegro</b>	<ul style="list-style-type: none"> <li>▪ Lovćen Osiguranje a.d., Podgorica</li> <li>▪ Lovćen životna osiguranja a.d., Podgorica</li> </ul>		<ul style="list-style-type: none"> <li>▪ Lovćen auto d.o.o.</li> </ul>
<b>Bosnia and Herzegovina</b>	<ul style="list-style-type: none"> <li>▪ Triglav Osiguranje d.d., Sarajevo</li> <li>▪ Triglav Osiguranje a.d., Banja Luka</li> </ul>	<ul style="list-style-type: none"> <li>▪ Triglav Fondovi d.o.o., Sarajevo</li> <li>▪ Društvo za upravljanje Evropskim dobrovoljnim penzijskim fondom a.d, Banja Luka</li> </ul>	<ul style="list-style-type: none"> <li>▪ Triglav Savjetovanje d.o.o.</li> <li>▪ Autocentar BH d.o.o.</li> </ul>
<b>North Macedonia</b>	<ul style="list-style-type: none"> <li>▪ Triglav Osiguruvanje a.d., Skopje</li> <li>▪ Triglav Osiguruvanje Život a.d., Skopje</li> </ul>	<ul style="list-style-type: none"> <li>▪ Triglav penzisko društvo a.d., Skopje</li> </ul>	

### 1.4 Composition of the Triglav Group

As at 30 June 2022, the Triglav Group comprised 45 companies; in addition to the parent company, 29 subsidiaries, 6 associates and 9 joint ventures.

#### The Triglav Group as at 30 June 2022

**Parent company:**      ▪ Zavarovalnica Triglav d.d.

**Subsidiaries:**

- Pozavarovalnica Triglav Re d.d., Ljubljana

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- Triglav, Zdravstvena zavarovalnica d.d., Koper
  - Triglav zdravje asistenca d.o.o., Ljubljana

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- Triglav, pokojninska družba d.d., Ljubljana

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- Triglav INT, holdinška družba d.d., Ljubljana
  - Triglav Osiguranje d.d., Zagreb
    - Triglav Savjetovanje d.o.o., Zagreb
  - Triglav Osiguranje a.d.o., Belgrade
    - Triglav Savetovanje d.o.o., Belgrade
  - Lovćen Osiguranje a.d., Podgorica
    - Lovćen životna osiguranja a.d., Podgorica
    - Lovćen auto d.o.o., Podgorica
  - Triglav Osiguranje d.d., Sarajevo
    - Triglav Savjetovanje d.o.o., Sarajevo
    - Autocentar BH d.o.o., Sarajevo
    - Sarajevostan d.o.o., Sarajevo
    - Triglav upravljanje nekretninama d.o.o., Sarajevo
  - Triglav Osiguranje a.d., Banja Luka
  - Triglav Osiguruvanje a.d., Skopje
  - Triglav Osiguruvanje Život a.d., Skopje

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- Triglav Skladi d.o.o., Ljubljana
  - Triglav Fondovi d.o.o., Sarajevo



- 
- Triglav Svetovanje d.o.o., Domžale
- 
- Triglav Avtoservis d.o.o., Ljubljana
- 
- Triglav, Upravljanje nepremičnin d.o.o., Ljubljana
  - Triglav, upravljanje nekretninama d.o.o., Zagreb
    - Triglav, upravljanje nekretninama d.o.o., Podgorica
- 
- Triglav penzisko društvo a.d., Skopje
- 
- Vse bo v redu, Zavod Zavarovalnice Triglav za družbeno odgovorne aktivnosti
- 

#### Associates:

- 
- Triglavko d.o.o., Ljubljana
- 
- TRIGAL d.o.o., Ljubljana
- 
- Nama d.d., Ljubljana
    - Nama IN d.o.o., Ljubljana
- 
- Društvo za upravljanje Evropskim dobrovoljnim penzijskim fondom a.d., Banja Luka
- 
- Alifenet d.o.o., Ljubljana
- 

#### Joint ventures:

- 
- Diagnostični center Bled d.o.o., Bled
    - MTC Fontana d.o.o., Maribor
    - Medi Cons kardiologija d.o.o., Novo Mesto
    - Gastromedica d.o.o., Murska Sobota
    - Internistična GE ambulanta d.o.o., Nova Gorica
    - Cardial d.o.o., Ljubljana
    - DC Naložbe d.o.o., Ljubljana
    - Kirurški sanatorij Rožna dolina d.o.o., Ljubljana
    - Neuroedina d.o.o., Bled
- 





#### Changes in the Triglav Group in the first six months of 2022:

- With the in-cash contribution of EUR 7,500, Triglav, Zdravstvena zavarovalnica d.d., Koper established Triglav zdravje asistenca, družba za zdravstveno dejavnost d.o.o., Ljubljana, thereby becoming its 100% owner.
- Triglav Svetovanje d.o.o., Domžale sold a 51% participating interest in Triglav Savetovanje d.o.o., Belgrade to Triglav Osiguranje a.d.o., Belgrade. As a result, Triglav Osiguranje, Belgrade became a 100% owner of said company.
- In first quarter of 2022, Triglav INT d.d., Ljubljana acquired a 0.36% participating interest in Triglav Osiguruvanje a.d., Skopje from non-controlling interest holders, thereby becoming its 81.69% owner. The consideration totalled MAK 2.2 million or EUR 36 thousand.
- PROF IN d.o.o., a subsidiary of Triglav Skladi, changed its name to Triglav Fondovi, društvo za upravljanje investicijskim fondovima d.o.o., Sarajevo or abbreviated Triglav Fondovi d.o.o., Sarajevo.
- Triglav Svetovanje d.o.o., Domžale sold its 51% participating interest in Triglav Savjetovanje d.o.o., Zagreb to Triglav Osiguranje d.d., Zagreb. As a result, Triglav Osiguranje, Zagreb became a 100% owner of said company.
- Zavarovalnica Triglav increased the capital of its subsidiary Triglav, pokojninska družba in the amount of EUR 45.0 million with the aim of consolidating the capital strength and resilience of the company in the environment characterised by significant growth in interest rates. The parent company retained its 100% participating interest.

The changes in the Triglav Group are discussed in greater detail in *Section 2.8 of the Accounting Report*.

## 1.5 Strategy of the Triglav Group

The Triglav Group has revised its strategy for 2025. The Group continues to pursue its existing key strategic guidelines, while upgrading them in terms of growth and development activities and an improved client-centric approach. By focusing on these goals, the Group continues to carry out its digital transformation process and develop service-oriented business models and ecosystems which address interrelated client needs. The Group's planned operations remain profitable and safe. Through its sustainable operations, the Group continues to provide a development-oriented environment for its employees, maintain ties with its partners and represent a stable, safe and profitable investment for investors.

 <b>Triglav Group's mission</b>	<p><b>We build a safer future</b></p> <ul style="list-style-type: none"> <li>We are client-centred</li> <li>We support development of our partners.</li> <li>We provide development-oriented environment for our employees.</li> <li>We are stable, safe and profitable investment for our investors.</li> </ul>		
<p>Triglav is leading insurance and financial group in Adria region, synonymous with the best user experience. Through our operations, we are creating above-average value for our key stakeholders and promote transition to sustainable company.</p>			
 <b>Triglav Group's vision</b>	<p><b>We set standard of outstanding client experience – anytime, anyplace</b></p>		
 <b>Triglav Group's values</b>	<p><b>Responsiveness, simplicity and reliability are reflected in our day-to-day operations.</b></p>		
<p>Triglav Group Will Remain Leader In All Its Core businesses In Adria Region</p>			
 <b>Triglav Group's core businesses</b>	<table border="0"> <tr> <td data-bbox="550 1120 973 1328"> <p><b>Insurance</b></p> <ul style="list-style-type: none"> <li>Non-life</li> <li>Health</li> <li>Life</li> <li>Pension</li> <li>Reinsurance</li> </ul> </td> <td data-bbox="973 1120 1394 1328"> <p><b>Asset management</b></p> <ul style="list-style-type: none"> <li>Own insurance portfolio (assets backing liabilities and guarantee funds)</li> <li>Mutual funds and discretionary mandate assets</li> <li>Pension funds</li> </ul> </td> </tr> </table>	<p><b>Insurance</b></p> <ul style="list-style-type: none"> <li>Non-life</li> <li>Health</li> <li>Life</li> <li>Pension</li> <li>Reinsurance</li> </ul>	<p><b>Asset management</b></p> <ul style="list-style-type: none"> <li>Own insurance portfolio (assets backing liabilities and guarantee funds)</li> <li>Mutual funds and discretionary mandate assets</li> <li>Pension funds</li> </ul>
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### Implementation of the Triglav Group Strategy in the first half of 2022

In the first half of 2022, a number of planned activities were carried out in accordance with the revised Triglav Group strategy. By effectively managing its risks and ensuring its financial stability, the Group operated safely and profitably. The focus was on the client with the aim of helping them to a more secure future through a comprehensive range of insurance and financial products and the continuous improvement of advanced digital services for an outstanding user experience. Moreover, the Group strengthened its corporate governance and transferred best practices among the Group members, upgraded its digital way of doing business and redesigned its product and service range. The Group supported the development of its partners by providing an effective sales channel to the network of assistance and related services providers, enabling them to raise their level of professionalism. In addition, the Group is developing an organisational environment to recruit, develop and retain competent, engaged and satisfied employees.

The assessment of the implementation of the Group's set strategic objectives in the first half of 2022 is positive and encouraging. A selection of key results and the contribution to the realisation of strategic guidelines are presented below.

- In the first half of 2022, gross written premium rose by 9% at the Group level, earning a profit before tax of EUR 45.3 million.
- By taking prompt action with respect to the potential effects of the COVID-19 pandemic and the situation on global markets due to the war in Ukraine, the Group pursued its objectives related to financial stability, capital adequacy and profitability.
- Cost optimisation and ensuring effective risk management were pursued.
- A dividend of EUR 3.70 gross per share was paid to Zavarovalnica Triglav's shareholders; the Company provided transparent information to the market and kept the lines of communication open as part of its proactive investor relations.
- The Group carried out activities aimed at not only achieving synergy effects at the Group level but also strengthening the competitive position of each Group member.
- A capital increase of Triglav, pokojninska družba was carried out with the aim of bolstering its capital strength.
- The Group ensured business continuity throughout the whole period and promoted its remote business, which also contributed to a high client satisfaction score (NPS = 76).
- In the first half of 2022, Zavarovalnica Triglav implemented new ways of digitally including clients into the i.triglav digital office via Rekono and SI-Pass external identity providers. Clients were encouraged to log in via a QR code. Furthermore, a digital identity was incorporated into *Triglav komplet*. These activities led to a 22.6% increase in the number of i.triglav digital office users, surpassing 72,000 users.
- The Group's client satisfaction measurement was upgraded by including additional communication channels and deepening its understanding of the client experience as well as by pursuing the objective of eliminating negative experiences.
- The Group continued to redesign existing insurance products and develop new ones: redesigned non-life, life and health insurance policies focused on digitalisation, flexibility and accessibility were offered to clients.
- In accordance with its sustainability ambitions, the Group participated in several international initiatives in the field of sustainable development and information (UN PSI, UNEP FI, PCAF, CDP) and integrated sustainable development factors into its operations (e.g. a further increase in sustainable fixed-income investments in the Group's investment portfolio).
- The establishment of Triglav zdravje asistenca, družba za zdravstveno dejavnost in order to strengthen the client assistance model.
- The Group ensured high responsiveness, reliability and transparency in all communication channels with its clients.
- A new online portal [www.triglavzdravje.si](http://www.triglavzdravje.si) with an updated description of products and services as well as a new online underwriting application were launched. Also new is the conversion-focused website [www.triglavskladi.si](http://www.triglavskladi.si).
- The *Triglav komplet* bonus system was upgraded, which rewards client loyalty in a simple and transparent way and promotes digital ways of doing business.

## 1.6 Significant events in the reporting period

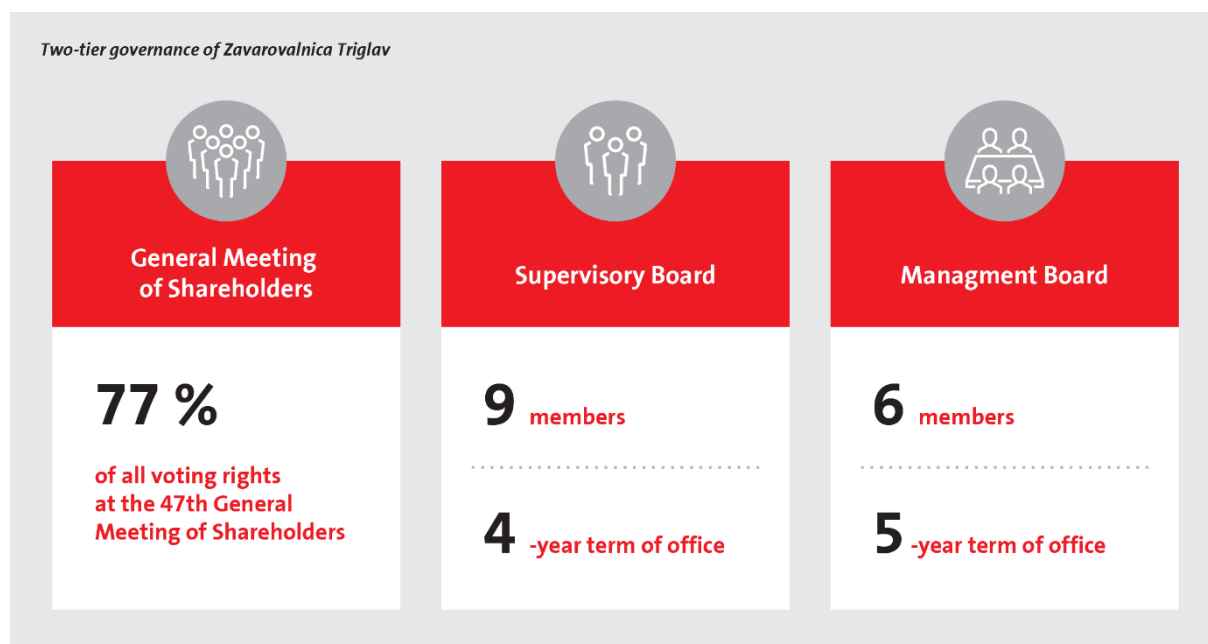
Significant events in the first half of 2022 included:

- At the May General Meeting of Shareholders, the shareholders adopted the resolution proposed by the Management Board and the Supervisory Board to pay a dividend of EUR 3.70 gross per share or EUR 84.1 million in total. See sections 2.1 *General Meeting of Shareholders* and 3.5 *Dividend policy* for more details.

- The Triglav Group achieved good half-year results in a demanding business environment characterised by the difficult geopolitical situation, high inflation rate, major CAT events and the unfavourable situation in financial markets.
- On 11 March 2022, the Triglav Group published detailed information on its low exposure to the situation resulting from the war in Ukraine and sanctions imposed against Russia and Belarus in an announcement (<https://www.triglav.eu/sl/vlagatelji/aktualno/obvestila/obvestilo>) and in the Annual Report of the Triglav Group and Zavarovalnica Triglav d.d. for 2021 (<https://www.triglav.eu/sl/vlagatelji/aktualno/financa-porocila>).

## 2. Governance of Zavarovalnica Triglav

Zavarovalnica Triglav uses a two-tier governance system. Its management and supervisory bodies are as follows: **General Meeting of Shareholders**, **Management Board** and **Supervisory Board**. They operate in compliance with the primary and secondary legislation, the Articles of Association and the relevant rules of procedure. Zavarovalnica Triglav's Articles of Association are published on its official website ([www.triglav.eu](http://www.triglav.eu)).



The operation of the General Meeting of Shareholders, the Management Board and the Supervisory Board is described in greater detail in Section 5. *Corporate Governance Statement* of the Annual Report of the Triglav Group and Zavarovalnica Triglav d.d. for 2021.

### 2.1 General Meeting of Shareholders

The 47th General Meeting of Shareholders of Zavarovalnica Triglav was held on 24 May 2022. The total number of shares and voting rights represented at the General Meeting of Shareholders was 17,439,358 or 76.97% of all shares to which the voting rights are attached. The General Meeting of Shareholders took note of:

- Annual Report of the Triglav Group and Zavarovalnica Triglav d.d. for 2021, including the independent auditor's report,
- Annual Internal Audit Report for 2021,
- Report of the Supervisory Board of Zavarovalnica Triglav d.d. on the Verification of the Annual Report of the Triglav Group and Zavarovalnica Triglav d.d. for 2021,
- Opinion given by the Supervisory Board on the Annual Internal Audit Report for 2021.

The General Meeting of Shareholders approved Zavarovalnica Triglav's remuneration report for 2021, whereas the consultative resolution on its remuneration policy was not adopted. The remuneration policy, which is pursued by Zavarovalnica Triglav and complies with the law, is not fully in line with the latest recommendations of the shareholder SDH, published on 16 March 2022. These recommendations will be examined by the time the next regular General Meeting of Shareholders of Zavarovalnica Triglav takes place.

The shareholders adopted a resolution on the following distribution of the accumulated profit of EUR 87,660,380.45 as at 31 December 2021:

- A part of accumulated profit in the amount of EUR 84,120,047.60 shall be allocated for dividend payments. The dividend of EUR 3.70 gross per share shall be paid to the shareholders appearing in the share register as at 7 June 2022. As at 8 June 2022, the Company provided funds for the payment of all dividends to the account of KDD – Centralno klirinška depotna družba d.d. (see Section 3.5 *Dividend policy* for more information on the dividend).
- The distribution of the remaining accumulated profit of EUR 3,540,332.85 shall be decided in the next few years.

The shareholders granted a discharge for the 2021 financial year to both the Management Board and the Supervisory Board of Zavarovalnica Triglav.

The General Meeting of Shareholders appointed the audit firm Deloitte revizija d.o.o., Ljubljana the auditor of Zavarovalnica Triglav for the 2022, 2023 and 2024 financial years.

Detailed information on the General Meeting of Shareholders' resolutions are available at the Company's website <https://www.triglav.eu/sl/vlagatelji/aktualno/obvestila>.

## 2.2 Composition of the Management Board

As at 30 June 2022 the Management Board of Zavarovalnica Triglav was comprised of:

- Andrej Slapar, President,
- Uroš Ivanc, Member,
- Tadej Čoroli, Member,
- Barbara Smolnikar, Member,
- David Benedek, Member, and
- Marica Makoter, Member.

## 2.3 Composition of the Supervisory Board

As at 30 June 2022, the Supervisory Board of Zavarovalnica Triglav was comprised of:

- shareholder representatives:
  - Andrej Andoljšek, Chairman,
  - Branko Bračko, Vice Chairman,
  - Tomaž Benčina, Member
  - Peter Kavčič, Member,
  - Igor Stebernak, Member, and
  - Jure Valjavec, Member,
- employee representatives:
  - Peter Celar, Member,
  - Branko Gorjan, Member,
  - Igor Zupan, Member.

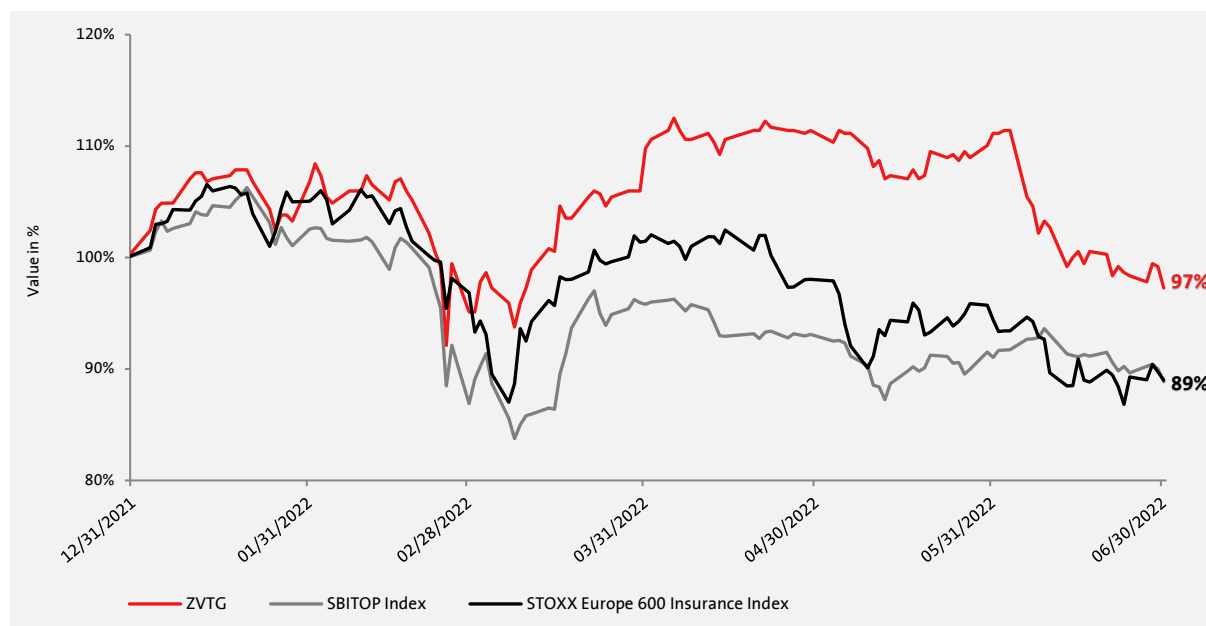
## 3. The share and the shareholders of Zavarovalnica Triglav

### 3.1 The share of Zavarovalnica Triglav

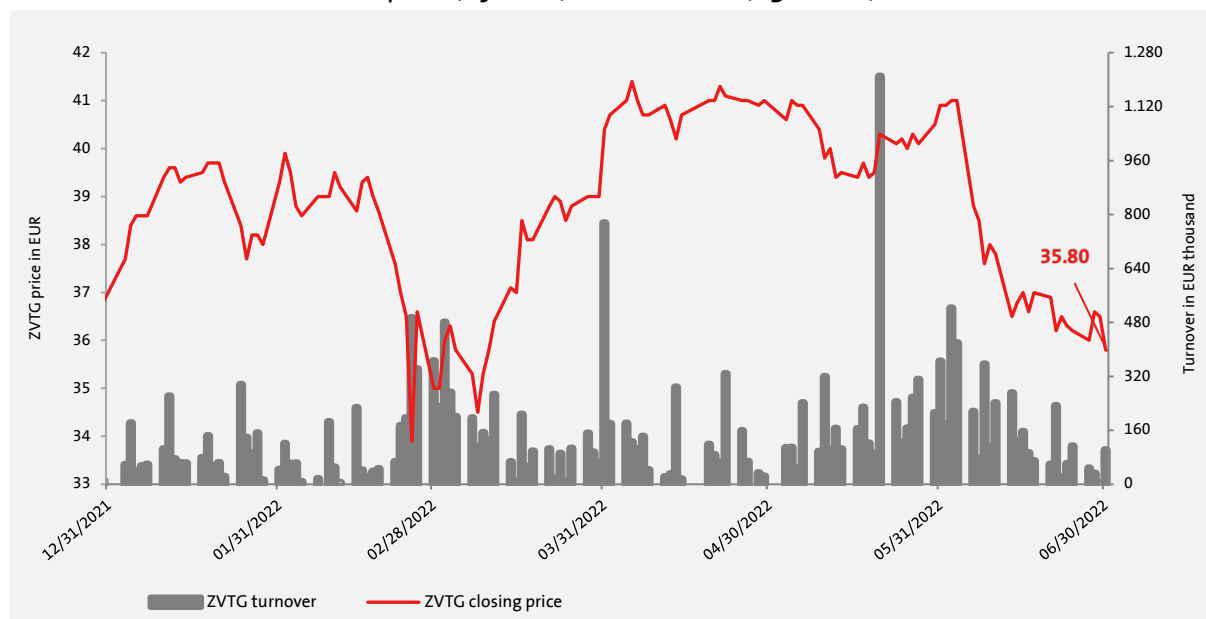
With EUR 813.9 million in market capitalisation as at 30 June 2022, Zavarovalnica Triglav continues to be the fourth largest Slovenian listed company, its share being one of the most liquid shares on the Slovenian stock exchange. Compared to the same period last year, share turnover rose by 58%, reaching EUR 18.7 million. A total of 26% of its stock market turnover was performed by the liquidity provider, which has rendered its services for the Company since 2019.

As at the reporting date, the price-to-book ratio (P/B) was 1.10, while the price-to-earnings ratio (P/E) was 7.31. The movement of the ZVTG share price in the first half of the year was marked by the situation in stock markets, which was influenced by the geopolitical and macroeconomic situation in the region and beyond, as well as the announcement of the Triglav Group's good annual and quarterly results and the dividend payment. On 24 May 2022, the Company's General Meeting of Shareholders approved the proposal of the Management Board and the Supervisory Board regarding the dividend payment, with the ex-dividend date being 7 June 2022.

*Movement in the ZVTG share price in H1 2022 compared to the Ljubljana Stock Exchange SBITOP index and the sectoral index of European insurance companies STOXX Europe 600 Insurance: 31 December 2021 = 100)*



### Movements in the ZVTG share price (left axis) and turnover (right axis) in EUR



### Key figures for Zavarovalnica Triglav's share in H1 2022 (in EUR)

Items	30 June 2022
Maximum closing price	41.40
Minimum closing price	33.90
Closing price	35.80
Book value per share (parent company)*	23.49
Book value per share (consolidated data)*	32.45
Net earnings per share (consolidated data)**	1.99
Market capitalisation	813,918,298
Average daily trading volume (excluding block trades)	151,033
Number of shares	22,735,148
The percentage of floating stock***	30.70%
Traded on	Ljubljana Stock Exchange - LJSE
ISIN code	SI0021111651
Ticker symbol	ZVTG
Bloomberg	ZVTG SV
Reuters	ZVTG.LJ
Credit rating (S&P Global Ratings, AM Best)	»A«, stable medium-term outlook

\*In calculating the book value per share (parent company), the equity of Zavarovalnica Triglav and the number of shares as at the reporting date were taken into account, whilst in calculating the book value per share (consolidated data), the equity attributable to the controlling company and the number of shares as at the reporting date were taken into account.

\*\*In calculating net earnings/loss per share (consolidated data), net profit or loss of the Triglav Group and the weighted average number of shares were taken into account.

\*\*\*The shares held by shareholders with a 5% or higher stake are deducted from the total number of shares.

Zavarovalnica Triglav is proactive in its investor relations and makes sure that the market is well informed. All key information on its performance, position and prospects is published in a transparent manner in Slovenian and English, which is available on its website [www.triglav.eu](http://www.triglav.eu). The Company also keeps open lines of communications with its shareholders, investors and analysts, and pays special care to shareholders – natural persons by being available to them for any questions on a daily basis. Moreover, the company supported and participated in the May event held by the Ljubljana Stock Exchange, which took place as part of financial literacy for small investors.



In the reporting period, the Company communicated with institutional shareholders predominantly via videoconferencing meetings, conference calls and by email. A special meeting was held with them to present the Triglav Group's strategy for 2022–2025, and two regular meetings after the publication of annual and quarterly results. In addition, the Company participated in the regular virtual investor conference held by the Ljubljana Stock Exchange. The calendar of the Company's events, together with presentations, is published on its website.

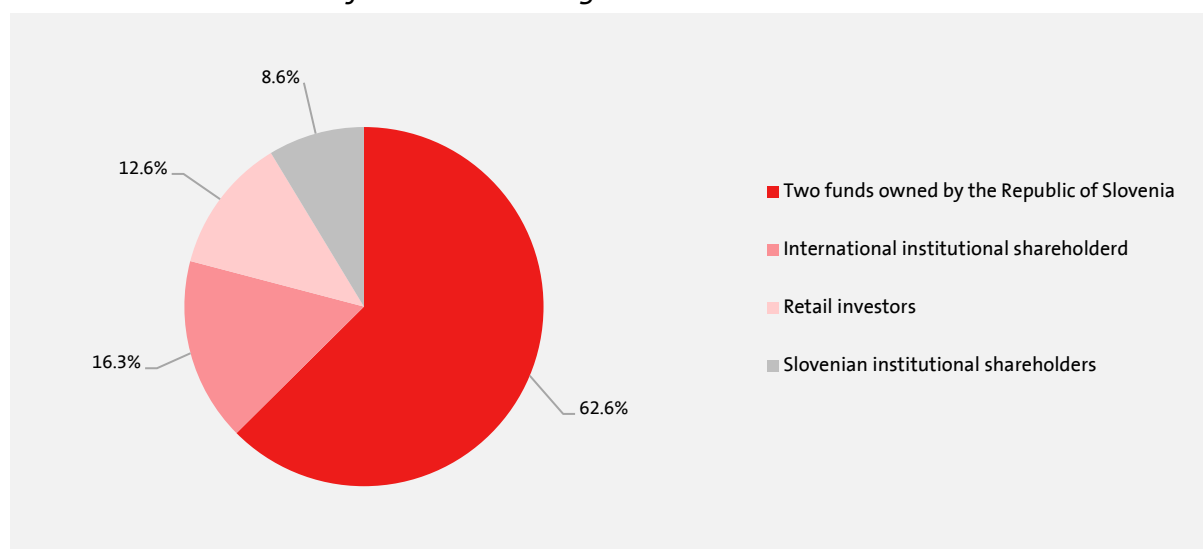
### 3.2 Equity

Zavarovalnica Triglav's share capital remained unchanged and amounted to EUR 73,701,391.79 as at 30 June 2022. It was divided into 22,735,148 ordinary registered no-par value shares of the same class. All shares are issued in a dematerialised form and are freely transferable. Each share represents the same stake and corresponding amount in share capital, and all have been fully paid up. Each share gives its holder the right to one vote at the General Meeting of Shareholders and a proportionate share of profit allocated for dividend payment. In addition, the holders of ordinary shares have the right to an appropriate share of the residual assets following the company's bankruptcy or liquidation.

### 3.3 Shareholder structure

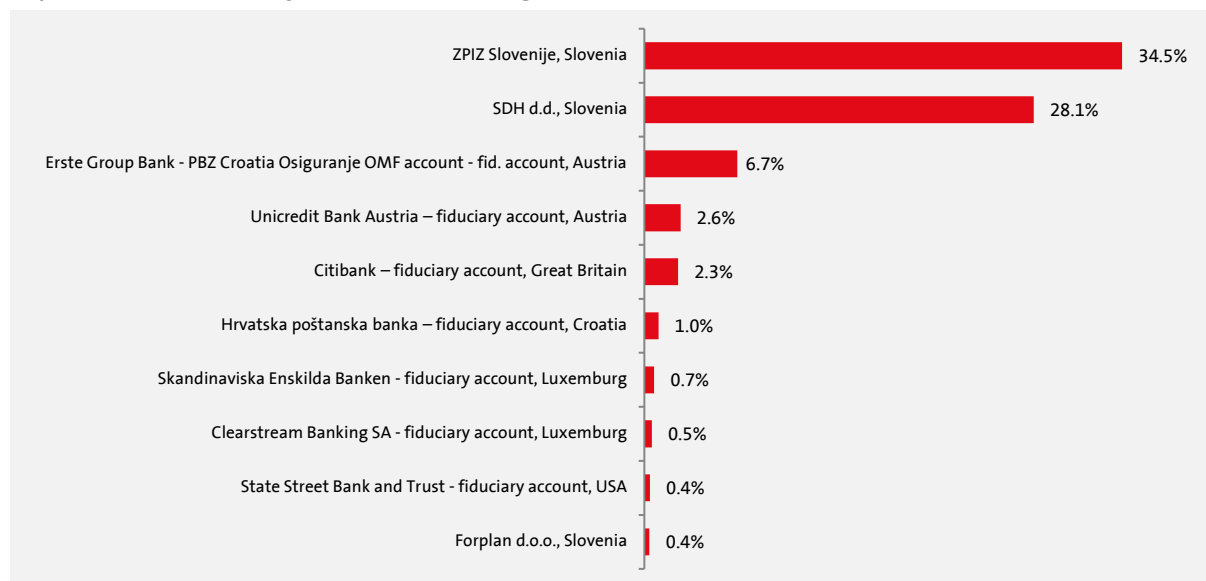
At the beginning of the year, the number of shareholders decreased by a third as a result of the activities of KDD (Centralna klirinško depotna družba), which were related to the time of the ownership transformation of Slovenian companies. This did not affect the shareholder structure of Zavarovalnica Triglav. According to the share register data, Zavarovalnica Triglav had 8,244 shareholders as at 30 June 2022, among them around 40 international banks with fiduciary accounts held by their clients and institutional investors. In recent years, international shareholders have maintained a stable ownership stake between 16% and 17%, while Slovenian citizens have gradually increased their, which stood at 13% as at the end of June 2022).

*The shareholder structure of Zavarovalnica Triglav as at 30 June 2022*



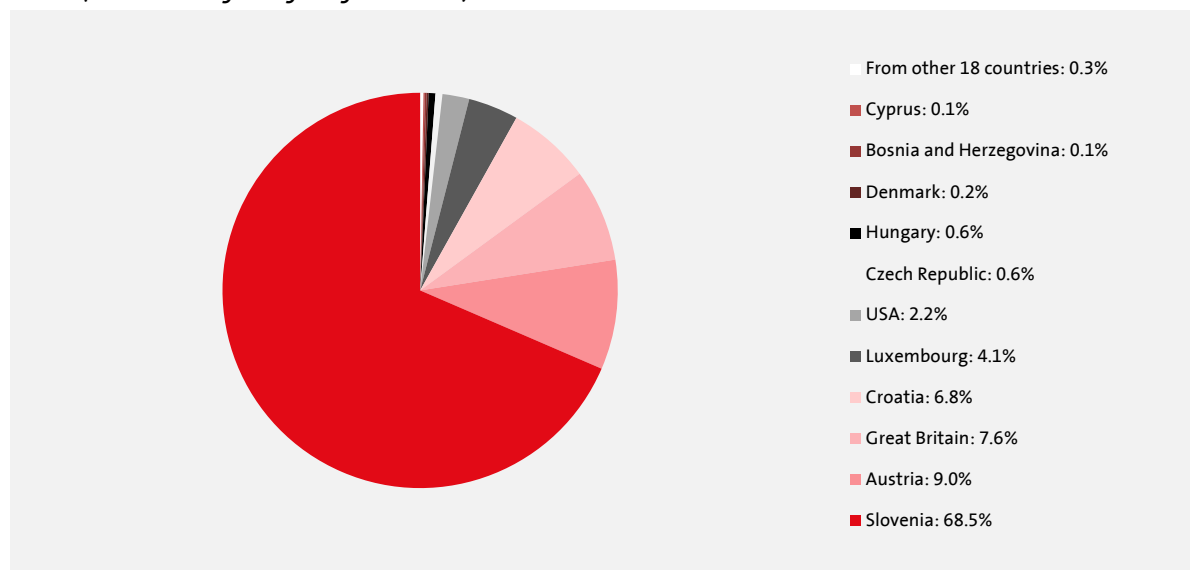
The Company's ten largest shareholders and their 77% ownership stake remained unchanged.

### Top ten shareholders of Zavarovalnica Triglav as at 30 June 2022 (share in %)



The Company's share of the free float, i.e. the shares held by the shareholders with less than a 5% ownership stake, stood at 30.7%. The share is stable and the ownership of these shares is dispersed among shareholders from 29 countries.

### The minority shareholder structure of Zavarovalnica Triglav by the country of origin as at 30 June 2022 (the share of the free float in %)



The members of Zavarovalnica Triglav's Management Board and Supervisory Board held a total of 5,709 ZVTG shares as at 30 June 2022 (1,220 more shares than at the 2021 year-end), or 0.03% of the Company's total shares.

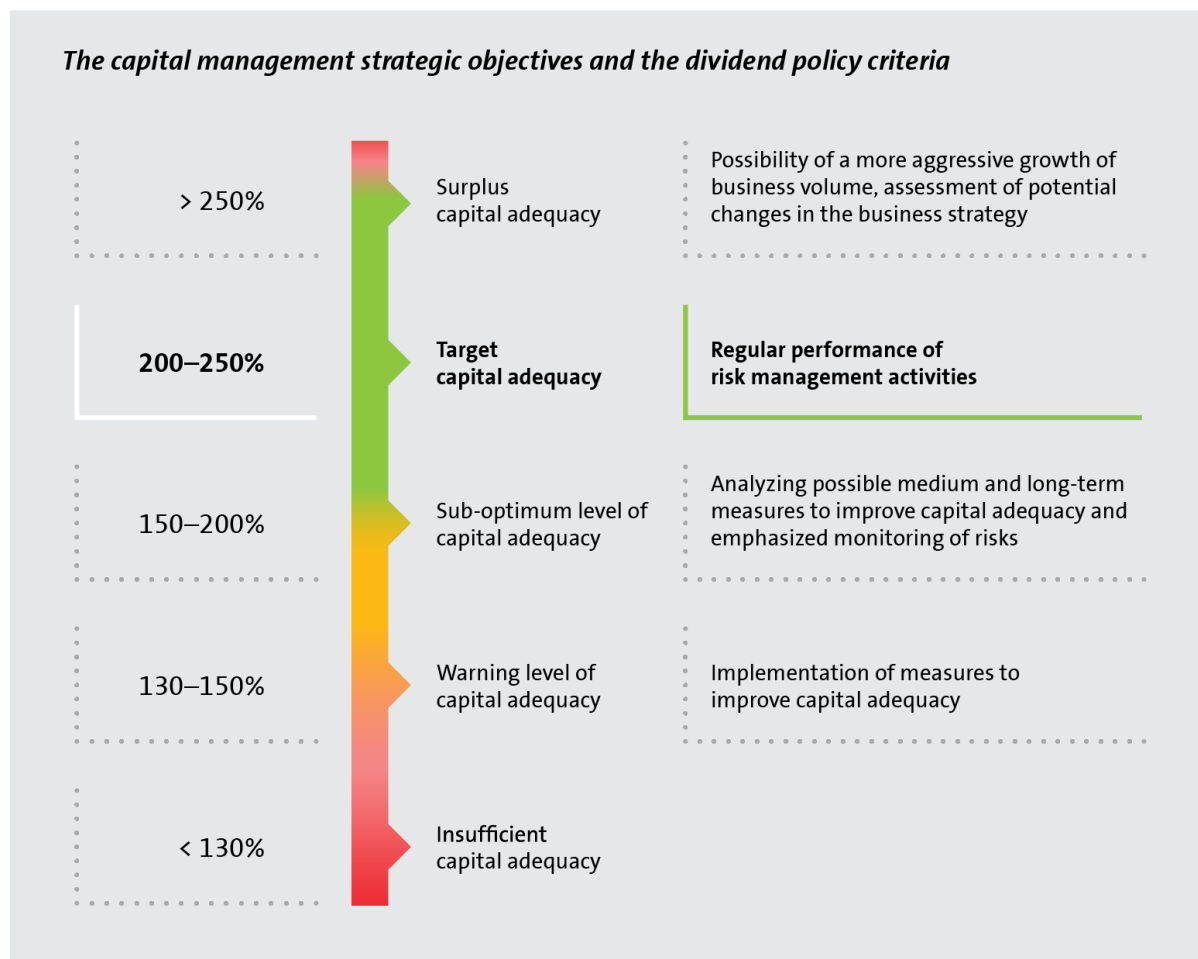
### 3.4 Credit rating

The credit ratings of the Triglav Group – and thus its parent company Zavarovalnica Triglav and its subsidiary Pozavarovalnica Triglav Re – are assigned by two renowned credit rating agencies: S&P Global Ratings (hereinafter: S&P) and AM Best. The Triglav Group was assigned an **"A"** stand-alone credit rating with a stable medium-term outlook by both. The latest credit rating

report, i.e. the announcement of the credit rating agency from 2021, is available on the website [www.triglav.eu](http://www.triglav.eu) under the Investor Relations tab.

### 3.5 Dividend policy

The implementation of Zavarovalnica Triglav’s dividend policy is subordinated to achieving the medium-term sustainable target capital adequacy of the Triglav Group, as shown in the figure below.



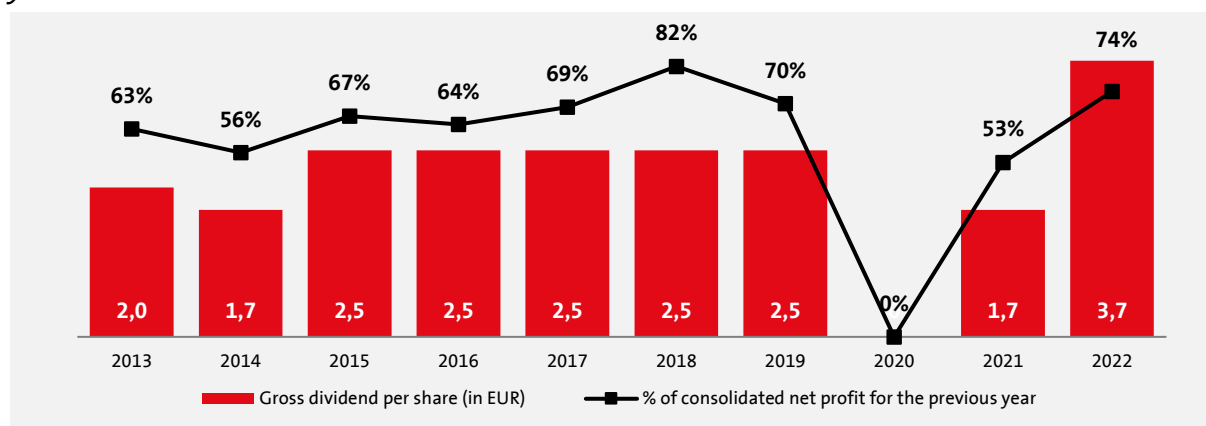
**The dividend policy** of Zavarovalnica Triglav provides as follows: “The Company pursues an attractive and sustainable dividend policy. A part of consolidated net profit of the preceding year, which is to be allocated to dividend payment, accounts for at least 50%. The Company will strive to pay out a dividend not lower than the dividend paid out in the preceding year. As thus far, the future implementation of the dividend policy will be subordinated to achieving the medium-term sustainable target capital adequacy of the Triglav Group. The proposal of the Management Board and the Supervisory Board as regards the annual distribution of accumulated profit of the Company will therefore take into account the following three objectives in a balanced manner: to ensure prudent capital management of the Triglav Group and its financial stability, to reinvest net profit in the implementation of the strategy of growth and development of the Triglav Group and to pay out attractive dividends to its shareholders.”

The Company considers its dividend policy to be a firm commitment to its shareholders and implements it as it is defined. In the last two years, it was impacted by the COVID-19 pandemic and related positions of the Slovenian insurance sector regulator. **This year**, the General Meeting

of Shareholders approved the proposal of the Management Board and the Supervisory Board to pay the dividend of EUR 3.70 gross, or EUR 84.1 million in total. The amount exceeded the initial 50% of the consolidated net profit of the previous year (it was 74% of the net profit), and a part of the dividend was the additional amount made possible by the level of the Group's available capital and stemmed from the uniqueness or exceptionality of some segments of the Group's operations in the past two years.

Zavarovalnica Triglav's dividend policy is designed in a way that is attractive to shareholders and sustainable for the development and growth of the Group. Accordingly, the starting point for the dividend proposal of 50% of the consolidated net profit of the previous year is retained also for 2023.

*Gross dividend per share by year (EUR) and its share of consolidated net profit for the preceding year in 2013–2022*



### 3.6 Bonds

Zavarovalnica Triglav has one issued subordinate bond, which is included in its capital adequacy. The bond was issued in 2019 as part of the Group's regular capital management to ensure its optimal composition and cost efficiency and to replace the bond that matured on 21 March 2020. See the table below for more information.

#### *Bond of Zavarovalnica Triglav*

<b>ISIN</b>	<b>XS1980276858</b>
<b>Type</b>	Subordinated bond (Tier 2 pursuant to the Solvency II regulations)
<b>Issue size in EUR</b>	50,000,000
<b>Currency</b>	EUR
<b>Coupon rate and payment</b>	Fixed at 4.375% annually until first call date, payable annually Thereafter variable at 3-month Euribor + 4.845% (equal to the original initial credit spread + 1 percentage point), payable quarterly
<b>First call date</b>	22 October 2029
<b>Maturity date</b>	22 October 2049
<b>Maturity in years</b>	30.5
<b>Regulated market</b>	Luxembourg Stock Exchange
<b>Issue Rating</b>	BBB+ (S&P)

## 4. Operations in the period from 1 January to 30 June 2022

### 4.1 The macroeconomic environment and environmental impact on the Triglav Group's operations

In the first half of 2022, the global economy was marked by the war in Ukraine, sanctions imposed against Russia and a sharp rise in general inflation. The COVID-19 epidemic has gradually and partially temporarily subsided, but disruptions in global supply chains have remained. The conditions for service activities began to improve; however, faster economic growth was hampered by stagnating industrial production. Despite a slightly less positive sentiment among businesses and a sharp decline in consumer sentiment, the situation in the labour market remained favourable. The unemployment rate of the euro area reached an all-time low in May of 6.6%. As a result of the war in Ukraine, the prices of energy products and some raw materials rose markedly, and these increases soon spilled over into the prices of goods and services. Pressures on salary growth intensified. According to the initial estimate, the euro area recorded an 8.6% inflation rate, while Slovenia recorded a 10.4% year-on-year inflation rate in June. Developed countries have not recorded such a high inflation rate since the energy crisis in the 1970s.

Due to the new situation, financial institutions have started to lower their economic growth forecasts and noticeably raise their inflation forecasts. Among the latest is the ECB's June forecast, which predicts only 2.8% economic growth for the euro area this year and a high inflation growth of 6.8%. In the coming year, both economic categories are expected to trend down, but inflation is expected to remain at a relatively high level. According to the Bank of Slovenia's estimate, the inflation rate in Slovenia will be 9.0% this year and economic growth will reach 5.8%. The surprisingly high growth is primarily the result of the transfer of high activity from the second half of the previous year. As in the euro area, both economic categories are expected to trend down in the coming year.

Rapid changes in the economic situation have had a significantly negative impact on both the bond and stock markets. The US Federal Reserve (FED) and the European Central Bank (ECB) accelerated the end of their multi-year accommodative monetary policies. By the end of the second quarter of 2022, the FED raised the key interest rate three times, i.e. to the range of 1.50–1.75%, and in June it started to implement a quantitative easing policy. The ECB significantly slowed down bond purchases, ending them in June, while announcing that in July it would raise interest rates for the first time in over two years. The representatives of both banks clearly communicated that they will continue to raise interest rates in the future in the fight against inflation.

The required yields on long-term risk-free bonds grew at a historic rate for almost the entire first half of the year. They swung slightly downwards in early March due to the war in Ukraine and at the end of June due to fears of a recession. Credit spreads also trended up; the prices of Russian bonds and the bonds of its companies operating in the international environment fell to the level of bankruptcy due to the war in Ukraine. The required yield on the 10-year German government bond rose from a negative value at the beginning of the year by 1.52 percentage points to 1.33%, while the yield on the 10-year Slovenian government bond increased by 1.97 percentage points to 2.38%. Bonds in countries with low credit ratings, including Italian and Greek bonds, recorded a more noticeable rise in credit spreads. After the end of bond purchases, financial participants expected the ECB to present more concrete instruments and firmer commitments to limit the fragmentation of euro area bond yields.

The less favourable business environment and poor economic outlook also affected the credit spreads on corporate bonds and stock prices. The US S&P index and the German DAX index fell by 20.6% and 19.5% by the end of the first six months, respectively. The China's Hang Seng index fell by 6.6%. In the same period, the Slovenian SBITOP index fell by 11.1%.

The situation on the financial markets resulted in negative returns on investments and a decline in assets under management. The rising inflation rate also affects the growth of prices of materials and services, and therefore higher payments of gross claims paid and higher gross operating expenses, as a result of which the Company adjusted insurance prices in most non-life insurance classes in June.

The business results were affected by major CAT events in the total estimated amount of EUR 21.6 million (compared to EUR 6.1 million in the same period last year). In Slovenia, hailstorms in May and June led to EUR 16.6 million in claims, while in North Macedonia hailstorms resulted in EUR 453.2 thousand in claims and in Montenegro in EUR 269.1 thousand in claims. The Group also incurred EUR 4.3 million in reinsurance claims, i.e. EUR 1.8 million in claims due to the February storms in Great Britain, the Benelux countries and Germany as well as EUR 2.5 million in claims resulting from the April floods in South Africa.

#### 4.2 The insurance market and the position of the Group members in the first nine months of 2022

A total of 13 insurance companies, four foreign branches and two reinsurance companies are active in the Slovenian insurance market, all members of the Slovenian Insurance Association (hereinafter: the SZZ). In October 2021, Prva osebna zavarovalnica transferred part of its activities (supplemental pension insurance and pension annuities) to Prva pokojninska družba d.d.

In the first six months of 2022, insurance companies collected **EUR 1,501.9 million** in gross written insurance, coinsurance and reinsurance premiums (the calculation does not take into account internal transfers of assets for the payment of pension annuities), **up by 4.2%** relative to the corresponding period last year.

**Non-life insurance premium** recorded a 5.7% growth and reached a 75.5% share. Comprehensive car insurance and other damage to property insurance contributed the most to the increase in non-life insurance premium. **Life insurance premium** decreased slightly (by 0.3%), with unit-linked life insurance recording growth and life insurance and capital redemption insurance experiencing a decline. **Health insurance premium**, which is taken into account in non-life insurance premium, was 2.4% higher compared to the year before.

The Slovenian insurance market continues to be highly concentrated, with the four largest insurers holding a 76.9% market share. With a 31.5% market share (compared to 30.4% in the respective period of 2021), Zavarovalnica Triglav remained the market leader, followed by Zavarovalnica Sava (a 17.4% market share).

The Triglav Group's insurance companies held a 39.4% market share in the Slovenian insurance market at the end of the first half of 2022.

The Triglav Group (the parent company, Triglav, Zdravstvena zavarovalnica and Triglav, pokojninska družba) increased its market share by 1.0 percentage point to 39.4%. The growth was seen in all insurance segments.

The market shares of the Triglav Group by segment:

- non-life insurance (excluding health insurance): 46.6% (an increase of 0.7 percentage point);

- life insurance: 32.3% (an increase of 1.5 percentage point);
- health insurance: 30.3% (an increase of 0.1 percentage point).

The market shares of **Zavarovalnica Triglav** by segment:

- non-life insurance: 32.8% (an increase of 0.9 percentage point);
- life insurance: 27.5% (an increase of 1.4 percentage point).

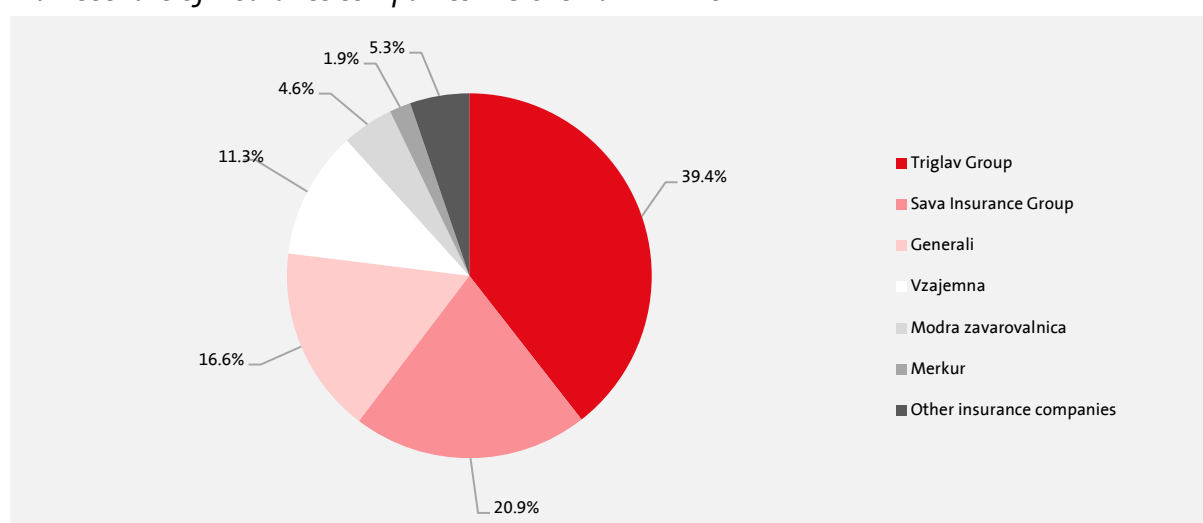
The market share of **Triglav, Zdravstvena zavarovalnica**:

- health insurance: 30.2% (an increase of 0.1 percentage point).

The market share of **Triglav, pokojninska družba**:

- supplemental voluntary pension insurance (SVPI): 19.3% (calculation based on the assessment of the company's data for January–March 2022).

### Market share of insurance companies in Slovenia in H1 2022



Source: Slovenian Insurance Association

### Market share and market position of the Triglav Group insurance companies in H1 2022

Market	Market share	Market share trend	Ranked in 2022	Ranked in 2021
Slovenia	39.4%	↑ + 1.0-percentage point	1	1
Croatia	6.3%	● 0.0-percentage point	7	7
Serbia*	8.0%	↑ + 0.3-percentage point	5	5
Montenegro	39.9%	↑ + 0.5-percentage point	1	1
Bosnia and Herzegovina	9.6%	↑ + 0.4-percentage point	3	3
- Federation of BiH	10.8%	↑ + 0.6-percentage point	3	3
- Republic of Srpska**	7.0%	↓ - 0.1-percentage point	6	4
North Macedonia*	14.0%	↑ + 2.6-percentage point	4	3

\* Data for January–March 2022.

\*\* Including the market shares of Triglav Osiguranje, Banja Luka and the branch of Triglav Osiguranje, Sarajevo in Banja Luka.

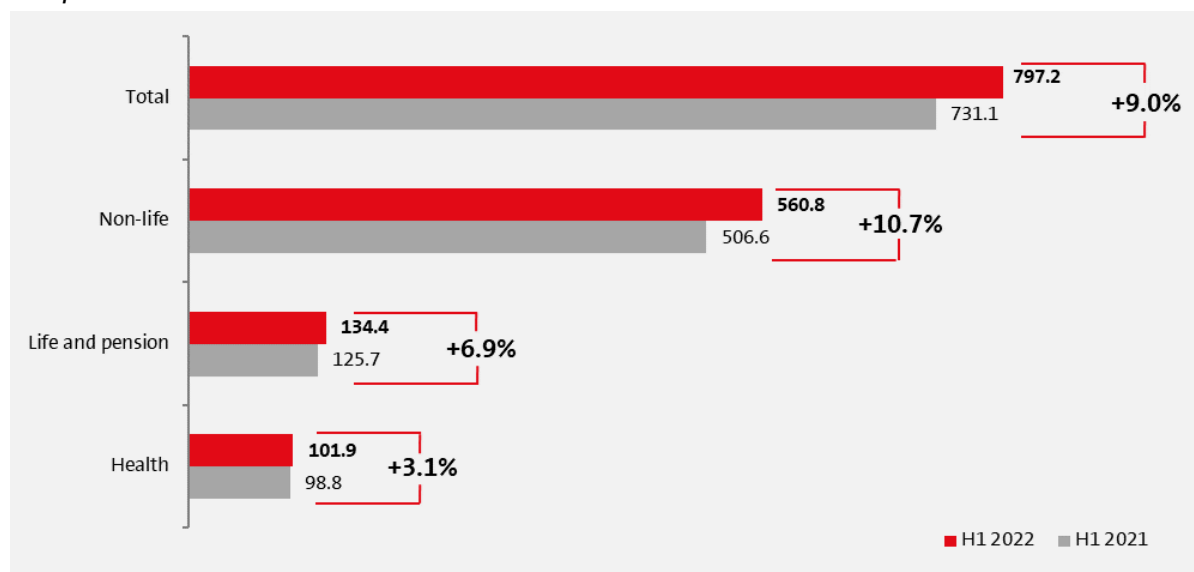
### 4.3 Gross written insurance, coinsurance and reinsurance premiums

The Triglav Group posted a total of EUR 797.2 million in **consolidated gross written insurance, coinsurance and reinsurance premiums**, up by 9% relative to the corresponding period last year. Total written premium increased in all insurance segments:

The Triglav Group recorded a 9% growth in gross written insurance, coinsurance and reinsurance premiums.

- **non-life insurance:** EUR 560.8 million (index 111),
- **life and pension insurance:** EUR 134.4 million (index 107),
- **health insurance:** EUR 101.9 million (index 103).

*Consolidated gross written insurance, coinsurance and reinsurance premiums in H1 2022 compared to H1 2021*

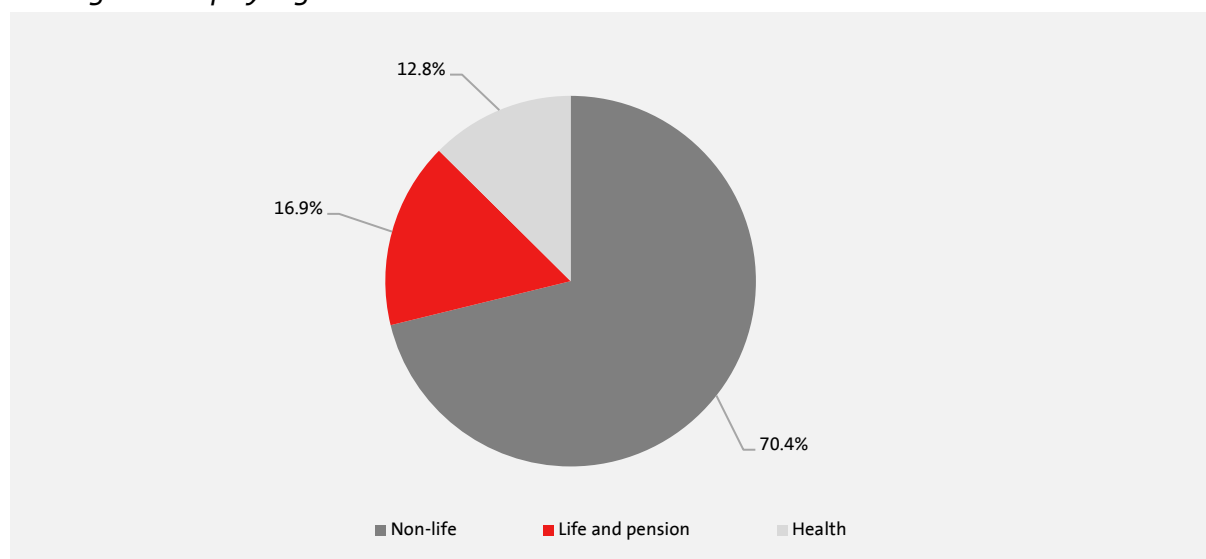


The proportion of non-life insurance premium in total consolidated gross written premium increased, whereas the proportion of health insurance premium and life and pension insurance premium decreased:

- **non-life insurance:** 70.4% (H1 2021: 69.3%);
- **life and pension insurance:** 16.9% (H1 2021: 17.2%); and
- **health insurance:** 12.8% (H1 2021: 13.5%).



*The structure of consolidated gross written insurance, coinsurance and reinsurance premiums of the Triglav Group by segment in H1 2022*



The Group continues to increase **the share of insurance premium written in markets outside Slovenia**, which grew by 0.6 percentage point compared to the same period last year. A total of 64.2% of consolidated gross written premium was earned in the Slovenian insurance market, while 20.2% of the premium was charged in other markets in the Adria region outside Slovenia. International insurance and reinsurance premium accounted for 15.6%.

*Consolidated gross written insurance, coinsurance and reinsurance premiums of the Triglav Group by market*

Country	Gross written premium		Index	Share	
	H1 2022	H1 2021	H1 2022/ H1 2021	H1 2022	H1 2021
Slovenia	511,655,941	485,633,501	105	64.2%	66.4%
Croatia	57,683,127	53,865,447	107	7.2%	7.4%
Serbia	42,872,057	37,835,270	113	5.4%	5.2%
Montenegro	21,863,687	19,309,689	113	2.7%	2.6%
Bosnia and Herzegovina	22,175,715	19,292,845	115	2.8%	2.6%
North Macedonia	16,677,607	13,109,237	127	2.1%	1.8%
International insurance and reinsurance*	124,235,651	102,052,738	122	15.6%	14.0%
<b>Total</b>	<b>797,163,785</b>	<b>731,098,727</b>	<b>109</b>	<b>100.0%</b>	<b>100.0%</b>

\* Premium written outside the Adria region, collected according to the principle of free movement of services (FOS), and inward reinsurance premium.

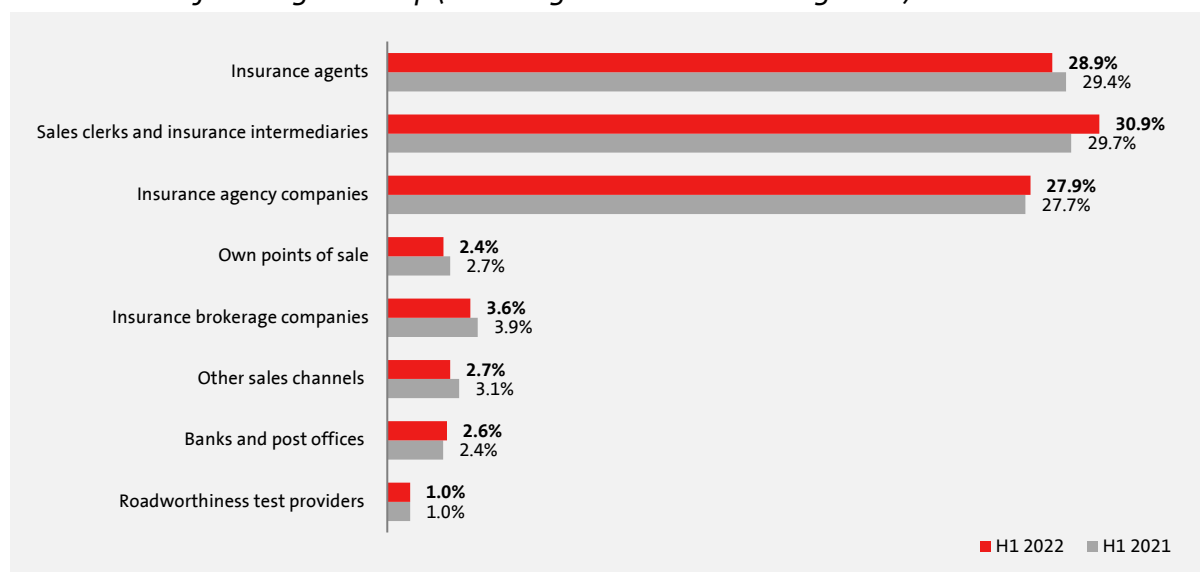
Premium growth was recorded **in all insurance markets**. In the Slovenian insurance market, premium grew by 5%, in other markets in the Adria region outside Slovenia by 12% and in the international market by 22%.

Non-consolidated gross written premium of **retail clients** increased by 8% over the same period last year, accounting for 60.2% of total written premium (0.3 percentage point less than last year). The rest, 39.8%, was accounted for by **corporate clients'** written premium, which rose by 9%.

In terms of **sales channels**, the share of non-consolidated gross written premium, which was collected via own sales channels (agents, sales clerks and brokers, own points of sale, online and other own sales channels), accounts for 64.9% of total written premium (0.1 percentage point less than in the same period last year). Non-consolidated gross written premium is 8% higher than in the corresponding period last year. The rest (35.1%) was collected via external sales

channels (insurance agency and brokerage companies, banks, post offices and roadworthiness test providers), recording an 8% growth.

*Non-consolidated gross written insurance, coinsurance and reinsurance premiums in H1 2022 by sales channel of the Triglav Group (excluding Pozavarovalnica Triglav Re)*



**The Triglav Group insurance companies (excluding Pozavarovalnica Triglav Re) booked EUR 754.5 million in non-consolidated gross written premium, up by 8% relative to the same period last year.**

**Pozavarovalnica Triglav Re** posted a total of EUR 137.1 million in gross written reinsurance premium, an increase of 13% relative to 2021. The reinsurance company increased its business volume the most in non-life insurance and motor vehicle insurance. In transactions outside and within the Group, Pozavarovalnica Triglav Re recorded a premium growth of 21% (to EUR 59.9 million) and 8% (to EUR 77.2 million), respectively. Reinsurance premium growth in transactions outside the Group resulted from organic growth of renewed transactions from the preceding year and the increase in shares in some contracts. The highest premium growth was recorded in the markets of Israel, China, the Czech Republic and Germany.

## Gross written insurance, coinsurance and reinsurance premiums in H1 2022 by Triglav Group insurance company

Insurance company	Gross written premium			Index			Share
	Non-life	Life and pension	Total	Non-life	Life and pension	Total	H1 2022
Zavarovalnica Triglav*	371,781,526	101,836,293	473,617,819	109	106	108	62.8%
Triglav, Zdravstvena zavarovalnica	102,135,049	-13	102,135,036	103	0	103	13.5%
Triglav, pokojninska družba		17,424,390	17,424,390	0	102	102	2.3%
Triglav Osiguranje, Zagreb	53,701,000	3,982,127	57,683,127	108	97	107	7.6%
Triglav Osiguranje, Belgrade	39,778,540	3,093,517	42,872,057	116	91	113	5.7%
Lovćen Osiguranje, Podgorica	19,468,847		19,468,847	114	0	114	2.6%
Triglav Osiguranje, Sarajevo	10,283,915	8,473,398	18,757,313	109	125	116	2.5%
Triglav Osiguranje, Banja Luka	3,445,628		3,445,628	111	0	111	0.5%
Triglav Osiguruvanje, Skopje	13,696,394		13,696,394	115	0	115	1.8%
Lovćen životna osiguranja, Podgorica		2,394,840	2,394,840	0	105	105	0.3%
Triglav Osiguruvanje Život, Skopje		2,981,213	2,981,213	0	249	249	0.4%
<b>Total</b>	<b>614,290,899</b>	<b>140,185,765</b>	<b>754,476,664</b>	<b>108</b>	<b>107</b>	<b>108</b>	<b>100.0%</b>
Pozavarovalnica Triglav Re	137,090,979		137,090,979	113	0	113	
Consolidation eliminations	-88,653,366	-5,750,492	-94,403,858	108	104	108	
<b>Total consolidated</b>	<b>662,728,512</b>	<b>134,435,273</b>	<b>797,163,785</b>	<b>109</b>	<b>107</b>	<b>109</b>	

\*The insurance company data already include the pre-consolidation adjustments

### 4.3.1 Non-life insurance

In the **non-life insurance** segment, the Triglav Group's insurance subsidiaries charged EUR 614.3 million in non-consolidated written premium, an 8% increase over the same period last year. Growth was recorded in all non-life insurance groups.

In total written premium, **motor vehicle insurance** (comprehensive car insurance and motor liability insurance) remained the largest insurance class with a 26.2% share. At EUR 197.6 million, written premium increased by 6%, whereas its share decreased by 0.4 percentage point. The Group collected EUR 104.0 million in **motor liability insurance** premium, an increase of 7% compared to the preceding year. The volume of written premium grew in all insurance companies. High, 18% growth in written premium was recorded by Triglav Osiguranje, Belgrade, primarily due to a higher number of concluded insurance contracts. The Sarajevo insurer achieved 8% growth due to an increase in the number of insurance policies and a higher volume of sale through agencies and brokers. The 7% premium growth recorded by the parent company (a 65% share in total written premium) was mainly a result of effective sales according to the principle of free movement of services (FOS transactions).

The Group collected EUR 93.6 million in **comprehensive car insurance** premium, up by 5% compared to the year before. Premium growth was recorded by all insurance companies. The highest growth (12%) was achieved by Triglav Osiguranje, Sarajevo (effective sales via brokers and agencies and a higher number of concluded insurance contracts) and Triglav Osiguranje, Banja Luka (a higher number of concluded insurance contracts and higher average premium), followed by Triglav Osiguruvanje, Skopje with 11% increase in premium (increased scope of insurance coverage with some major policyholders and acquisition of new policyholders). The parent company achieved a 5% premium growth and represented 85% of the Group's total written premium, primarily due to a larger range of insurance covers and a higher value of vehicles.

In the **real property insurance** class (fire and natural disaster insurance and other damage to property insurance), premium of EUR 180.3 million was booked, having increased by 8%. Real property insurance accounts for 23.9% of total written premium (compared to 24.0% in 2021).

A 12% premium growth was recorded in other damage to property insurance, whereas a 4% premium drop was seen in fire and natural disaster insurance. With the exception of Triglav Osiguranje, Banja Luka, all other insurance companies recorded premium growth. By attracting new policyholders and increasing the scope of insurance coverage, good results were achieved by Triglav Osiguranje, Belgrade and Triglav Osiguruvanje, Skopje (index 109) as well as by the parent company and Lovćen Osiguranje (index 108). The Serbian insurer also recorded high premium growth in crop insurance and animal insurance and package insurance for households. The parent company has a nearly 74% share in total written premium and recorded high premium growth in property and interest in property insurance for natural persons (effective sales of redesigned insurance), computer insurance (effective sales of extended warranty at electronics stores) and earthquake insurance (acquisition of new business).

In **health insurance**, EUR 108.9 million was collected in written premium, up by 4% relative to the corresponding period last year. The bulk (EUR 102.1 million) of premium was written by Triglav, Zdravstvena zavarovalnica, which recorded a 3% increase. Supplemental health insurance accounts for the majority of its premium, while high growth was also recorded by complementary health insurance as a result of effective marketing. High premium growth was recorded by Triglav Osiguranje, Sarajevo, Lovćen Osiguranje, Podgorica, Triglav Osiguranje, Belgrade and Triglav Osiguruvanje, Skopje by attracting new policyholders.

In **general liability insurance**, the Group booked EUR 39.6 million in written premium, up by 12% relative to the year before. Zavarovalnica Triglav, accounting for 79% of total premium, saw a 14% growth in written premium compared to the preceding year, predominantly as a result of high premium growth in product liability insurance, directors and officers liability insurance and general liability insurance. A high premium growth was also seen at Triglav Osiguruvanje, Skopje, Lovćen Osiguranje, Podgorica and Triglav Osiguranje, Belgrade by attracting new policyholders and increasing the scope of insurance coverage with existing policyholders.

**Accident insurance premium** amounted to EUR 20.8 million, up by 3% relative to the year before (representing 2.8% of total written premium). High premium growth was recorded by Triglav Osiguruvanje, Skopje by attracting new policyholders (index 222). At the parent company (a 65% share in total written premium), written premium remained at approximately the same level as the year before (index 100).

**Credit insurance premium** amounted to EUR 19.4 million, up by 43% compared to the year before (representing 2.6% of total written premium). Zavarovalnica Triglav's written premium, which accounted for 72% of total written premium, grew by 39%. The main reason for such favourable trend is mainly the increase in consumer credit insurance premium (due to the favourable interest rates of housing loans, the demand for these loans and insurance increased, the greater scope of cooperation with one of the leasing companies), the high growth of the commodity credit insurance premium (export credit insurance and domestic trade credit insurance; due to the acquisition of new policyholders and the increase in the consumer credit insurance premium and higher bases for premium calculation due to rising prices of raw materials, energy products and inflation) and high premium growth of unemployment, death and disability insurance. High premium growth was also achieved by most other insurance companies, the highest among them by Triglav Osiguruvanje, Skopje and Lovćen Osiguranje, Podgorica.

Premium from **other non-life insurance**, accounting for 6.3% of total written premium, increased by 23% to EUR 47.7 million. All insurance companies increased the volume of written premium, with the highest growth among them seen in Triglav Osiguranje, Zagreb, Triglav Osiguranje, Belgrade and Triglav Osiguranje, Sarajevo. At the Croatian insurer, high premium growth resulted from premium growth in aircraft and marine insurance (higher sales via agency), at the Serbian insurer from premium growth in railway insurance (a new insurance product),

assistance insurance (normalisation of the situation related to the COVID-19 epidemic) and miscellaneous financial loss insurance (fronting insurance), and at the Sarajevo insurer from premium growth in assistance insurance and goods in transit insurance (acquisition of new policyholders). With 15% growth, the parent company (a 68% share of total written premium) achieved a good result in marine insurance (high growth of international comprehensive marine insurance) and assistance insurance (premium growth in roadside assistance insurance due to the higher number of concluded insurance policies and a premium increase).

#### 4.3.2 Life and pension insurance

The Triglav Group charged a total of EUR 140.2 million in non-consolidated gross written premium from **life and pension insurance**, an increase of 7% relative to the corresponding period in 2021. Life and pension insurance represented 18.6% of total non-consolidated gross written premium, down by 0.2 percentage point compared to the preceding year.

**Life insurance premium** (traditional life, annuity, pension annuity and voluntary pension insurance) fell by 4% to EUR 57.0 million, representing 40.6% in the life and pension insurance group. The parent company's written premium was 12% lower than the preceding year mainly due to lower premium payments. Serbian and Croatian insurers also recorded a decline in written premium. Strong premium growth was seen in the Sarajevo insurer (effective sales via bank sales channels) and Triglav Osiguruvanje Život, Skopje (effective sales via banks and direct sale).

The premium generated by **unit-linked life insurance** (life insurance linked to the units of investment funds) rose by 15% to EUR 72.6 million. This insurance class accounted for 51.8% of total written life and pension insurance premium. The parent company achieved a high growth of 20% with higher premium payments, asset transfers and additional payments. A high increase was also recorded in the Macedonian life insurer with effective sales via the bank sales channel. Moreover, a higher volume of written premium (index 102) was achieved by Triglav, pokojninska družba, mainly due to higher premium payments into lifecycle guarantee funds.

**Capital redemption insurance** (supplemental voluntary pension insurance) increased by 15% relative to the same period last year and amounted to EUR 10.6 million (representing 7.6% of total life and pension insurance premium). The growth stemmed from transfers of supplemental voluntary pension insurance assets from other insurance companies and higher regular premium payments.

*Non-consolidated gross written insurance, coinsurance and reinsurance premiums of the Triglav Group insurance companies (excluding Pozavarovalnica Triglav Re) by insurance class*

Insurance class	Gross written premium		Index	Share
	H1 2022	H1 2021	H1 2022/ H1 2021	H1 2022
Accident insurance	20,776,571	20,198,581	103	2.8%
Health insurance	108,931,708	105,088,192	104	14.4%
Comprehensive car insurance	93,616,743	88,837,398	105	12.4%
Real property insurance	180,316,488	167,719,027	108	23.9%
Motor liability insurance	103,956,334	96,831,162	107	13.8%
General liability insurance	39,611,801	35,374,491	112	5.3%
Credit insurance	19,412,641	13,592,185	143	2.6%
Other non-life insurance	47,668,615	38,844,191	123	6.3%
<b>Non-life insurance</b>	<b>614,290,901</b>	<b>566,485,227</b>	<b>108</b>	<b>81.4%</b>
Life insurance	56,972,248	59,075,727	96	7.6%
Unit-linked life insurance*	72,622,963	62,981,156	115	9.6%
Capital redemption insurance	10,590,552	9,196,410	115	1.4%
<b>Life and pension insurance</b>	<b>140,185,763</b>	<b>131,253,293</b>	<b>107</b>	<b>18.6%</b>
<b>Total</b>	<b>754,476,664</b>	<b>697,738,520</b>	<b>108</b>	<b>100.0%</b>

\*According to the definition of the Insurance Supervision Agency, premiums of Triglav, pokojninska družba are included in unit-linked life insurance.

*Gross written insurance, coinsurance and reinsurance premiums of Zavarovalnica Triglav by insurance class*

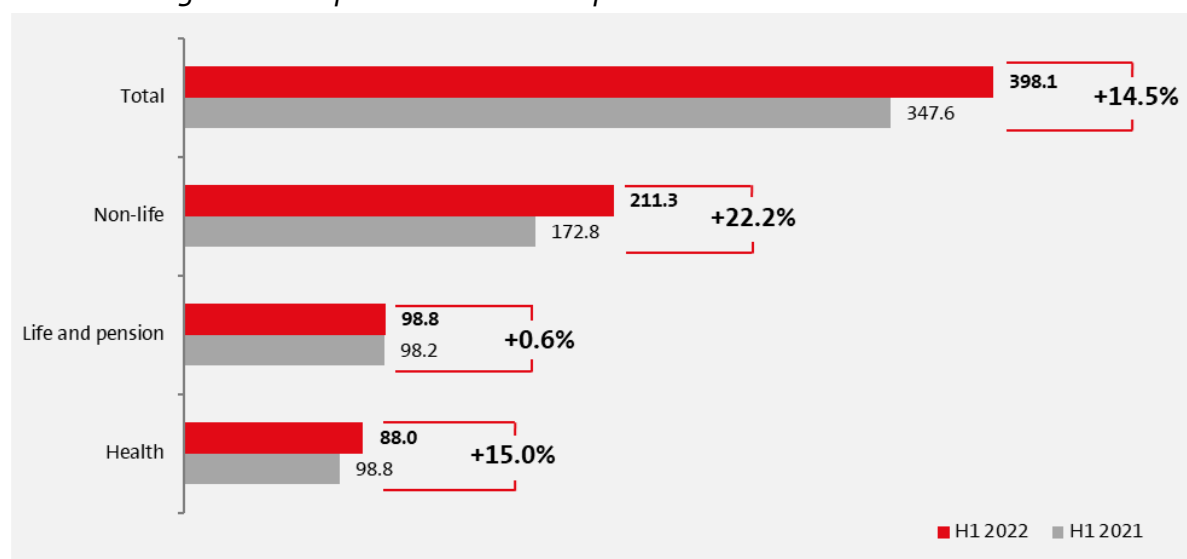
Insurance class	Gross written premium		Index	Share
	H1 2022	H1 2021	H1 2022/ H1 2021	H1 2022
Accident insurance	13,524,503	13,520,876	100	2.9%
Health insurance	543,476	479,217	113	0.1%
Comprehensive car insurance	79,121,872	75,206,316	105	16.7%
Real property insurance	132,749,293	123,083,948	108	28.1%
Motor liability insurance	67,835,595	63,112,467	107	14.3%
General liability insurance	31,437,157	27,630,801	114	6.6%
Credit insurance	13,925,952	9,990,442	139	2.9%
Other non-life insurance	32,643,678	28,423,888	115	6.9%
<b>Non-life insurance</b>	<b>371,781,526</b>	<b>341,447,955</b>	<b>109</b>	<b>78.6%</b>
Life insurance	38,150,264	43,116,565	88	8.1%
Unit-linked life insurance	52,415,316	44,142,195	119	11.1%
Capital redemption insurance	10,590,552	9,196,410	115	2.2%
<b>Life and pension insurance</b>	<b>101,156,132</b>	<b>96,455,170</b>	<b>105</b>	<b>21.4%</b>
<b>Total</b>	<b>472,937,658</b>	<b>437,903,125</b>	<b>108</b>	<b>100.0%</b>

#### 4.4 Gross claims paid

**Consolidated gross claims paid** of the Triglav Group, which comprise claim handling expenses, income from collected subrogation receivables and gross claims paid from inward reinsurance, totalled EUR 398.1 million, up by 15% due to the increased number of reported claims resulting from the larger size of the portfolio, higher population mobility compared to the same period last year due to the pandemic and the growth of prices of materials and services. Gross claims paid increased in all insurance segments. In the largest segment, i.e. **non-life insurance**, gross claims paid amounted to EUR 211.3 million, up by 22%. In the **health insurance** segment, they grew by 15% to EUR 88.0 million. In the **life and pension insurance** segment, growth was 1%, with claims paid amounting to EUR 98.8 million.

Gross claims paid were 15% higher over the same period last year.

## Consolidated gross claims paid in H1 2022 compared to H1 2021



**Non-consolidated gross claims paid** of all Group insurance companies (excluding Pozavarovalnica Triglav Re) were also higher, amounting to EUR 375.4 million, up by 12% relative to the corresponding period last year.

Gross claims paid by **Pozavarovalnica Triglav Re** totalled EUR 53.8 million, up by 62% compared to the preceding year. A 68% and 54% growth in gross claims paid was seen in transactions outside and within the Group (EUR 33.1 million and EUR 20.7 million), respectively. In transactions outside the Group, growth primarily resulted from higher claims paid in fire and natural disaster insurance due to last year's floods in Central Europe and the Volker storm. The increase in gross claims paid in transactions within the Group was mainly influenced by the settled claims of motor vehicle liability insurance due to the change in accounting for quota contracts.

## Gross claims paid in H1 2022 by Triglav Group insurance company

Insurance company	Gross claims paid			Non-life	Index		Share H1 2022
	Non-life	Life and pension	Total		Life and pension	Total	
Zavarovalnica Triglav*	130,401,748	81,323,465	211,725,213	117	99	110	56.4%
Triglav, Zdravstvena zavarovalnica	88,010,817		88,010,817	115	0	115	23.4%
Triglav, pokojninska družba		12,818,275	12,818,275	0	119	119	3.4%
Triglav Osiguranje, Zagreb	23,210,770	3,361,425	26,572,195	132	88	124	7.1%
Triglav Osiguranje, Belgrade	11,466,476	2,043,056	13,509,532	115	69	105	3.6%
Lovćen Osiguranje, Podgorica	7,540,649		7,540,649	101	0	101	2.0%
Triglav Osiguranje, Sarajevo	4,329,982	2,453,186	6,783,168	132	120	128	1.8%
Triglav Osiguranje, Banja Luka	1,681,428		1,681,428	170	0	170	0.4%
Triglav Osiguruvanje, Skopje	4,291,721		4,291,721	101	0	101	1.1%
Lovćen životna osiguranja, Podgorica		1,843,929	1,843,929	0	107	107	0.5%
Triglav Osiguruvanje Život, Skopje		672,185	672,185	0	275	275	0.2%
<b>Total</b>	<b>270,933,591</b>	<b>104,515,521</b>	<b>375,449,112</b>	<b>117</b>	<b>101</b>	<b>112</b>	<b>100.0%</b>
Pozavarovalnica Triglav Re	53,804,993		53,804,993	162	0	162	
Consolidation eliminations	-25,443,815	-5,750,716	-31,194,531	170	113	156	
<b>Total - consolidated</b>	<b>299,294,769</b>	<b>98,764,805</b>	<b>398,059,574</b>	<b>120</b>	<b>101</b>	<b>115</b>	

\* The data already include the pre-consolidation adjustments.

#### 4.4.1 Non-life insurance

Non-consolidated gross claims paid in **non-life insurance** amounted to EUR 270.9 million, having increased by 17% relative to the preceding year. The claims ratio was also affected by some major loss events, which is described in greater detail in *4.1 The macroeconomic environment and environmental impact on the Company's operations*. The increase in claims was characteristic of most non-life insurance classes, with the exception of accident insurance and credit insurance.

In **health insurance**, gross claims paid rose by 15% to EUR 90.8 million, representing 24.2% of total gross claims paid. The majority (EUR 88.0 million) was accounted for by gross claims paid by Triglav, Zdravstvena zavarovalnica. Their 15% growth primarily resulted from the lack of availability of healthcare services due to the pandemic last year and medical inflation. Most of the remaining Group insurance companies selling these insurance products also recorded a high growth in gross claims paid. Equalisation scheme expenses increased by 2% to EUR 3.7 million.

Gross claims paid in **motor vehicle liability insurance** grew by 19% and totalled EUR 52.6 million. They represented 14.0% of the Group's total gross claims paid. With the exception of Triglav Osiguranje, Skopje, growth was seen in all other insurance companies. The reason is the higher number of settled claims both due to the larger size of the portfolio and greater mobility of the population compared to the same period last year as well as the rising prices of materials and services. The highest growth was achieved by Triglav Osiguranje, Banja Luka (payment of a large individual claim from 2013), Triglav Osiguranje, Zagreb and the parent company. At the parent company, growth in gross claims paid was also influenced by the higher number of claims from insurance contracts taken out under the principle of free movement of services (FOS transactions). Gross claims paid in **comprehensive car insurance** grew by 18%. At 49.9 million, they accounted for 13.3% of total gross claims paid by the Group. The majority of insurance companies recorded a high growth in gross claims paid resulting from a higher number of reported claims due to a larger size of the portfolio, greater mobility of the population, major CAT events (hailstorms) and the rising prices of materials and services.

In **real property insurance**, gross claims paid amounted to EUR 45.0 million, up by 26% compared to the preceding year (representing 12.0% of total gross claims paid). Most insurance companies saw high growth in gross claims paid; the highest was recorded by Triglav Osiguranje, Sarajevo (payment of three large claims in fire and natural disaster insurance), Lovćen Osiguranje, Podgorica (payment of a large claim in construction insurance and an increase in crop insurance claims due to hail), Triglav Osiguranje, Zagreb (growth in animal insurance claims and payment of several large claims in fronting insurance) and Triglav Osiguranje, Banja Luka (payment of several large claims). Gross claims paid by the parent company, representing 68% of real property insurance claims, rose by 19% predominantly due to the payment of several large individual claims from the international insurance programme in construction insurance and combined non-life insurance, a greater number of reported property and interest in property insurance claims, the rising prices of materials and services as well as major CAT events.

Gross claims paid in **other non-life insurance** grew by as much as 32% and totalled EUR 13.9 million. With the exception of Triglav Osiguranje, Skopje, the remaining insurance companies recorded high growth in gross claims paid, the largest of which was seen at Triglav Osiguranje, Zagreb (an increase in the number of reported marine insurance claims due to the larger size of the portfolio) and Triglav Osiguranje, Belgrade (large payment of claims due to insolvency in suretyship insurance and the higher number of assistance insurance claims due to the lifting of pandemic-related restrictions). The parent company, which accounted for 80% of other non-life insurance claims, recorded 25% higher gross claims paid mainly due to the larger volume of roadside assistance claims (a higher number of claims, rising prices of petroleum products and services) and higher payment of international comprehensive marine insurance claims.



Gross claims paid in **accident insurance** decreased by 8% to EUR 10.0 million. The decline was influenced by their decrease at Triglav Osiguruvanje, Skopje (a smaller number of settled claims), Triglav Osiguranje, Sarajevo (smaller payouts in group accident insurance), Lovćen Osiguranje (smaller payouts in accident insurance for pensioners) and Zavarovalnica Triglav. At the parent company, smaller payouts were seen in group accident insurance, accident insurance for children and pupils, and accident insurance for consumers and subscribers, because last year a greater number of examinations by medical examiners were carried out due to the pandemic.

Gross claims paid in **general liability insurance** amounted to EUR 6.6 million, up by 3% compared to the year before. High growth was recorded by the Serbian and Croatian insurers due to some larger claims paid out. Gross claims paid by the parent company, accounting for 79% of total gross claims paid by the Group in this insurance class, increased by 4% primarily due to higher payouts in architects and engineers liability insurance and doctors liability insurance.

Gross claims paid from **credit insurance** declined by 8% to EUR 2.2 million. Zavarovalnica Triglav, accounting for the majority of claims in this insurance class (74%), experienced a 16% drop. The decline in claims paid by the parent company resulted mainly from lower payments in export credit insurance and overdraft insurance. Triglav Osiguranje, Banja Luka also saw a significant decrease, as last year it recorded higher payouts in claims due to death.

#### **4.4.2 Life and pension insurance**

Non-consolidated gross claims paid in the **life and pension insurance** group slightly increased (index 101) to EUR 104.5 million. Their share in total non-consolidated claims paid fell by 3.0 percentage points to 27.8%.

The bulk of total claims paid was accounted for by **life insurance** (traditional life, annuity, pension annuity and voluntary pension insurance) and reached EUR 60.9 million, down by 2% relative to the year before. Gross claims paid by the parent company were 1% lower as a result of lower payouts due to maturity as well as due to illness and accident. Moreover, a large decline in gross claims paid was recorded by the Serbian insurer (which in the same period last year recorded higher payouts due to death) and the Croatian insurer (which last year carried out a campaign related to capitalised policies, resulting in payouts of mathematical provisions). Other insurance companies selling these insurance products recorded growth in gross claims paid.

Gross claims paid in **unit-linked life insurance** rose by 4% to EUR 40.2 million. High growth was recorded by Triglav Osiguranje, Zagreb and Triglav, pokojninska družba. At the Croatian insurer, the 39% growth was influenced by higher payments due to surrender, while Triglav, pokojninska družba saw a 19% rise due to increased withdrawal from insurance contracts, increased ordinary termination of insurance policies due to retirement and related transfer to annuity funds as well as due to increased transfers of assets to other pension insurance providers. The parent company recorded a 3% decline in claims paid resulting from lower payouts due to surrenders.

Gross claims paid in **capital redemption insurance** (supplemental voluntary pension insurance) rose by 27%, predominantly as a result of higher payouts due to withdrawals from insurance contracts and transfers of insurance contracts.

*Non-consolidated gross claims paid of Triglav Group insurance companies (excluding Pozavarovalnica Triglav Re) by insurance class*

Insurance class	Gross claims paid		Index	Share
	H1 2022	H1 2021	H1 2022/ H1 2021	H1 2022
Accident insurance	9,959,623	10,868,872	92	2.7%
Health insurance	90,827,298	78,921,679	115	24.2%
Comprehensive car insurance	49,857,978	42,171,880	118	13.3%
Real property insurance	44,997,269	35,799,601	126	12.0%
Motor liability insurance	52,569,321	44,131,637	119	14.0%
General liability insurance	6,628,212	6,425,536	103	1.8%
Credit insurance	2,220,199	2,421,266	92	0.6%
Other non-life insurance	13,873,694	10,478,707	132	3.7%
<b>Non-life insurance</b>	<b>270,933,594</b>	<b>231,219,178</b>	<b>117</b>	<b>72.2%</b>
Life insurance	60,858,144	61,999,807	98	16.2%
Unit-linked life insurance*	40,215,740	38,597,463	104	10.7%
Capital redemption insurance	3,441,634	2,704,905	127	0.9%
<b>Life and pension insurance</b>	<b>104,515,518</b>	<b>103,302,175</b>	<b>101</b>	<b>27.8%</b>
<b>Total</b>	<b>375,449,112</b>	<b>334,521,353</b>	<b>112</b>	<b>100.0%</b>

\* According to the definition of the Insurance Supervision Agency, gross claims paid by Triglav, pokojninska družba are included in unit-linked life insurance

*Gross claims paid of Zavarovalnica Triglav by insurance class*

Insurance class	Gross claims paid		Index	Share
	H1 2022	H1 2021	H1 2022/ H1 2021	H1 2022
Accident insurance	5,603,456	5,912,008	95	2.6%
Health insurance	-89,363	-52,793	169	0.0%
Comprehensive car insurance	41,318,623	34,768,009	119	19.5%
Real property insurance	30,751,448	25,750,960	119	14.5%
Motor liability insurance	34,884,951	28,986,934	120	16.5%
General liability insurance	5,218,298	5,014,084	104	2.5%
Credit insurance	1,633,467	1,940,323	84	0.8%
Other non-life insurance	11,080,870	8,846,761	125	5.2%
<b>Non-life insurance</b>	<b>130,401,750</b>	<b>111,166,286</b>	<b>117</b>	<b>61.6%</b>
Life insurance	51,663,221	52,056,798	99	24.4%
Unit-linked life insurance*	26,218,608	26,982,510	97	12.4%
Capital redemption insurance	3,441,634	2,704,905	127	1.6%
<b>Life and pension insurance</b>	<b>81,323,463</b>	<b>81,744,213</b>	<b>99</b>	<b>38.4%</b>
<b>Total</b>	<b>211,725,213</b>	<b>192,910,499</b>	<b>110</b>	<b>100.0%</b>

#### 4.5 Gross operating expenses

Total consolidated gross operating expenses of the Triglav Group amounted to EUR 181.6 million, up by 11%.

**Expenses from insurance operations** rose by 11% to EUR 164.4 million. The highest growth was recorded by

acquisition costs, costs of material and energy, non-income related costs excluding insurance and depreciation costs. The share of operating expenses of insurance operations in gross written premium grew by 0.4 percentage point to 20.6%. Operating expenses increased in all insurance segments; by 20% in the **health insurance** segment (EUR 8.6 million), by 11% in the **life and pension insurance** segment (EUR 25.2 million) and by 10% in the **non-life insurance** segment (EUR 130.6 million).

The share of operating expenses of insurance operations in gross written premium was 20.6%.

**Expenses from non-insurance operations** grew by 11% to EUR 17.2 million. Their increase was mainly due to the increase in the costs of payment transactions and banking services at Triglav

Skladi as a result of higher transaction fees, which are proportional to the volume of assets under management.

Acquisition costs (fees and commissions) rose by 23% to EUR 38.8 million, with high growth being recorded by most insurance companies. Increased acquisition costs primarily resulted from the higher number of concluded insurance policies and the increased volume of written premium from insurance policies taken out via external sales channels (contracted points of sale, brokers, agencies and banks). Their increase was also influenced by the higher volume of transactions concluded under the principle of free movement of services (FOS) in the EU.

The 18% increase in depreciation costs in the amount of EUR 12.6 million was predominantly the consequence of higher depreciation costs of intangible fixed assets at the parent company (high investments in software last year) and higher lease costs at the Serbian insurer.

At 45.7%, labour costs accounted for the largest portion of total expenses, amounting to EUR 87.1 million, up by 3% relative to the same period last year. The highest growth was recorded by Triglav, Zdravstvena zavarovalnica, Triglav Skladi and both Macedonian insurers, mainly as a result of a higher number of employees and higher other labour costs. At the parent company, labour costs were higher by 1%, which resulted from an increase in other labour costs (higher costs of voluntary pension insurance due to the higher employer payments agreed last May and higher costs of commuting allowance, because in the same period last year employees worked more from home due to the COVID-19 pandemic).

Costs of services provided by natural persons other than sole proprietors (contract work and services of the student work service) fell by 19%. With only a 0.4% share in total expenses, they amounted to EUR 683 thousand.

Other operating expenses increased by 15% to EUR 51.4 million. Among them, the highest growth was recorded by costs of materials and energy due to the high growth in energy prices, non-income related costs excluding insurance and the reimbursement of work-related costs due to the smaller scope of agents' work, as well as lower reimbursement of business travel costs and training costs last year due to the pandemic and the rise in fuel prices.

## Gross operating expenses of the Triglav Group in H1 2022 by nature

Operating expenses by nature	Gross operating expenses		Index	Share
	H1 2022	H1 2021	H1 2022/ H1 2021	H1 2022
Acquisition costs (fees and commissions)	38,814,611	31,588,903	123	20.4%
Costs of goods sold	5,273	107,295	5	0.0%
Depreciation of operating assets	12,570,921	10,664,854	118	6.6%
Labour costs	87,065,319	84,535,361	103	45.7%
- wages and salaries	59,283,860	57,955,153	102	31.1%
- social securities and pension insurance costs	13,014,180	13,021,834	100	6.8%
- other labour costs	14,767,279	13,558,374	109	7.8%
Costs of services provided by natural persons other than SPs together with pertaining taxes	683,091	846,572	81	0.4%
Other operating expenses	51,404,381	44,528,753	115	27.0%
- costs of entertainment, advertising, trade shows	11,067,769	9,409,429	118	5.8%
- costs of material and energy	5,048,084	3,775,076	134	2.6%
- maintenance costs	7,288,204	7,471,471	98	3.8%
- travel expenses	2,298,620	1,646,454	140	1.2%
- costs of intellectual and personal services	3,331,198	2,842,101	117	1.7%
- non-income-related costs, excluding insurance	2,463,727	1,517,502	162	1.3%
- costs of transport and communication services	2,878,976	2,628,333	110	1.5%
- costs of insurance premiums	540,556	607,431	89	0.3%
- payment transaction costs and banking services	6,023,672	5,021,775	120	3.2%
- rents	3,225,047	3,319,530	97	1.7%
- costs of services of professional training	906,127	682,471	133	0.5%
- other costs of services	6,331,999	5,602,914	113	3.3%
- long-term employee benefits	402	4,266	9	0.0%
<b>Total</b>	<b>190,543,596</b>	<b>172,271,738</b>	<b>111</b>	<b>100.0%</b>
Consolidation eliminations	-8,917,329	-8,639,242	103	
<b>Total consolidated</b>	<b>181,626,267</b>	<b>163,632,496</b>	<b>111</b>	

Acquisition costs represented 62.7% (the largest share) of total gross operating expenses of insurance operations broken down by functional group. Other operating expenses represented 26.5%, claim handling expenses 9.3% and asset management costs 1.5% of total gross operating expenses of insurance operations.

## Gross operating expenses of Zavarovalnica Triglav in H1 2022 by nature

Operating expenses by nature	Gross operating expenses		Index	Share
	H1 2022	H1 2021	H1 2022/ H1 2021	H1 2022
Acquisition cost (fees and commissions)	20,671,564	16,077,756	129	19.2%
Depreciation of operating assets	7,684,321	6,318,559	122	7.1%
Labour costs	56,320,380	55,556,911	101	52.4%
- wages and salaries	38,003,800	38,217,274	99	35.4%
- social securities and pension insurance costs	6,521,693	6,463,832	101	6.1%
- other labour costs	11,794,887	10,875,805	108	11.0%
Costs of services provided by natural persons other than SPs, including related taxes	210,661	114,249	184	0.2%
Other operating costs	22,610,074	19,905,157	114	21.0%
- costs of entertainment, advertising, trade shows	4,911,866	4,232,492	116	4.6%
- costs of material and energy	2,488,730	1,696,078	147	2.3%
- maintenance costs	3,681,179	4,378,678	84	3.4%
- reimbursement of labour-related costs	1,547,963	1,230,488	126	1.4%
- costs of intellectual and personal services	1,392,538	1,137,788	122	1.3%
- non-income related costs, excluding insurance	1,385,348	522,418	265	1.3%
- costs of transport and communication services	1,555,215	1,416,400	110	1.4%
- costs for insurance premiums	96,705	163,332	59	0.1%
- payment transaction costs and banking services	673,814	543,016	124	0.6%
- rents	2,131,187	2,276,086	94	2.0%
- costs of professional training services	621,793	510,614	122	0.6%
- other costs of services	2,123,736	1,797,767	118	2.0%
<b>Total</b>	<b>107,497,000</b>	<b>97,972,632</b>	<b>110</b>	<b>100.0%</b>

### 4.6 Reinsurance

In the first six months of 2022, **the Triglav Group** allocated EUR 142.9 million of reinsurance and coinsurance premiums to external equalisation, up by 17% relative to the corresponding period last year. Reinsurance premium accounted for 17.9% of total gross written insurance and coinsurance premiums, up by 1.2 percentage points relative to the same period in 2021. Reinsurance premium growth was mainly the result of the increased volume of non-life insurance premium, primarily those policies underwritten based on the principle of freedom of movement of services (FOS). Higher reinsurance prices in the global reinsurance market also contributed to growth. The reinsurers' share in gross claims settled of EUR 24.4 million (index 119) was received from reinsurance.

In the reporting period, **Zavarovalnica Triglav** allocated EUR 122.1 million of reinsurance and coinsurance premiums to external equalisation, a 20% increase compared to the same period in 2021. Reinsurance premium accounted for 25.8% of total gross written premium. The reinsurers' and coinsurers' share in gross claims settled of EUR 20.9 million (index 112) was received from reinsurance and coinsurance.

### 4.7 Insurance technical provisions

Gross insurance technical provisions are the basis for balanced operations and ensure the long-term safety of insured persons. As at 30 June 2022, **the Triglav Group** had gross insurance technical provisions of EUR 3,221.2 million, up by 1% relative to 31 December 2021. The amount of gross insurance technical provisions increased in **non-life insurance** (index 114) and **health insurance** (index 102) and decreased in **life and pension**

Total gross insurance technical provisions of the Triglav Group amounted to EUR 3,221.2 million, up by 1%.

**insurance** (index 94). As at 30 June 2021, **Zavarovalnica Triglav** allocated EUR 2,280.2 million to gross insurance technical provisions, which is approximately at the same level as at the 2021 year-end (index 100).

Provisions of the **Triglav Group** by type as at 30 June 2022 relative to 31 December 2021:

- **Gross unearned premium** was 34% higher and amounted to EUR 494.4 million. Unearned premium from non-life insurance increased by 34% to EUR 490.0 million, unearned premium from health insurance rose by 13% to EUR 3.9 million and unearned premium from life and pension insurance grew by 5% to EUR 479 thousand. The movement of gross unearned premium corresponds to the movement and duration of gross written premium and the nature of underwritten risks.
- **Gross claims provisions** rose by 4% to EUR 719.9 million. Gross claims provisions are created for covering claims incurred but not settled by the end of the accounting period. Claims provisions for non-life insurance totalled EUR 678.7 million (index 104), those for life and pension insurance equalled EUR 22.7 million (index 98), and those for health insurance amounted to EUR 18.4 million (index 115).
- **Mathematical provisions** declined by 6% to EUR 1,929.3 million. Mathematical provisions for the guarantee fund backing life insurance totalled EUR 1,362.6 million (index 95), while insurance technical provisions for unit-linked life insurance contracts amounted to EUR 566.7 million (index 91). They fell due to the drop in the price of fund units. Zavarovalnica Triglav's mathematical provisions of EUR 1,449.6 million accounted for the bulk (index 97), of which mathematical provisions for the guarantee fund backing life insurance amounted to EUR 961.9 million (index 95) and insurance technical provisions for unit-linked life insurance contracts equalled EUR 487.7 million (index 90).
- **Provisions for bonuses and discounts** rose by 2% to EUR 28.1 million.
- **Other insurance technical provisions** amounted to EUR 49.5 million and were lower by 4% predominantly due to a decrease in provisions as a result of the liability adequacy test for life insurance at Zavarovalnica Triglav as well as the formation of additional provisions for the failure to achieve the guaranteed return of supplemental voluntary pension insurance policies at the parent company and Triglav, pokojninska družba.

#### *Gross insurance technical provisions of the Triglav Group as at 30 June 2022*

	Gross insurance technical provisions		Index
	30 June 2022	31 December 2021	2022/2021
Unearned premium	494,444,646	370,043,725	134
Mathematical provisions	1,929,335,998	2,054,917,059	94
Claims provisions	719,859,232	694,498,311	104
Provisions for bonuses and discounts	28,073,737	27,464,185	102
Other insurance technical provisions	49,518,129	51,748,503	96
<b>Total</b>	<b>3,221,231,742</b>	<b>3,198,671,783</b>	<b>101</b>

#### *Gross insurance technical provisions of Zavarovalnica Triglav as at 30 June 2022*

	Gross insurance technical provisions		Index
	30 June 2022	31 December 2021	2022/2021
Unearned premium	328,504,120	246,017,850	134
Mathematical provisions	1,449,582,353	1,548,454,207	94
Claims provisions	470,058,298	446,567,255	105
Provisions for bonuses and discounts	23,729,861	23,724,069	100
Other insurance technical provisions	8,343,881	15,744,857	53
<b>Total</b>	<b>2,280,218,513</b>	<b>2,280,508,238</b>	<b>100</b>

#### 4.8 Investment structure of the Triglav Group and Zavarovalnica Triglav

The Triglav Group pursues a relatively conservative investment policy in order to achieve an adequate return on its investment portfolio, with an emphasis on the security and liquidity of investments. In its investment, the Group pursues the goal of achieving a high credit rating of the entire portfolio. In accordance with the investment policy's sustainability aspect, the Company incorporates environmental, social and governance (ESG) factors in its investment process.

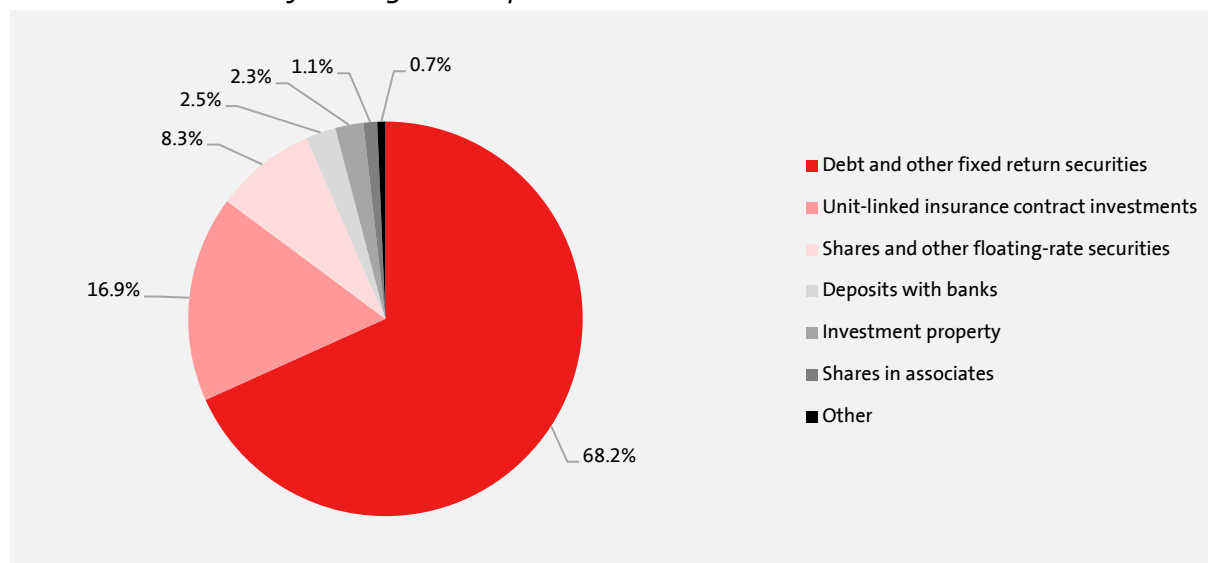
**The Group's financial investments** including investment property and investments in associates totalled EUR 3,267.5 million as at 30 June 2021, up by 11% relative to 31 December 2021. Their share in the Group's total assets was down by 6.9 percentage points to 77.0%.

*Financial investments (including investment properties and investments in associates) of the Triglav Group as at 30 June 2022 and 31 December 2021*

	Financial investments		Index	Share	
	30 June 2022	31 December 2021	2022/2021	30 Jun. 2022	31 Dec. 2021
Investment property	75,229,733	75,110,973	100	2.3%	2.0%
Shares in associates	36,898,948	36,031,343	102	1.1%	1.0%
Shares and other floating-rate securities	269,625,949	330,960,660	81	8.3%	9.0%
Debt and other fixed return securities	2,227,528,281	2,512,569,818	89	68.2%	68.5%
Loans given	4,646,797	4,525,184	103	0.1%	0.1%
Deposits with banks	80,715,019	70,472,827	115	2.5%	1.9%
Other financial investments	5,430,773	5,810,984	93	0.2%	0.2%
Financial investments of reinsurance companies in reinsurance contracts with cedents	14,032,108	13,340,360	105	0.4%	0.4%
Derivatives	0	20,317	0	0.0%	0.0%
Unit-linked insurance contract investments	553,411,668	619,617,488	89	16.9%	16.9%
<b>Total</b>	<b>3,267,519,275</b>	<b>3,668,459,954</b>	<b>89</b>	<b>100.0%</b>	<b>100.0%</b>

Through active investment in the first six months, the Group **maintained a portfolio composition comparable to the balance as at 31 December 2021**. The bulk of the investment portfolio, 68.2%, is represented by bonds invested in developed markets, most of which have a high credit rating. Compared to the 2021 year-end, their value as well as the value of the equity portfolio decreased as a result of the situation on the financial markets. A similar impact was seen in connection with unit-linked life insurance contract investments. The majority of this asset class is accounted for by assets invested in mutual funds of the policyholders' choice and mostly in funds managed by Triglav Skladi.

## Investment structure of the Triglav Group as at 30 June 2022



The detailed structure of the Group's bond and equity portfolio is presented below, and the data for the Company are presented at the end of this section.

The bond portfolio is of **high quality** and globally diversified. A total of 90.9% of bond investments have an investment grade credit rating of at least "BBB" (the same as at 31 December 2021) and 57.3% have at least the "A" credit rating (compared to 59.4% as at 31 December 2021).

### Debt securities of the Triglav Group by credit rating

Credit rating	Debt securities		Index	Share	
	30 June 2022	31 December 2021	2022/2021	30 Jun. 2022	31 Dec. 2021
AAA	422,923,765	438,921,752	96	19.0%	17.5%
AA	329,806,508	376,763,744	88	14.8%	15.0%
A	524,066,384	677,949,441	77	23.5%	27.0%
BBB	747,127,708	789,294,818	95	33.5%	31.4%
Below BBB	158,773,317	185,667,718	86	7.1%	7.4%
Not rated	44,830,599	43,972,345	102	2.0%	1.8%
<b>Total</b>	<b>2,227,528,281</b>	<b>2,512,569,818</b>	<b>89</b>	<b>100.0%</b>	<b>100.0%</b>

Unit-linked insurance contract investments data excluded.

The largest share (60.2%) in the Group's bond portfolio **by issuer sector** was accounted for by government bonds, whose share declined by 4.9 percentage points relative to the 2021 year-end. Government bonds are followed by financial bonds accounting for 20.9% and corporate bonds accounting for 18.8%, both shares were higher.

### Debt securities of the Triglav Group by issuer sector

Issuer sector	Debt securities		Index	Share	
	30 June 2022	31 December 2021	2022/2021	30 Jun. 2022	31 Dec. 2021
Government	1,341,934,833	1,637,292,470	82	60.2%	65.2%
Financial	466,508,754	450,896,480	103	20.9%	17.9%
Corporate	418,104,141	423,363,902	99	18.8%	16.8%
Structured	980,553	1,016,966	96	0%	0%
<b>Total</b>	<b>2,227,528,281</b>	<b>2,512,569,818</b>	<b>89</b>	<b>100.0%</b>	<b>100.0%</b>

Unit-linked insurance contract investments data excluded.



In terms of **issuer country**, the majority of the portfolio is accounted for by debt securities of issuers from the countries with a high credit rating, which ensures adequate security and liquidity. Certain changes in exposure to individual countries were made in the first six months as a result of price fluctuations and tactical adjustments of some positions.

#### Debt securities of the Triglav Group by issuer country

Country of issuer	Debt securities		Index	Share	
	30 June 2022	31 December 2021	2022/2021	30 Jun. 2022	31 Dec. 2021
Germany	339,463,484	371,741,005	91	15.2%	14.8%
Slovenia	216,983,377	312,387,021	69	9.7%	12.4%
France	179,355,550	202,916,739	88	8.1%	8.1%
International financial institutions	163,446,429	153,800,111	106	7.3%	6.1%
Spain	143,460,636	154,859,010	93	6.4%	6.2%
Italy	125,078,845	133,591,273	94	5.6%	5.3%
USA	122,646,537	132,660,828	92	5.5%	5.3%
Croatia	117,007,045	113,080,581	103	5.3%	4.5%
Netherlands	99,542,717	90,155,239	110	4.5%	3.6%
Austria	69,209,050	66,664,263	104	3.1%	2.7%
Other	651,334,611	780,713,748	83	29.2%	31.1%
<b>Total</b>	<b>2,227,528,281</b>	<b>2,512,569,818</b>	<b>89</b>	<b>100.0%</b>	<b>100.0%</b>

Unit-linked insurance contract investments data excluded.

In accordance with the investment policy's sustainability aspect and strategic ambitions in sustainability, the Group takes into account **environmental, social and governance factors (ESG)** in the management of its investments and exercising its management rights when making decisions related to sustainable development with those issuers in its portfolio where this is possible. More information is available on the Company's website <https://www.triglav.eu/sl/trajnostni-razvoj/trajnostno-poslovanje>.

The Group's **sustainable fixed-income investments** are shown in the table below. In 2021 their volume almost doubled compared to the year before; in the first six months of 2022, it further increased by 8% to EUR 220.4 million. Their share in the bond portfolio stands at 9.9% (compared to 8.1% as at 31 December 2021).

#### Sustainable (ESG) fixed-income investments of the Triglav Group

	Sustainable fixed income investments			Share in debt securities		
	31 June 2022	31 December 2021	31 December 2021	31 Jun. 2022	31 Dec. 2021	31 Dec. 2020
Social impact bonds*	100,840,233	83,630,721	33,278,595	4.5%	3.3%	1.3%
Green bonds**	104,058,171	104,433,167	67,424,385	4.7%	4.2%	2.6%
Sustainable bonds***	15,511,706	16,448,265	3,629,090	0.7%	0.7%	0.1%
<b>Total ESG bonds</b>	<b>220,410,110</b>	<b>204,512,153</b>	<b>104,332,071</b>	<b>9.9%</b>	<b>8.1%</b>	<b>4.1%</b>

\* Bonds with a social impact are an instrument for funding social services.

\*\* Green bonds are an instrument for funding environmental projects, the funds of which are intended for ecologically efficient products, technologies and processes, pollution prevention and control, sustainable management of natural resources, sustainable management of water resources, renewable energy use, energy efficiency and clean transport.

\*\*\* Sustainable bonds are an instrument for funding sustainability projects and a combination of green and social impact bonds. Funding is often conditional on achieving sustainability goals.

**Equity investments**, which comprise shares and other variable-income securities and investments in associates, represent 9.4% of the Group's total portfolio (compared to 10.0% as at 31 December 2021). Their value dropped by 16% to EUR 306.5 million predominantly due to the situation on stock markets. Equity investments also include the category *other funds*, which comprises mostly alternative funds, among which the alternative fund managed by the associate Triglav holds a significant share.

### Equity investments of the Triglav Group by investment type

Equity investment type	Equity investments		Index	Share	
	30 June 2022	31 December 2021	2022/2021	30 Jun. 2022	31 Dec. 2021
Shares	104,016,768	128,582,339	81	33.9%	35.0%
Equity funds	49,042,066	85,330,024	57	16.0%	23.3%
Bond funds	53,273,985	62,836,072	85	17.4%	17.1%
Money market funds	7,091,267	4,177,739	170	2.3%	1.1%
Other funds	93,100,810	86,065,829	108	30.4%	23.5%
<b>Total</b>	<b>306,524,896</b>	<b>366,992,003</b>	<b>84</b>	<b>100.0%</b>	<b>100.0%</b>

### Equity investments of the Triglav Group by geographic area

Geographic area	Equity investments		Index	Share	
	30 June 2022	31 December 2021	2022/2021	30 Jun. 2022	31 Dec. 2021
Slovenia	92,690,725	103,490,296	90	30.2%	28.2%
Developed markets	193,888,727	244,542,137	79	63.3%	66.6%
Developing markets	11,653,915	13,588,353	86	3.8%	3.7%
Balkans	8,291,528	5,371,218	154	2.7%	1.5%
<b>Total</b>	<b>306,524,896</b>	<b>366,992,003</b>	<b>84</b>	<b>100.0%</b>	<b>100.0%</b>

At **Zavarovalnica Triglav**, financial investments, including investment property, amounted to EUR 2,398.7 million as at 30 June 2022, down by 12%.

*Financial investments (including investment properties and investments in subsidiaries and associates) of Zavarovalnica Triglav as at 30 June 2022 and 31 December 2021*

	Financial investments		Index	Share	
	30 June 2022	31 December 2021	2022/2021	30 Jun. 2022	31 Dec. 2021
Investment property	43,387,604	43,840,055	99	1.8%	1.6%
Investments in subsidiaries and associates	218,618,128	173,618,679	126	9.1%	6.4%
Shares and other floating rate securities	182,842,863	204,009,208	90	7.6%	7.5%
Debt and other fixed return securities	1,452,266,280	1,736,539,693	84	60.5%	63.7%
Loans given	4,348,596	5,155,689	84	0.2%	0.2%
Deposits with banks	14,277,497	19,660,793	73	0.6%	0.7%
Other financial investments	3,288,684	3,278,363	100	0.1%	0.1%
Derivatives	0	20,317	0	0.0%	0.0%
Unit-linked insurance contract investments	479,716,033	539,417,972	89	20.0%	19.8%
<b>Total</b>	<b>2,398,745,685</b>	<b>2,725,540,769</b>	<b>88</b>	<b>100.0%</b>	<b>100.0%</b>

## 4.9 Asset management

**Asset management** at the Triglav Group comprises the management of the parent company's own insurance portfolios (assets backing liabilities and guarantee funds), clients' saving through the Group's life and pension insurance companies, asset management by Triglav and the management of clients' assets in mutual funds and discretionary mandates by Triglav Skladi. The value of assets under management of the Triglav Group as at 30 June 2022:

- own insurance portfolio: EUR 2,714.1 million (index 89),
- mutual funds and discretionary mandate assets at Triglav Skladi: EUR 1,360.5 million (index 88),
- investment management at Triglav: EUR 95.0 million (index 104).

## Asset and investment fund management market

As at 30 June 2022, five management companies operated in **Slovenia**, which managed the net asset value of EUR 3.9 billion in **mutual funds**, down by 11% compared to the 2021 year-end. The decline in assets was influenced by negative trends in capital markets. A total of six companies provided **discretionary mandate services**, of which four were asset management companies. The value of discretionary mandate assets managed by said companies was EUR 2.5 billion as at 30 June 2021, up by 34% relative to 31 December 2021.

**Triglav Skladi** managed EUR 1.2 billion in **mutual funds** as at 30 June 2022, down by 11% relative to 31 December 2021. The value of net assets under management increased by EUR 22.6 million due to net inflows and decreased by EUR 180.2 million due to the situation in capital markets. Triglav Skladi held a 31.4% market share as at the reporting date (compared to 31.8% as at 31 December 2021) and is therefore one of the leading managers of assets in investment funds in Slovenia.

The value of discretionary mandate assets managed by Triglav Skladi was EUR 146.0 million, having decreased by 13% relative to the 2021 year-end. Net inflows amounted to EUR 2.2 million, while the effect of capital markets decreased net asset value by EUR 21.2 million. The company's market share declined to 5.8% (compared to 9.0% as at 31 December 2021).

## 5. Financial result and financial position

### 5.1 Financial result

In the first half of 2020, the Triglav Group posted **profit before tax of EUR 57.5 million**, up by 2% relative to the same period last year. The profit was driven by growth in business volume, the resilience of the underwriting result to inflation and other impacts from the environment, lower investment returns due to the unfavourable situation in financial markets and the impairment of Russian bonds. **Net profit of EUR 45.3 million** declined by 4% compared to the preceding year. **Annualised net return on equity** was 11.2%, which is the same as the year before.

In the first six months, the Triglav Group posted a profit before tax of EUR 57.5 million.

Zavarovalnica Triglav posted **profit before tax** of EUR 67.1 million, an increase of 107% relative to the corresponding period of 2021, which was largely a result of income from profit distribution of subsidiaries. **Net profit** grew by 119% to EUR 57.7 million.

**The combined ratio of the Triglav Group** was 89.5%, having improved by 0.1 percentage point relative to the same period of 2021. The combined ratio shows the profitability of operations in the non-life and health insurance segments. Any value of this ratio below 100 means that the non-life and health insurance portfolios of the core business (excluding return on investment) are earning a profit. The decrease in the combined ratio resulted from the improvement in the expense ratio, primarily due to higher net premium income and lower expenses for bonuses and discounts.

*Combined ratios in non-life and health insurance in the Triglav Group and by insurance company*

Insurance companies	H1 2022	H1 2021	Change
Zavarovalnica Triglav	79.9%	84.9%	-5.0 p.p.
Triglav, Zdravstvena zavarovalnica	100.2%	95.5%	4.7 p.p.
Pozavarovalnica Triglav Re	93.9%	88.7%	5.2 p.p.
Triglav Osiguranje, Zagreb	98.8%	98.1%	0.7 p.p.
Triglav Osiguranje, Belgrade	99.3%	90.2%	9.0 p.p.
Lovćen Osiguranje, Podgorica	93.3%	96.9%	-3.6 p.p.
Triglav Osiguranje, Sarajevo	91.7%	94.9%	-3.2 p.p.
Triglav Osiguranje, Banja Luka	104.5%	106.3%	-1.7 p.p.
Triglav Osiguruvanje, Skopje	103.5%	110.2%	-6.7 p.p.
<b>The Triglav Group</b>	<b>89.5%</b>	<b>89.6%</b>	<b>-0.1 p.p.</b>

**Total revenue** increased by 11% and amounted to EUR 861.2 million. It is composed of gross written premium in the amount of EUR 797.2 million (index 109), other insurance income in the amount of EUR 32.2 million (index 125) and other income in the amount of EUR 31.8 million (index 142). The majority of other income represents income from asset management, amounting to EUR 15.1 million (index 111).

**Net premium income** rose by 5% to EUR 573.3 million. Net premium income from non-life insurance and from life and pension insurance grew by 6%, while net premium income from health insurance increased by 3%. Net premium income comprises gross written premium in the amount of EUR 797.2 million, less written premium ceded to reinsurance and coinsurance in the amount of EUR 142.9 million (index 117) and adjusted by the change in net unearned premium of EUR -81.0 million (index 125).

**Net claims incurred** increased by 5% to EUR 368.9 million. The highest growth (19%) was recorded in health insurance due to higher gross claims paid (the lack of availability of healthcare services due to the pandemic last year) and the change in claims provisions. Net claims incurred increased by 2% in non-life insurance, whereas in life and pension insurance they dropped by 1%. Net claims incurred comprise gross claims paid in the amount of EUR 398.1 million (index 115) less reinsurers' and coinsurers' shares in gross claims paid in the amount of EUR 24.4 million (index 119), adjusted by the change in claims provisions of EUR –8.4 million (compared to EUR 20.7 million in 2021) and increased by equalisation scheme expenses for supplemental health insurance in the amount of EUR 3.7 million (index 102).

**Income from investments, including income from investments in associates**, decreased by 60% to EUR 35.4 million. Income from investments in associates amounted to EUR 1.0 million, up by 13%, whereas income from investments fell by 61% to EUR 34.3 million. Interest income was down by 10% and reached EUR 15.8 million, whereas gains on disposal of investments rose by 14% to EUR 6.2 million. Other income from investments declined to EUR 12.4 million (compared to EUR 64.3 million in the same period of 2021). Other income from investments comprises other financial income of EUR 8.7 million (index 255), changes in the fair value of EUR 1.5 million (index 17), dividends of EUR 1.1 million (index 117) and net unrealised gains on unit-linked life insurance assets of EUR 1.1 million (compared to EUR 50.9 million in 2021). The latter decreased predominantly due to the fall in share prices, to which the majority of policyholders' investments under these insurance contracts are tied (a drop in prices of fund units).

**Expenses from investments, including expenses from investments in associates**, rose to EUR 157.9 million (compared to EUR 15.6 million in the corresponding period of 2021). *Expenses from investments in associates* amounted to EUR 418 thousand (index 571), while *expenses from investments* totalled EUR 157.5 million (compared to EUR 15.6 million in 2021). Losses on disposal amounted to EUR 21.9 million (index 763), impairment of investments (impairment of Russian bonds) amounted to EUR 6.2 million (none last year) and other expenses from investments amounted to EUR 129.4 million (compared to EUR 12.7 million in 2021). Other expenses from investments comprise net unrealised losses on unit-linked life insurance assets totalling EUR 79.2 million (compared to EUR 543 thousand in 2021), changes in the fair value of EUR 45.9 million (index 597) and other financial expenses in the amount of EUR 4.4 million (index 98).

The Group's **returns on investment** (excluding unit-linked insurance contract investments) were negative and totalled EUR –40.4 million, whereas in the same period last year they amounted to EUR 16.5 million. The reasons for the negative return on investment are mainly falling bond prices due to rising interest rates and falling prices of equity investments, which was reflected in higher net expenses from changes in the fair value, lower realised capital gains and impairments of Russian bond investments.

Return on investment was negative primarily due to higher net expenses from changes in the fair value, lower realised capital gains and the impairment of investments.

Return on investment also impacts the amount of insurance technical provisions and net profit of the Group. **Profit before tax from investments** is presented in the table *Structure of profit before tax*.

**Change in other insurance technical provisions** amounted to EUR –60.1 million and was lower than in the preceding year (EUR –2.3 million) predominantly due to the decline in mathematical provisions (EUR –58.9 million). **Change in insurance technical provisions for unit-linked insurance contracts** equalled EUR –58.0 million (compared EUR 67.5 million in the same period last year) due to the decrease in the value of fund units. **Expenses for bonuses and discounts**

dropped by 54% to EUR 6.2 million predominantly as a result of additional provisions created last year for bonuses and discounts due to the impact of the COVID-19 pandemic.

**Operating expenses** (acquisition costs and other operating expenses) amounted to EUR 146.7 million, up by 11%. Acquisition costs rose by 12% and other operating expenses by 10%. The share of operating expenses from insurance operations (all functional cost groups) in gross written premium was 20.6%, up by 0.4 percentage point.

**Other insurance income**, excluding fees and commissions, increased by 14% to EUR 5.6 million predominantly as a result of higher interest income from subrogation receivables at the parent company and income from external recovery at Triglav, Zdravstvena zavarovalnica. **Other insurance expenses**, excluding fees and commissions, grew by 17% to EUR 10.3 million, mainly due to higher contributions to cover uninsured vehicles. **Net fee and commission income** rose by 110% by to EUR 9.0 million primarily due to the high growth of written premium ceded to reinsurance.

**Other income** was up by 42%, reaching EUR 31.8 million. Its high growth mainly resulted from higher income from the sale of investment property and higher management fee income. The 18% growth of **other expenses** (EUR 25.6 million) was mainly a result of higher provisions for employee bonuses compared to the year before.

#### *Individual items in the consolidated income statement of the Triglav Group for H1 2022*

	H1 2022	H1 2021	Index
Net premium income	573,272,631	544,071,791	105
Income from investments including income in subsidiaries and associates	35,354,393	88,248,435	40
Other income from insurance operations	32,248,984	25,719,206	125
Other income	31,763,822	22,359,984	142
Net claims incurred	368,913,104	351,332,873	105
Change in other insurance technical provisions (excluding ULI)	-60,072,917	-2,391,105	2,512
Change in insurance technical provisions for unit-linked insurance contracts	-58,041,947	67,530,977	
Expenses for bonuses and discounts	6,161,217	13,346,843	46
Operating expenses	146,688,400	131,593,734	111
Expenses from investments including expenses in subsidiaries and associates	157,912,333	15,637,430	1,010
Other insurance expenses	28,003,997	25,420,974	110
Other expenses	25,613,161	21,684,826	118
<b>Profit before tax</b>	<b>57,462,482</b>	<b>56,242,864</b>	<b>102</b>
Income tax expense	12,184,482	9,267,734	131
<b>Net profit for the accounting period</b>	<b>45,278,000</b>	<b>46,975,130</b>	<b>96</b>

#### *The structure of profit before tax of the Triglav Group\**

	H1 2022				H1 2021			
	Non-life	Life and pension	Health	Total	Non-life	Life and pension	Health	Total
Profit before tax from underwriting activities	43,793,960	8,633,338	823,866	53,251,164	36,930,052	6,976,918	4,938,448	48,845,418
Profit before tax from investment activities	-495,403	-2,955,008	-667,914	-4,118,325	5,620,212	-1,949,424	252,895	3,923,683
Profit before tax from insurance operations	43,298,557	5,678,330	155,952	49,132,839	42,550,264	5,027,494	5,191,343	52,769,101
Profit before tax from non-insurance operations				8,329,643				3,473,763
<b>Total profit before tax</b>				<b>57,462,482</b>				<b>56,242,864</b>

\*Profit from return on investment is reduced by the return guaranteed by the Group's insurance subsidiaries to life insurance policyholders in the form of a guaranteed return determined in insurance contracts. In addition, return on investment is reduced by the increase in mathematical provisions due to the lower internally set maximum interest rate used for the valuation of life insurance liabilities.

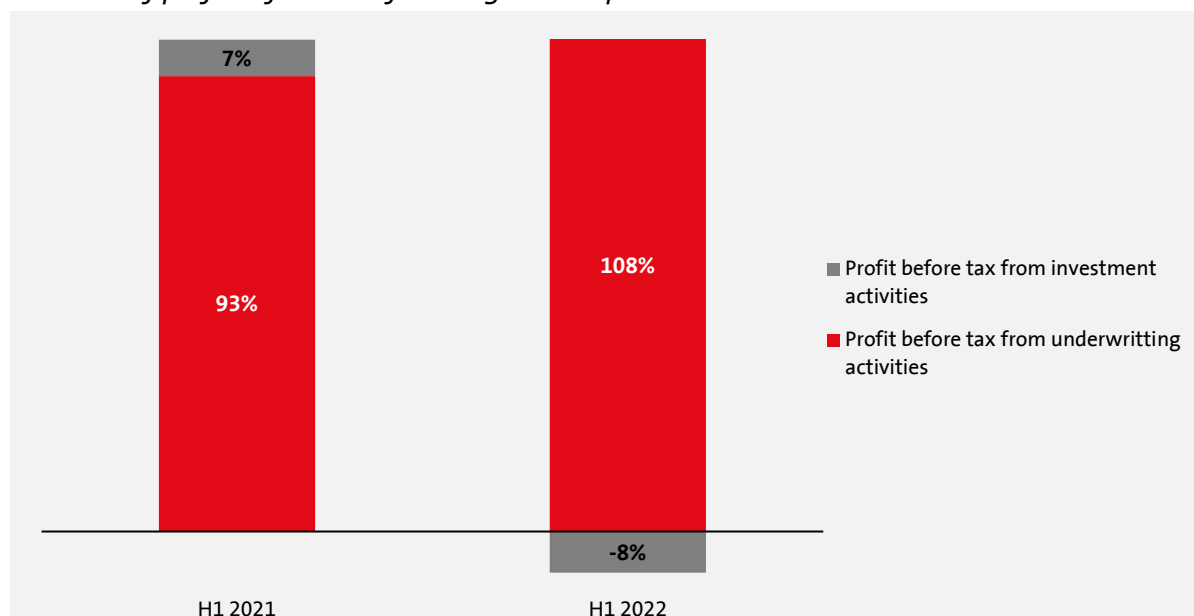
Profit before tax of the Group's **non-life and health insurance** segments amounted to EUR 43.5 million in the first half of 2022, down by EUR 4.3 million compared to the same period last year. The decrease was primarily a result of profit before tax from investments, which was negative in the reporting period, mainly due to lower realised capital gains and higher net expenses from

changes in the fair value. The higher profit from non-life insurance underwriting activities was influenced by the favourable development of claims provisions created in previous years. The decrease in profit from health insurance underwriting activities was mainly influenced by the high increase in the frequency of supplemental health insurance claims and the inflation rate.

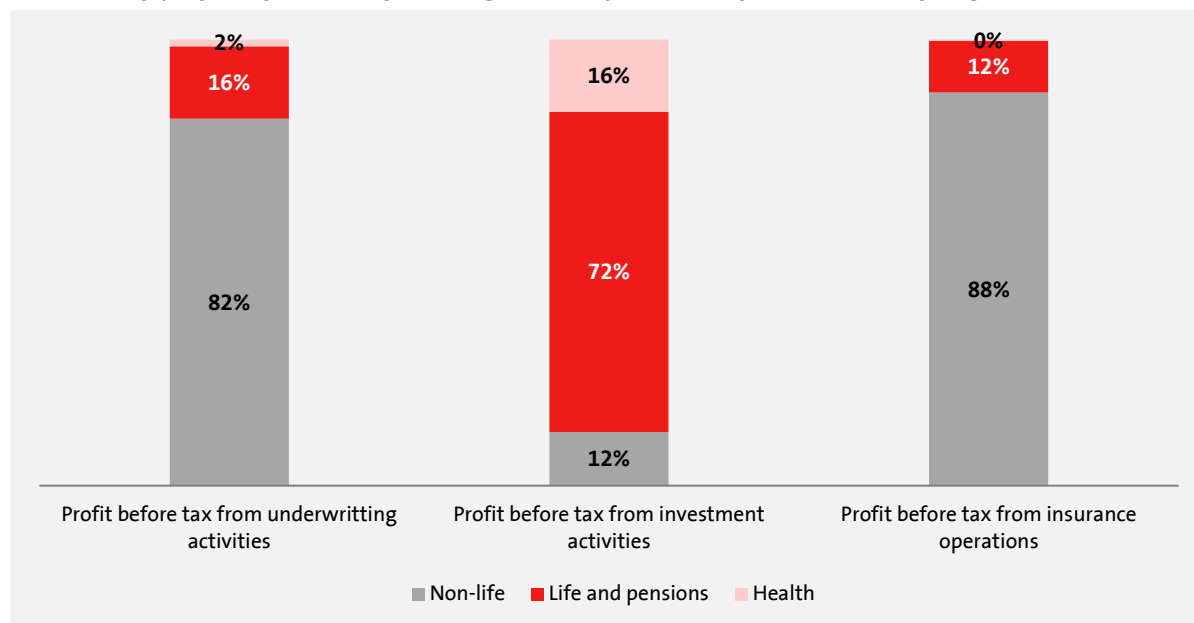
Profit before tax of the Group's **life and pension insurance** segment amounted to EUR 5.7 million, having increased by EUR 651 thousand compared to the same period in 2021. Profit before tax of the parent company amounted to EUR 14.7 million, up by EUR 11.7 million over the same period last year. This high growth was influenced by the release of additional provisions from the liability adequacy test at Zavarovalnica Triglav in the amount of EUR 13.8 million, which is a result of the rise in the interest rate curve. This release exceeds the loss due to the lower return on investment and the resulting creation of additional provisions for failing to achieve the guaranteed return on supplemental voluntary pension insurance both at Zavarovalnica Triglav and Triglav, pokojninska družba in the total amount of EUR 11.0 million. This also the main factor in the change in profit before tax of Zavarovalnica Triglav, because compared to last year's corresponding period the release of additional provisions from the liability adequacy test is EUR 15.6 million higher at a comparable return on investment and a decrease in profit before tax due to the creation of provisions of EUR 4.5 million for failing to achieve the guaranteed return on pension insurance. The parent company's profit before tax was also influenced by profit before tax from underwriting activities of the life and pension insurance segment, up by EUR 1.8 million, and the cost of indexation as a result of the rise in the inflation rate, down by EUR 1.7 million. Profit before tax of other Group members is lower by EUR 11.8 million, primarily due to the already mentioned creation of additional provisions for failing to achieve the guaranteed return on pension insurance at Triglav, pokojninska družba.

Profit before tax of **non-insurance operations** reached EUR 8.3 million, having increased by EUR 4.9 million over the same period last year, mainly due to the realisation of profit from the sale of investment property.

#### *Structure of profit before tax of the Triglav Group in H1 2022 and H1 2021*



### Structure of profit before tax of the Triglav Group in January–June 2022 by segment



### Individual items in the income statement of Zavarovalnica Triglav for H1 2022

	H1 2022	H1 2021	Index
Net premium income	303,821,654	292,097,642	104
Income from investments including income in subsidiaries and associates	38,867,583	65,625,093	59
Other income from insurance operations	31,005,771	23,033,611	135
Other income	6,413,497	4,058,938	158
Net claims incurred	179,701,814	186,416,641	96
Change in other insurance technical provisions	-39,768,507	-5,889,930	675
Change in insurance technical provisions for unit-linked insurance contracts	-54,969,915	55,073,717	
Expenses for bonuses and discounts	4,681,303	4,690,814	100
Operating expenses	94,197,505	85,392,603	110
Expenses from investments including expenses in subsidiaries and associates	109,524,297	9,036,275	1,212
Other insurance expenses	12,115,118	11,841,819	102
Other expense	7,573,811	5,909,255	128
<b>Profit/loss before tax</b>	<b>67,053,079</b>	<b>32,344,091</b>	<b>207</b>
Income tax expense	9,333,790	5,948,078	157
<b>Net profit/loss for the accounting period</b>	<b>57,719,289</b>	<b>26,396,013</b>	<b>219</b>

## 5.2 Financial position

**Balance sheet total** of the Triglav Group as at 30 June 2022 stood at EUR 4.2 billion, down by 3% relative to 31 December 2021.

**Total equity** as at 30 June 2022 amounted to EUR 739.9 million, a 21% decrease relative to the 2021 year-end primarily due to the lower fair value reserve and higher dividend payment. Total equity in total balance sheet liabilities decreased by 3.9 percentage points to 17.4%. Equity attributable to the controlling company fell by 21% to EUR 737.8 million. Non-controlling interests declined to EUR 2.1 million (index 85) mainly due to a decrease in fair value reserve. The share capital of EUR 73.7 million remained unchanged and was divided into 22,735,148 ordinary shares. As a result of a decrease in the value of available-for-sale financial assets, **fair value reserve** amounted to –76.0 million (compared to EUR 77.8

As at the reporting date, total equity amounted to EUR 739.9 million.



million as at 31 December). **Share premium** of EUR 50.3 million remained at a level approximately equal to the 2021 year-end (index 100).

**Reserves from profit** in the amount of EUR 421.6 million (index 100) remained unchanged compared to 31 December 2021. They comprise other reserves from profit of EUR 400.7 million, legal and statutory reserves in the amount of EUR 20.3 million and contingency reserves of EUR 640 thousand. **Accumulated profit** reached EUR 271.2 million, down by 13%. In addition to EUR 45.3 million (index 60) in net profit for the year, it includes EUR 225.9 million of net profit brought forward (index 96). Net profit brought forward rose by EUR 75.4 million due to the transfer of net profit for the preceding year and fell by EUR 84.1 million due to the dividend payment.

**Subordinated liabilities** amounted to EUR 49.5 million and were at a level approximately equal to the 2021 year-end (index 100).

**Gross insurance technical provisions** were 1% higher, totalling EUR 3,221.2 million. They represented 75.9% of total balance sheet liabilities, up by 2.8 percentage points relative to 31 December 2021. Mathematical provisions of EUR 1,929.3 million dropped by 6%; other insurance technical provisions also fell (index 98). By contrast, gross claims provisions (index 104) and provisions for gross unearned premium (index 134) increased. Insurance technical provisions are discussed in greater detail in *Section 4.7*.

**Other financial liabilities** rose to EUR 15.4 million (index 500) mainly due to an increase in purchases of securities after the reporting period. Their share accounted for only 0.4% of total liabilities.

**Operating liabilities** rose by 48% over the 2021 year-end and amounted to EUR 93.6 million, thus representing 2.2% of balance sheet total. Their growth was predominantly influenced by a 63% increase in liabilities from reinsurance and coinsurance operations (EUR 67.3 million).

**Lease liabilities** amounted to EUR 10.4 million, down by 8% relative to the 2021 year-end. Lease liabilities comprise long-term lease liabilities of EUR 9.2 million (index 92) and short-term lease liabilities of EUR 1.2 million (index 95).

**Other provisions** declined by 1% to EUR 19.9 million. There were no **deferred tax** liabilities (they amounted to EUR 9.4 million as at 31 December 2021) due to the negative fair value reserve on which deferred tax is calculated. **Other liabilities** increased by 7% to EUR 92.0 million primarily due to the short-term security received for the sale of land, higher liabilities from insurance premium tax and higher accrued costs.

**Financial investments**, representing 61.3% of total assets, amounted to EUR 2,602.0 million, down by 11% relative to the 2021 year-end. Available-for-sale financial assets, which totalled EUR 1,849.2 million, accounted for the bulk. Furthermore, EUR 190.2 million was accounted for by financial assets measured at fair value through profit or loss, EUR 453.4 million by held-to-maturity financial assets and EUR 109.1 million by deposits and loans. **Unit-linked insurance** assets amounted to EUR 553.4 million, having decreased by 11%. The structure of financial assets is discussed in greater detail in *Section 4.8*.

**The Group's financial investments in associates** of EUR 36.9 million were higher by 2% compared to 31 December 2021. **Subordinated liabilities** amounted to EUR 75.2 million and were at a level approximately equal to the 2021 year-end (index 100).

**Receivables and deferred tax assets** grew by 61% to EUR 342.5 million over the 2021 year-end and accounted for 8.1% of total assets, of which receivables from direct insurance operations

accounted for the bulk at EUR 192.2 million (index 164). Receivables from coinsurance and reinsurance operations amounted to EUR 90.6 million (index 135), other receivables stood at EUR 27.4 million (index 113) and current tax receivables at EUR 5.7 million (index 138). Due to the negative value of fair value reserve, deferred tax assets increased and amounted to EUR 26.6 million as at 30 June 2022 (compared to EUR 927 thousand as at the 2021 year-end).

**Insurance technical provisions transferred to reinsurance contracts** increased by 38% to EUR 240.6 million. Assets from reinsurance contracts from claims provisions were 29% higher and totalled EUR 149.8 million, assets from unearned premium grew by 57% to EUR 83.2 million and assets from mathematical provisions rose by 34% to EUR 7.6 million.

**Property, plant and equipment** amounted to EUR 110.3 million, an increase of 2% relative to 31 December 2021. **Intangible assets** totalled EUR 119.8 million, up by 12% due to increased long-term deferred acquisition costs.

**Non-current assets held for sale** of EUR 667 thousand declined by 83% due to the sale of real property.

**Right-of-use assets** amounted to EUR 9.9 million, down by 9% relative to the 2021 year-end. They comprise the right to use land and buildings of EUR 7.8 million (index 90), the right to use vehicles of EUR 2.1 million (index 95) and the right to use other assets of EUR 41 thousand (index 48).

**Cash and cash equivalents** amounted to EUR 142.6 million (index 173) and **other assets** totalled EUR 8.0 million (index 164).

*Individual items in the consolidated balance sheet of the Triglav Group as at 30 June 2022*

	30 June 2022	31 December 2021	Index	Share 2022	Share 2021
<b>ASSETS</b>	<b>4,241,929,916</b>	<b>4,374,353,616</b>	<b>97</b>	<b>100.0%</b>	<b>100.0%</b>
Intangible assets	119,825,087	107,184,415	112	2.8%	2.5%
Property, plant and equipment	110,349,634	108,655,212	102	2.6%	2.5%
Non-current assets held for sale	666,677	3,812,044	17	0.0%	0.1%
Investment property	75,229,733	75,110,973	100	1.8%	1.7%
Right-of-use assets	9,914,592	10,933,109	91	0.2%	0.2%
Investments in associates	36,898,948	36,031,346	102	0.9%	0.8%
Financial investments	2,601,978,927	2,937,700,150	89	61.3%	67.2%
Unit-linked insurance assets	553,411,668	619,617,488	89	13.0%	14.2%
Reinsurers' share of insurance technical provisions	240,597,424	174,839,890	138	5.7%	4.0%
Receivables and deferred tax assets	342,457,875	213,304,334	161	8.1%	4.9%
Other assets	7,951,893	4,843,025	164	0.2%	0.1%
Cash and cash equivalents	142,647,458	82,321,630	173	3.4%	1.9%
<b>EQUITY AND LIABILITIES</b>	<b>4,241,929,916</b>	<b>4,374,353,616</b>	<b>97</b>	<b>100.0%</b>	<b>100.0%</b>
Equity	739,860,864	932,986,869	79	17.4%	21.3%
Subordinated liabilities	49,493,557	49,471,831	100	1.2%	1.1%
Insurance technical provisions	2,654,542,445	2,576,368,384	103	62.6%	58.9%
Insurance technical provisions for unit-linked insurance contracts	566,689,297	622,303,399	91	13.4%	14.2%
Other provisions	19,949,038	20,184,669	99	0.5%	0.5%
Deferred tax liabilities	0	9,377,034	0	0.0%	0.2%
Other financial liabilities	15,429,255	3,085,646	500	0.4%	0.1%
Operating liabilities	93,581,332	63,341,658	148	2.2%	1.4%
Lease liabilities	10,361,198	11,274,806	92	0.2%	0.3%
Other liabilities	92,022,930	85,959,319	107	2.2%	2.0%

*Individual items in the balance sheet of Zavarovalnica Triglav as at 30 June 2022*

	30 June 2022	31 December 2021	Index	Share 2022	Share 2021
<b>ASSETS</b>	<b>2,992,695,518</b>	<b>3,118,944,094</b>	<b>96</b>	<b>100.0%</b>	<b>100.0%</b>
Intangible assets	75,058,982	67,022,027	112	2.5%	2.1%
Property, plant and equipment	67,646,737	65,143,307	104	2.3%	2.1%
Investment property	43,387,604	43,840,055	99	1.4%	1.4%
Right-of-use assets	4,219,003	4,548,298	93	0.1%	0.1%
Investments in subsidiaries and associates	218,618,128	173,618,680	126	7.3%	5.6%
Financial investments	1,657,041,895	1,968,679,979	84	55.4%	63.1%
Unit-linked insurance assets	479,716,033	539,417,972	89	16.0%	17.3%
Reinsurers' share of insurance technical provisions	197,028,204	136,077,958	145	6.6%	4.4%
Receivables and deferred tax assets	210,939,610	105,169,567	201	7.0%	3.4%
Other assets	3,033,756	1,513,260	200	0.1%	0.0%
Cash and cash equivalents	36,005,566	13,912,991	259	1.2%	0.4%
<b>EQUITY AND LIABILITIES</b>	<b>2,992,695,518</b>	<b>3,118,944,094</b>	<b>96</b>	<b>100.0%</b>	<b>100.0%</b>
Equity	533,988,186	675,221,933	79	17.8%	21.6%
Subordinated liabilities	49,493,557	49,471,831	100	1.7%	1.6%
Insurance technical provisions	1,792,501,705	1,740,373,185	103	59.9%	55.8%
Insurance technical provisions for unit-linked insurance contracts	487,716,809	540,135,052	90	16.3%	17.3%
Other provisions	13,096,610	13,201,284	99	0.4%	0.4%
Deferred tax liabilities	0	4,212,732	0	0.0%	0.1%
Other financial liabilities	2,104,704	1,690,586	124	0.1%	0.1%
Operating liabilities	51,757,624	34,861,554	148	1.7%	1.1%
Lease liabilities	4,374,461	4,643,844	94	0.1%	0.1%
Other liabilities	57,661,862	55,132,093	105	1.9%	1.8%

## 6. Risk management

### 6.1 Risk Management

The second quarter was marked by fluctuations in the financial markets resulting from the war in Ukraine, further increasing inflation risks. With unfavourable developments in the energy sector and the EU's dependence on Russia, stagflation is increasingly being mentioned, which can also pose a challenge to insurance companies' operations.

As a result of the abovementioned reassessments in the financial markets, market risks are lower, primarily due to lower equity and debt exposures. Credit risks did not change significantly.

The underwriting risks of traditional life insurance contracts are somewhat lower due to the rise in interest rates, but there are slightly higher risks in pension insurance contracts, where the risk of guaranteed return is in the foreground. The underwriting risks of non-life insurance contracts increased the most due to unfavourable claims experience in the second quarter (weather disasters, large claims), and partly also due to inflation.

With the rising inflation rate, human resource risks are increasingly in the foreground, along with salary pressures, which also means an increase in potential employee turnover risks.

The Triglav Group maintained its capital adequacy within the target range of 200–250% at the end of the second quarter.

### 6.2 Internal audit

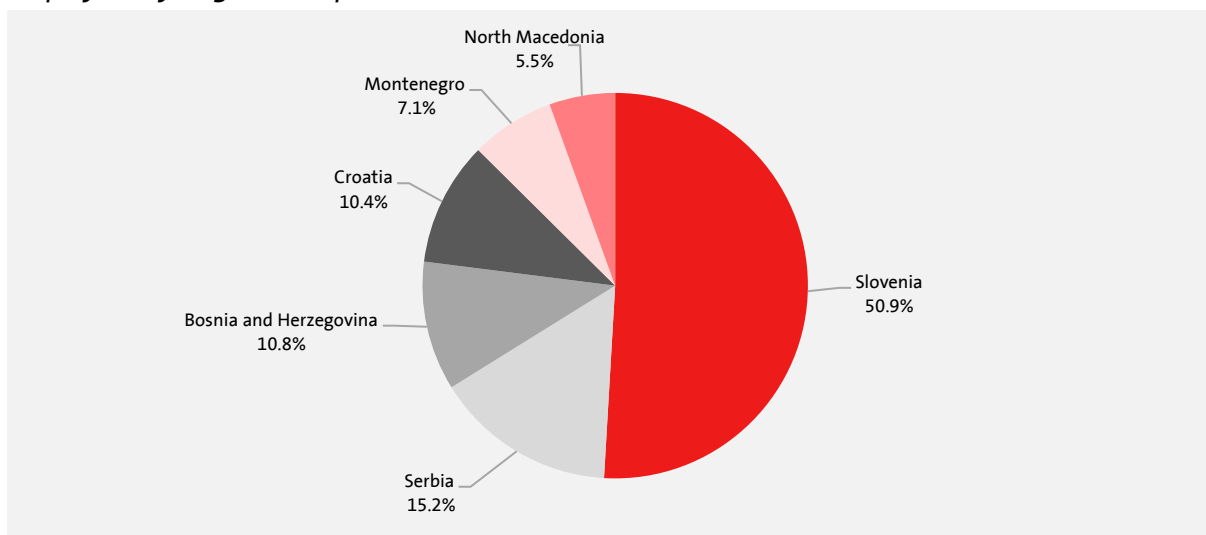
In the first six months of 2022, the Internal Audit Department complied with its annual work plan. It conducted internal audits of various areas in the Company and the Group. The findings were reported to both the management of the audited areas and to the Company's Management Board. In addition, the Internal Audit Department provided advisory services, monitored the implementation of recommendations made by internal and external auditors, monitored the work of internal audit departments in subsidiaries and provided them assistance, as well as performed other tasks.

The Internal Audit Department reported on its work to the Management Board, the Audit Committee and the Supervisory Board.

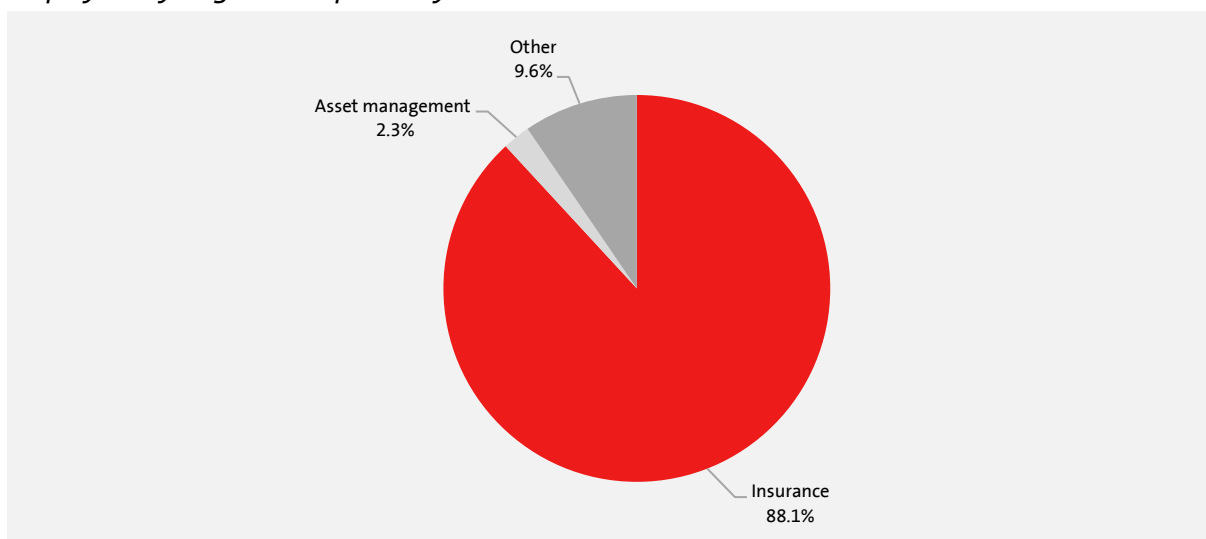
## 7. Employees of the Triglav Group

The Triglav Group had 5,304 employees as at 30 June 2022, up by 40 employees relative to 31 December 2021. The number of employees increased the most at Triglav Osiguranje, Belgrade primarily due to new hires for a fixed term in sales.

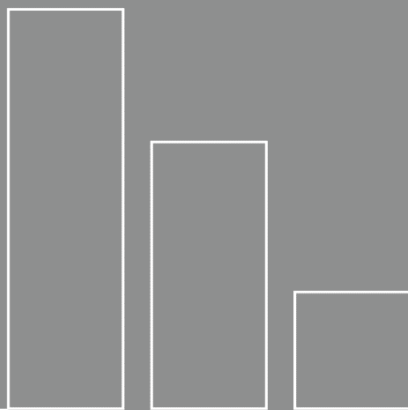
*Employees by Triglav Group market as at 30 June 2022*



*Employees by Triglav Group activity as at 30 June 2022*



# Accounting Report



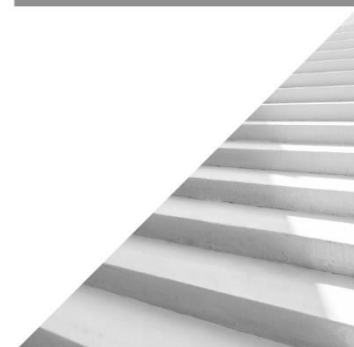


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## Accounting Report

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## Statement of management's responsibility

The Management Board herewith confirms the financial statements for the period from 1 January 2022 to 30 June 2022 as well as the applied accounting policies and notes to the financial statements.

The Management Board is responsible for preparing the Interim Report so as to give a true and fair view of the assets and liabilities, the financial position and the profit or loss of the Triglav Group and Zavarovalnica Triglav, d.d. for the period from 1 January 2022 to 30 June 2022 in accordance with IAS 34 – Interim reporting.

The Management Board confirms that the appropriate accounting policies were consistently used and that the accounting estimates were prepared according to the principles of prudence and sound management. The Management Board further confirms that the financial statements and the notes thereto were prepared on a going concern basis for the Triglav Group and Zavarovalnica Triglav, d.d. and in line with the applicable legislation and International Financial Reporting Standards, as adopted by the EU.

The Management Board confirms that the Interim Management Report of the Triglav Group and Zavarovalnica Triglav, d.d. for the period from 1 January 2022 to 30 June 2022 includes a fair review of their business developments, results and financial positions, including a description of the major risks to which Zavarovalnica Triglav, d.d. as the parent company and its consolidated subsidiaries are exposed to as the Group.

The Management Board is also responsible for appropriate accounting practices, the adoption of appropriate measures for the safeguarding of assets, and for the prevention and detection of fraud and other irregularities or illegal acts.

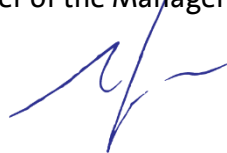
Andrej Slapar  
President of the Management  
Board



Barbara Smolnikar  
Member of the Management  
Board



Uroš Ivanc  
Member of the Management  
Board



David Benedek  
Member of the Management  
Board



Tadej Čoroli  
Member of the Management  
Board



Marica Makoter  
Member of the Management  
Board



Ljubljana, 9 August 2022



# 1. Financial statements

STATEMENT OF FINANCIAL POSITION	in EUR			
	Triglav Group		Zavarovalnica Triglav	
	30 June 2022	31 December 2021	30 June 2022	31 December 2021
<b>ASSETS</b>	<b>4,241,929,916</b>	<b>4,374,353,616</b>	<b>2,992,695,518</b>	<b>3,118,944,094</b>
Intangible assets	119,825,087	107,184,415	75,058,982	67,022,027
Property, plant and equipment	110,349,634	108,655,212	67,646,737	65,143,307
Non-current assets held for sale	666,677	3,812,044	0	0
Deferred tax assets	26,624,999	927,425	22,988,829	0
Investment property	75,229,733	75,110,973	43,387,604	43,840,055
Right of use assets	9,914,592	10,933,109	4,219,003	4,548,298
Investments in subsidiaries	0	0	176,924,131	131,924,683
Investments in associates	36,898,948	36,031,346	41,693,997	41,693,997
- accounted for using the equity method	36,898,948	36,031,346	0	0
- measured at fair value	0	0	41,693,997	41,693,997
Financial investments	2,601,978,927	2,937,700,150	1,657,041,895	1,968,679,979
- loans and deposits	109,095,649	98,104,537	26,332,772	32,521,523
- held to maturity	453,436,012	157,560,733	231,712,549	140,946,233
- available for sale	1,849,206,306	2,137,609,082	1,313,542,649	1,588,390,263
- recognised at fair value through profit and loss	190,240,960	544,425,798	85,453,925	206,821,960
Unit-linked insurance assets	553,411,668	619,617,488	479,716,033	539,417,972
Reinsurers' share of technical provisions	240,597,424	174,839,890	197,028,204	136,077,958
Receivables	315,832,876	212,376,909	187,950,781	105,169,567
- receivables from direct insurance operations	192,196,412	116,855,207	125,532,143	73,516,574
- receivables from reinsurance and co-insurance operations	90,554,333	67,200,932	38,583,073	23,522,340
- current tax receivables	5,691,421	4,127,384	0	564,166
- other receivables	27,390,710	24,193,386	23,835,565	7,566,487
Other assets	7,951,893	4,843,025	3,033,756	1,513,260
Cash and cash equivalents	142,647,458	82,321,630	36,005,566	13,912,991
<b>EQUITY AND LIABILITIES</b>	<b>4,241,929,916</b>	<b>4,374,353,616</b>	<b>2,992,695,518</b>	<b>3,118,944,094</b>
Equity	739,860,864	932,986,869	533,988,186	675,221,933
Controlling interests	737,757,356	930,511,224	533,988,186	675,221,933
- share capital	73,701,392	73,701,392	73,701,392	73,701,392
- share premium	50,304,675	50,283,747	53,412,884	53,412,884
- reserves from profit	421,633,959	421,633,959	404,562,643	404,562,643
- treasury share reserves	364,680	364,680	0	0
- treasury shares	-364,680	-364,680	0	0
- fair value reserve	-76,028,491	77,834,278	-58,948,355	55,884,634
- net profit brought forward	225,899,820	234,588,994	3,540,333	50,944,831
- net profit for the year	45,338,752	75,439,847	57,719,289	36,715,549
- currency translation differences	-3,092,751	-2,970,993	0	0
Non-controlling interests	2,103,508	2,475,645	0	0
Subordinated liabilities	49,493,557	49,471,831	49,493,557	49,471,831
Insurance technical provisions	2,654,542,445	2,576,368,384	1,792,501,705	1,740,373,185
- unearned premiums	494,444,646	370,043,725	328,504,120	246,017,849
- mathematical provisions	1,362,646,701	1,432,613,660	961,865,544	1,008,319,155
- claims provisions	719,859,232	694,498,311	470,058,298	446,567,255
- other insurance technical provisions	77,591,866	79,212,688	32,073,743	39,468,926
Insurance technical provisions for unit-linked insurance contracts	566,689,297	622,303,399	487,716,809	540,135,052
Employee benefits	17,571,316	17,672,133	12,767,010	12,842,304
Other provisions	2,377,722	2,512,536	329,600	358,980
Deferred tax liabilities	0	9,377,034	0	4,212,732
Other financial liabilities	15,429,255	3,085,647	2,104,704	1,690,586
Operating liabilities	93,581,332	63,341,658	51,757,624	34,861,554
- liabilities from direct insurance operations	21,904,053	19,450,557	11,693,017	10,182,945
- liabilities from reinsurance and co-insurance operations	67,299,952	41,241,465	35,963,541	24,678,609
- current tax liabilities	4,377,327	2,649,636	4,101,066	0
Lease liabilities	10,361,198	11,274,806	4,374,461	4,643,844
Other liabilities	92,022,930	85,959,319	57,661,862	55,132,093

in EUR

INCOME STATEMENT	Triglav Group		Zavarovalnica Triglav	
	H1 2022	H1 2021	H1 2022	H1 2021
<b>NET PREMIUM INCOME</b>	<b>573,272,631</b>	<b>544,071,791</b>	<b>303,821,654</b>	<b>292,097,642</b>
- gross written premium	797,163,785	731,098,727	472,937,658	437,903,125
- ceded written premium	-142,924,971	-122,453,232	-122,063,915	-101,769,544
- change in unearned premium reserve	-80,966,183	-64,573,704	-47,052,089	-44,035,939
<b>INCOME FROM INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES</b>	<b>1,034,538</b>	<b>916,009</b>	<b>20,528,309</b>	<b>119,640</b>
- profit on equity investments accounted for using the equity method	1,034,538	916,009	0	0
- other income from investments in subsidiaries and associates	0	0	20,528,309	119,640
<b>INCOME FROM INVESTMENTS</b>	<b>34,319,855</b>	<b>87,332,426</b>	<b>18,339,274</b>	<b>65,505,453</b>
- interest income calculated using the effective interest method	15,795,110	17,578,785	9,010,318	10,070,877
- gains on disposals	6,155,306	5,404,506	4,895,491	4,826,260
- other income from investments	12,369,439	64,349,135	4,433,465	50,608,316
<b>OTHER INCOME FROM INSURANCE OPERATIONS</b>	<b>32,248,984</b>	<b>25,719,206</b>	<b>31,005,771</b>	<b>23,033,612</b>
- fees and commission income	26,694,978	20,858,976	27,042,472	19,336,432
- other income from insurance operations	5,554,006	4,860,230	3,963,299	3,697,180
<b>OTHER INCOME</b>	<b>31,763,822</b>	<b>22,359,984</b>	<b>6,413,497</b>	<b>4,058,938</b>
<b>NET CLAIMS INCURRED</b>	<b>368,913,104</b>	<b>351,332,873</b>	<b>179,701,814</b>	<b>186,416,641</b>
- gross claims settled	398,059,574	347,590,380	211,725,214	192,910,498
- reinsurers' share	-24,412,882	-20,585,376	-20,943,996	-18,710,199
- changes in claims provisions	-8,436,861	20,701,254	-11,079,404	12,216,342
- equalisation scheme expenses for supplementary health insurance	3,703,273	3,626,615	0	0
<b>CHANGE IN OTHER INSURANCE TECHNICAL PROVISIONS (excluding ULI)</b>	<b>-60,072,917</b>	<b>-2,391,105</b>	<b>-39,768,507</b>	<b>-5,889,930</b>
<b>CHANGE IN INSURANCE TECHNICAL PROVISIONS FOR UNIT-LINKED INSURANCE CONTRACTS</b>	<b>-58,041,947</b>	<b>67,530,977</b>	<b>-54,969,915</b>	<b>55,073,717</b>
<b>EXPENSES FOR BONUSES AND DISCOUNTS</b>	<b>6,161,217</b>	<b>13,346,843</b>	<b>4,681,303</b>	<b>4,690,814</b>
<b>OPERATING EXPENSES</b>	<b>146,688,400</b>	<b>131,593,734</b>	<b>94,197,505</b>	<b>85,392,603</b>
- acquisition costs	103,164,147	91,950,966	69,875,270	62,388,353
- other operating costs	43,524,253	39,642,768	24,322,235	23,004,250
<b>EXPENSES FROM INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES</b>	<b>418,400</b>	<b>73,256</b>	<b>43,375</b>	<b>2,938</b>
- loss on investments accounted for using the equity method	418,400	73,256	0	0
- other expenses from financial assets and liabilities	0	0	43,375	2,938
<b>EXPENSES FROM INVESTMENTS</b>	<b>157,493,933</b>	<b>15,564,174</b>	<b>109,480,922</b>	<b>9,033,337</b>
- loss on impairment of investments	6,184,742	0	3,180,352	0
- loss on disposal of investments	21,872,838	2,866,581	20,312,011	2,755,661
- other expenses from investments	129,436,353	12,697,593	85,988,559	6,277,676
<b>OTHER INSURANCE EXPENSES</b>	<b>28,003,997</b>	<b>25,420,974</b>	<b>12,115,118</b>	<b>11,841,819</b>
<b>OTHER EXPENSES</b>	<b>25,613,161</b>	<b>21,684,826</b>	<b>7,573,811</b>	<b>5,909,255</b>
- expenses from financing	1,361,090	1,306,461	1,122,875	1,133,029
- other expenses	24,252,071	20,378,365	6,450,936	4,776,226
<b>PROFIT BEFORE TAX</b>	<b>57,462,482</b>	<b>56,242,864</b>	<b>67,053,079</b>	<b>32,344,091</b>
Income tax expense	12,184,482	9,267,734	9,333,790	5,948,078
<b>NET PROFIT FOR THE PERIOD</b>	<b>45,278,000</b>	<b>46,975,130</b>	<b>57,719,289</b>	<b>26,396,013</b>
Earning per share	1.99	2.07	-	-
Net profit/loss attributable to the controlling company	45,338,752	46,968,593	-	-
Net profit/loss attributable to the non-controlling interest holders	-60,752	6,537	-	-

in EUR

STATEMENT OF OTHER COMPREHENSIVE INCOME	Triglav Group		Zavarovalnica Triglav	
	H1 2022	H1 2021	H1 2022	H1 2021
<b>Net profit for the period after tax</b>	<b>45,278,000</b>	<b>46,975,130</b>	<b>57,719,289</b>	<b>26,396,013</b>
<b>Other comprehensive income after tax</b>	<b>-154,215,662</b>	<b>-6,635,618</b>	<b>-114,832,989</b>	<b>-7,324,131</b>
Items which will not be transferred in P&L in future periods	0	-28,045	0	-28,045
Actuarial gains/losses for pension plans	0	-28,045	0	-28,045
Items which could be transferred into P&L in future periods	-154,215,662	-6,607,573	-114,832,989	-7,296,086
Fair value gains/losses on available-for-sale financial assets	-197,630,890	-33,917,424	-153,838,729	-34,668,505
– net gains/losses recognized directly in fair value reserve	-194,545,648	-24,311,874	-149,347,710	-25,490,841
– transfers from fair value reserve to income statement	-3,085,242	-9,605,550	-4,491,019	-9,177,664
Liabilities from insurance contracts with DPF	11,541,802	21,192,283	11,541,802	21,192,283
Currency translation differences	-126,439	250,485	0	0
Tax on other comprehensive income	31,999,865	5,867,083	27,463,938	6,180,136
<b>COMPREHENSIVE INCOME FOR THE PERIOD AFTER TAX</b>	<b>-108,937,662</b>	<b>40,339,512</b>	<b>-57,113,700</b>	<b>19,071,882</b>
Controlling interest	-108,645,775	40,246,502	0	0
Non-controlling interest	-291,887	93,010	0	0

in EUR

Triglav Group	Share capital	Share premium	Reserves from profit					Fair value reserve	Net profit/loss brought forward	Net profit/loss	Translation differences	Total equity attributable to the controlling company	Equity attributable to non-controlling interest holders	TOTAL
			Contingency reserves	Legal and statutory reserves	Treasury share reserves	Treasury shares (deductible item)	Other reserves form profit							
<b>As at 1 January 2022</b>	<b>73,701,392</b>	<b>50,283,747</b>	<b>640,340</b>	<b>20,306,673</b>	<b>364,680</b>	<b>-364,680</b>	<b>400,686,946</b>	<b>77,834,278</b>	<b>234,588,994</b>	<b>75,439,847</b>	<b>-2,970,993</b>	<b>930,511,224</b>	<b>2,475,645</b>	<b>932,986,869</b>
Comprehensive income for the period from 1 January 2022 to 30 June 2022	0	0	0	0	0	0	0	-153,862,769	0	45,338,752	-121,758	-108,645,775	-291,887	-108,937,662
a) Net profit	0	0	0	0	0	0	0	0	0	45,338,752	0	45,338,752	-60,752	45,278,000
b) Other comprehensive income	0	0	0	0	0	0	0	-153,862,769	0	0	-121,758	-153,984,527	-231,135	-154,215,662
Dividend payment	0	0	0	0	0	0	0	0	-84,079,024	0	0	-84,079,024	-22,199	-84,101,223
Allocation of net profit to net profit brought forward	0	0	0	0	0	0	0	0	75,439,847	-75,439,847	0	0	0	0
Changes in consolidation area	0	20,928	0	0	0	0	0	0	-49,997	0	0	-29,069	-58,051	-87,120
<b>As at 30 June 2022</b>	<b>73,701,392</b>	<b>50,304,675</b>	<b>640,340</b>	<b>20,306,673</b>	<b>364,680</b>	<b>-364,680</b>	<b>400,686,946</b>	<b>-76,028,491</b>	<b>225,899,820</b>	<b>45,338,752</b>	<b>-3,092,751</b>	<b>737,757,356</b>	<b>2,103,508</b>	<b>739,860,864</b>
<b>As at 1 January 2021</b>	<b>73,701,392</b>	<b>50,271,107</b>	<b>640,340</b>	<b>20,266,352</b>	<b>364,680</b>	<b>-364,680</b>	<b>363,200,000</b>	<b>89,293,484</b>	<b>229,284,048</b>	<b>44,131,955</b>	<b>-3,140,104</b>	<b>867,648,574</b>	<b>2,503,373</b>	<b>870,151,947</b>
Comprehensive income for the period from 1 January 2021 to 30 June 2021	0	0	0	0	0	0	0	-6,989,062	16,251	46,968,593	250,720	40,246,502	93,010	40,339,512
a) Net profit	0	0	0	0	0	0	0	0	0	46,968,593	0	46,968,593	6,537	46,975,130
b) Other comprehensive income	0	0	0	0	0	0	0	-6,989,062	16,251	0	250,720	-6,722,091	86,473	-6,635,618
Dividend payment	0	0	0	0	0	0	0	0	-38,608,422	0	0	-38,608,422	0	-38,608,422
Allocation of net profit to net profit brought forward	0	0	0	0	0	0	0	0	44,131,955	-44,131,955	0	0	0	0
Allocation of reserves from profit	0	0	0	-579,902	0	0	784,723	0	-204,821	0	0	0	0	0
Changes in consolidation area	0	204	0	0	0	0	0	0	0	0	0	204	-33,082	-32,878
<b>As at 30 June 2021</b>	<b>73,701,392</b>	<b>50,271,311</b>	<b>640,340</b>	<b>19,686,450</b>	<b>364,680</b>	<b>-364,680</b>	<b>363,984,723</b>	<b>82,304,422</b>	<b>234,619,011</b>	<b>46,968,593</b>	<b>-2,889,384</b>	<b>869,286,858</b>	<b>2,563,301</b>	<b>871,850,159</b>

in EUR

Zavarovalnica Triglav	Share capital	Share premium	Reserves form profit		Fair value reserve	Net profit/loss brought forward	Net profit/loss	TOTAL EQUITY
			Legal and statutory reserves	Other reserves from profit				
<b>As at 1 January 2022</b>	<b>73,701,392</b>	<b>53,412,884</b>	<b>4,662,643</b>	<b>399,900,000</b>	<b>55,884,634</b>	<b>50,944,831</b>	<b>36,715,549</b>	<b>675,221,933</b>
Comprehensive income for the period from 1 January 2022 to 30 June 2022	0	0	0	0	-114,832,989	0	57,719,289	-57,113,700
a) Net profit	0	0	0	0	0	0	57,719,289	57,719,289
b) Other comprehensive income	0	0	0	0	-114,832,989	0	0	-114,832,989
Payment of dividends	0	0	0	0	0	-84,120,047	0	-84,120,047
Allocation of net profit to net profit brought forward	0	0	0	0	0	36,715,549	-36,715,549	0
<b>As at 30 June 2022</b>	<b>73,701,392</b>	<b>53,412,884</b>	<b>4,662,643</b>	<b>399,900,000</b>	<b>-58,948,355</b>	<b>3,540,333</b>	<b>57,719,289</b>	<b>533,988,186</b>
<b>As at 1 January 2021</b>	<b>73,701,392</b>	<b>53,412,884</b>	<b>4,662,643</b>	<b>363,200,000</b>	<b>59,402,079</b>	<b>60,526,537</b>	<b>29,097,639</b>	<b>644,003,174</b>
Comprehensive income for the period from 1 January 2021 to 30 June 2021	0	0	0	0	-7,324,131	0	26,396,013	19,071,882
a) Net profit	0	0	0	0	0	0	26,396,013	26,396,013
b) Other comprehensive income	0	0	0	0	-7,324,131	0	0	-7,324,131
Allocation of net profit to net profit brought forward	0	0	0	0	0	29,097,639	-29,097,639	0
Payment of dividends	0	0	0	0	0	-38,649,752	0	-38,649,752
<b>As at 30 June 2021</b>	<b>73,701,392</b>	<b>53,412,884</b>	<b>4,662,643</b>	<b>363,200,000</b>	<b>52,077,948</b>	<b>50,974,424</b>	<b>26,396,013</b>	<b>624,425,304</b>

CASH FLOW STATEMENT		Triglav Group		Zavarovalnica Triglav	
		H1 2022	H1 2021	H1 2022	H1 2021
<b>A.</b>	<b>OPERATING CASH FLOW</b>				
	<b>Income statement items</b>	<b>121,754,404</b>	<b>154,420,926</b>	<b>85,757,334</b>	<b>79,533,947</b>
	Net written premium for the period	684,413,969	642,367,573	350,873,743	336,133,581
	Investment income (excluding financial income)	11,338,861	11,324,115	4,963,522	4,639,550
	Other operating income (excluding revaluation and provisions reductions) operating revenues and financial income from operating receivables	26,847,260	19,213,280	8,148,775	5,512,314
	Net claims paid	-386,383,590	-334,942,074	-190,781,216	-174,200,299
	Bonuses and rebates paid	-7,535,318	-5,561,374	-4,681,303	-4,690,814
	Net operating expenses excluding depreciation charge and changes in the accrued acquisition expenses	-146,407,778	-137,355,766	-68,283,183	-68,459,915
	Investment expenses (excluding depreciation charge and financial expenses)	-8,106,928	-8,081,309	-1,115	-3,182,098
	Other operating expenses excluding depreciation charge (except for revaluations and without increasing provisions)	-40,085,207	-20,650,110	-9,511,643	-7,023,548
	Corporate income tax and other taxes excluded from operating expenses	-12,326,865	-11,893,409	-4,970,246	-9,194,824
	<b>Changes in net current assets-operating balance sheet items</b>	<b>-73,453,220</b>	<b>-78,426,805</b>	<b>-63,916,433</b>	<b>-48,375,428</b>
	Movements in receivables from direct insurance operations	-74,081,903	-63,865,571	-52,015,570	-40,785,975
	Movements in receivables from reinsurance operations	-22,919,584	-30,266,700	-10,379,151	-14,389,692
	Movements in other receivables from (re)insurance operations	-6,327,651	-11,683,665	-4,681,584	-666,717
	Movements in other receivables and assets	4,358,455	-3,419,431	8,533,217	-1,263,513
	Movements in deferred tax assets	-2,361,855	-1,125,146	0	0
	Movements in inventories	-93,416	95,535	-100,511	-4,424
	Movements in debts from direct insurance operations	1,181,764	5,022,747	1,510,075	4,788,696
	Movements in debts from reinsurance operations	28,213,533	17,254,783	11,284,934	2,414,466
	Movements in operating debts	-1,838,436	-3,949,540	-14,807,751	-201,055
	Movements in other liabilities (excluding unearned premiums)	10,947,661	13,217,788	-3,260,092	1,732,785
	Movements in deferred tax liabilities	-10,531,788	292,395	0	0
	<b>Net cash from/ (used in) operating activities</b>	<b>48,301,184</b>	<b>75,994,121</b>	<b>21,840,901</b>	<b>31,158,518</b>
<b>B.</b>	<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				<b>0</b>
	<b>Cash inflows from investing activities</b>	<b>688,789,602</b>	<b>670,693,028</b>	<b>547,865,161</b>	<b>584,154,416</b>
	Cash inflows from interest from investing activities	22,640,786	22,391,667	16,409,878	14,083,450
	Cash inflows from dividends received and profit sharing	163,603	687,511	5,936,635	284,366
	Cash inflows from the disposal of intangible assets	0	0	0	0
	Cash inflows from the disposal of property, plant and equipment	137,567	889,677	0	229,837
	Cash inflows from the disposal of financial investments	665,847,646	646,724,173	525,518,648	569,556,763
	- Cash inflows from the disposal of investments in subsidiaries and associates	0	0	0	0
	- Other cash inflows from disposal of financial investments	665,847,646	646,724,173	525,518,648	569,556,763
	<b>Cash outflows from investing activities</b>	<b>-591,116,101</b>	<b>-652,530,636</b>	<b>-462,919,876</b>	<b>-538,279,967</b>
	Cash outflows for the purchase of intangible assets	-5,107,684	-2,722,388	-3,812,305	-2,235,946
	Cash outflows for the purchase of property, plant and equipment	-5,412,667	-3,240,832	-2,503,430	-1,702,267
	Cash outflows for the purchase of financial investments	-580,595,750	-646,567,416	-456,604,141	-534,341,753
	- Cash outflows for the purchase of investments in subsidiaries and associates	-35,987	-3,332,883	-44,999,448	-3,363,500
	- Other cash outflows to acquire financial investments	-580,559,763	-643,234,533	-411,604,693	-530,978,253
	<b>Net cash from/ (used in) investing activities</b>	<b>97,673,501</b>	<b>18,162,392</b>	<b>84,945,285</b>	<b>45,874,450</b>
<b>C.</b>	<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
	<b>Cash inflows from financing activities</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>Cash outflows from financing activities</b>	<b>-85,642,675</b>	<b>-40,624,312</b>	<b>-84,693,611</b>	<b>-39,198,355</b>
	Cash outflows for paid interest	-218,506	-246,319	-34,521	-29,909
	Cash outflows for payments of short-term financial liabilities	-1,322,946	-1,728,241	-539,042	-518,694
	Cash outflows from dividends paid and profit sharing	-84,101,223	-38,649,752	-84,120,048	-38,649,752
	<b>Net cash from/ (used in) financing activities</b>	<b>-85,642,675</b>	<b>-40,624,312</b>	<b>-84,693,611</b>	<b>-39,198,355</b>
<b>D.</b>	<b>Closing balance of cash and cash equivalents</b>	<b>142,647,458</b>	<b>135,451,938</b>	<b>36,005,566</b>	<b>60,138,835</b>
<b>E1.</b>	<b>Net cash flow for the period</b>	<b>60,332,010</b>	<b>53,532,201</b>	<b>-22,092,575</b>	<b>37,834,613</b>
<b>E2.</b>	<b>Foreign exchange differences</b>	<b>-6,182</b>	<b>20,073</b>	<b>0</b>	<b>0</b>
<b>F.</b>	<b>Opening balance of cash and cash equivalents</b>	<b>82,321,630</b>	<b>81,899,664</b>	<b>13,912,991</b>	<b>22,304,222</b>

## 2. Selected notes to the financial statements

### 2.1 Statement of compliance

The Company's separate and consolidated financial statements have been prepared based on the requirements of domestic legislation in accordance with International Financial Reporting Standards as adopted by the European Union (hereinafter: IFRS). Subsidiaries in which the Company holds, directly or indirectly, more than one half of the voting rights are fully consolidated. The financial report for the period from 1 January to 30 June 2022 has been prepared in accordance with IAS 34 – Interim Financial Reporting.

In order to obtain correct information on the financial position and results of the entire Triglav Group, it is necessary to consider the separate financial statements of Zavarovalnica Triglav together with the consolidated financial statements.

The financial statements for the period from 1 January to 30 June 2022 have not been audited.

### 2.2 Significant accounting policies and estimates and the impact of the war in Ukraine, sanctions against Russia and Belarus and the COVID-19 pandemic

The same accounting policies and calculation methods as for the preparation of the annual financial statements for 2021 were used for the preparation of the financial statements for the period from 1 January to 30 June 2022. In calculating tax expense, the effective tax rate of the previous year was used.

Due to the changes in the economic and financial markets caused by the COVID-19 pandemic, the war in Ukraine and related sanctions imposed against Russia and Belarus, the Group regularly monitors current and potential risks and reliably manages them. The risk profile at the Group level does not deviate significantly compared to the year-end. Adequate liquidity of the parent company is ensured, and the capital adequacy of the Group is assessed as solid and within target values. Based on regular monitoring of operations, the going concern assumption can be confirmed.

### 2.3 The impact of new standards on the preparation of financial statements in 2023

The new IFRS 17 Insurance Contracts will be effective as of 1 January 2023. In parallel with IFRS 17, IFRS 9 Financial Instruments will apply to insurance companies that have opted for the temporary exemption from the application of said standard. The Company will apply the above standards for the first time in the preparation of interim financial statements for the period from 1 January to 31 March 2023.

IFRS 17 will be applied retrospectively, with the date of transition of 1 January 2022. Moreover, IFRS 9 will be applied retrospectively, with the date of transition of 1 January 2023.

When valuing insurance contracts as at the date of transition to IFRS 17, the Full Retrospective Method will be used for all contracts entered into on or after 1 January 2016. This approach requires that all existing insurance contracts be valued as if IFRS 17 had already applied at the time of conclusion of an insurance contract. Due to the complexity of collecting and processing old data, contracts concluded before this date will be revalued using the Modified Retrospective Method and the Fair Value Approach. In recalculations, in addition to own interpretation of the

standard, the Company also relies on additional explanations from the IASB and a special group for the transition to IFRS 17 (the Transition Resource Group or TRG). Nevertheless, there are still different interpretations of individual requirements of the standard, therefore internal models are still being calibrated and adjusted. The financial impact on retained earnings upon the transition to IFRS 17 and IFRS 9 cannot be commented on at this time.

The Group's insurance contract portfolio includes non-life, life and health insurance contracts. About 80% of the Group's gross written premium stems from non-life and health insurance contracts, which are predominantly short-term (insurance coverage of 1 year) and for which a simplified valuation model (the Premium Allocation Approach) will be used in accordance with IFRS 17. About 20% of the Group's gross written premium stems from life insurance contracts. In accordance with IFRS 17, the general valuation model (the General Model or Building Block Approach) will be used for traditional life insurance and annuity insurance contracts. Furthermore, in accordance with IFRS 17, the Variable Fee Approach will be used for insurance contracts with a savings component.

It is expected that the amount and volatility of profit or loss may be significantly affected by the change in assumptions in the valuation of long-term life insurance contracts and immediate recognition of onerous contracts under expenses. With regard to non-life insurance, it is expected that the valuation of reinsurance contracts will have the greatest impact on the Company's profit or loss.

## **2.4 Seasonal operations**

Operations of Zavarovalnica Triglav are not of a seasonal character. In the first months of the year, gross written premium in non-life insurance was somewhat higher than in the remaining part of the year, as insurance to corporate clients is sold at the beginning of the year (as policies expire at the beginning of the financial year).

## **2.5 Segmental analysis of the Triglav Group operations**

The management monitors the operations of Triglav Group based on the business segments (non-life insurance, life insurance, health insurance, non-insurance operations) and on the geographical segments (separately for Slovenia and other countries or abroad). The management uses various indicators to monitor the operations of individual segments, while the common measure of business performance for an individual operating segment is profit before taxes. The consolidated statement of financial position and the consolidated income statement by business segment and geographical area are given below.



**CONSOLIDATED STATEMENT OF FINANCIAL POSITION BY SEGMENT**

30 June 2022

	Non-life	Life	Health	Other	TOTAL NON-CONSOLIDATED	Eliminations	TOTAL CONSOLIDATED
<b>ASSETS</b>	<b>2,252,471,566</b>	<b>2,131,237,167</b>	<b>99,250,278</b>	<b>207,387,125</b>	<b>4,690,346,136</b>	<b>-448,416,220</b>	<b>4,241,929,916</b>
Intangible assets	93,467,452	7,622,875	519,812	18,214,948	119,825,087	0	119,825,087
Property, plant and equipment	92,289,014	10,095,821	1,989,592	5,975,207	110,349,634	0	110,349,634
Non-current assets held for sale	197,904	0	0	468,773	666,677	0	666,677
Deferred tax assets	12,361,714	15,200,264	1,560,701	310,514	29,433,193	-2,808,194	26,624,999
Investment property	46,260,662	1,719,091	0	23,226,965	71,206,718	4,023,015	75,229,733
Right of use assets	10,062,018	892,583	611,319	3,425,282	14,991,202	-5,076,610	9,914,592
Investments in subsidiaries	163,157,853	21,451,520	7,500	69,820,792	254,437,665	-254,437,665	0
Investments in associates	36,492,137	406,811	0	0	36,898,948	0	36,898,948
- accounted for using the equity method	36,492,137	406,811	0	0	36,898,948	0	36,898,948
- measured at fair value	0	0	0	0	0	0	0
Financial investments	1,054,460,155	1,425,553,796	82,985,635	40,598,147	2,603,597,733	-1,618,806	2,601,978,927
- loans and deposits	66,187,225	42,484,570	0	2,042,660	110,714,455	-1,618,806	109,095,649
- held to maturity	0	453,436,012	0	0	453,436,012	0	453,436,012
- available for sale	979,904,309	747,760,875	82,985,635	38,555,487	1,849,206,306	0	1,849,206,306
- recognised at fair value through profit and loss	8,368,621	181,872,339	0	0	190,240,960	0	190,240,960
Unit-linked insurance assets	0	553,411,668	0	0	553,411,668	0	553,411,668
Reinsurers' share of technical provisions	333,908,691	7,675,347	3,005,192	0	344,589,230	-103,991,806	240,597,424
Receivables	369,899,778	9,868,782	6,495,247	14,075,219	400,339,026	-84,506,150	315,832,876
- receivables from direct insurance operations	185,682,324	2,362,208	5,325,838	55,032	193,425,402	-1,228,990	192,196,412
- receivables from reinsurance and co-insurance operations	152,352,135	157,660	264,550	0	152,774,345	-62,220,012	90,554,333
- current tax receivables	446,500	17,905	0	5,227,016	5,691,421	0	5,691,421
- other receivables	31,418,819	7,331,009	904,859	8,793,171	48,447,858	-21,057,148	27,390,710
Other assets	5,314,371	1,222,314	625,350	789,862	7,951,897	-4	7,951,893
Cash and cash equivalents	34,599,817	76,116,295	1,449,930	30,481,416	142,647,458	0	142,647,458
<b>EQUITY AND LIABILITIES</b>	<b>2,252,471,566</b>	<b>2,131,237,167</b>	<b>99,250,278</b>	<b>207,387,125</b>	<b>4,690,346,136</b>	<b>-448,416,220</b>	<b>4,241,929,916</b>
Equity	660,296,809	125,135,547	33,445,928	170,246,696	989,124,980	-249,264,116	739,860,864
Controlling interests	660,296,809	125,135,547	33,445,928	170,246,696	989,124,980	-251,367,624	737,757,356
- share capital	118,794,261	75,249,393	20,822,144	102,353,039	317,218,837	-243,517,445	73,701,392
- share premium	43,289,774	39,652,231	0	21,061,946	104,003,951	-53,699,276	50,304,675
- reserves from profit	369,838,432	47,825,525	1,853,961	7,724,800	427,242,718	-5,608,759	421,633,959
- treasury share reserves	0	0	0	364,680	364,680	0	364,680
- treasury shares	0	0	0	0	0	-364,680	-364,680
- fair value reserve	-10,344,128	-75,340,885	-4,041,675	14,491,272	-75,235,416	-793,075	-76,028,491
- net profit brought forward	88,840,550	31,913,595	15,665,581	15,457,277	151,877,003	74,022,817	225,899,820
- net profit for the year	51,921,683	6,791,812	-854,083	8,860,487	66,719,899	-21,381,147	45,338,752
- currency translation differences	-2,043,760	-956,124	0	-66,805	-3,066,689	-26,062	-3,092,751
Non-controlling interests	0	0	0	0	0	2,103,508	2,103,508
Subordinated liabilities	49,493,557	0	0	0	49,493,557	0	49,493,557
Insurance technical provisions	1,302,940,630	1,400,975,719	54,642,909	0	2,758,559,258	-104,016,813	2,654,542,445
- unearned premiums	528,514,173	479,039	4,101,229	0	533,094,441	-38,649,795	494,444,646
- mathematical provisions	0	1,362,646,701	0	0	1,362,646,701	0	1,362,646,701
- claims provisions	741,341,348	22,732,735	18,421,676	0	782,495,759	-62,636,527	719,859,232
- other insurance technical provisions	33,085,109	15,117,244	32,120,004	0	80,322,357	-2,730,491	77,591,866
Insurance technical provisions for unit-linked insurance contracts	0	566,689,297	0	0	566,689,297	0	566,689,297
Employee benefits	13,632,222	2,275,511	867,343	796,240	17,571,316	0	17,571,316
Other provisions	999,390	32,996	98,021	1,247,315	2,377,722	0	2,377,722
Deferred tax liabilities	570,194	-1,968,836	0	4,218,548	2,819,906	-2,819,906	0
Other financial liabilities	3,618,548	11,996,152	0	792,737	16,407,437	-978,182	15,429,255
Operating liabilities	141,593,188	10,492,234	5,313,599	11,911	157,410,932	-63,829,600	93,581,332
- liabilities from direct insurance operations	8,644,473	9,812,143	5,051,715	0	23,508,331	-1,604,278	21,904,053
- liabilities from reinsurance and co-insurance operations	128,611,142	652,248	261,884	0	129,525,274	-62,225,322	67,299,952
- current tax liabilities	4,337,573	27,843	0	11,911	4,377,327	0	4,377,327
Lease liabilities	10,402,678	908,419	625,294	3,626,561	15,562,952	-5,201,754	10,361,198
Other liabilities	68,924,350	14,700,128	4,257,184	26,447,117	114,328,779	-22,305,849	92,022,930

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION BY SEGMENT**

31 December 2021

	Non-life	Life	Health	Other	TOTAL NON-CONSOLIDATED	Eliminations	TOTAL CONSOLIDATED
<b>ASSETS</b>	<b>2,121,657,494</b>	<b>2,293,277,858</b>	<b>106,463,985</b>	<b>207,038,314</b>	<b>4,728,437,651</b>	<b>-354,084,035</b>	<b>4,374,353,616</b>
Intangible assets	80,112,808	8,377,752	663,298	18,030,557	107,184,415	0	107,184,415
Property, plant and equipment	90,588,295	10,233,472	2,062,448	5,770,997	108,655,212	0	108,655,212
Non-current assets held for sale	197,904	0	0	3,614,140	3,812,044	0	3,812,044
Deferred tax assets	110,869	101,004	421,898	293,654	927,425	0	927,425
Investment property	46,340,133	1,773,064	0	22,974,761	71,087,958	4,023,015	75,110,973
Right of use assets	11,276,046	960,258	500,797	2,750,469	15,487,570	-4,554,461	10,933,109
Investments in subsidiaries	126,066,794	13,438,187	0	70,917,798	210,422,779	-210,422,779	0
Investments in associates	35,591,376	439,970	0	0	36,031,346	0	36,031,346
Financial assets	1,213,722,046	2,211,229,231	92,219,328	42,731,707	3,559,902,312	-2,584,674	3,557,317,638
Financial investments	1,213,722,046	1,591,611,743	92,219,328	42,731,707	2,940,284,824	-2,584,674	2,937,700,150
- loans and deposits	67,343,910	31,324,538	0	2,020,763	100,689,211	-2,584,674	98,104,537
- held to maturity	0	157,560,733	0	0	157,560,733	0	157,560,733
- available for sale	1,134,439,152	870,239,658	92,219,328	40,710,944	2,137,609,082	0	2,137,609,082
- recognised at fair value through profit and loss	11,938,984	532,486,814	0	0	544,425,798	0	544,425,798
Unit-linked insurance assets	0	619,617,488	0	0	619,617,488	0	619,617,488
Reinsurers' share of technical provisions	245,721,499	5,789,488	3,140,932	0	254,651,919	-79,812,029	174,839,890
Receivables	250,038,638	4,281,888	5,792,983	12,889,452	273,002,961	-60,626,052	212,376,909
- receivables from direct insurance operations	110,522,961	1,647,367	5,344,333	61,240	117,575,901	-720,694	116,855,207
- receivables from reinsurance and co-insurance operations	114,992,337	196,218	281,728	0	115,470,283	-48,269,351	67,200,932
- current tax receivables	924,396	13,330	0	3,189,658	4,127,384	0	4,127,384
- other receivables	23,598,944	2,424,973	166,922	9,638,554	35,829,393	-11,636,007	24,193,386
Other assets	3,080,138	1,000,430	314,179	555,333	4,950,080	-107,055	4,843,025
Cash and cash equivalents	18,810,948	35,653,114	1,348,122	26,509,446	82,321,630	0	82,321,630
<b>EQUITY AND LIABILITIES</b>	<b>2,121,657,494</b>	<b>2,293,277,858</b>	<b>106,463,985</b>	<b>207,038,314</b>	<b>4,728,437,651</b>	<b>-354,084,035</b>	<b>4,374,353,616</b>
Equity	743,587,952	168,107,999	40,652,405	185,914,932	1,138,263,288	-205,276,419	932,986,869
Controlling interests	743,587,952	168,107,999	40,652,405	185,914,932	1,138,263,288	-207,752,064	930,511,224
- share capital	113,689,614	55,543,349	20,822,144	103,344,414	293,399,521	-219,698,129	73,701,392
- share premium	43,511,478	13,658,827	0	21,061,946	78,232,251	-27,948,504	50,283,747
- reserves from profit	369,676,651	47,734,549	1,853,961	1,598,175	420,863,336	770,623	421,633,959
- treasury share reserves	0	0	0	364,680	364,680	0	364,680
- treasury shares	0	0	0	0	0	-364,680	-364,680
- fair value reserve	52,410,528	6,571,912	813,221	19,058,145	78,853,806	-1,019,528	77,834,278
- net profit brought forward	115,164,702	36,678,335	11,403,820	33,876,580	197,123,437	37,465,557	234,588,994
- net profit for the year	51,103,020	8,814,962	5,759,259	6,673,325	72,350,566	3,089,281	75,439,847
- currency translation differences	-1,968,041	-893,935	0	-62,333	-2,924,309	-46,684	-2,970,993
Non-controlling interests	0	0	0	0	0	2,475,645	2,475,645
Subordinated liabilities	49,471,831	0	0	0	49,471,831	0	49,471,831
Insurance technical provisions	1,130,247,082	1,472,413,320	53,551,980	0	2,656,212,382	-79,843,998	2,576,368,384
- unearned premiums	386,311,527	454,613	3,614,672	0	390,380,812	-20,337,087	370,043,725
- mathematical provisions	0	1,432,613,660	0	0	1,432,613,660	0	1,432,613,660
- claims provisions	711,964,825	23,114,787	16,058,686	0	751,138,298	-56,639,987	694,498,311
- other insurance technical provisions	31,970,730	16,230,260	33,878,622	0	82,079,612	-2,866,924	79,212,688
Insurance technical provisions for unit-linked insurance contracts	0	622,303,399	0	0	622,303,399	0	622,303,399
Employee benefits	13,617,610	2,335,076	872,627	846,820	17,672,133	0	17,672,133
Other provisions	1,053,458	26,518	182,905	1,249,655	2,512,536	0	2,512,536
Deferred tax liabilities	2,186,148	1,914,479	0	5,288,143	9,388,770	-11,736	9,377,034
Other financial liabilities	4,871,905	25,666	0	810,018	5,707,589	-2,621,942	3,085,647
Operating liabilities	98,011,738	8,890,090	6,073,859	27,549	113,003,236	-49,661,578	63,341,658
- liabilities from direct insurance operations	6,949,487	8,165,901	5,518,766	0	20,634,154	-1,183,597	19,450,557
- liabilities from reinsurance and co-insurance operations	88,834,137	697,681	187,628	0	89,719,446	-48,477,981	41,241,465
- current tax liabilities	2,228,114	26,508	367,465	27,549	2,649,636	0	2,649,636
Lease liabilities	11,606,194	904,600	510,009	2,935,103	15,955,906	-4,681,100	11,274,806
Other liabilities	67,003,576	16,356,711	4,620,200	9,966,094	97,946,581	-11,987,262	85,959,319

## STATEMENT OF FINANCIAL POSITION BY GEOGRAPHICAL AREA

30 June 2022

	Slovenia	Other	TOTAL NON- CONSOLIDATED	Eliminations	TOTAL CONSOLIDATED
<b>ASSETS</b>	<b>4,145,012,573</b>	<b>545,333,563</b>	<b>4,690,346,136</b>	<b>-448,416,220</b>	<b>4,241,929,916</b>
Intangible assets	95,057,662	24,767,425	119,825,087	0	119,825,087
Property, plant and equipment	73,171,399	37,178,235	110,349,634	0	110,349,634
Non-current assets held for sale	419,358	247,319	666,677	0	666,677
Deferred tax assets	27,421,960	2,011,233	29,433,193	-2,808,194	26,624,999
Investment property	65,657,516	5,549,202	71,206,718	4,023,015	75,229,733
Right of use assets	8,395,749	6,595,453	14,991,202	-5,076,610	9,914,592
Investments in subsidiaries	248,524,514	5,913,151	254,437,665	-254,437,665	0
Investments in associates	36,898,948	0	36,898,948	0	36,898,948
- accounted for using the equity method	36,898,948	0	36,898,948	0	36,898,948
- measured at fair value	0	0	0	0	0
Financial investments	2,346,490,923	257,106,810	2,603,597,733	-1,618,806	2,601,978,927
- loans and deposits	52,736,339	57,978,116	110,714,455	-1,618,806	109,095,649
- held to maturity	445,067,190	8,368,822	453,436,012	0	453,436,012
- available for sale	1,670,555,214	178,651,092	1,849,206,306	0	1,849,206,306
- recognised at fair value through profit and loss	178,132,180	12,108,780	190,240,960	0	190,240,960
Unit-linked insurance assets	530,940,609	22,471,059	553,411,668	0	553,411,668
Reinsurers' share of technical provisions	283,329,503	61,259,727	344,589,230	-103,991,806	240,597,424
Receivables	309,624,490	90,714,536	400,339,026	-84,506,150	315,832,876
- receivables from direct insurance operations	132,032,185	61,393,217	193,425,402	-1,228,990	192,196,412
- receivables from reinsurance and co-insurance operations	135,940,565	16,833,780	152,774,345	-62,220,012	90,554,333
- current tax receivables	5,206,520	484,901	5,691,421	0	5,691,421
- other receivables	36,445,220	12,002,638	48,447,858	-21,057,148	27,390,710
Other assets	4,272,178	3,679,719	7,951,897	-4	7,951,893
Cash and cash equivalents	114,807,764	27,839,694	142,647,458	0	142,647,458
<b>EQUITY AND LIABILITIES</b>	<b>4,145,012,573</b>	<b>545,333,563</b>	<b>4,690,346,136</b>	<b>-448,416,220</b>	<b>4,241,929,916</b>
0	877,660,850	111,464,130	989,124,980	-249,264,116	739,860,864
Controlling interests	877,660,850	111,464,130	989,124,980	-251,367,624	737,757,356
- share capital	211,194,463	106,024,374	317,218,837	-243,517,445	73,701,392
- share premium	102,205,859	1,798,092	104,003,951	-53,699,276	50,304,675
- reserves from profit	416,213,472	11,029,246	427,242,718	-5,608,759	421,633,959
- treasury share reserves	364,680	0	364,680	0	364,680
- treasury shares	0	0	0	-364,680	-364,680
- fair value reserve	-62,661,117	-12,574,299	-75,235,416	-793,075	-76,028,491
- net profit brought forward	146,274,336	5,602,667	151,877,003	74,022,817	225,899,820
- net profit for the year	64,069,161	2,650,738	66,719,899	-21,381,147	45,338,752
- currency translation differences	0	-3,066,689	-3,066,689	-26,062	-3,092,751
Non-controlling interests	0	0	0	2,103,508	2,103,508
Subordinated liabilities	49,493,557	0	49,493,557	0	49,493,557
Insurance technical provisions	2,418,742,186	339,817,072	2,758,559,258	-104,016,813	2,654,542,445
- unearned premiums	404,686,072	128,408,369	533,094,441	-38,649,795	494,444,646
- mathematical provisions	1,269,548,151	93,098,550	1,362,646,701	0	1,362,646,701
- claims provisions	668,089,667	114,406,092	782,495,759	-62,636,527	719,859,232
- other insurance technical provisions	76,418,296	3,904,061	80,322,357	-2,730,491	77,591,866
Insurance technical provisions for unit-linked insurance contracts	544,378,879	22,310,418	566,689,297	0	566,689,297
Employee benefits	14,595,789	2,975,527	17,571,316	0	17,571,316
Other provisions	1,511,797	865,925	2,377,722	0	2,377,722
Deferred tax liabilities	2,220,272	599,634	2,819,906	-2,819,906	0
Other financial liabilities	15,343,751	1,063,686	16,407,437	-978,182	15,429,255
Operating liabilities	118,811,351	38,599,581	157,410,932	-63,829,600	93,581,332
- liabilities from direct insurance operations	19,088,481	4,419,850	23,508,331	-1,604,278	21,904,053
- liabilities from reinsurance and co-insurance operations	95,445,249	34,080,025	129,525,274	-62,225,322	67,299,952
- current tax liabilities	4,277,621	99,706	4,377,327	0	4,377,327
Lease liabilities	8,610,734	6,952,218	15,562,952	-5,201,754	10,361,198
Other liabilities	93,643,407	20,685,372	114,328,779	-22,305,849	92,022,930

## STATEMENT OF FINANCIAL POSITION BY GEOGRAPHICAL AREA

31 December 2021

	Slovenia	Other	TOTAL NON- CONSOLIDATED	Eliminations	TOTAL CONSOLIDATED
<b>ASSETS</b>	<b>4,209,162,813</b>	<b>519,274,838</b>	<b>4,728,437,651</b>	<b>-354,084,035</b>	<b>4,374,353,616</b>
Intangible assets	87,040,191	20,144,224	107,184,415	0	107,184,415
Property, plant and equipment	70,597,438	38,057,774	108,655,212	0	108,655,212
Non-current assets held for sale	3,564,626	247,418	3,812,044	0	3,812,044
Deferred tax assets	702,993	224,432	927,425	0	927,425
Investment property	65,830,986	5,256,972	71,087,958	4,023,015	75,110,973
Right of use assets	7,819,804	7,667,766	15,487,570	-4,554,461	10,933,109
Investments in subsidiaries	204,614,572	5,808,207	210,422,779	-210,422,779	0
Investments in associates	36,031,346	0	36,031,346	0	36,031,346
Financial assets	3,267,043,376	292,858,936	3,559,902,312	-2,584,674	3,557,317,638
Financial investments	2,674,514,711	265,770,113	2,940,284,824	-2,584,674	2,937,700,150
- loans and deposits	50,234,018	50,455,193	100,689,211	-2,584,674	98,104,537
- held to maturity	149,195,563	8,365,170	157,560,733	0	157,560,733
- available for sale	1,947,934,174	189,674,908	2,137,609,082	0	2,137,609,082
- recognised at fair value through profit and loss	527,150,956	17,274,842	544,425,798	0	544,425,798
Unit-linked insurance assets	592,528,665	27,088,823	619,617,488	0	619,617,488
Reinsurers' share of technical provisions	201,524,459	53,127,460	254,651,919	-79,812,029	174,839,890
Receivables	205,351,678	67,651,283	273,002,961	-60,626,052	212,376,909
- receivables from direct insurance operations	79,378,490	38,197,411	117,575,901	-720,694	116,855,207
- receivables from reinsurance and co-insurance operations	97,809,626	17,660,657	115,470,283	-48,269,351	67,200,932
- current tax receivables	3,733,579	393,805	4,127,384	0	4,127,384
- other receivables	24,429,983	11,399,410	35,829,393	-11,636,007	24,193,386
Other assets	2,136,932	2,813,148	4,950,080	-107,055	4,843,025
Cash and cash equivalents	56,904,412	25,417,218	82,321,630	0	82,321,630
<b>EQUITY AND LIABILITIES</b>	<b>4,209,162,813</b>	<b>519,274,838</b>	<b>4,728,437,651</b>	<b>-354,084,035</b>	<b>4,374,353,616</b>
Equity	1,009,582,130	128,681,158	1,138,263,288	-205,276,419	932,986,869
Controlling interests	1,009,582,130	128,681,158	1,138,263,288	-207,752,064	930,511,224
- share capital	192,180,918	101,218,603	293,399,521	-219,698,129	73,701,392
- share premium	76,212,455	2,019,796	78,232,251	-27,948,504	50,283,747
- reserves from profit	410,086,847	10,776,489	420,863,336	770,623	421,633,959
- treasury share reserves	364,680	0	364,680	0	364,680
- treasury shares	0	0	0	-364,680	-364,680
- fair value reserve	73,779,454	5,074,352	78,853,806	-1,019,528	77,834,278
- net profit brought forward	192,565,348	4,558,089	197,123,437	37,465,557	234,588,994
- net profit for the year	64,392,428	7,958,138	72,350,566	3,089,281	75,439,847
- currency translation differences	0	-2,924,309	-2,924,309	-46,684	-2,970,993
Non-controlling interests	0	0	0	2,475,645	2,475,645
Subordinated liabilities	49,471,831	0	49,471,831	0	49,471,831
Insurance technical provisions	2,354,629,760	301,582,622	2,656,212,382	-79,843,998	2,576,368,384
- unearned premiums	291,969,004	98,411,808	390,380,812	-20,337,087	370,043,725
- mathematical provisions	1,345,183,071	87,430,589	1,432,613,660	0	1,432,613,660
- claims provisions	638,293,195	112,845,103	751,138,298	-56,639,987	694,498,311
- other insurance technical provisions	79,184,490	2,895,122	82,079,612	-2,866,924	79,212,688
Insurance technical provisions for unit-linked insurance contracts	595,544,240	26,759,158	622,303,399	0	622,303,399
Employee benefits	14,696,255	2,975,878	17,672,133	0	17,672,133
Other provisions	1,598,604	913,932	2,512,536	0	2,512,536
Deferred tax liabilities	7,916,794	1,471,976	9,388,770	-11,736	9,377,034
Other financial liabilities	2,873,112	2,834,477	5,707,589	-2,621,942	3,085,647
Operating liabilities	83,749,408	29,253,828	113,003,236	-49,661,578	63,341,658
- liabilities from direct insurance operations	16,753,335	3,880,819	20,634,154	-1,183,597	19,450,557
- liabilities from reinsurance and co-insurance operations	64,585,731	25,133,715	89,719,446	-48,477,981	41,241,465
- current tax liabilities	2,410,342	239,294	2,649,636	0	2,649,636
Lease liabilities	7,976,199	7,979,707	15,955,906	-4,681,100	11,274,806
Other liabilities	81,124,480	16,822,102	97,946,582	-11,987,263	85,959,319

## CONSOLIDATED INCOME STATEMENT BY SEGMENT

	H1 2022				
	Non-life	Life	Health	Other	TOTAL
<b>NET PREMIUM INCOME</b>	<b>340,789,263</b>	<b>131,020,594</b>	<b>101,462,774</b>	<b>0</b>	<b>573,272,631</b>
- gross written premium	560,815,700	134,435,273	101,912,812	0	797,163,785
- ceded written premium	-139,535,116	-3,389,855	0	0	-142,924,971
- change in unearned premium reserve	-80,491,321	-24,824	-450,038	0	-80,966,183
<b>INCOME FROM INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES</b>	<b>1,034,538</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,034,538</b>
- profit on equity investments accounted for using the equity method	1,034,538	0	0	0	1,034,538
- other income from investments in subsidiaries and associates	0	0	0	0	0
<b>INCOME FROM INVESTMENTS</b>	<b>10,520,858</b>	<b>23,360,492</b>	<b>421,417</b>	<b>17,088</b>	<b>34,319,855</b>
- interest income calculated using the effective interest method	4,675,884	10,846,815	258,061	14,350	15,795,110
- gains on disposals	2,606,862	3,386,833	159,922	1,689	6,155,306
- other income from investments	3,238,112	9,126,844	3,434	1,049	12,369,439
<b>OTHER INCOME FROM INSURANCE OPERATIONS</b>	<b>30,732,377</b>	<b>1,287,661</b>	<b>228,946</b>	<b>0</b>	<b>32,248,984</b>
- fees and commission income	25,421,010	1,273,968	0	0	26,694,978
- other income from insurance operations	5,311,367	13,693	228,946	0	5,554,006
<b>OTHER INCOME</b>	<b>5,512,794</b>	<b>70,045</b>	<b>40,211</b>	<b>26,140,772</b>	<b>31,763,822</b>
<b>NET CLAIMS INCURRED</b>	<b>177,237,674</b>	<b>97,598,096</b>	<b>94,077,334</b>	<b>0</b>	<b>368,913,104</b>
- gross claims settled	211,284,052	98,764,805	88,010,717	0	398,059,574
- reinsurers' share	-23,589,447	-822,774	-661	0	-24,412,882
- changes in claims provisions	-10,456,931	-343,935	2,364,005	0	-8,436,861
- equalisation scheme expenses for supplementary health insurance	0	0	3,703,273	0	3,703,273
<b>CHANGE IN OTHER INSURANCE TECHNICAL PROVISIONS (excluding ULI)</b>	<b>608,582</b>	<b>-58,922,881</b>	<b>-1,758,618</b>	<b>0</b>	<b>-60,072,917</b>
<b>CHANGE IN INSURANCE TECHNICAL PROVISIONS FOR UNIT-LINKED INSURANCE CONTRACTS</b>	<b>0</b>	<b>-58,041,947</b>	<b>0</b>	<b>0</b>	<b>-58,041,947</b>
<b>EXPENSES FOR BONUSES AND DISCOUNTS</b>	<b>6,154,053</b>	<b>7,164</b>	<b>0</b>	<b>0</b>	<b>6,161,217</b>
<b>OPERATING EXPENSES</b>	<b>115,000,708</b>	<b>23,407,294</b>	<b>8,280,398</b>	<b>0</b>	<b>146,688,400</b>
- acquisition costs	86,312,535	15,331,747	1,519,865	0	103,164,147
- other operating costs	28,688,173	8,075,547	6,760,533	0	43,524,253
<b>EXPENSES FROM INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES</b>	<b>70,433</b>	<b>33,159</b>	<b>0</b>	<b>314,808</b>	<b>418,400</b>
- loss on investments accounted for using the equity method	70,433	33,159	0	314,808	418,400
- other expenses from financial assets and liabilities	0	0	0	0	0
<b>EXPENSES FROM INVESTMENTS</b>	<b>11,980,366</b>	<b>144,405,829</b>	<b>1,089,331</b>	<b>18,407</b>	<b>157,493,933</b>
- loss on impairment of investments	2,994,318	2,309,178	881,246	0	6,184,742
- loss on disposal of investments	5,992,756	15,723,549	156,189	344	21,872,838
- other expenses from investments	2,993,292	126,373,102	51,896	18,063	129,436,353
<b>OTHER INSURANCE EXPENSES</b>	<b>26,851,448</b>	<b>848,099</b>	<b>304,450</b>	<b>0</b>	<b>28,003,997</b>
<b>OTHER EXPENSES</b>	<b>7,388,009</b>	<b>725,649</b>	<b>4,501</b>	<b>17,495,002</b>	<b>25,613,161</b>
- expenses from financing	1,222,302	31,477	0	107,311	1,361,090
- other expenses	6,165,707	694,172	4,501	17,387,691	24,252,071
<b>PROFIT BEFORE TAX</b>	<b>43,298,557</b>	<b>5,678,330</b>	<b>155,952</b>	<b>8,329,643</b>	<b>57,462,482</b>
Income tax expense	8,449,674	2,145,032	0	1,589,776	12,184,482
<b>NET PROFIT FOR THE PERIOD</b>	<b>34,848,883</b>	<b>3,533,298</b>	<b>155,952</b>	<b>6,739,867</b>	<b>45,278,000</b>
Net profit/loss attributable to the controlling company	34,922,864	3,526,897	155,952	6,733,039	45,338,752
Net profit/loss attributable to the non-controlling interest holders	-73,981	6,401	0	6,828	-60,752

## CONSOLIDATED INCOME STATEMENT BY SEGMENT

	H1 2021				
	Non-life	Life	Health	Other	TOTAL
<b>NET PREMIUM INCOME</b>	<b>322,672,281</b>	<b>123,131,277</b>	<b>98,268,233</b>	<b>0</b>	<b>544,071,791</b>
- gross written premium	506,554,952	125,742,471	98,801,304	0	731,098,727
- ceded written premium	-119,860,277	-2,592,955	0	0	-122,453,232
- change in unearned premium reserve	-64,022,394	-18,239	-533,071	0	-64,573,704
<b>INCOME FROM INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES</b>	<b>731,068</b>	<b>0</b>	<b>0</b>	<b>184,941</b>	<b>916,009</b>
- profit on equity investments accounted for using the equity method	731,068	0	0	184,941	916,009
- other income from investments in subsidiaries and associates	0	0	0	0	0
<b>INCOME FROM INVESTMENTS</b>	<b>8,112,098</b>	<b>78,905,029</b>	<b>290,373</b>	<b>24,926</b>	<b>87,332,426</b>
- interest income calculated using the effective interest method	5,370,176	11,896,283	289,304	23,022	17,578,785
- gains on disposals	1,270,440	4,133,934	0	132	5,404,506
- other income from investments	1,471,482	62,874,812	1,069	1,772	64,349,135
<b>OTHER INCOME FROM INSURANCE OPERATIONS</b>	<b>24,816,362</b>	<b>870,821</b>	<b>32,023</b>	<b>0</b>	<b>25,719,206</b>
- fees and commission income	20,001,995	856,981	0	0	20,858,976
- other income from insurance operations	4,814,367	13,840	32,023	0	4,860,230
<b>OTHER INCOME</b>	<b>3,229,741</b>	<b>56,081</b>	<b>31,373</b>	<b>19,042,789</b>	<b>22,359,984</b>
<b>NET CLAIMS INCURRED</b>	<b>173,867,785</b>	<b>98,431,360</b>	<b>79,033,728</b>	<b>0</b>	<b>351,332,873</b>
- gross claims settled	172,838,847	98,221,968	76,529,565	0	347,590,380
- reinsurers' share	-19,467,050	-1,117,667	-659	0	-20,585,376
- changes in claims provisions	20,495,988	1,327,059	-1,121,793	0	20,701,254
- equalisation scheme expenses for supplementary health insurance	0	0	3,626,615	0	3,626,615
<b>CHANGE IN OTHER INSURANCE TECHNICAL PROVISIONS (excluding ULI)</b>	<b>783,924</b>	<b>-2,296,338</b>	<b>-878,691</b>	<b>0</b>	<b>-2,391,105</b>
<b>CHANGE IN INSURANCE TECHNICAL PROVISIONS FOR UNIT-LINKED INSURANCE CONTRACTS</b>	<b>0</b>	<b>67,530,977</b>	<b>0</b>	<b>0</b>	<b>67,530,977</b>
<b>EXPENSES FOR BONUSES AND DISCOUNTS</b>	<b>5,227,465</b>	<b>5,888</b>	<b>8,113,490</b>	<b>0</b>	<b>13,346,843</b>
<b>OPERATING EXPENSES</b>	<b>103,736,093</b>	<b>20,985,632</b>	<b>6,872,009</b>	<b>0</b>	<b>131,593,734</b>
- acquisition costs	77,302,446	13,406,251	1,242,269	0	91,950,966
- other operating costs	26,433,647	7,579,381	5,629,740	0	39,642,768
<b>EXPENSES FROM INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES</b>	<b>60,292</b>	<b>12,964</b>	<b>0</b>	<b>0</b>	<b>73,256</b>
- loss on investments accounted for using the equity method	60,292	12,964	0	0	73,256
- other expenses from financial assets and liabilities	0	0	0	0	0
<b>EXPENSES FROM INVESTMENTS</b>	<b>3,162,662</b>	<b>12,354,236</b>	<b>37,478</b>	<b>9,798</b>	<b>15,564,174</b>
- loss on impairment of investments	0	0	0	0	0
- loss on disposal of investments	629,300	2,237,281	0	0	2,866,581
- other expenses from investments	2,533,362	10,116,955	37,478	9,798	12,697,593
<b>OTHER INSURANCE EXPENSES</b>	<b>24,819,102</b>	<b>354,301</b>	<b>247,571</b>	<b>0</b>	<b>25,420,974</b>
<b>OTHER EXPENSES</b>	<b>5,353,963</b>	<b>556,694</b>	<b>5,074</b>	<b>15,769,095</b>	<b>21,684,826</b>
- expenses from financing	1,172,633	22,611	0	111,217	1,306,461
- other expenses	4,181,330	534,083	5,074	15,657,878	20,378,365
<b>PROFIT BEFORE TAX</b>	<b>42,550,264</b>	<b>5,027,494</b>	<b>5,191,343</b>	<b>3,473,763</b>	<b>56,242,864</b>
Income tax expense	6,855,502	601,545	874,182	936,505	9,267,734
<b>NET PROFIT FOR THE PERIOD</b>	<b>35,694,762</b>	<b>4,425,949</b>	<b>4,317,161</b>	<b>2,537,258</b>	<b>46,975,130</b>
Net profit/loss attributable to the controlling company	35,723,317	4,425,874	4,317,161	2,502,241	46,968,593
Net profit/loss attributable to the non-controlling interest holders	-28,555	75	0	35,017	6,537

		in EUR	
<b>CONSOLIDATED INCOME STATEMENT BY GEOGRAPHICAL AREA</b>			
		<b>H1 2022</b>	
	<b>Slovenia</b>	<b>Other</b>	<b>TOTAL</b>
<b>NET PREMIUM INCOME</b>	<b>459,197,817</b>	<b>114,074,814</b>	<b>573,272,631</b>
- gross written premium	635,891,592	161,272,193	797,163,785
- ceded written premium	-116,187,295	-26,737,676	-142,924,971
- change in unearned premium reserve	-60,506,480	-20,459,703	-80,966,183
<b>INCOME FROM INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES</b>	<b>1,034,538</b>	<b>0</b>	<b>1,034,538</b>
- profit on equity investments accounted for using the equity method	1,034,538	0	1,034,538
- other income from investments in subsidiaries and associates	0	0	0
<b>INCOME FROM INVESTMENTS</b>	<b>30,539,780</b>	<b>3,780,075</b>	<b>34,319,855</b>
- interest income calculated using the effective interest method	12,818,126	2,976,984	15,795,110
- gains on disposals	6,142,694	12,612	6,155,306
- other income from investments	11,578,960	790,479	12,369,439
<b>OTHER INCOME FROM INSURANCE OPERATIONS</b>	<b>26,719,059</b>	<b>5,529,925</b>	<b>32,248,984</b>
- fees and commission income	22,781,277	3,913,701	26,694,978
- other income from insurance operations	3,937,782	1,616,224	5,554,006
<b>OTHER INCOME</b>	<b>27,784,280</b>	<b>3,979,542</b>	<b>31,763,822</b>
<b>NET CLAIMS INCURRED</b>	<b>309,780,133</b>	<b>59,132,971</b>	<b>368,913,104</b>
- gross claims settled	335,176,320	62,883,254	398,059,574
- reinsurers' share	-18,758,378	-5,654,504	-24,412,882
- changes in claims provisions	-10,341,082	1,904,221	-8,436,861
- equalisation scheme expenses for supplementary health insurance	3,703,273	0	3,703,273
<b>CHANGE IN OTHER INSURANCE TECHNICAL PROVISIONS (excluding ULI)</b>	<b>-64,181,214</b>	<b>4,108,297</b>	<b>-60,072,917</b>
<b>CHANGE IN INSURANCE TECHNICAL PROVISIONS FOR UNIT-LINKED INSURANCE CONTRACTS</b>	<b>-53,717,033</b>	<b>-4,324,914</b>	<b>-58,041,947</b>
<b>EXPENSES FOR BONUSES AND DISCOUNTS</b>	<b>4,676,022</b>	<b>1,485,195</b>	<b>6,161,217</b>
<b>OPERATING EXPENSES</b>	<b>102,874,461</b>	<b>43,813,939</b>	<b>146,688,400</b>
- acquisition costs	69,863,686	33,300,461	103,164,147
- other operating costs	33,010,775	10,513,478	43,524,253
<b>EXPENSES FROM INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES</b>	<b>418,400</b>	<b>0</b>	<b>418,400</b>
- loss on investments accounted for using the equity method	418,400	0	418,400
- other expenses from financial assets and liabilities	0	0	0
<b>EXPENSES FROM INVESTMENTS</b>	<b>152,316,286</b>	<b>5,177,647</b>	<b>157,493,933</b>
- loss on impairment of investments	6,182,995	1,747	6,184,742
- loss on disposal of investments	21,865,544	7,294	21,872,838
- other expenses from investments	124,267,747	5,168,606	129,436,353
<b>OTHER INSURANCE EXPENSES</b>	<b>24,035,599</b>	<b>3,968,398</b>	<b>28,003,997</b>
<b>OTHER EXPENSES</b>	<b>20,549,579</b>	<b>5,063,582</b>	<b>25,613,161</b>
- expenses from financing	1,167,528	193,562	1,361,090
- other expenses	19,382,051	4,870,020	24,252,071
<b>PROFIT BEFORE TAX</b>	<b>48,523,241</b>	<b>8,939,241</b>	<b>57,462,482</b>
Income tax expense	11,790,648	393,834	12,184,482
<b>NET PROFIT FOR THE PERIOD</b>	<b>36,732,593</b>	<b>8,545,407</b>	<b>45,278,000</b>
Net profit/loss attributable to the controlling company	36,732,593	8,606,159	45,338,752
Net profit/loss attributable to the non-controlling interest holders	0	-60,752	-60,752

		in EUR		
<b>CONSOLIDATED INCOME STATEMENT BY GEOGRAPHICAL AREA</b>		<b>H1 2021</b>		
	<b>Slovenia</b>	<b>Other</b>	<b>TOTAL</b>	
<b>NET PREMIUM INCOME</b>	<b>436,994,177</b>	<b>107,077,614</b>	<b>544,071,791</b>	
- gross written premium	587,686,239	143,412,488	731,098,727	
- ceded written premium	-99,260,759	-23,192,473	-122,453,232	
- change in unearned premium reserve	-51,431,303	-13,142,401	-64,573,704	
<b>INCOME FROM INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES</b>	<b>916,009</b>	<b>0</b>	<b>916,009</b>	
- profit on equity investments accounted for using the equity method	916,009	0	916,009	
- other income from investments in subsidiaries and associates	0	0	0	
<b>INCOME FROM INVESTMENTS</b>	<b>81,653,665</b>	<b>5,678,761</b>	<b>87,332,426</b>	
- interest income calculated using the effective interest method	14,426,920	3,151,865	17,578,785	
- gains on disposals	5,336,607	67,899	5,404,506	
- other income from investments	61,890,138	2,458,997	64,349,135	
<b>OTHER INCOME FROM INSURANCE OPERATIONS</b>	<b>21,251,228</b>	<b>4,467,978</b>	<b>25,719,206</b>	
- fees and commission income	17,731,978	3,126,998	20,858,976	
- other income from insurance operations	3,519,250	1,340,980	4,860,230	
<b>OTHER INCOME</b>	<b>18,492,450</b>	<b>3,867,534</b>	<b>22,359,984</b>	
<b>NET CLAIMS INCURRED</b>	<b>293,653,982</b>	<b>57,678,891</b>	<b>351,332,873</b>	
- gross claims settled	293,302,566	54,287,814	347,590,380	
- reinsurers' share	-17,101,291	-3,484,085	-20,585,376	
- changes in claims provisions	13,826,092	6,875,162	20,701,254	
- equalisation scheme expenses for supplementary health insurance	3,626,615	0	3,626,615	
<b>CHANGE IN OTHER INSURANCE TECHNICAL PROVISIONS (excluding ULI)</b>	<b>-4,783,018</b>	<b>2,391,913</b>	<b>-2,391,105</b>	
<b>CHANGE IN INSURANCE TECHNICAL PROVISIONS FOR UNIT-LINKED INSURANCE CONTRACTS</b>	<b>65,241,486</b>	<b>2,289,491</b>	<b>67,530,977</b>	
<b>EXPENSES FOR BONUSES AND DISCOUNTS</b>	<b>12,804,288</b>	<b>542,555</b>	<b>13,346,843</b>	
<b>OPERATING EXPENSES</b>	<b>92,437,632</b>	<b>39,156,102</b>	<b>131,593,734</b>	
- acquisition costs	62,259,673	29,691,293	91,950,966	
- other operating costs	30,177,959	9,464,809	39,642,768	
<b>EXPENSES FROM INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES</b>	<b>73,256</b>	<b>0</b>	<b>73,256</b>	
- loss on investments accounted for using the equity method	73,256	0	73,256	
- other expenses from financial assets and liabilities	0	0	0	
<b>EXPENSES FROM INVESTMENTS</b>	<b>14,816,650</b>	<b>747,524</b>	<b>15,564,174</b>	
- loss on impairment of investments	0	0	0	
- loss on disposal of investments	2,866,581	0	2,866,581	
- other expenses from investments	11,950,069	747,524	12,697,593	
<b>OTHER INSURANCE EXPENSES</b>	<b>21,836,728</b>	<b>3,584,246</b>	<b>25,420,974</b>	
<b>OTHER EXPENSES</b>	<b>16,899,949</b>	<b>4,784,877</b>	<b>21,684,826</b>	
- expenses from financing	1,150,582	155,879	1,306,461	
- other expenses	15,749,367	4,628,998	20,378,365	
<b>PROFIT BEFORE TAX</b>	<b>46,326,576</b>	<b>9,916,288</b>	<b>56,242,864</b>	
Income tax expense	9,145,503	122,231	9,267,734	
<b>NET PROFIT FOR THE PERIOD</b>	<b>37,181,073</b>	<b>9,794,057</b>	<b>46,975,130</b>	
Net profit/loss attributable to the controlling company	37,181,073	9,787,520	46,968,593	
Net profit/loss attributable to the non-controlling interest holders	0	6,537	6,537	



## 2.6 Segmental analysis of Zavarovalnica Triglav's operations

In accordance with the requirements of the Decision on annual reports and quarterly financial statements of insurance undertakings (Official Gazette of the Republic of Slovenia, No. 1/16), the Company's operations are described by specific business segments.

STATEMENT OF FINANCIAL POSITION	30 June 2022			31 December 2021			in EUR
	Non-life	Life	TOTAL	Non-life	Life	TOTAL	
	<b>ASSETS</b>	<b>1,476,303,822</b>	<b>1,521,512,841</b>	<b>2,997,816,663</b>	<b>1,425,009,986</b>	<b>1,704,592,224</b>	<b>3,129,602,210</b>
Intangible assets	67,573,213	7,485,769	75,058,982	58,793,824	8,228,203	67,022,027	
Property, plant and equipment	59,616,543	8,030,195	67,646,738	57,022,314	8,120,993	65,143,307	
Deferred tax assets	9,209,094	13,779,735	22,988,829	0	0	0	
Investment property	42,607,935	779,669	43,387,604	43,019,770	820,285	43,840,055	
Right of use assets	4,219,003	0	4,219,003	4,548,298	0	4,548,298	
Investments in subsidiaries	157,444,284	19,479,847	176,924,131	120,444,672	11,480,011	131,924,683	
Investments in associates	41,693,997	0	41,693,997	41,693,997	0	41,693,997	
- accounted for using the equity method	0	0	0	0	0	0	
- measured at fair value	41,693,997	0	41,693,997	41,693,997	0	41,693,997	
Financial investments	688,514,292	968,527,603	1,657,041,895	841,558,081	1,127,121,898	1,968,679,979	
- loans and deposits	19,191,208	7,141,564	26,332,772	25,488,933	7,032,590	32,521,523	
- held to maturity	0	231,712,549	231,712,549	0	140,946,233	140,946,233	
- available for sale	669,323,084	644,219,565	1,313,542,649	816,048,831	772,341,432	1,588,390,263	
- recognised at fair value through profit and loss	0	85,453,925	85,453,925	20,317	206,801,643	206,821,960	
Unit-linked insurance assets	0	479,716,033	479,716,033	0	539,417,972	539,417,972	
Reinsurers' share of technical provisions	196,981,356	46,849	197,028,205	135,986,397	91,560	136,077,957	
Receivables	187,245,642	5,826,281	193,071,923	113,944,682	1,883,002	115,827,684	
- receivables from direct insurance operations	125,316,602	215,541	125,532,143	73,285,008	231,566	73,516,574	
- receivables from reinsurance and co-insurance operations	38,581,287	1,787	38,583,074	23,516,494	5,846	23,522,340	
- current tax receivables	0	0	0	564,166	0	564,166	
- other receivables	23,347,753	5,608,953	28,956,706	16,579,014	1,645,590	18,224,604	
Other assets	3,001,966	31,791	3,033,757	1,463,755	49,505	1,513,260	
Cash and cash equivalents	18,196,497	17,809,069	36,005,566	6,534,196	7,378,795	13,912,991	
<b>EQUITY AND LIABILITIES</b>	<b>1,476,303,822</b>	<b>1,521,512,841</b>	<b>2,997,816,663</b>	<b>1,425,009,986</b>	<b>1,704,592,224</b>	<b>3,129,602,210</b>	
Equity	507,569,780	26,418,406	533,988,186	577,396,816	97,825,117	675,221,933	
Controlling interests	507,569,780	26,418,406	533,988,186	577,396,816	97,825,117	675,221,933	
- share capital	51,340,540	22,360,852	73,701,392	51,340,540	22,360,852	73,701,392	
- share premium	40,344,978	13,067,906	53,412,884	40,344,978	13,067,907	53,412,884	
- reserves from profit	359,048,752	45,513,891	404,562,643	359,048,752	45,513,891	404,562,643	
- fair value reserve	8,363,287	-67,311,642	-58,948,355	52,861,390	3,023,244	55,884,634	
- net profit brought forward	3,540,333	0	3,540,333	43,310,026	7,634,805	50,944,831	
- net profit for the year	44,931,890	12,787,399	57,719,289	30,491,131	6,224,418	36,715,549	
Subordinated liabilities	49,493,557	0	49,493,557	49,471,831	0	49,471,831	
Insurance technical provisions	802,966,509	989,535,195	1,792,501,704	696,332,340	1,044,040,846	1,740,373,186	
- unearned premiums	328,085,608	418,512	328,504,120	245,629,454	388,396	246,017,850	
- mathematical provisions	0	961,865,544	961,865,544	0	1,008,319,155	1,008,319,155	
- claims provisions	448,942,394	21,115,904	470,058,298	425,072,536	21,494,719	446,567,255	
- other insurance technical provisions	25,938,507	6,135,235	32,073,742	25,630,350	13,838,576	39,468,926	
Insurance technical provisions for unit-linked insurance contracts	0	487,716,809	487,716,809	0	540,135,052	540,135,052	
Employee benefits	10,700,109	2,066,901	12,767,010	10,763,216	2,079,089	12,842,305	
Other provisions	312,885	16,714	329,599	342,266	16,714	358,980	
Deferred tax liabilities	0	0	0	973,178	3,239,555	4,212,733	
Other financial liabilities	1,105,705	999,000	2,104,705	1,690,586	0	1,690,586	
Operating liabilities	45,156,640	6,600,984	51,757,624	28,724,774	6,136,780	34,861,554	
- liabilities from direct insurance operations	5,097,850	6,595,167	11,693,017	4,053,234	6,129,711	10,182,945	
- liabilities from reinsurance and co-insurance operations	35,957,724	5,817	35,963,541	24,671,540	7,069	24,678,609	
- current tax liabilities	4,101,066	0	4,101,066	0	0	0	
Lease liabilities	4,374,461	0	4,374,461	4,643,844	0	4,643,844	
Other liabilities	54,624,176	8,158,832	62,783,008	54,671,134	11,119,071	65,790,206	

in EUR

INCOME STATEMENT	H1 2022			H1 2021		
	Non-life	Life	TOTAL	Non-life	Life	TOTAL
<b>NET PREMIUM INCOME</b>	<b>203,162,150</b>	<b>100,659,504</b>	<b>303,821,654</b>	<b>196,085,695</b>	<b>96,011,947</b>	<b>292,097,642</b>
- gross written premium	371,781,526	101,156,132	472,937,658	341,447,955	96,455,170	437,903,125
- ceded written premium	-121,597,610	-466,305	-122,063,915	-101,342,691	-426,853	-101,769,544
- change in unearned premium reserve	-47,021,766	-30,323	-47,052,089	-44,019,569	-16,370	-44,035,939
<b>INCOME FROM INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES</b>	<b>16,816,116</b>	<b>3,712,193</b>	<b>20,528,309</b>	<b>119,640</b>	<b>0</b>	<b>119,640</b>
- profit on equity investments accounted for using the equity method	0	0	0	0	0	0
- other income from investments in subsidiaries and associates	16,816,116	3,712,193	20,528,309	119,640	0	119,640
<b>INCOME FROM INVESTMENTS</b>	<b>4,259,344</b>	<b>14,079,930</b>	<b>18,339,274</b>	<b>3,904,652</b>	<b>61,600,801</b>	<b>65,505,453</b>
- interest income calculated using the effective interest method	1,769,833	7,240,485	9,010,318	2,364,527	7,706,350	10,070,877
- gains on disposals	1,809,399	3,086,092	4,895,491	909,270	3,916,990	4,826,260
- other income from investments	680,112	3,753,353	4,433,465	630,855	49,977,461	50,608,316
<b>OTHER INCOME FROM INSURANCE OPERATIONS</b>	<b>28,079,056</b>	<b>2,926,715</b>	<b>31,005,771</b>	<b>20,769,366</b>	<b>2,264,246</b>	<b>23,033,612</b>
- fees and commission income	24,115,792	2,926,680	27,042,472	17,072,251	2,264,181	19,336,432
- other income from insurance operations	3,963,264	35	3,963,299	3,697,115	65	3,697,180
<b>OTHER INCOME</b>	<b>5,962,490</b>	<b>451,007</b>	<b>6,413,497</b>	<b>3,654,041</b>	<b>404,897</b>	<b>4,058,938</b>
<b>NET CLAIMS INCURRED</b>	<b>98,958,211</b>	<b>80,743,603</b>	<b>179,701,814</b>	<b>103,555,958</b>	<b>82,860,683</b>	<b>186,416,641</b>
- gross claims settled	130,401,749	81,323,465	211,725,214	111,166,285	81,744,213	192,910,498
- reinsurers' share	-20,698,444	-245,552	-20,943,996	-18,616,462	-93,737	-18,710,199
- changes in claims provisions	-10,745,094	-334,310	-11,079,404	11,006,135	1,210,207	12,216,342
<b>CHANGE IN OTHER INSURANCE TECHNICAL PROVISIONS (excluding ULI)</b>	<b>302,365</b>	<b>-40,070,872</b>	<b>-39,768,507</b>	<b>375,778</b>	<b>-6,265,708</b>	<b>-5,889,930</b>
<b>CHANGE IN INSURANCE TECHNICAL PROVISIONS FOR UNIT-LINKED INSURANCE CONTRACTS</b>	<b>0</b>	<b>-54,969,915</b>	<b>-54,969,915</b>	<b>0</b>	<b>55,073,717</b>	<b>55,073,717</b>
<b>EXPENSES FOR BONUSES AND DISCOUNTS</b>	<b>4,681,303</b>	<b>0</b>	<b>4,681,303</b>	<b>4,690,814</b>	<b>0</b>	<b>4,690,814</b>
<b>OPERATING EXPENSES</b>	<b>74,547,315</b>	<b>19,650,190</b>	<b>94,197,505</b>	<b>67,217,942</b>	<b>18,174,661</b>	<b>85,392,603</b>
- acquisition costs	55,942,735	13,932,535	69,875,270	49,564,015	12,824,338	62,388,353
- other operating costs	18,604,580	5,717,655	24,322,235	17,653,927	5,350,323	23,004,250
<b>EXPENSES FROM INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES</b>	<b>43,375</b>	<b>0</b>	<b>43,375</b>	<b>2,938</b>	<b>0</b>	<b>2,938</b>
- loss on investments accounted for using the equity method	0	0	0	0	0	0
- other expenses from financial assets and liabilities	43,375	0	43,375	2,938	0	2,938
<b>EXPENSES FROM INVESTMENTS</b>	<b>8,758,729</b>	<b>100,722,193</b>	<b>109,480,922</b>	<b>2,635,142</b>	<b>6,398,195</b>	<b>9,033,337</b>
- loss on impairment of investments	871,400	2,308,952	3,180,352	0	0	0
- loss on disposal of investments	5,438,229	14,873,782	20,312,011	625,205	2,130,456	2,755,661
- other expenses from investments	2,449,100	83,539,459	85,988,559	2,009,937	4,267,739	6,277,676
<b>OTHER INSURANCE EXPENSES</b>	<b>11,818,442</b>	<b>296,676</b>	<b>12,115,118</b>	<b>11,370,673</b>	<b>471,146</b>	<b>11,841,819</b>
<b>OTHER EXPENSES</b>	<b>6,912,255</b>	<b>661,556</b>	<b>7,573,811</b>	<b>5,403,632</b>	<b>505,623</b>	<b>5,909,255</b>
- expenses from financing	1,122,875	0	1,122,875	1,133,026	3	1,133,029
- other expenses	5,789,380	661,556	6,450,936	4,270,606	505,620	4,776,226
<b>PROFIT BEFORE TAX</b>	<b>52,257,161</b>	<b>14,795,918</b>	<b>67,053,079</b>	<b>29,280,517</b>	<b>3,063,574</b>	<b>32,344,091</b>
Income tax expense	7,325,273	2,008,517	9,333,790	5,360,704	587,374	5,948,078
<b>NET PROFIT FOR THE PERIOD</b>	<b>44,931,888</b>	<b>12,787,401</b>	<b>57,719,289</b>	<b>23,919,813</b>	<b>2,476,200</b>	<b>26,396,013</b>

## **2.7 Significant items of the statement of financial position**

### **Intangible assets**

In the reporting period, the book value of intangible assets of the Triglav Group increased by EUR 12.6 million. Long-term deferred acquisition costs have increased by EUR 13.6 million, while new purchases of licences and software equalled EUR 5.4 million. In the first half year of 2022 amortisation reached EUR 6.2 million.

In the reporting period, the book value of intangible assets of Zavarovalnica Triglav increased by EUR 8 million. In the separate financial statements, the change mainly refers to the increase in long-term deferred acquisition costs. These have increased by EUR 9 million. New purchases of other intangible assets in the amount of EUR 3.8 million primarily relate to the purchase of licences and software. In the first half year of 2022 amortisation of intangible assets of Zavarovalnica Triglav amounted to EUR 4.9 million.

### **Property, plant and equipment**

In the first half year of 2022 the book value of property, plant and equipment of the Triglav Group increased by EUR 1.7 million. In the reporting period Triglav Group acquired new property, plant and equipment worth EUR 6.8 million and sold it in the carrying amount of EUR 537 thousand, whereas depreciation of property, plant and equipment amounted to EUR 4 million.

In the reporting period, the book value of property, plant and equipment of Zavarovalnica Triglav increased by EUR 2.5 million. In the first half year of 2022 Zavarovalnica Triglav acquired new property, plant and equipment worth EUR 4.9 million and sold it in the carrying amount of EUR 71 thousand. In the reporting period, depreciation of property, plant and equipment amounted to EUR 2.3 million.

### **Investment property**

The book value of investment property of the Group increased by EUR 119 thousand. In the reporting period, the Group purchased investment property in the amount of EUR 606 thousand and sold it in the carrying amount of EUR 162 thousand. In the first half year of 2022, depreciation of investment property of the Group amounted to EUR 705 thousand.

In the first half year of 2022 the book value of investment property of Zavarovalnica Triglav decreased by EUR 742 thousand. Zavarovalnica Triglav purchased new investment property worth EUR 158 thousand and sold it in the carrying amount of EUR 126 thousand. In the reporting period, depreciation of investment property amounted to EUR 484 thousand.

The carrying amount of real property recognised as non-current assets held for sale decreased by EUR 3.1 million as a result of the sale.

## Financial investments

The tables below show the carrying and fair values of financial assets, excluding unit-linked insurance assets.

Triglav Group	in EUR			
	Carrying amount		Fair value	
	30 June 2022	31 December 2021	30 June 2022	31 December 2021
Loans and deposits	109,095,649	98,104,537	109,711,474	99,906,383
Held to maturity	453,436,012	157,560,733	460,063,533	191,798,392
Available for sale	1,849,206,306	2,137,609,082	1,849,206,306	2,137,609,082
Investments recognised at fair value	190,240,960	544,425,798	190,240,959	544,425,798
<b>TOTAL</b>	<b>2,601,978,927</b>	<b>2,937,700,150</b>	<b>2,609,222,272</b>	<b>2,973,739,655</b>

Zavarovalnica Triglav	in EUR			
	Carrying amount		Fair value	
	30 June 2022	31 December 2021	30 June 2022	31 December 2021
Loans and deposits	26,332,772	32,521,523	25,854,826	32,135,431
Held to maturity	231,712,549	140,946,233	246,279,720	173,901,172
Available for sale	1,313,542,649	1,588,390,263	1,313,542,649	1,588,390,263
Investments recognised at fair value	85,453,925	206,821,960	85,453,925	206,821,960
<b>TOTAL</b>	<b>1,657,041,895</b>	<b>1,968,679,979</b>	<b>1,671,131,120</b>	<b>2,001,248,826</b>

Tables below show financial investments of Zavarovalnica Triglav and Triglav Group by different groups of financial assets.

### Triglav Group

Values as at 30 June 2022	in EUR				
	L&R	HTM	AFS	FVTPL	Total
Equity instruments	0	0	209,090,985	60,883,367	269,974,352
Debt instruments	5,991,219	453,436,012	1,638,524,126	129,357,593	2,227,308,950
Derivative financial instruments	0	0	0	0	0
Loans	103,104,430	0	1,591,195	0	104,695,625
<b>Total</b>	<b>109,095,649</b>	<b>453,436,012</b>	<b>1,849,206,306</b>	<b>190,240,960</b>	<b>2,601,978,927</b>

Values as at 31 December 2021	in EUR				
	L&R	HTM	AFS	FVTPL	Total
Equity instruments	0	0	218,347,257	112,613,404	330,960,661
Debt instruments	5,991,639	157,560,733	1,917,552,252	431,465,194	2,512,569,818
Derivative financial instruments	0	0	0	20,317	20,317
Loans	92,112,898	0	1,709,573	326,883	94,149,354
<b>Total</b>	<b>98,104,537</b>	<b>157,560,733</b>	<b>2,137,609,082</b>	<b>544,425,798</b>	<b>2,937,700,150</b>

## Zavarovalnica Triglav

Values as at 30 June 2022						in EUR
	L&R	HTM	AFS	FVTPL	Total	
Equity instruments	0	0	165,104,877	17,737,986	182,842,863	
Debt instruments	5,991,219	231,712,549	1,146,846,573	67,715,939	1,452,266,280	
Derivative financial instruments	0	0	0	0	0	
Loans	20,341,553	0	1,591,199	0	21,932,752	
<b>Total</b>	<b>26,332,772</b>	<b>231,712,549</b>	<b>1,313,542,649</b>	<b>85,453,925</b>	<b>1,657,041,895</b>	

Values as at 31 December 2021						in EUR
	L&R	HTM	AFS	FVTPL	Total	
Equity instruments	0	0	172,377,789	31,631,419	204,009,208	
Debt instruments	5,991,639	140,946,233	1,414,431,597	175,170,224	1,736,539,694	
Derivative financial instruments	0	0	0	20,317	20,317	
Loans	26,529,884	0	1,580,876	0	28,110,760	
<b>Total</b>	<b>32,521,523</b>	<b>140,946,233</b>	<b>1,588,390,263</b>	<b>206,821,960</b>	<b>1,968,679,979</b>	

### Legend:

- L&R: Loans and receivables
- HTM: Held to maturity
- AFS: Available for sale
- FVTPL: Fair value through profit or loss

## Unit – linked financial assets

Unit-linked insurance assets are presented below according to their distribution into individual groups.

	Triglav Group		Zavarovalnica Triglav		in EUR
	30 June 2022	31 December 2021	30 June 2022	31 December 2021	
	Equity instruments	534,713,525	594,267,074	475,419,605	529,598,379
Debt instruments	18,698,143	25,350,414	4,296,428	9,819,593	
<b>TOTAL</b>	<b>553,411,668</b>	<b>619,617,488</b>	<b>479,716,033</b>	<b>539,417,972</b>	

All unit-linked insurance assets are classified in the group of financial assets measured at fair value through profit or loss. Their carrying amounts are equal to their fair values.

## Fair value measurement and presentation by valuation level

Financial assets measured at fair value are classified by valuation level in the tables below:

- Level 1: value measurement based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date (stock exchange quotations and listings provided by third parties), which are entirely based on observable market data (the share of binding listings has to be minimum 90% and there have to be at least three binding listings not older than one day);
- Level 2: value measurement less than entirely based on quoted prices for the asset or liability. Fair value measurements may be based on indirectly observable inputs, i.e. data derived from prices of comparable financial instruments, but only up to a strictly limited percentage;
- Level 3: value measurement based on prices that do not meet the standards for Level 1 or Level 2. The percentage of unobservable inputs used in value measurement models is considerable.

The following is shown separately for the Triglav Group:

- financial assets (i.e. available-for-sale financial assets and financial assets at fair value through profit and loss) and
- unit-linked insurance assets.

Capital investments in associates and joint ventures are additionally shown for Zavarovalnica Triglav because they are measured at fair value in stand-alone financial statements. Investments in associates and joint ventures are accounted for using the equity method in the consolidated financial statements and are therefore not included in the presentation of valuation of financial assets at fair value.

### Triglav Group

				in EUR
As at 30 June 2022	Level 1	Level 2	Level 3	Total
Equity securities	169,677,062	1,575,672	100,312,813	271,565,547
Debt securities	422,884,727	1,344,988,117	8,875	1,767,881,719
Derivative financial instruments	0	0	0	0
Unit-linked financial assets	538,543,946	14,539,238	328,484	553,411,668
<b>Total</b>	<b>1,131,105,735</b>	<b>1,361,103,027</b>	<b>100,650,172</b>	<b>2,592,858,934</b>

				in EUR
As at 31 December 2021	Level 1	Level 2	Level 3	Total
Equity securities	240,531,858	0	92,456,375	332,988,233
Debt securities	479,980,327	1,869,037,119	8,884	2,349,026,330
Derivative financial instruments	0	20,317	0	20,317
Unit-linked financial assets	598,678,211	20,635,943	303,334	619,617,488
<b>Total</b>	<b>1,319,190,396</b>	<b>1,889,693,379</b>	<b>92,768,593</b>	<b>3,301,652,368</b>

In the first six months of 2022, the Triglav Group reclassified financial assets of EUR 200 million (compared to H1 2021: EUR 705 million) from Level 1 to Level 2 and financial assets of EUR 201 million (compared to H1 2021: EUR 117 million) from Level 2 to Level 1. Financial assets of EUR 764 thousand were reclassified from Levels 1 and 2 to Level 3.

### Zavarovalnica Triglav

				in EUR
As at 30 June 2022	Level 1	Level 2	Level 3	Total
Equity securities	92,548,487	0	91,885,575	184,434,062
Debt securities	340,232,574	874,329,938	0	1,214,562,512
Derivative financial instruments	0	0	0	0
Unit-linked financial assets	475,421,379	4,294,654	0	479,716,033
Investments in associates	0	0	41,693,997	41,693,997
<b>Total</b>	<b>908,202,440</b>	<b>878,624,592</b>	<b>133,579,572</b>	<b>1,920,406,604</b>

				in EUR
As at 31 December 2021	Level 1	Level 2	Level 3	Total
Equity securities	120,508,156	0	85,081,928	205,590,084
Debt securities	356,825,433	1,232,776,388	0	1,589,601,822
Derivative financial instruments	0	20,317	0	20,317
Unit-linked financial assets	530,759,767	8,658,205	0	539,417,972
Investments in associates	0	0	41,693,996	41,693,996
<b>Total</b>	<b>1,008,093,356</b>	<b>1,241,454,910</b>	<b>126,775,924</b>	<b>2,376,324,191</b>

In the first six months of 2022, Zavarovalnica Triglav reclassified financial assets of EUR 158 million (compared to H1 2021: EUR 564 million) from Level 1 to Level 2 and financial assets of EUR 167 million (compared to H1 2021: EUR 70 million) from Level 2 to Level 1. No financial assets were reclassified from Levels 1 and 2 to Level 3.

## Value assessment techniques and inputs used for measurement purposes

Financial investment type	Value assessment method	Material parameters	Parameter weight applied	Fair value
<b>EXTERNAL APPRAISERS (market operator)</b>				
Debt securities - composite	Stochastic model, HW1f and HW2f network models	EUR SWAP interest rate curve, issuer credit spreads, comparable issuer credit spreads, interest rate volatility, correlation matrix, volatility indices		Level 2
Debt securities – compound with exposure to stock markets	Stochastic model	EUR SWAP interest rate curve, issuer credit spreads, comparable issuer credit spreads, interest rate volatility, volatility indices		Level 2
Derivatives	Black-Scholes model	Index volatility		Level 2
<b>BLOOMBERG BVAL</b>				
Debt securities – companies, financial institutions and government	Cash flow discounting according to amortisation schedule	EUR SWAP interest rate curve, issuer credit spreads, comparable issuer credit spreads, indicative listings		Level 2
<b>INTERNAL APPRAISERS</b>				
Debt securities - government	Cash flow discounting according to amortisation schedule	Republic of Slovenia interest rate yield curve	yield curve issued by Republic of Slovenia (Bloomberg ID: I259 Currency); credit spread between 0% and 1.14%	Level 2
Debt securities - companies and financial institutions	Cash flow discounting according to amortisation schedule	Republic of Slovenia interest rate yield curve, issuer credit spreads	yield curve issued by Republic of Slovenia (Bloomberg ID: I259 Currency); credit spread between 1.71% and 4.24%	Level 2
Equity securities	Cash flow discounting	g (growth rate during constant growth period)	2.0%	Level 3
		EBIT margin (constant growth period)	16.10% - 36.11%	
		Discount rate	9.29% - 11.18%	
		Lack of marketability discount	6.50% - 18%	
	NAV method	Real property price changes		
Market approach	MVIC/EBITDA			
Equity investment in associates	Equity method	Accumulated gains and losses		Level 3
Real property for own use	Income approach, market approach, land residual method (analysis of the most economical use of development)	Capitalisation rate, market prices of comparable real property	7.5% - 15% depending on risk/location	Level 3
Investment property			Market values based on information available	



## Changes of Level 3 financial assets

	Triglav Group		Zavarovalnica Triglav	
	2022	2021	2022	2021
Opening balance as at 1 January	92,768,593	71,939,935	126,775,924	97,319,449
Purchases	5,025,997	13,450,743	4,821,464	16,391,506
Disposals	-1,369,664	-7,481,018	-1,429,599	-7,430,883
Revaluations through income statement	112,518	-157,551	62,075	106,403
Revaluations through Equity	3,349,707	2,032,973	3,349,708	2,032,910
Transfers from Level 1 and Level 2	763,753	0	0	0
Exchange rate difference	-732	3,308	0	0
Closing balance as at 30 June	100,650,172	79,788,390	133,579,572	108,419,385

in EUR

The value of the Triglav Group's financial assets classified into Level 3 increased in the first half year of 2022 as a result of the payments into venture capital funds. Disposals relate entirely to payouts from these funds. Revaluation through capital is the result of the favourable movement of the value of alternative funds in the reporting period.

### Subordinated debt instruments

Zavarovalnica Triglav has one issued subordinate bond, which is included in its capital adequacy. The bond was issued in 2019 as part of the Group's regular capital management to ensure its optimal composition and cost efficiency and to replace the bond that matured on 21 March 2020. The Company did not issue any new debt securities in the period from 1 January to 30 June 2022. The same applies to other Group members.

### Contingent liabilities

No contingent liabilities in the form of guarantees given were recognised in the first six months of 2022 by the Company. In the reporting period, no contingent liabilities for the guarantees given were created by any Group member.

### Distribution of accumulated profit

On 24 May 2022, the General Meeting of Shareholders of Zavarovalnica Triglav decided on the distribution of accumulated profit, totalling EUR 87,660,380 as at 31 December 2021. A part of the accumulated profit in the amount of EUR 84,120,048 was allocated to dividend payments, amounting to EUR 3.70 gross per share. The dividends were paid on 8 June 2022. The distribution of the remaining part of accumulated profit shall be decided on in the coming years.

## 2.8 Changes in equity stakes in subsidiaries and business combinations

### Purchase of shares of Triglav Osiguruvanje a.d., Skopje from non-controlling interest holders

In the first quarter of 2022, Triglav INT d.d., Ljubljana acquired a 0.36% participating interest in Triglav Osiguruvanje a.d., Skopje from non-controlling interest holders, thereby becoming its 81.69% owner. The consideration totalled MAK 2.2 million or EUR 36 thousand. The effect of the acquisition of the non-controlling interest was recognised in the consolidated financial statements as an increase in share premium of EUR 21 thousand.

### **Transfer of the participating interest in Triglav Savetovanje d.o.o., Belgrade**

In the first quarter of 2022, Triglav svetovanje d.o.o., Domžale sold its 51% participating interest in Triglav Savetovanje d.o.o., Belgrade to Triglav Osiguranje d.d., Belgrade. As a result, Triglav Osiguranje d.d., Belgrade became a 100% owner of Triglav Savetovanje d.o.o., Belgrade. This transaction did not have an impact on the Group's consolidated financial statements.

### **Establishment of Triglav zdravje asistenca, družba za zdravstveno dejavnost d.o.o.**

In the first quarter of 2022, Triglav, Zdravstvena zavarovalnica d.d. established the subsidiary Triglav zdravje asistenca, družba za zdravstveno dejavnost d.o.o., in which it holds a 100% participating interest. The new company is included in the Triglav Group's consolidated financial statements under the full consolidation method.

### **Transfer of the participating interest in Triglav Savjetovanje d.o.o., Zagreb**

In the first six months of 2022, Triglav svetovanje d.o.o., Domžale sold its 51% participating interest in Triglav Savjetovanje d.o.o., Zagreb to Triglav Osiguranje d.d., Zagreb. As a result, Triglav Osiguranje d.d., Zagreb became a 100% owner of Triglav Savjetovanje d.o.o., Zagreb. This transaction did not have an impact on the Group's consolidated financial statements.

### **Capital increase of Triglav, pokojninska družba d.d.**

Zavarovalnica Triglav d.d. carried out two capital increases in the first half of 2022. The first capital increase was performed at the end of May in the amount of EUR 8 million, and the second in June in the amount of EUR 37 million. Both capital increases in the total amount of EUR 45 million were carried out with in-cash contributions. With the capital increases, Zavarovalnica Triglav remained a 100% owner of said company. The capital increases did not affect the consolidated financial statements of the Triglav Group.

## 2.9 Related party transactions

### Revenues of the Management and Supervisory Board

In the first half year of 2022 the Management Board members were paid the following amounts as compensation for their work:

	in EUR						
First and last name	Fixed remuneration – gross (1)*	Variable remuneration (bonuses) – gross (2)	Total gross (3=1+2)	Total remuneration – net (4)	Insurance premium – benefits and SVPI (5)**	Other benefits (6)***	Total benefits and SVPI (7=5+6)
Andrej Slapar	105,986	56,210	162,196	63,772	36,127	4,722	40,849
Uroš Ivanc	100,801	53,399	154,200	62,837	26,192	469	26,661
Tadej Čoroli	100,801	53,399	154,200	62,205	26,192	2,531	28,723
Barbara Smolnikar	100,242	53,399	153,641	61,407	26,137	2,531	28,668
David Benedek	100,801	34,786	135,587	53,627	26,192	3,262	29,454
Marica Makoter	100,801	53,399	154,200	61,783	26,192	2,249	28,441
<b>TOTAL</b>	<b>609,432</b>	<b>304,592</b>	<b>914,024</b>	<b>365,631</b>	<b>167,032</b>	<b>15,764</b>	<b>182,796</b>

\* Fixed remuneration includes salary, holiday pay and jubilee benefits.

\*\* Insurance premiums include premiums for supplementary pension insurance, accident insurance, liability insurance and other types of insurance.

\*\*\* Other benefits include company cars.

The disclosure does not include travel expenses, accommodation costs and daily allowance as, by their nature, they are not considered remuneration of the Management Board. In the reporting period members of the Management Board did not receive any payments for their work in subsidiaries.

As at 30 June 2022 Zavarovalnica Triglav, d.d. had the following liabilities to the Management Board members:

				in EUR
<b>Liabilities as at 30 June 2022</b>				
<b>First and last name</b>	<b>Deferred variable remuneration (bonuses) – gross (1)</b>	<b>Fixed remuneration (salary) – gross, jubilee benefits and reimbursement (2)</b>	<b>Total liabilities (3=1+2)</b>	
Andrej Slapar	62,870	17,571	80,441	
Uroš Ivanc	59,727	16,743	76,470	
Tadej Čoroli	59,727	16,660	76,387	
Barbara Smolnikar	59,727	17,561	77,288	
David Benedek	56,303	16,691	72,994	
Marica Makoter	59,727	16,709	76,436	
<b>TOTAL</b>	<b>358,081</b>	<b>101,935</b>	<b>460,016</b>	

The Company's receivables from the Management Board members relate exclusively to receivables from salary deductions. The amounts of these are negligibly low.

In the first half year of 2022 the Supervisory Board members and members of Committees were paid the following amounts as compensation for their work:

in EUR

First and last name	Flat-rate remuneration – gross (1)	Attendance fees – gross (2)	Total gross (1+2)	Total net	Travel expenses – gross	Travel expenses – net
Andrej Andoljšek	10,938	1,045	11,983	8,715	0	0
Branko Bračko	9,219	1,045	10,264	7,465	466	339
Tomaž Benčina	8,594	1,485	10,079	7,330	469	341
Peter Kavčič	9,375	1,925	11,300	8,218	1,060	771
Igor Stebernak	7,813	1,705	9,518	6,270	0	0
Jure Valjavec	7,813	1,485	9,298	6,762	240	175
Peter Celar	7,813	1,485	9,298	6,762	353	257
Branko Gorjan	7,813	1,045	8,858	6,442	240	175
Igor Zupan	7,813	1,705	9,518	6,922	240	175
Luka Kumer*	3,125	1,100	4,225	3,073	0	0
<b>TOTAL</b>	<b>80,316</b>	<b>14,025</b>	<b>94,341</b>	<b>67,959</b>	<b>3,068</b>	<b>2,233</b>

\* External members sitting on committees and the Supervisory Board.

As at 30 June 2022 Zavarovalnica Triglav, d.d. had the following liabilities to the Supervisory Board members and members of Committees:

First and last name	Liabilities as at 30 June 2022
Andrej Andoljšek	2,188
Branko Bračko	1,844
Tomaž Benčina	1,719
Peter Kavčič	1,875
Igor Stebernak	1,563
Jure Valjavec	1,563
Peter Celar	1,563
Branko Gorjan	1,563
Igor Zupan	1,563
Luka Kumer*	625
<b>TOTAL</b>	<b>16,066</b>

\* External members sitting on committees and the Supervisory Board.

## Transactions with subsidiaries

In daily business operations, many insurance transactions are carried out with subsidiaries of Zavarovalnica Triglav. These transactions are performed at arm's length and at market prices. Their volume is shown below.

	in EUR	
	30 June 2022	31 December 2021
<b>ASSETS</b>		
Right of use Asset	810,385	888,293
Shares	176,924,131	131,924,683
Debt securities and loans	1,230,731	2,146,807
Insurance premium receivables from policyholders	23,934	10,027
Premium receivable from re-insurance	12,207,833	7,002,697
Receivables from co-insurers' share in claim	2,978	2,630
Receivables from re-insurers' share in claim	10,545,487	6,478,503
Other short-term receivables from insurance operation	204,074	228,795
Short term receivables from financing	15,031,161	21,531
Other short-term receivables	1,009,176	752,713
Short-term deferred expenses	79,927	30,732
<b>LIABILITIES</b>		
Liabilities to policyholders	0	17,925
Liabilities to agents and brokers	423,950	419,562
Liabilities to insurances for co-insurance premium	40,883	24,248
Liabilities for re-insurance premiums	16,618,182	10,967,485
Liabilities for re-insurers' share in claims	-156,887	5,909,345
Other short-term liabilities	184,534	174,610
Lease liabilities	840,611	915,166

	in EUR	
	H1 2022	H1 2021
<b>INCOME AND EXPENSES</b>		
Gross written premium and active reinsurance premium	15,366,884	19,995,513
Outward re-/co-insurance premium (-)	-59,983,038	-47,771,945
<b>Net premium income</b>	<b>-44,616,154</b>	<b>-27,776,432</b>
Reinsurance commission income	14,812,637	9,801,675
Other income from insurance operations	765,940	721,320
Interest income	21,814	118,945
Other insurance income	564,185	516,174
Fees and commission income	2,684,224	2,045,780
Income from land and buildings	422,100	355,739
Other income	289,250	287,630
Dividends	20,436,768	0
Other income from financial assets	6,381	696
<b>TOTAL INCOME</b>	<b>-4,612,854</b>	<b>-13,928,473</b>
Gross claims settled	759,851	-980,071
Re-/co-insurers' share in gross claim	-13,597,852	-14,760,369
<b>Net claims</b>	<b>-12,838,001</b>	<b>-15,740,440</b>
Expenses for reinsurance premiums	-1,950,336	-1,879,295
Other financial expenses	-43,375	-2,938
Interest expenses	-10,378	-10,437
Depreciation of right of use assets	-60,989	-61,656
<b>TOTAL EXPENSES</b>	<b>-14,903,079</b>	<b>-17,694,766</b>

## Transactions with associates

In daily business operations, many insurance transactions are carried out with associated companies of Zavarovalnica Triglav. These transactions are performed at arm's length and at market prices. Their volume is shown below, separately for Zavarovalnica Triglav and for the Triglav Group.

	Triglav Group		Zavarovalnica Triglav		in EUR
	30 June 2022	31 December 2021	30 June 2022	31 December 2021	
<b>ASSETS</b>					
Shares	36,898,948	36,031,346	41,693,997	41,693,997	
Receivables from insurers	2,631	8,857	2,631	8,693	
<b>LIABILITIES</b>					
Liabilities to agents and brokers	5,616	2,250	5,473	4,446	
Other short - term liabilities	1,789	1,561	0	0	
Accrued expenses	515	450	0	0	

	Triglav Group		Zavarovalnica Triglav		in EUR
	H1 2022	H1 2021	H1 2022	H1 2021	
Gross written premium	66,074	69,217	66,074	68,235	
Income from dividends	0	0	63,345	0	
<b>TOTAL INCOME</b>	<b>66,074</b>	<b>69,217</b>	<b>129,419</b>	<b>68,235</b>	
Gross claims settled	-1,576	-5,029	-1,576	-5,029	
Acquisition costs	-1,143	-862	0	0	
Other expenses	-30,000	0	0	0	
<b>TOTAL EXPENSES</b>	<b>-32,719</b>	<b>-5,891</b>	<b>-1,576</b>	<b>-5,029</b>	

## Transactions with shareholders and shareholder-related companies

The largest shareholders of Zavarovalnica Triglav are Zavod za pokojninsko in invalidsko zavarovanje Slovenije (Pension and Disability Insurance Institute of Slovenia – ZPIZ) and Slovenski državni holding (Slovenian Sovereign Holding – SDH), which hold a 34.47% and a 28.09% participating interest respectively.

The shareholder-related companies are those in which SDH has a majority participating interest or dominant influence. As at 30 June 2022, there were two such companies, with which neither the Company nor the Group have significant transactions.

Business cooperation with the two largest shareholders and the state-related companies is limited to regular business cooperation. In the reporting period, Zavarovalnica Triglav d.d. paid dividends of EUR 29 million to Zavod za pokojninsko in invalidsko zavarovanje (the Pension and Disability Insurance Institute of Slovenia) and dividends of EUR 23.6 million to Slovenski državni holding (the Slovenian Sovereign Holding). There were no other material individual transactions with the abovementioned companies.

## **2.10 Significant events after the reporting date**

During the period between the end of the reporting period and the date of approval of the financial statements, there were no adjusting events that would affect the compiled financial statements of Zavarovalnica Triglav and the Triglav Group for the period from 1 January to 30 June 2022 as well as no significant non-adjusting events.